



## **TOWN OF CAIRO**

### **GENERAL/REGULAR MEETING AGENDA**

**January 9, 2013 @ 4:15/4:30PM**

**Location: Town Hall, Cairo**

**Call to Order**

**Pledge of Allegiance**

**Attendance**

**Comments**

**Approval of Minutes**

**Work Sessions with Departments as applicable: Code Enforcement**

**Appointments & Resolutions**

**Unfinished Business**

- **Hometown Heroes Banners Program**
- **Labor Contracts**
- **DARE Program Update**
- **Old Library Renovation**
- **Solar Energy Update**
- **Williams St Drainage**

**New Business**

**Correspondence**

**Adjournment**

**TOWN OF CAIRO**

**January 9, 2013**

**RESOLUTION NO.     -13**

**“Appointing Auditing Firm for the Town of Cairo”**

Councilperson \_\_\_\_\_ offered the following resolution and moved its adoption:

BE IT RESOLVED, that the Town Board of the Town of Cairo does hereby appoint Pattison, Koskey, Howe & Bucci, CPAs, P.C, as the Auditing Firm for the Town of Cairo according to the terms provided in the Letter of Understanding dated December 27, 2012, the Engagement Letters dated December 31, 2012, and the Audit Objectives dated December 24, 2012.

BE IT FURTHER RESOLVED, that the Town Board of the Town of Cairo does hereby authorize the Town Supervisor to sign the aforementioned letters & Objectives.

SECONDED BY COUNCILPERSON \_\_\_\_\_

COUNCILPERSON JOYCE	AYE	NAY
COUNCILPERSON OSTRANDER	AY E	NAY
COUNCILPERSON PUORRO	AYE	NAY
COUNCILPERSON SUTTMEIER	AYE	NAY
SUPERVISOR BANTA	AYE	NAY

AYE \_\_\_\_\_ NAY \_\_\_\_\_ ABSENT \_\_\_\_\_ CARRIED \_\_\_\_\_ DEFEATED \_\_\_\_\_

**TOWN OF CAIRO**

**January 9, 2013**

**RESOLUTION NO.     -13**

**“Authorization for Court Clerk to Attend NYS Assoc. Of  
Towns 2013 Training School and Annual Meeting”**

Councilperson \_\_\_\_\_ offered the following resolution and moved its adoption:

BE IT RESOLVED, that the Town Board of the Town of Cairo does hereby authorize Joan VanDenburgh to attend the NYS Assoc. of Towns 2013 Training School and Annual Meeting on February 17 – 20, 2013 at a cost of \$100.00 for training and \$256.00 per night for lodging accommodations;

AND BE IT FURTHER RESOLVED, that the Town Board does hereby approve a cash advance in the amount of \$400.00 to cover food, round trip AMTRAK train ticket and incidental expenses. All expenses will be incurred according to the Town of Cairo Travel Policy.

SECONDED BY COUNCILPERSON \_\_\_\_\_

COUNCILPERSON JOYCE	AYE	NAY
COUNCILPERSON OSTRANDER	AY E	NAY
COUNCILPERSON PUORRO	AYE	NAY
COUNCILPERSON SUTTMEIER	AYE	NAY
SUPERVISOR BANTA	AYE	NAY

AYE \_\_\_\_\_ NAY \_\_\_\_\_ ABSENT \_\_\_\_\_ CARRIED \_\_\_\_\_ DEFEATED \_\_\_\_\_

**TOWN OF CAIRO**

**January 9, 2013**

**RESOLUTION NO.     -13**

**“Joe DeAngelis Rate Increase”**

Councilperson \_\_\_\_\_ offered the following resolution and moved its adoption:

BE IT RESOLVED, that the Town Board of the Town of Cairo does hereby authorize a pay rate increase for Joseph DeAngelis to \$16.07 per hour retroactive from January 1, 2013.

