New York State Comptroller
THOMAS P. DiNAPOLI

Richford Fire District

Long-Term Planning and Board Oversight

2024M-55 | September 2024

Division of Local Government and School Accountability

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Report Highlights

Richford Fire District

Audit Objective

Determine whether the Richford Fire District (District) Board of Commissioners (Board) established adequate long-term capital and financial plans and provided adequate oversight over financial operations.

Key Findings

The Board did not establish adequate long-term capital and financial plans and did not provide adequate oversight over financial operations. When oversight of financial operations and long-term planning is not adequately performed, the Board and District officials run the risk that necessary fire protection and emergency services resources will not be available. The Board did not:

- Adequately plan for long-term capital and financial needs totaling $5.6 million which may impair the District's ability to continue to provide fire protection and emergency services.
- Ensure the financial information it received was accurate, complete or timely. For example, the final monthly budget-to-actual reports on record for each fiscal year from 2019 through 2022 did not consistently compare expenditures with the correct fiscal year's budgeted appropriations.
- Receive accurate monthly cash balances for the audit period and did not identify the discrepancies.
- Ensure the annual financial reports (AFR) were filed in accordance with New York State General Municipal Law (GML) Section 30.
- Perform adequate annual audits; therefore the Board was not aware that the reports and information it used to make financial decisions were inaccurate.

In addition, three of the five Commissioners did not comply with NYS Town Law (Town Law) Section 176-e which required them to complete fiscal training in a timely manner, and while not required, the Treasurer had also not completed any formal training related to her position.

Audit Period

January 1, 2019 – October 23, 2023

We extended our scope back to January 1, 2015 to review Board training requirements and active membership status and forward to August 1, 2024 for grant request updates.

Background

The District is located in, and provides fire protection and emergency response services to, the Town of Richford (Town) in Tioga County.

The elected five-member Board governs the District and is responsible for making the District's financial decisions, including planning for the future and setting long-term capital and financial priorities and goals.

The Board-appointed Treasurer is the chief fiscal officer and is responsible for performing and recording all District financial activities. In addition, the Treasurer is responsible for preparing accurate monthly and annual financial reports and providing the Board with timely and accurate financial information.

Quick Facts	
2023 Appropriations	$111,325
Estimated Replacement Costs	
Building Construction	$3.6 million
Vehicles	$1.7 million
Equipment	$300,000

Recommendations

The audit report includes eight recommendations to help the Board and District officials improve long-term planning and oversight. District officials agreed with our findings and indicated they plan to initiate corrective action.

Long-Term Planning

How Does a Board Establish Long-Term Capital and Financial Plans?

Planning on a multiyear basis allows fire district (district) officials to identify developing revenue and expenditure trends, set long-term priorities and goals and consider the impact of current budgeting decisions on future years. Fund balance and reserve policies, in conjunction with long-term capital plans, provide guidance on optimal funding levels for fund balance and reserves, along with specifying the circumstances under which funds may be used.

When developing long-term plans and establishing optimal fund balance and reserve levels, district officials should consider useful life estimates and the current condition of district vehicles and equipment. District officials can use the New York State Department of Transportation (NYSDOT) optimal usable life document[1] to help determine when replacement of assets could be expected. This document provides an estimated optimal usable life, in years, as well as an estimated replacement value for each type and class of vehicle and equipment that are generally used by fire districts.

Although usable life may not always indicate how long a particular vehicle or piece of equipment will last, district officials should develop their own estimated usable life criteria based upon their individual experience and consider this information when developing a long-term plan for equipment replacement.

Sound fund balance management helps ensure funding is available to meet the district's capital needs and includes creating multiyear capital and financial plans as well as implementing fund balance and reserve policies. The board must monitor and update long-term financial plans on an ongoing basis to ensure that its decisions are guided by the most accurate information available.

The Board Did Not Establish Adequate Long-Term Capital and Financial Plans

The Board did not develop or implement adequate long-term capital or financial plans to address the ongoing and future needs of the District. The District has significant building, vehicle and equipment needs which the Board and the Fire Chief (Chief) indicated may impact response time and the District's ability to provide sufficient services.

Long-Term Financial Planning – Although the District had three reserve accounts with annual funding totaling $39,000 (Figure 1), it lacked both a formal written long-term capital and financial plan and a formal written reserve policy to give officials guidance on targeted funding levels or usage.

