

July 25, 2022

Robert A. Wicks, Town Supervisor
Honorable Charles Mantione Jr., Town Justice
Honorable Michael Bryant, Town Justice
Town of Lysander, New York
8220 Loop Road
Baldwinsville, New York 13027

RECEIVED

AUG 29 2022

SUPERVISOR'S OFFICE
TOWN OF LYSANDER

We are pleased to confirm our understanding of the terms of our engagement and the nature and limitations of the services we are to provide for the Town of Lysander, New York (the Town).

You will agree to the procedures described below and will acknowledge that the procedures to be performed are appropriate for the intended purpose of the engagement, which is to assist the Town in evaluating the financial transactions of the Town Justice Mantione Jr. and Town Justice Bryant (collectively, the Justices) the period from January 1, 2021 to December 31, 2021. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). Those standards require we obtain your written agreement to the procedures to be applied and your acknowledgement that those procedures are appropriate for the intended purpose of the engagement, as described in this letter. The agreement and acknowledgement are contained within this letter. A refusal to provide such agreement and acknowledgement will result in our withdrawal from the engagement. We make no representation that the procedures we will perform are appropriate for the intended purpose of the engagement or for any other purpose.

Because the agreed-upon procedures do not constitute an examination or review, we will not express an opinion or conclusion on the Justices' financial transactions. In addition, we have no obligation to perform any procedures beyond those to which you agree.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to the Town Board. If we encounter restrictions in performing our procedures, we will discuss the matter with you. If we determine the restrictions are appropriate, we will disclose the restrictions in our report. 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.

There may exist circumstances that, in our professional judgment, will require we withdraw from the engagement. Such circumstances include the following:

- You refuse to provide written agreement to the procedures and acknowledge that they are appropriate for the intended purpose of the engagement.
- You fail to provide requested written representations, or we conclude that there is sufficient doubt about the competence, integrity, ethical values, or diligence of those providing the written representations, or we conclude that the written representations provided are otherwise not reliable.
- We determine that the description of the procedures performed, or the corresponding findings are misleading in the circumstances of the engagement.

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- We determine that restrictions on the performance of procedures are not appropriate.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, should any such matters come to our attention, we will communicate them in accordance with professional standards and applicable law. In addition, if, in connection with this engagement, matters come to our attention that contradict the financial transactions of the Justices, we will communicate such matters to you.

You agree to the procedures to be performed and acknowledge that they are appropriate for the intended purpose of the engagement.

You are responsible for the presentation of the financial transactions of the Justices. In addition, you are responsible for providing us with (1) access to all information of which you or the appropriate party are aware that is relevant to the performance of the agreed-upon procedures on the subject matter (2) additional information that we may request from the appropriate party for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the financial transactions of the Justices.

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

Our fee these agreed-upon procedures will be \$2,500. 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 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 and to reimburse us for all out-of-pocket expenditures through the date of termination.

You agree that any dispute (other than our efforts to collect an outstanding invoice) that may arise regarding the meaning, performance or enforcement of this engagement or any prior engagement that we have performed for you, will, prior to resorting to litigation, be submitted to mediation, and that the parties will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement. Any mediation initiated as a result of this engagement shall be administered within the county of Monroe, New York and any ensuing litigation shall be conducted within said county, according to New York law. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by the participating parties.

Electronic Communications

In performing services under this Agreement, Bonadio & Co., LLP and/or Client may wish to communicate electronically either via facsimile, electronic mail, cloud-based portal or similar methods (collectively, "Electronic Means"). However, the electronic transmission of information cannot be guaranteed to be secure or error free, and such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. Unless you notify us otherwise, we shall regard your acceptance of this Agreement as your consent to use Electronic Means.

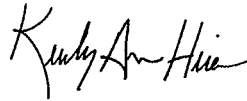
Electronic Communications (Continued)

It is therefore your responsibility to notify Bonadio & Co., LLP when/if your employee(s) no longer require access to Electronic Means that are controlled by Bonadio. Such notice may be sent by email to the partner responsible for this engagement at the address noted in the signature section of this Agreement. All risks related to your business, including access connected with the use of Electronic Means by you or your employees are borne by you and are not our responsibility. It is therefore your responsibility to notify Bonadio & Co., LLP when/if your employee(s) no longer require access to Electronic Means that are controlled by Bonadio.

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, or the procedures need to be modified, 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 agreement with the procedures performed or to be performed and their responsibility for the sufficiency of procedures.

Very truly yours,

BONADIO & CO., LLP



by:
Keeley Ann Hines, CPA

RESPONSE:

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

Signature

Town Supervisor

Title

Agreed-Upon Procedures Schedule

- 1) Complete the Justice Court checklist as documented in Appendix F of the New York State Office of the State Comptroller "Fiscal Oversight Responsibilities of the Governing Board" guide.
- 2) Request the Court Clerk provide written policies and procedures related to their job duties (including but not limited to processing cash receipts and cash disbursements and performing reconciliations). Request the Court Clerk to identify any policies and procedures that are no longer performed, and/or have changed.
- 3) Obtain a haphazard sample of bank reconciliations for the Justices' bail and fine account for each of three months selected (April 2021, August 2021 and December 2021) and compare to supporting documentation such as original bank statements, outstanding checklists, and deposit-in-transit list.
- 4) Obtain a haphazard sample of 20 receipts and 20 disbursements from the Justices' fine and bail accounts for the year ended December 31, 2021 and compare to ticket, case, or monthly report.
- 5) Obtain the bail account balances of the Justices at December 31, 2021 and compare to Bail Defendant's Report.