SECONDED BY COUNCILPERSON \_\_\_\_\_

COUNCILPERSON JOYCE	AYE	NAY
COUNCILPERSON OSTRANDER	AY E	NAY
COUNCILPERSON PUORRO	AYE	NAY
COUNCILPERSON SUTTMEIER	AYE	NAY
SUPERVISOR BANTA	AYE	NAY

AYE \_\_\_\_\_ NAY \_\_\_\_\_ ABSENT \_\_\_\_\_ CARRIED \_\_\_\_\_ DEFEATED \_\_\_\_\_



PATTISON, KOSKEY, HOWE & BUCCI, CPAs, P.C.

www.pkhbcpa.com

Richard P. Koskey, CPA  
Ned Howe, CPA  
A. Michael Bucci, CPA  
Bradley Cummings, CPA, CVA  
Suzanne E. Muldoon, CPA  
Nancy K. Patzwahl, CPA  
Matthew H. VanDerbeck, CPA

Reginald H. Pattison, CPA (1910-2002)  
Jon Rath, CPA (Retired)

Jean Howe Lossi, EA  
N. Thérèse Wolfe, EA  
Carol LaMont Howe, EA

December 27, 2012

To the Town Supervisor Ted Banta  
and Town of Cairo Board Members:

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for the Town of Cairo.

We will apply the agreed-upon procedures which the Town of Cairo Board has specified, listed in the attached schedule, to the Town Clerk of the Town of Cairo for the periods of January 1, 2012 through December 31, 2012 prepared in accordance with the Local Government Management Guide: Fiscal Oversight Responsibilities. This engagement is solely to assist Town of Cairo in procedures of the Town Clerk. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

We do acknowledge that our procedures were designed and developed based on recommendations provided by the Local Government Management Guide: Fiscal Oversight Responsibilities promulgated by the New York State Office of the Comptroller.

Because the agreed-upon procedures listed in the attached schedule #1 does not constitute an examination, we will not express an opinion on the Town of Cairo Town Clerk. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule. If additional procedures are requested by the Town we will submit an additional proposal (addendum) prior to undertaking any new procedures.

We will submit a report listing the procedures performed and our findings. This report is intended solely for the use of the Town of Cairo Board Members, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

502 Union Street  
Hudson, NY 12534  
Tel: 518-828-1565  
Fax: 518-828-2672

45 Five Mile Woods Road, Suite 1  
Catskill, NY 12414  
Phone: 518-943-4502  
Fax: 518-943-6532

2880 Route 9, Suite 2  
Valatie, NY 12184  
Tel: 518-758-6776  
Fax: 518-758-6779

The attest documentation for this engagement is the property of Pattison, Koskey, Howe & Bucci, CPAs, P.C. and constitutes confidential information. However, we may be requested to make certain attest documentation available to governmental agencies pursuant to authority given to it by law or regulation. If requested, access to such attest documentation will be provided under the supervision of Pattison, Koskey, Howe & Bucci, CPAs, P.C. personnel.

You are responsible for the presentation of the Town Clerk in accordance with Local Government Management Guide: Fiscal Oversight Responsibilities; and for selecting the criteria and determining that such criteria are appropriate for your purposes. You are also responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, and/or experience to oversee the agreed upon procedures we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

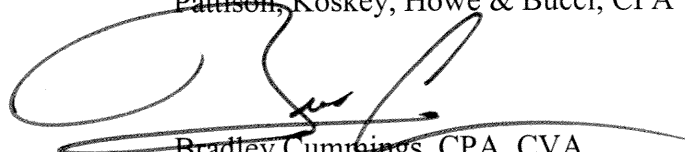
Bradley Cummings, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We plan to perform our procedures in February 2013 and, unless unforeseeable problems are encountered, the engagement should be completed by February 28, 2013. At the conclusion of our engagement, we will require a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the Town Clerk in accordance with Local Government Management Guide: Fiscal Oversight Responsibilities.

Our fees for these services are included on the monthly attestation engagement letter. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of procedures.

Very truly yours,  
Pattison, Koskey, Howe & Bucci, CPA's, P.C.



