

TOWN OF SARDINIA



NEW YORK



MARCH 8, 2012

TOWN OF SARDINIA



Products of our audit:

- **Audit communications**
- **Financial statement update**
 - Fund balance status
 - Revenues and expenditures
- **Observations**

TOWN OF SARDINIA



Audit Communications

Audit Communications



- Our responsibility under GAAS
- Significant accounting practices
- Management judgments and accounting estimates
- Alternative accounting treatments
- Significant difficulties encountered in performing the audit
- Uncorrected misstatements
- Audit adjustments
- Disagreements with management
- Consultation With Other Accountants
- Significant Issues Discussed with Management
- Independence

TOWN OF SARDINIA

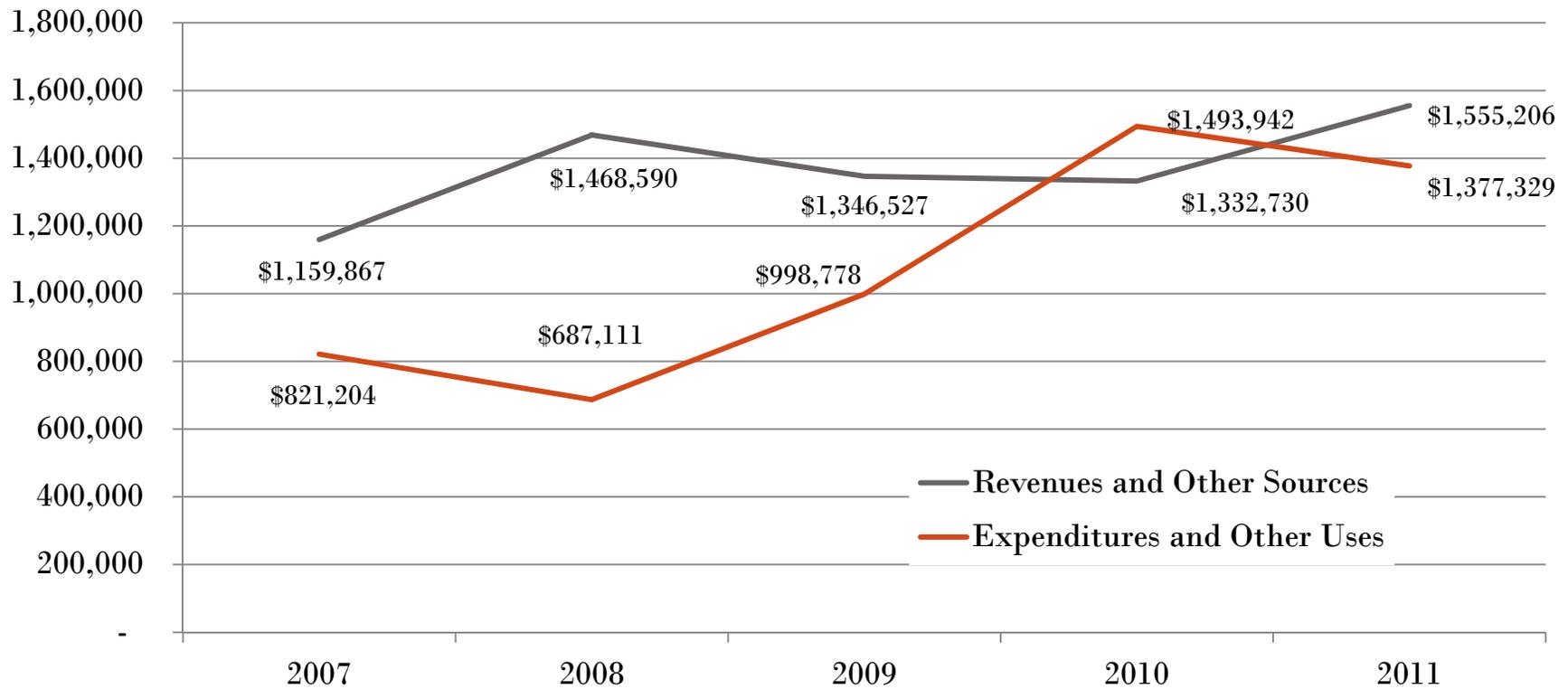


Financial Statement Update

FINANCIAL STATEMENT UPDATE



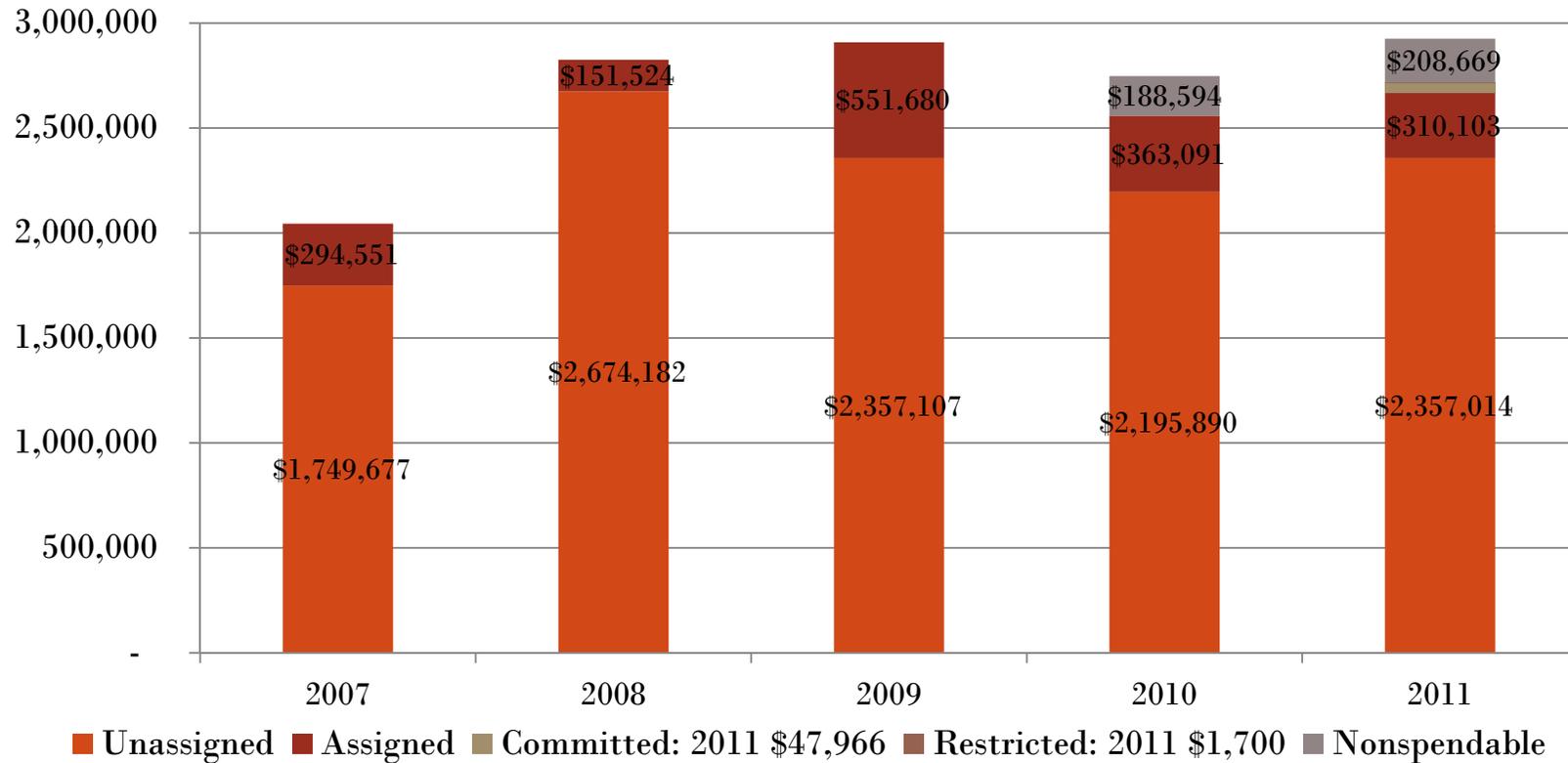
Revenues and Expenditures – General Fund