1 https://www.dot.ny.gov/programs/chips/chips-repository/TRANSPORTATION%20EQUIPMENT%20LIFE%20July%202023.pdf

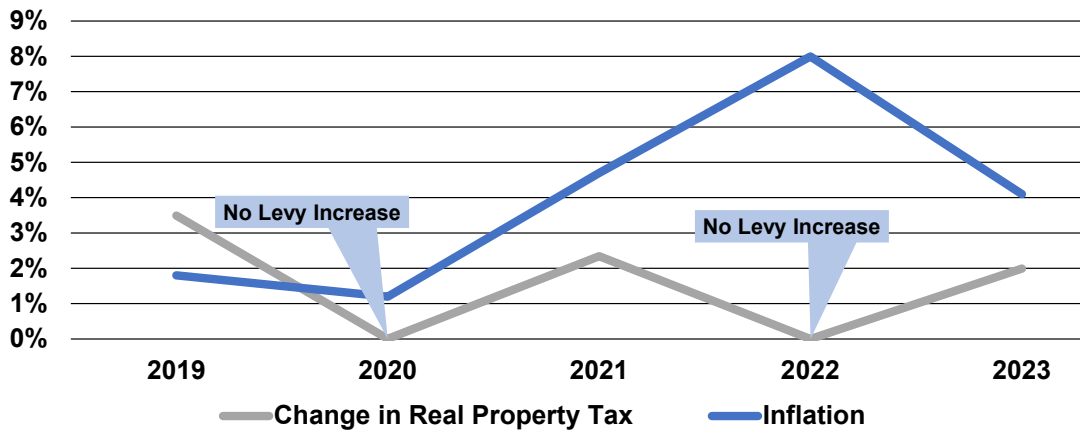
We reviewed real property tax levy trends for the District for the last five years and determined that the District's average annual tax levy increased from the prior year by an average of 1.6 percent, although the average rate of inflation during the same time period was 4 percent. Additionally, two of the last five years (2020 and 2022) had no levy increase. (Figure 2).

Figure 1: Reserve Funding

Reserve Name	Annual Funding Amount	Balance as of 5/31/2023
Building	$15,000	$158,199
Equipment	15,000	79,199
Repair	9,000	54,992
Total	**$39,000**	**$292,390**

FIGURE 2

Real Property Tax Levy Increase Vs. Inflation



The Board focused on funding annual operations but did not ensure the District generated enough funding to ensure both annual and known long-term capital needs were adequately addressed. As a result, without adequate funding and absent grant awards the Board may need to issue significant debt and/or increase near-term tax rates.

Fire Station Building – The Richford Fire Station (Station) was originally built in 1954 as a double-bay cinder block building and has been modified twice with additions to accommodate more vehicles and equipment. Four Commissioners and the Chief stated that the Station does not provide:

- Sufficient storage space for all the necessary equipment,
- Enough space for personnel to properly access vehicles and equipment to respond to calls promptly, and
- Space required to accommodate newer equipment, impairing the District's ability to replace and upgrade equipment.

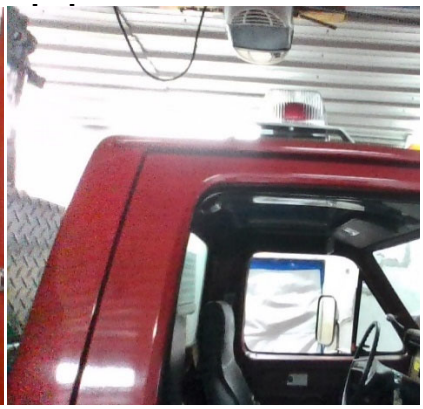
As shown in Figure 3, during our fieldwork we observed, and photographed, some of the space restrictions for vehicles and equipment within the Station described by these officials.

FIGURE 3

Station Space Restrictions For Vehicles and Equipment[a]

Bumper One Inch From Door

Restricted Access To Truck and Gear



Ceiling Too Low for Ladder Truck

a) Photos taken on 6/16/2023 by OSC examiners with permission from District officials.

In addition, the Station sustained structural damage due to an automobile collision in 2019, from which the District received an insurance payment totaling $16,402 for future building repair or replacement. Examples of structural damage to the Station from that accident, as well as additional structural issues we observed, and photographed, are shown in Figure 4.

FIGURE 4

Station Structural Damage[a]

Tarp Covering Damage From 2019 Automobile Collision

Unstable Engine Access Doorway Supported by a Jack Post on Concrete Blocks

a) Photos taken on 6/16/2023 by OSC examiners with permission from District officials.