Bradley Cummings, CPA, CVA  
Shareholder

RESPONSE:

This letter correctly sets forth the understanding of Town of Cairo:

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

## Schedule #1

December 31, 2012, Attachment to Town of Cairo Town Clerk, Engagement letter

Our agreed upon procedures will include:

- 1 Obtain an understanding of the Town Clerk procedures including any written procedural documentation, perform walkthroughs, and observations.
- 2 Obtain the monthly Town Clerk reports, monthly and daily cash receipt reports, check register and bank statements.
- 3 Support daily cash receipts to appropriate receipts, agreeing amounts and noting timeliness of deposits.
- 4 Compare monthly Town Clerk reports to monthly and daily cash receipt reports, agreeing amounts reported for accuracy.
- 5 Trace amounts remitted to the Town Supervisor and other governmental entities, per monthly Town Clerk reports, to cancelled checks and agreeing amounts paid.
- 6 Review building permits issued, noting sequential order, agreeing total collected and selecting and testing a sample to verify fees charged were correctly calculated.



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Carol LaMont Howe, EA

December 27, 2012

To the Town Supervisor Ted Banta  
and the Town of Cairo Board Members:

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for the Town of Cairo.

We will apply the agreed-upon procedures which the Town of Cairo Board has specified, listed in the attached schedule, to the Town Tax Collector of the Town of Cairo for the periods of January 1, 2012 through December 31, 2012 prepared in accordance with the Local Government Management Guide: Fiscal Oversight Responsibilities. This engagement is solely to assist Town of Cairo in procedures of the Town Tax Collector. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

We do acknowledge that our procedures were designed and developed based on recommendations provided by the Local Government Management Guide: Fiscal Oversight Responsibilities promulgated by the New York State Office of the Comptroller.

Because the agreed-upon procedures listed in the attached schedule #1 does not constitute an examination, we will not express an opinion on the Town of Cairo Tax Collector. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule. If additional procedures are requested by the Town we will submit an additional proposal (addendum) prior to undertaking any new procedures.

We will submit a report listing the procedures performed and our findings. This report is intended solely for the use of the Town of Cairo Board Members, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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You are responsible for the presentation of the Town Tax Collector in accordance with Local Government Management Guide: Fiscal Oversight Responsibilities; and for selecting the criteria and determining that such criteria are appropriate for your purposes. You are also responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, and/or experience to oversee the agreed upon procedures we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

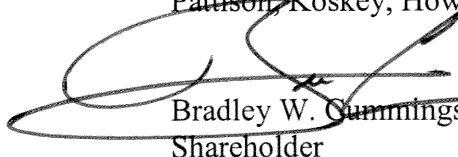
Brad Cummings, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We plan to perform our procedures in February 2013 and, unless unforeseeable problems are encountered, the engagement should be completed by February 28, 2013. At the conclusion of our engagement, we will require a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the Town Tax Collector in accordance with Local Government Management Guide: Fiscal Oversight Responsibilities.

Our fees for these services are included on the monthly attestation engagement letter. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of procedures.

Very truly yours,  
Pattison, Koskey, Howe & Bucci, CPA's, P.C.



Bradley W. Cummings, CPA, CVA  
Shareholder

RESPONSE:

This letter correctly sets forth the understanding of Town of Cairo:

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_



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December 27, 2012

To the Town Supervisor Ted Banta  
and the Town of Cairo Board Members:

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for the Town of Cairo.

We will apply the agreed-upon procedures which the Town of Cairo Board has specified, listed in the attached schedule, to the Town Justice Court of the Town of Cairo for the periods of January 1, 2012 through December 31, 2012 prepared in accordance with the Office of the State Controller, Handbook for Town and Village Justices. This engagement is solely to assist Town of Cairo in procedures of the Town Justice Court. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

We do acknowledge that our procedures were designed and developed based on recommendations provided by the Office of the State Controller, Handbook for Town and Village Justices promulgated by the New York State Office of the Comptroller.

Because the agreed-upon procedures listed in the attached schedule #1 does not constitute an examination, we will not express an opinion on the Town of Cairo Justice Court. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule. If additional procedures are requested by the Town we will submit an additional proposal (addendum) prior to undertaking any new procedures.

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You are responsible for the presentation of the Town Justice Court in accordance with Office of the State Controller, Handbook for Town and Village Justices; and for selecting the criteria and determining that such criteria are appropriate for your purposes. You are also responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, and/or experience to oversee the agreed upon procedures we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

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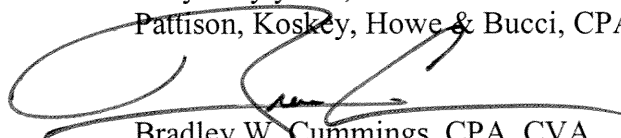
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Very truly yours,

Pattison, Koskey, Howe & Bucci, CPA's, P.C.