FINANCIAL STATEMENT UPDATE



Total Fund Balance* – General Fund

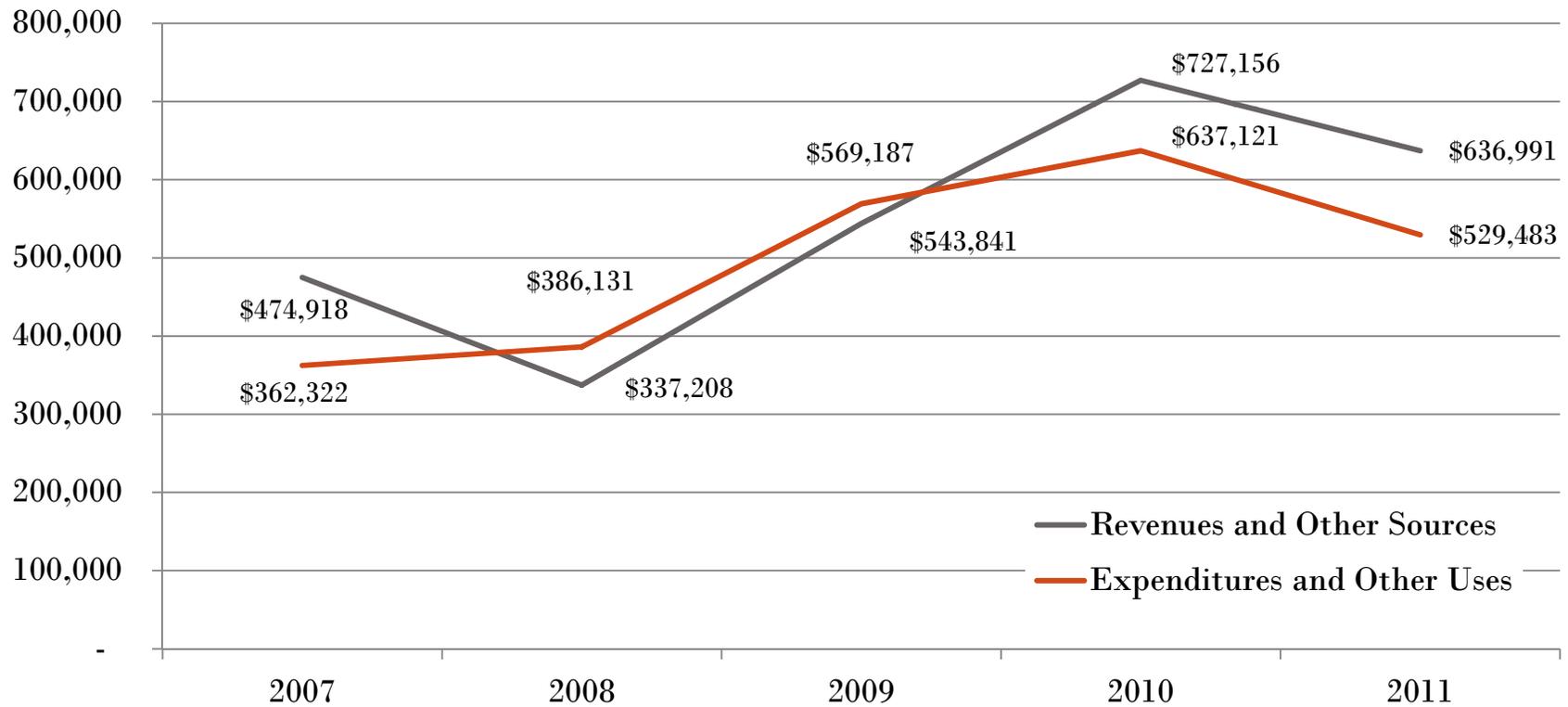


*Prior to the year ended December 31, 2011 and the implementation of GASB No. 54, fund balance assigned for capital and subsequent year's expenditures and fund balance committed for environmental control was considered a designation of unreserved fund balance, fund balance considered nonspendable for the fire protection receivable was considered reserved fund balance and unassigned fund balance was considered to be unreserved, undesignated fund balance.