The District hired an engineer to assess the damage to the structure and possible repair alternatives. The engineer's report dated February 17, 2020, stated that the cost of repairing the structure exceeded its value and recommended it should be replaced.

Based on the engineer's assessment and recommendation, the Board chose not to repair the Station and to pursue construction of a new fire station at an estimated cost of $2.1 million. After an unsuccessful attempt to fund the building construction with a federal grant request for $1.6 million, the Board proposed to fund the construction with a bond, which was voted down by taxpayers in March 2020.

As of May 31, 2023, the District had a balance of $158,000 in its building reserve fund; however, the 2023 building replacement cost has increased to $3.6 million. Although the Board resubmitted an updated proposal for the same grant in March 2023, as of August 1, 2024, the District had not received a response to its grant request.

Vehicles and Equipment – According to NYSDOT guidance, the four District vehicles currently in service are at or beyond their useful life estimates by an average of 11 years and should reasonably be expected to need replacement in the near future (Figure 5).

Figure 5: District Vehicles Beyond Their Useful Life

Vehicle	NYSDOT Useful Life	Age	Years Past NYSDOT Useful Life
Brush Vehicle	7	37	30
Fire Engine	15	26	11
Tanker Truck	15	18	3
Rescue Truck	10	10	0

Based on discussions with the Chief, the total replacement costs for these vehicles may total up to $1.7 million.

Additionally, all four vehicles have also incurred repair costs with a combined total of approximately $16,000 during our audit period (Figure 6) and may continue to incur additional repair costs until they are replaced.

Figure 6: Total Audit Period Repair Amounts By Vehicle

Vehicle	Repairs	Total Cost of Repairs
Fire Engine	7	$7,753
Brush Vehicle	4	$5,250
Rescue Truck	2	$1,928
Tanker Truck	1	$1,004

The Chief, Chairman and District Secretary (Secretary) acknowledged that District vehicles are aging and need to be replaced but told us they are unable to buy new vehicles and equipment due to the Station's space constraints.

One Commissioner and the Chief also informed us their service area includes several three-story structures, but their current trucks can only reach up to two-story structures. Currently, the District has a neighboring fire district provide a ladder truck when needed, which is located more than 12 miles from the District's station and may increase response times. They want to replace the District's current fire engine with a ladder truck but have not pursued the purchase because it would not fit in the current Station.

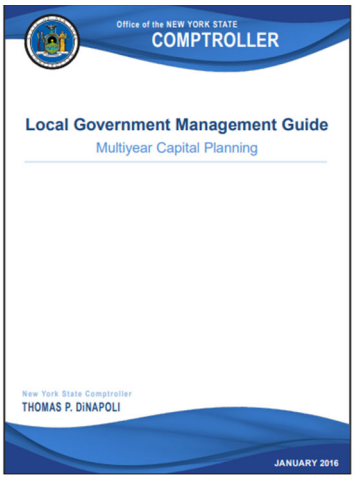
Because District officials did not maintain an equipment replacement schedule and lacked long-term capital and financial plans, officials' ability to prepare for these anticipated needs by spreading costs over a longer period of time has been significantly diminished. The District had a balance in the equipment reserve totaling $79,199 as of May 31, 2023. This level of funding would support about five percent of the vehicles' total anticipated replacement cost of $1.7 million and would not include any equipment upgrades.

Additionally, anticipating the building grant funding would go through, District officials purchased equipment racks and a gear washer and dryer totaling approximately $20,000 in 2018. However, District personnel have been unable to use these because there is no room for them in the current building. Rather, District officials stored the equipment off-site along with an ambulance that was donated to the District which they are also unable to use due to space constraints.

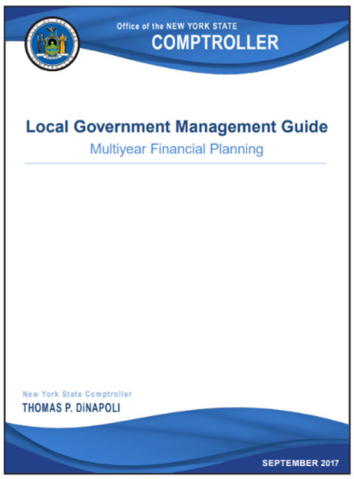
The Chief and two Commissioners told us that volunteer membership is very low, in part because of the poor state of the fire station building and equipment. The District had 18 active members in 2015; however, in 2023 the District had 11 active members. During the course of our fieldwork, we provided officials with planning guidance available in our publications *Multiyear Capital Planning, Multiyear Financial Planning and Reserve Funds* (Figure 7).

