

TOWN OF CAROGA

CAROGA LAKE, NEW YORK

REPORT ON APPLYING AGREED-UPON PROCEDURES

NOVEMBER 30, 2023

PHILIP BECKETT CPA, P.C.
132 East State Street Gloversville, New York 12078

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

To the Supervisor and Members of Town Council
Town of Caroga
Caroga Lake, New York

We have performed the procedures described below solely to assist you in evaluating the accuracy of the Town of Caroga's (Town) processing of cash receipts, cash disbursements, and payroll for the eleven (11) months ended November 30, 2023. The Town's management is responsible for the processing of cash receipts, cash disbursements, and payroll.

The Town's management has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating the accuracy of the Town's processing of cash receipts, cash disbursements, and payroll. This report may not be suitable for any other purpose. The procedures performed may not address all items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Cash Receipts, Cash Disbursements, and Payroll

Our procedures and findings regarding cash receipts, cash disbursements, and payroll are as follows:

1. We obtained the monthly General Ledgers, Balance Sheets, and Statements of Revenues & Expenditures, as well as bank statements and bank reconciliations, check registers, vouchers, and voucher abstracts for the months of February, July, and November 2023. We also obtained the bank deposit slips, and Town Clerk and Town of Caroga Justice Court monthly reports for February 2023.
 - a. For cash receipts, we compared the information on the Town Clerk and Town of Caroga Justice Court monthly reports with the amounts reported as deposits in the general ledger, statement of revenues & expenditures, and the bank statements for every deposit for the month of February 2023. We also compared the amounts on the deposit slips with the amounts deposited in the bank accounts, and traced the interest income amounts shown on the February 2023 bank statements to the general ledger and the statement of revenues & expenditures.
 - No exceptions were found as a result of applying these procedures.
 - b. For cash disbursements, we traced the underlying vendor invoices to the vouchers, and then compared the vouchers to the voucher abstracts prepared by the Town Clerk and the Town Bookkeeper for the month of February 2023. We also compared the check register with the vouchers for all of February 2023. We then traced the check register to the amounts reported as expenditures or cash disbursements in the general ledger, statement

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

of revenues and expenditures, and the bank statements for every disbursement for the month of February 2023. We repeated the same steps for amounts over \$1,000 for the months of July and November 2023.

- No exceptions were found as a result of applying these procedures.
- c. For payroll, we observed the timecards prepared by the members of the highway department and the time sheets prepared by other non-salaried employees for the pay periods ending February 12, 2023 and January 29, 2023. We did not recalculate the gross wages for the hourly employees, but we did recalculate the net pay amounts and traced those disbursements to the general ledger and statement of revenues & expenditures.
 - No exceptions were found as a result of applying these procedures.
- d. For the bank reconciliations, we recalculated the bank reconciliations for all of the bank accounts for all 3 of the sample months selected, and traced the reconciled balances to the balance sheets.
 - Several old outstanding checks were observed in the bank reconciliations, 3 totaling \$1,796.98 in the general account, 1 for \$169.36 in the trust & agency account. These checks should be voided in the current year and removed as reconciling items due to their age.
 - There also appears to be an unreconciled difference in the golf course account of \$498.08 in November 2023. This should be analyzed to determine if there are unrecorded deposits in the general ledger, or if this difference cleared itself in December.

We were engaged by the Town to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the cash receipts, cash disbursements, and payroll of the Town for the period ended November 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The concept of materiality does not apply to findings to be reported in an agreed-upon procedures engagement. Therefore, all findings from the application of the agreed-upon procedures must be reported unless the definition of materiality is agreed to by the Town's management. Management of the Town has agreed that the following deficiencies will not be included in the

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

Independent Accountant's Report on Applying Agreed-Upon Procedures:

- Errors of less than \$500 related to cash receipts and non-payroll disbursement transactions.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the management of the Town of Caroga, and is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



Philip Beckett CPA, P.C.
Gloversville, NY

December 29, 2023

TOWN OF CAROGA
Caroga Lake, New York

**MANAGEMENT REPRESENTATION LETTER RELATING TO
AGREED-UPON PROCEDURES**

Date: December 29, 2023

Philip Beckett CPA, P.C.
132 East State Street
Gloversville, New York 12078

COPY

This representation letter is provided in connection with your engagement to apply agreed-upon procedures to certain financial information as of and for the period ended November 30, 2023.

We confirm that, to the best of our knowledge and belief, as of December 29, 2023, the following representations made to you during your engagement:

1. We are responsible for complying with laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of the financial information, including legal and contractual provisions for reporting specific activities in separate funds.
2. We are responsible for establishing and maintaining effective internal control over compliance.
3. The Town has complied with all aspects of contractual agreements that would have a material effect on the financial information in the event of noncompliance.
4. There have been no communications from regulatory agencies, internal auditors, or other independent accountants or consultants regarding possible noncompliance with provisions of New York State statutes or contractual agreements between November 30, 2023 and the date of this letter.
5. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
6. We have no knowledge of any fraud or suspected fraud affecting the Town involving administrative officials or employees who have significant roles in internal control or others where the fraud could have a material effect on the financial information.
7. We have no knowledge of any allegations of fraud or suspected fraud affecting the Town received in communications from employees, former employees, analysts, regulators, or others.
8. We have made available to you, if and to the extent requested by you, all information that we believe is relevant to the financial information and documentation and other information related to compliance requirements.
9. We are responsible for the sufficiency of the agreed-upon procedures criteria and it is appropriate for our purposes.

10. We have responded fully to all inquiries made to us by you during the engagement and have not knowingly withheld from you any financial records or related data that in our judgment would be relevant to your engagement.
11. To the best of our knowledge and belief, no events, including instances of noncompliance, have occurred subsequent to November 30, 2023 and through the date of this letter that would require adjustment to the selected financial information or to our assertions.
12. In regard to any non-attest services performed by you, we have:
 - a. Made all management decisions and performed all management functions.
 - b. Designated an individual with suitable skill, knowledge, and/or experience within senior management to oversee the services.
 - c. Evaluated the adequacy and results of the services performed.
 - d. Accepted responsibility for the results of the service.
 - e. Established and maintained internal controls, including ongoing activities.
13. We understand that your report is intended solely for the information and use of the Town of Caroga, federal and state agencies, and is not intended to be and should not be used by anyone other than those specified parties.

Authorized Signature: 

Title: Supervisor

Date: 12/27/2023