FINANCIAL STATEMENT UPDATE



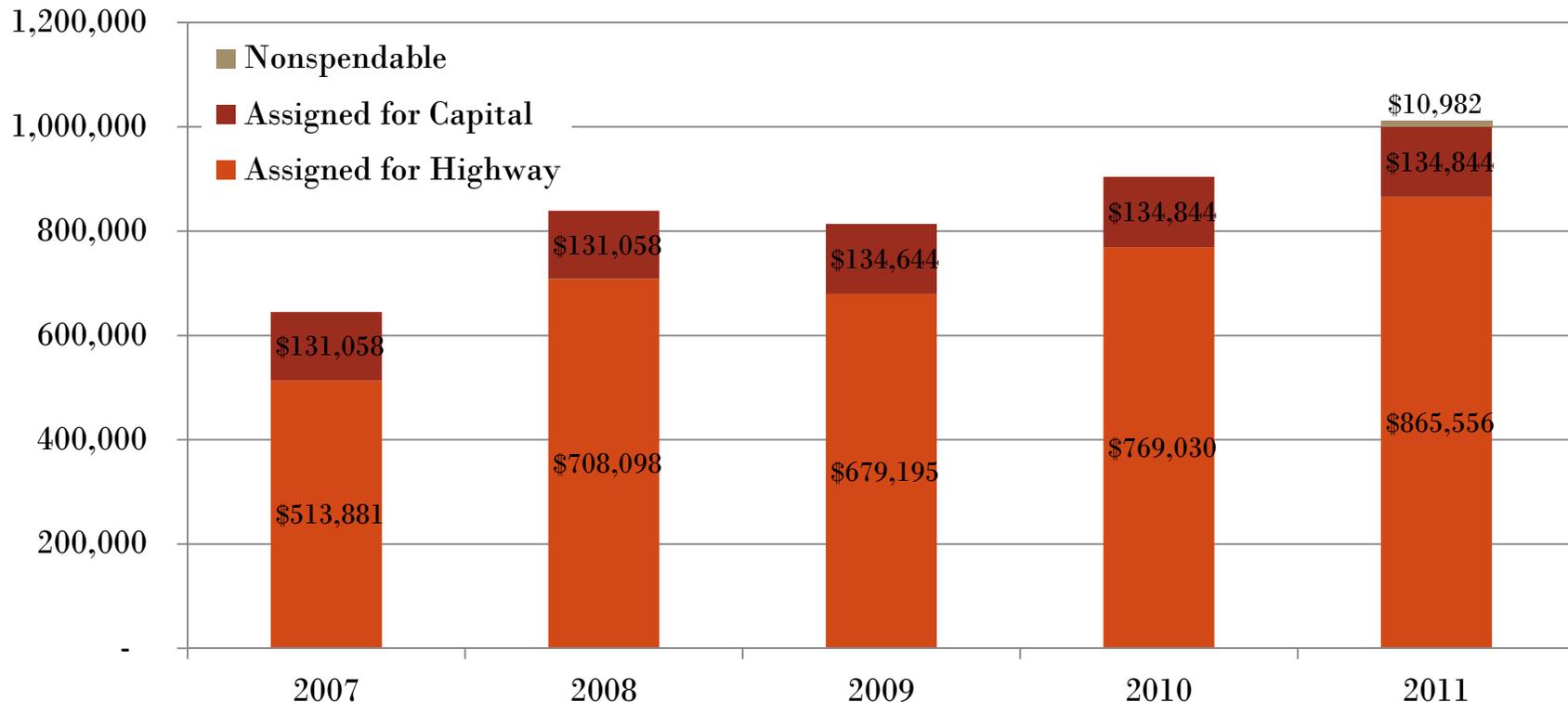
Revenues and Expenditures – Highway Fund