FIGURE 7

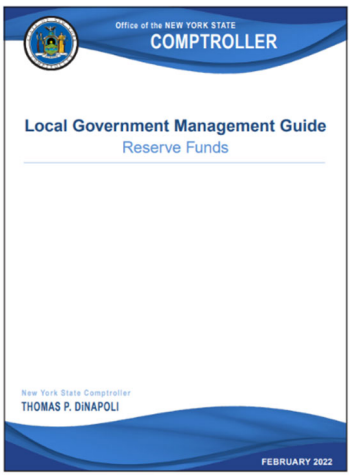
Planning Guidance Publications Provided to Officials



Multiyear Capital Planning
https://www.osc.ny.gov/files/local-government/publications/pdf/multiyear-capital-planning.pdf



Multiyear Financial Planning
https://www.osc.ny.gov/files/local-government/publications/pdf/multiyear-financial-planning.pdf



Reserve Funds
https://www.osc.ny.gov/files/local-government/publications/pdf/reserve-funds.pdf

Without having any long-term capital or financial plans, the Board limited its ability to identify and address current and future infrastructure needs. For example, the District would no longer be able to provide fire protection and emergency response services if the building becomes inoperable or if equipment could not be replaced. In these circumstances, the Town may need to contract with another fire entity to provide services, which may result in longer emergency response times and increases to the tax levy.

What Records Should a Board Require to Provide Adequate Oversight of Financial Operations?

Financial oversight consists of reviewing and approving financial transactions, records and reports and developing appropriate policies and procedures to make sound decisions in the best interest of the taxpayers.

A treasurer should provide adequate and timely financial information to the board that accurately reflects the district's financial activities. The board should perform monitoring activities, such as reviewing monthly claims packets, bank reconciliations and bank statements with canceled check images, and budget-to-actual reports. The board should periodically review and verify the accuracy of these reports, as it relies on this financial information to develop realistic budgets. The board should require that the treasurer provides the board with all books, records, receipts, claim vouchers and canceled checks or check images annually

so that the board can perform an annual audit of the treasurer's records to verify that funds are properly accounted for and transactions are properly recorded, as required by Town Law Section 177.

Additionally, the board should ensure the treasurer submits an annual report of the district's financial position and results of operations, known as the AFR, to OSC within 60 days after the close of the fiscal year, as required by GML Section 30. The AFR is an important fiscal tool that can provide the board with necessary information to monitor district operations and provide taxpayers and other interested parties with a summary of the district's financial activities.

Elected and appointed commissioners must complete an OSC-approved fiscal oversight training course within 270 days of their first day in office. Town Law Section 176-e requires the training course to cover the commissioners' legal, fiduciary, financial, procurement and ethical responsibilities. Commissioners are required to complete the training each time they are elected, re-elected, appointed or reappointed to office.

The Board Did Not Receive Accurate and Timely Financial Records and Reports of District Operations

Although the Treasurer provided some financial information to the Board at monthly Board meetings, the information provided was not always accurate, complete or timely. We determined that there were errors in budget-to-actual reports and bank reconciliations. Furthermore, the Treasurer did not file AFRs in a timely manner and the Board did not perform adequate annual audits to help identify and correct these issues.

Budget-to-Actual Reports – The Treasurer either could not provide evidence that monthly budget-to-actual reports were provided to the Board or provided reports to the Board which misaligned with the District's January through December fiscal year. We reviewed the final monthly budget-to-actual reports on record for each fiscal year from 2019 through 2022. These reports did not consistently compare expenditures with the correct fiscal year's budgeted appropriations.

For example, the District's final 2022 budget-to-actual report was provided to the Board in March 2023 and included expenditures from March 2022 through February 2023. This misalignment of accounting periods indicates that the reports were not provided in a timely manner and led to a $1,625 discrepancy between actual and reported expenditures. Additionally, the reports did not show transfers to reserves totaling $39,000 and contained arithmetic and manual entry errors totaling $4,533. As a result, the Treasurer's 2022 final report erroneously informed the Board there was $56,790 remaining in the budget when there was only $20,698 remaining, an overstatement of $36,092 (Figure 8).

