

July 22, 2015

Mr. Arnold Luce, Chair  
Board of Selectmen  
Town of Anson  
P O Box 297  
Anson, ME 04911-0297

Dear Mr. Luce:

In our letter to the Board of Selectmen dated June 9, 2015, we provided a summary of an analysis of excise taxes processed by the Town of Anson's tax collector for the year 2014, 2013 and 2012.

Subsequent to that analysis, the Board of Selectmen requested we continue the same process for the year 2011. This letter serves as an update of our analysis to include 2011.

We used the same methodology for the 2011 year as previously described. A reminder of the process follows:

The first step in the process of our analysis in each year was to add the excise amounts from all registrations processed by the tax collector for Anson residents. The excise amounts were obtained directly from the green copy of registrations processed and retained by the Town. The registrations summarized were done on a weekly basis to coincide with reporting produced through the Town's motor vehicle computer software module. Any differences between registrations processed and the reporting were noted. On occasion, Anson's tax collector processes registrations for residents of nearby towns. These registrations were identified and removed from our analysis.

The second step in the process was to obtain the detail of the transactions recorded to the Town's general ledger accounting system through the excise tax revenue account. Each of these recorded transactions was traced to the deposits in the Town's checking account. Through further analysis it was noted that several deposits each year were for excise tax collected by other nearby towns (for Anson residents) as needed in the absence of Anson's tax collector. Any registrations collected by other towns were not included in our analysis process discussed in the previous paragraph. Deposits for excise tax collected by other towns have been excluded from amounts recorded to the Town's excise tax revenue account.

The following table summarizes our analysis:

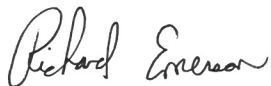
	<u>2014**</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Excise tax collected per registrations processed by Anson tax collector for Anson residents	\$ 274,839	\$ 302,326	\$ 319,542	\$ 319,290
Excise tax deposited and recorded to Anson accounting system as remitted by tax collector	<u>184,730</u>	<u>189,835</u>	<u>194,186</u>	<u>208,534</u>
Difference	<u>\$ 90,109</u>	<u>\$ 112,491</u>	<u>\$ 125,356</u>	<u>\$ 110,756</u>

\*\* 2014 amounts shown here as part of the analysis, are for registrations processed only through September 18, 2014. Subsequent to this date, registrations were processed and deposited on a daily basis and coordinated with a daily reconciliation.

The results of our updated analysis therefore indicates a shortfall between the amount of excise tax collected through registrations processed and the amount of excise tax deposited to the Town's checking account totaling \$438,712, for the years 2011, 2012 and 2013, and 2014 through September 18, 2014.

We are available to the Board to discuss our analysis or provide further clarification as needed.

Sincerely,



Richard E. Emerson, Jr., CPA, CVA