Bradley W. Cummings, CPA, CVA  
Shareholder

RESPONSE:

This letter correctly sets forth the understanding of Town of Cairo:

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

## Schedule #1

December 31, 2012, Attachment to Town of Cairo Justice Court, Engagement letter

Our agreed upon procedures will include:

1. Obtain an understanding of the Court Justice procedures including any written procedural documentation, perform walkthroughs, and observations.
2. Obtain the monthly court justice reports, daily cash receipt reports, check register and bank statements.
3. Support daily cash receipts to appropriate receipts, agreeing amounts and noting timeliness of deposits.
4. Compare monthly Justice Court reports to daily cash receipt reports, agreeing amounts reported for accuracy.
5. Trace amounts remitted to the Town Supervisor to cancelled checks and agreeing amounts paid.
6. Verify account balance agrees with amounts collected for the month and any bail being held.
7. Verify that monthly bank reconciliations are being performed
8. Verify that pre-numbered receipts forms are issued for all collections and duplicate copies are kept.
9. Verify that dockets and case files are complete.

## Schedule #1

December 31, 2012, Attachment to Town of Cairo Tax Collector, Engagement letter

Our agreed upon procedures will include:

1. Obtain an understanding of the tax collection procedures including any written procedural documentation, perform walkthroughs, and observations, etc.
2. Obtain the Tax Collector's manual cash receipts ledger, randomly selecting certain day's activity, recalculated total received and penalty assessed and agreed those amounts to the deposit per bank statement. We anticipate selecting a representative sample of deposits from throughout the period in question.
3. Obtain a copy of the Town Budget and/or County Tax Warrant and agreed tax warrant amounts to amounts remitted to the Town Supervisor.
4. Obtain bank statements and reviewed dates of cash receipts per manual ledger to deposit dates to determine timely deposits.
5. Review bank carrying balances to determine timely remittances of taxes collected to Town Supervisor and County Treasurer.
6. Review manual cash receipts ledger for calculation of penalties, totaled all penalties collected and compared amount to remittances to Town Supervisor.
7. Review bank statements for interest earned and compared amount to remittance to Town Supervisor.
8. Obtain a copy of the County Treasurer's reconciliation of the Town warrant and reviewed for any discrepancies.
9. Inquire of the County Treasurer if any misfiling of required paperwork, taxpayer information, etc for the tax period in question.
10. Ensure that tax collector remits all monies maintained by the end of the year to Town Supervisor.



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Jean Howe Lossi, EA  
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Carol LaMont Howe, EA

December 24, 2012

Ted Banta, Supervisor  
Town of Cairo  
512 Main Street  
PO Box 728  
Cairo, New York 12413

Dear Mr. Banta:

We are pleased to confirm our understanding of the services we are to provide Town of Cairo, New York for the year ending December 31, 2012. We will audit the financial statements of the governmental activities, the aggregate discretely presented component units (if any), each major fund, and the aggregate remaining fund information (if any), which collectively comprise the basic financial statements, of the Town of Cairo, New York as of and for the year ended December 31, 2012. Also, the following supplementary information accompanying the financial statements will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and our auditor's report will provide an opinion on it in relation to the financial statements as a whole:

- 1) Budgetary Comparison Schedules.
- 2) Schedule of expenditures of federal awards.

### **Audit Objectives**

The objective of our audit is the expression of an opinion as to whether your basic financial statements are fairly presented, in all material respects, in conformity accounting practices prescribed by the Office of the New York State Comptroller, which practices differ from accounting principles accepted in the United States of America, and to report on the fairness of the supplementary information referred to in the above paragraph when considered in relation to the basic financial statements taken as a whole. The objective also includes reporting on:

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- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The reports on internal control and compliance will each include a statement that the report is intended solely for the information and use of management, the body or individuals charged with governance, others within the entity, specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such an opinion and to render the required reports. If our opinion on the financial statements or the Single Audit compliance opinions are other than unqualified (unmodified), we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