Figure 8: Budget-to-Actual Report Variances for the 2022 Fiscal Year

	Treasurer's Report	OSC Calculation	Difference
Appropriations	**$109,150**	**$109,150**	**$0**
Expenditures	47,827	49,452	1,625
Transfers to Reserves	0	39,000	39,000
Total	**$47,827**	**$88,452**	**$40,625**
Manual Entry Errors	4,533	0	(4,533)
Remaining Appropriations	**$56,790**	**$20,698**	**($36,092)**

Bank Reconciliations – The Treasurer did not perform consistent or complete monthly bank reconciliations and did not provide accurate monthly cash balances to the Board for the audit period, which the Board did not identify or correct. The Treasurer provided the Board with the ending cash balance on the bank statement instead of a reconciled cash balance. As a result, we performed four bank reconciliations for December of each year of the audit period and determined that the Board was provided with overstated cash balances, generally due to outstanding checks (Figure 9).

Figure 9: Year-End December Bank Reconciliations

Year	2019	2020	2021	2022
Bank Statement Balance	$24,079	$32,403	$25,074	$42,268
Outstanding Checks	(6,458)	(1,675)	(418)	(10,489)
Actual Cash Balance	17,621	30,728	24,656	31,779
Cash Balance Discrepancy Overstated/(Understated)	**$6,458**	**$1,675**	**$418**	**$10,489**

We also determined there were accumulated and unidentified errors totaling $15,063 in the District's check register. These errors went undetected because the Treasurer was not properly reconciling the bank account, nor was the Board reviewing the reconciliations or canceled check images. Because these errors went undetected and the Board did not review the bank reconciliations, the District faced a greater risk of fraud, waste or abuse. Additionally, officials could have spent more money than what was available to the District.

Annual Financial Reports – The Treasurer did not file the District's AFRs in a timely manner. At the start of our audit, the most recently filed AFR available to review was for the 2019 fiscal year. After providing onsite technical assistance,

the three outstanding AFRs were subsequently filed late by the Secretary as shown below:

- 2020 Fiscal Year AFR was filed 877 days late.
- 2021 Fiscal Year AFR was filed 517 days late.
- 2022 Fiscal Year AFR was filed 158 days late.

As discussed above, the cash balance reported on the AFRs included unreconciled bank account balances, which consistently overstated the cash balance by outstanding check amounts. For the 2022 AFR, the overstated cash amount of $10,489 represented approximately 10 percent of the 2022 adopted budget. Overstating cash balances in the AFR could have a negative impact on decisions made by debt financing entities.

Annual Audits – The Board did not conduct a thorough annual audit of the Treasurer's financial records for any year in our audit period. Although the Board reviewed the Treasurer's claims records, there was no review of other financial information, such as bank reconciliations, budget-to-actual reports or any other financial records. Therefore, the Board was not aware that the reports and information they used to make financial decisions were inaccurate. During our fieldwork, we provided officials with annual audit guidance available in our publication *The Internal Audit Process For Fire Districts*.[2]

These discrepancies occurred in part due to the lack of completion of both required and supplemental training by District officials. Only three of the five Commissioners had a record of completing the required fiscal training, and while not required, the Treasurer had also not completed any formal training related to her position. The Chairman and Secretary acknowledged this lack of training and informed us that all five Commissioners plan to attend upcoming fiscal training.

Complete and accurate financial records and reports help provide transparency to taxpayers and are critical to providing District officials with the information necessary to make informed and educated management decisions. Without accurate and up-to-date financial information, the Board cannot effectively identify prudent fiscal courses of action or properly plan for the future.

The ongoing viability of the District's operations depend significantly on the accurate, complete and timely recording and reporting of financial information, long-term capital and financial planning and prudent management decisions made by properly trained officials. When long-term planning is not performed, the Board and District officials run the risk that the necessary resources to provide ongoing fire protection and emergency response services will not be available.

2 https://www.osc.ny.gov/files/local-government/resources/pdf/internalauditprocess.pdf

What Do We Recommend?

The Board should:

1. Develop comprehensive written long-term capital and financial plans based on accurate and current financial information and periodically update them to help ensure financial resources are available to fund operations and replace capital assets in a timely manner.
2. Establish a written fund balance and reserve policy as part of the District's long-term planning effort to set aside funds for identified future building, equipment and repair needs.
3. Ensure the Treasurer maintains accurate financial records and provides adequate monthly financial reports to the Board.
4. Ensure the Treasurer provides it necessary financial information to conduct a thorough and deliberate annual audit of the Treasurer's financial records.
5. Complete mandatory fiscal oversight training.