FINANCIAL STATEMENT UPDATE



Total Fund Balance* – Highway Fund

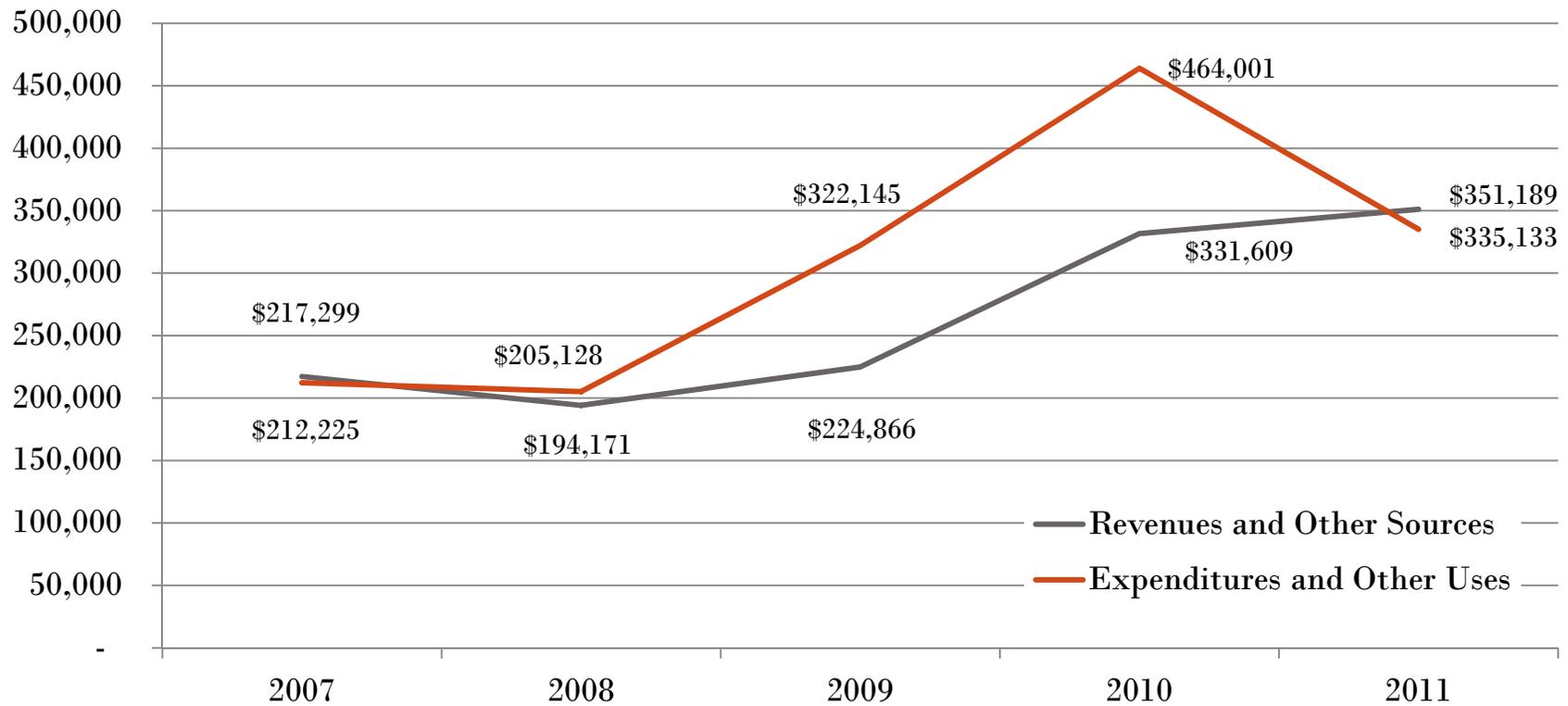


*Prior to the year ended December 31, 2011 and the implementation of GASB No. 54, fund balance assigned for capital was considered a designation of unreserved fund balance and assigned for highway was considered to be unreserved, undesignated fund balance.