### **Management Responsibilities**

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. Management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal awards in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with preparation of your financial statements, schedule of expenditures of federal awards, and related notes. Management is responsible for making all management decisions and performing all management functions relating to the financial statements, schedule of expenditures of federal awards, and related notes and for accepting full responsibility for such decisions. Management will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and the schedule of expenditures of federal awards and that management has reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, management is required to designate an individual with suitable skill, knowledge, or experience to oversee any non-audit services we provide and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that

government programs are administered in compliance with compliance requirements. Management is also responsible for the selection and application of accounting principles; for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units (if any), each major fund, and the aggregate remaining fund information (if any) of the Town of Cairo, New York and the respective changes in financial position in conformity with accounting practices prescribed by the Office of the New York State Comptroller; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us, and for ensuring that management and financial information is reliable and properly recorded. Management is also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Management's responsibilities also include identifying any significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Management's responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Management's responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, management is responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

Management is responsible for the preparation of the supplementary information in conformity with accounting practices prescribed by the Office of the New York State Comptroller, which practices differ from U.S. generally accepted accounting principles. Management agrees to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. Management also agrees to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us, previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations



resulting from those audits, attestation engagements, performance audits, or studies. Management is also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as management's planned corrective actions for the report, and for the timing and format for providing that information.

Management is required to disclose in the financial statements the date through which subsequent events have been evaluated and whether that date is the date the financial statements were issued or were available to be issued. Management will not date the subsequent event note earlier than the date of their management representation letter and the date of our auditor's report.

With regard to using the auditor's report, management understands that management must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents. With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on the government's website, management understands, that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility, as auditors, is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from management about the financial statements and related matters.

## **Audit Procedures—Internal Controls**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133.

## **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Town of Cairo, New York's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Town of Cairo, New York's major programs. The purpose of these procedures will be to express an opinion on the Town of Cairo, New York's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

## **Audit Administration, Fees, and Other**

We understand that the entity's employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal

awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

The audit documentation for this engagement is the property of Pattison, Koskey, Howe and Bucci, CPAs, P.C. and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to Government's oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Pattison, Koskey, Howe, and Bucci, CPAs, P.C. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by your oversight agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will provide copies of our reports to Town of Cairo, New York; however, it is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and a corrective action plan) along with the Data Collection Form to the federal clearinghouse and if appropriate, to pass-through entities. The Data Collection Form and reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by the United States Department of Agriculture and the Department of Homeland Security. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit findings for guidance prior to destroying the audit documentation.

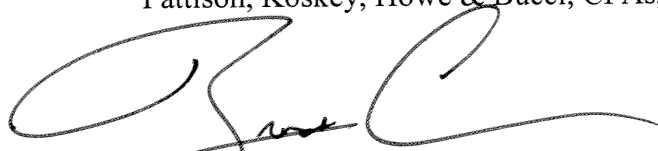
We expect to begin our audit our audit in May 2013 and to issue our report no later than September 30, 2013. Brad Cummings is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign them. We estimate that our fees for these services will range from \$10,000 to \$12,000 for the audit. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and will not be

resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended through the date of termination.

*Government Auditing Standards* require that we provide you with a copy of our most recent quality control review report. Our 2011 peer review report accompanies this letter.

We appreciate the opportunity to be of service to Town of Cairo, New York and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,  
Pattison, Koskey, Howe & Bucci, CPAs, P.C.

A handwritten signature in black ink, appearing to read 'Bradley W. Cummings', is written over a horizontal line.

Bradley W. Cummings, CPA, CVA  
Shareholder

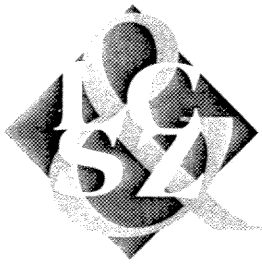
RESPONSE:

This letter correctly sets forth the understanding of Town of Cairo, New York.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



LCS&Z, L.L.P.

Certified Public Accountants and Consultants

**System Review Report**

October 31, 2011

To the Shareholders

Pattison Koskey Howe & Bucci, CPAs, P.C.

and The Peer Review Committee of the New York State Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Pattison Koskey Howe & Bucci, CPAs, P.C. (the firm) in effect for the year ended May 31, 2011. Our peer review was conducted in accordance with Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by those standards, engagements selected for review included engagements performed under the *Government Auditing Standards*; and audits of Employee Benefit Plans.

