

February 9, 2015  
Town of Albion

Agenda:

1. Call Meeting to Order
2. Pledge of Allegiance
3. Exit Message
4. FYI: Remind Residents to Sign Attendance Sheet
5. Roll Call
6. Public Comment
7. Motion to approve minutes of the January 6<sup>th</sup> and 12<sup>th</sup> meetings.
8. Resolution to approve vouchers
9. Motion to pay health care bills in the amount of \$7,438.67.
10. Resolution to accept audit of Town Clerk, Tax Receiver and Court Clerk
11. Sewer District #3 – Todd
12. Chatfield Engineers as Town Engineer
13. Property Tax Cap submission
14. Town Historian
15. Executive Session

**TOWN OF ALBION, NEW YORK  
JUSTICE COURT, TOWN CLERK  
AND TAX COLLECTOR  
DEPARTMENTS**

**Independent Accountant's Report  
On Applying Agreed-Upon Procedures  
For the Year Ended December 31, 2014**

# INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

January XX, 2015

To the Town Board of the  
Town of Albion, New York:

We have performed the procedures enumerated below, which were agreed to by the Town of Albion, New York (the Town) and the Town's Justice Court, Town Clerk, and Tax Collector Departments (collectively, the Departments) (the specified parties), solely to assist in evaluating the Town's and the Departments' compliance with the agreed-upon procedures listed below during the year ended December 31, 2014. Management of the Town is responsible for the Town's and the Departments' compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

## **Justice Court**

### **Procedure #1**

Document our understanding of the internal accounting controls over the procedures for handling cash and recording transactions through discussions with the Court Clerk.

### **Findings**

Procedure performed without exception.

### **Procedure #2**

Obtain a haphazard sample of bank reconciliations for each of three months selected (February, June and September 2014) for each Justice's bank account and compare to supporting documentation such as original bank statements and outstanding checklists.

### **Findings**

Procedure performed without exception.

### **Procedure #3**

Obtain a haphazard sample of 10 receipts and 10 disbursements from each Justice's bank account for the year ended December 31, 2014 and compare to supporting documentation such as ticket, casework, or monthly report.

### **Findings**

Procedure performed without exception.

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES**  
(Continued)

**Justice Court (Continued)**

**Procedure #4**

Obtain the bail account balances of both Justices as of the year ended December 31, 2014 and compare to Bail Defendant's Report.

**Findings**

Procedure performed without exception.

**Town Clerk**

**Procedure #1**

For the cash receipts process, determine whether:

- a. The cash receipts journal is up to date and maintained in a manner that identifies the date received, payer, purpose and that the amounts received are referenced to subsidiary receipt records.
- b. Un-deposited cash receipts are kept safeguarded.
- c. Duplicated deposit slips are maintained.
- d. Deposit amounts per the bank statement agree with cash receipt amounts based on a haphazard sample of 5 cash receipts.
- e. Deposits are taken to the bank and recorded timely, with timely defined as no later than the third business day after \$250 has been collected, based on a haphazard sample of 5 deposits.

**Findings**

a-e. Procedures performed without exception.

**Procedure #2**

The cash receipts journal is totaled and summarized monthly.

**Findings**

Procedure performed without exception.

**Procedure #3**

For the cash disbursements process, determine whether:

- a. The cash disbursements journal is up to date and maintained in a manner that identifies amounts disbursed either individually or totals referenced to abstracts or payroll.
- b. Pre-numbered check stock is used for disbursements.
- c. Obtain a haphazard sample of 5 checks to ensure they are signed by the Town Clerk.
- d. Obtain a haphazard sample of 5 checks and note if these cancelled checks or check images are returned with bank statements and maintained on file.
- e. Unused checks are properly controlled (blank check stock).
- f. Checks are recorded in the disbursements journal and are up-to-date.

**Findings**

a-f. Procedures performed without exception.

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES**  
(Continued)

**Town Clerk (Continued)**

**Procedure #4**

We will obtain a haphazard sample of bank reconciliations (March, July, and October 2014) to identify if they are reconciled timely, with timely defined as within 5-7 business days of receipt of the statement, or 7-10 business days of month-end, and that reconciliations are documented, reviewed and agree with accounting records.

**Findings**

We noted that the Town Clerk did not perform formally documented bank reconciliations at the end of each month. Instead, bank balances were reviewed online and balanced daily.

**Tax Collector**

**Procedure #1**

Obtain the Tax Collector's settlement statement and determine whether all issues/concerns have been adequately resolved.

**Findings**

Procedure performed without exception.

**Procedure #2**

Obtain a haphazard sample of bank accounts (March, August, and November 2014) to identify if they are reconciled timely, with timely defined as within 5-7 business days of receipt of the statement, or 7-10 business days of month-end, and that reconciliations are documented, reviewed and agree with accounting records.

**Findings**

We noted that the Tax Collector did not perform formally documented bank reconciliations at the end of each month. Instead, bank balances were reviewed online and balanced daily.

**Procedure #3**

For the cash receipts process, determine whether:

- a. The cash receipts journal is up to date and maintained in a manner that identifies the date received, payer, tax account number, tax amount, and interest amount.
- b. Duplicate deposit slips are maintained.
- c. Deposit amounts per the bank statement agree with cash receipt amounts based on a haphazard sample of 5 cash receipts.
- d. Deposits are taken to the bank and recorded timely, with timely defined as within one business day of collection based on a haphazard sample of 5 receipts.

**Findings**

Procedures performed without exception.

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES**  
(Continued)

**Tax Collector (Continued)**

**Procedure #4**

For the cash disbursements process, determine whether:

- a. Pre-numbered check stock is used for disbursements other than petty cash.
- b. Obtain a haphazard sample of 5 checks to ensure they are signed by the Tax Collector.
- c. Cancelled checks or check images are returned with bank statements and maintained on file.
- d. Payments are made at least weekly to the Supervisor, when required.

**Findings**

a-c. Procedures performed without exception.

- d. We noted one (1) instance (January 12, 2014 through January 19, 2014) in which payment to the Supervisor was not made weekly when required.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Town Board, management of the Town, the Justice Court, Town Clerk and Tax Collector Departments and is not intended to be and should not be used by anyone other than those specified parties.