FINANCIAL STATEMENT UPDATE



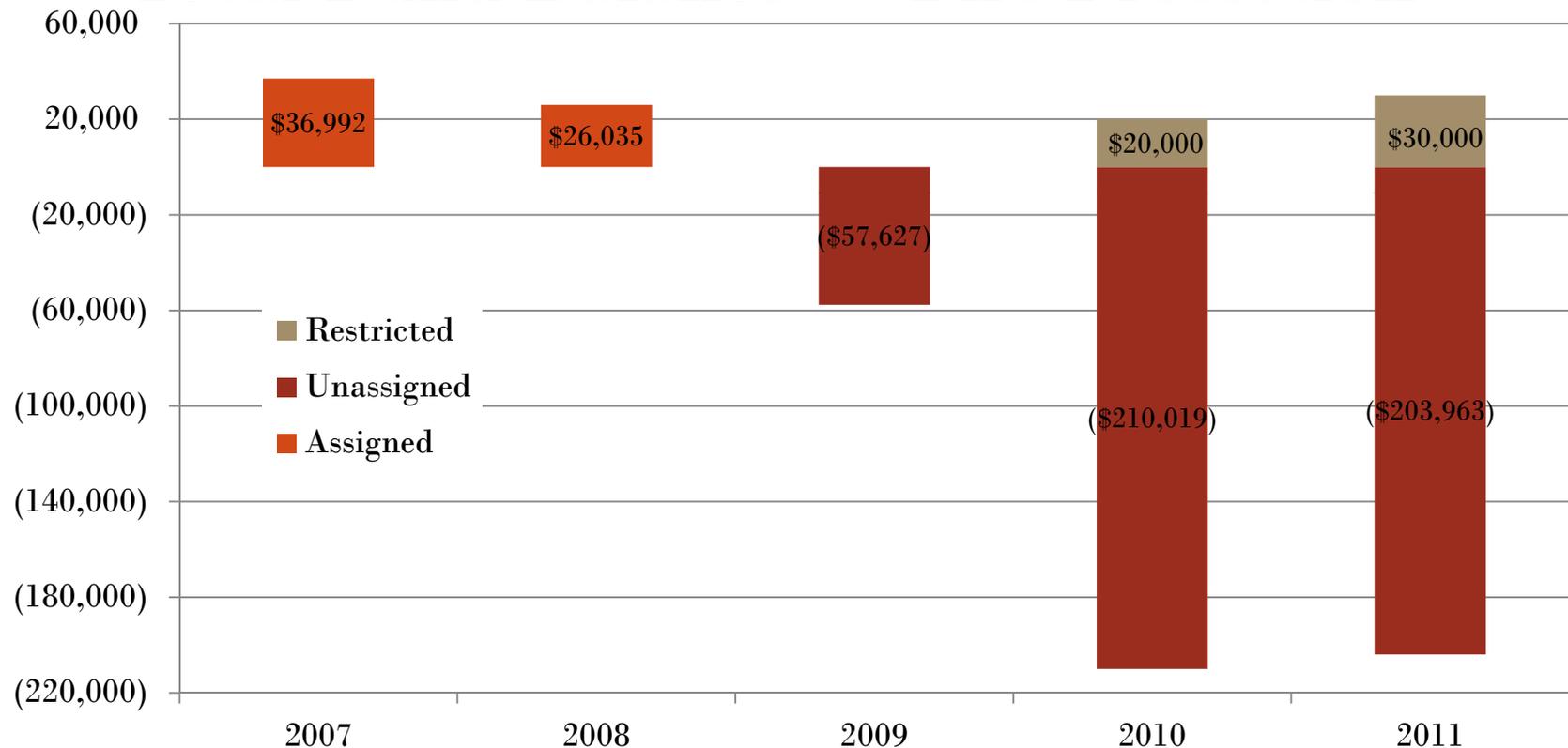
Revenues and Expenditures – Fire Protection



FINANCIAL STATEMENT UPDATE



Total Fund Balance* – Fire Protection



*Prior to the year ended December 31, 2011 and the implementation of GASB No. 54, restricted fund balance was considered a designation of unreserved fund balance and unassigned/assigned fund balance was considered to be unreserved, undesignated fund balance.

TOWN OF SARDINIA



Observations

Observations



Improvements

- Fund accounting
- Bank reconciliations
- Segregation of duties within Supervisor's office

Observations



- **New system implementation**
- **Journal entry procedures**
- **Documentation of accounting policies and procedures**
- **GASB 54**