In our opinion the system of quality control for the accounting and auditing practice of Pattison Koskey Howe & Bucci, CPAs, P.C. in effect for the year ended May 31, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass; pass with deficiency (ies) or fail. Pattison Koskey Howe & Bucci, CPAs, P.C. has received a rating of pass.

LCS&Z, LLP

12/27/2012

TO: Members of Town Board, Tara Rumph, Ted Banta  
Cairo Police Department, Highway Department

FROM: Joan Geitz, 485 Main Street, Cairo, NY

Due to the recent horrendous experience I had regarding a huge Hot Dog truck whose owner dumped it in front of my home for six days, I would like to suggest the following proposed parking regulation.

The first paragraph is important to me because, as a resident and home owner on Main Street, who has no parking privileges, I do not want to have parking regulations passed that will inadvertently cause undue stress to ANY person living on Main Street.

The following is simply a draft that I hope The Town Board will address, discuss, and put into law as soon as possible, so that another incident such as this does not happen again, to anyone:

The following Cairo Town Parking Regulation is NOT intended to cause additional inconveniences to the residents who live on Main Street, Cairo, whether they be tenants, homeowners, business owners, or visitors of such residents.

Parking on Main Street will continue to be unrestricted as to time of day, or the length of time a vehicle is parked (unless, of course, for Snow Emergency, or previous notification is given by the Cairo Highway Department for maintenance of Main Street, or community events).

If a vehicle is deemed to be causing an inconvenience, or quality of life infringement to the tenant or owner of the building that said vehicle is parked in front of, or if said vehicle causes blight to the Town of Cairo's image or integrity, then this Local Law shall apply if the following quality of life violations occur:

1. A parked vehicle that causes excessive or complete blockage of light, or blocks view of street from residence, for more than a 24 hour period;
2. A parked vehicle that prevents necessary deliveries to the residence that said vehicle is blocking, for more than a 24 hour period;
3. If a parked vehicle (especially a van or truck, that is high, long and wide causes traffic on Main Street (County Route 23B) to swerve to the left of the above-mentioned parked vehicle, and onto the opposing traffic lane, then the Cairo Police, or New York State Police, or the Cairo Highway Department, may deem this as a violation causing an unsafe driving condition. [If the parked vehicle is in the process of a delivery or construction agreement with the homeowner of said building, all reasonable efforts should be made to accommodate the owners or residents who find the vehicle to be causing unnecessary quality of life infringements.

If at all possible, the owner of any above-mentioned parked vehicle will be notified to move said vehicle and advised that non-compliance will result in said vehicle being towed. In the event, said owner cannot be reached or does not respond to Cairo authorities, said vehicle will be towed within the next 24 hour period.



512 Main St., PO Box 728  
Cairo, NY 12413

<b>Town Supervisor</b>	(518) 622-2060
<b>Town Clerk</b>	(518) 622-3120
<b>Bookkeeper</b>	(518) 622-3366
<b>Tax Collector</b>	(518) 622-9218
<b>Building Dept.</b>	(518) 622-9894
<b>Water &amp; Sewer</b>	(518) 622-0052
<b>Tax Assessor</b>	(518) 622-8545
<b>Court Clerk</b>	(518) 622-3388
<b>Cairo Police</b>	(518) 622-2324
<b>Ambulance Billing</b>	(518) 622-2786
<b>Highway Department</b>	(518) 622-9515

[www.townofcairo.com](http://www.townofcairo.com)  
[supervisor@townofcairo.com](mailto:supervisor@townofcairo.com)

Date: January 1, 2013

To: Cairo Democrats  
C/O: Terry McSorley

Dear Terry:

On behalf of the Town of Cairo, I would like to sincerely thank you and the Cairo Democrats for your contribution to our December 20, 2012 Holiday Party. It was a fun and enjoyable event for the Town employees, Board & Committee members. We greatly appreciate the Club's generosity and its contribution was announced to the Town employees and at the event to the attendees. Once again, thank you very much.

Happy New Year!

Best regards,

TSBIII

Ted Banta  
Supervisor