The Treasurer should:

6. Maintain accurate financial records and submit timely financial reports to the Board.
7. Annually submit accurate AFRs to OSC in a timely manner.
8. Attend municipal accounting training available through OSC, which can be accessed on our website at: https://www.osc.state.ny.us/local-government/academy.

Appendix A: Response From District Officials

Richford Fire District

Jeffery Holcomb, District Chairman
PO Box 81
Richford, NY 13835
607.657.4414

August 27th, 2024

Binghamton Regional Office
% Ann Singer, Chief of Municipal Audits
State Office Building, Suite 1702
44 Hawley Street
Binghamton, NY 13901-4417

Re: Richford Fire District, Report of Examination, #2024M-55

Dear Ann Singer:

The Richford Fire District acknowledges the receipt of the above referenced draft report of the audit conducted by your office. Our board has reviewed the report and agrees with your findings. This response letter is also serving as the District's corrective action plan, approved by the Board of Directors on August 6th, 2024.

Audit Recommendation #1:
Develop comprehensive, written, long-term capital and financial plans based on accurate and current financial information and periodically update them to help ensure financial resources are available to fund operations and replace capital assets in a timely manner.

Corrective Action Plan:
Within 60 days, the Board will meet to develop a comprehensive 5 year long-term financial plan with specific attention to replacement of building, trucks, and equipment. This will help to guide future budgets to better prepare for these expenditures.

Audit Recommendation #2:
Establish a written fund balance and reserve policy as part of the District's long-term planning efforts to set aside funds for identified future building, equipment and repair needs.

Corrective Action Plan:
In conjunction with this long-term planning, the Board will also develop a fund balance and reserve policy to help guide future budgeting and long-term equipment replacement. This will help to provide clarity on the purpose of the reserves and limits for all accounts.

Audit Recommendation #3:
Ensure the Treasurer maintains accurate financial records and provides adequate monthly financial reports to the Board.

Corrective Action Plan:
With guidance from the Comptroller's office in regards to what information needs to be audited every month, the Board will thoroughly review that information provided by the treasurer at our monthly meetings. In addition, the Board has purchased an on-line accounting program to help avoid manual accounting errors, and will provide accurate and timely reconciliation every month.

Audit Recommendation #4:
Ensure the Treasurer provides necessary financial information to conduct a thorough and deliberate annual audit of the Treasurer's financial records.

Corrective Action Plan:
With guidance from the Comptroller's office in regards to what information needs to be audited at the end of the fiscal year, the board will thoroughly review that information provided by the treasurer at our monthly meetings, and again at the end of the fiscal year prior to completion and submission of the AFR. The Board will use the provided checklist to ensure fidelity.

Audit Recommendation #5:
Complete mandatory fiscal oversight training.

Corrective Action Plan:
All commissioners, fire chief and treasurer have completed the mandatory fiscal training on March 23rd, 2024.

Audit Recommendation #6:
Maintain accurate financial records and submit timely financial reports to the Board.

Corrective Action Plan:
Upon suggestion of the Comptroller's office, the Board purchased an on-line accounting program for our treasurer to use to eliminate manual errors, provide up-to-date accounting information and timely reconciliation. This has been very helpful over the past few months.

Audit Recommendation #7:
Annually submit accurate AFRs to OSC in a timely manner.

Corrective Action Plan:
The Board of Directors has developed a plan to complete and submit the AFR in a timely fashion. The treasurer and secretary will work in conjunction to complete this process. The board has presented a letter to the treasurer asking for prompt completion and submission (within 60 days of the end of the fiscal year) of AFR's in the future.

Audit Recommendation #8:
Attend municipal accounting training available through OSC, which can be accessed on our website at: https://www.osc.state.ny.us/local-government/academy .

Corrective Action Plan:
Our treasurer will be completing the next available treasury-specific training through AFDSNY, as well as the accounting training available through OSC. This is in conjunction to the fiduciary training completed on March 23rd, 2024.

The District would like to take this opportunity to express our thanks to the OSC staff for their professionalism and assistance during the audit.

Respectfully,

[redacted]

Jeff Holcomb
Chairperson, Richford Fire District

7/15/2024

DONNA GENCARELLI, TREASURER

[redacted]

DEAR DONNA,

AS OUR TREASURER FOR THE DISTRICT, IT HAS COME TO OUR ATTENTION, THAT DURING THE AUDIT BY THE OSC. THAT OUR FISCAL YEAR ENDS PAST DECEMBER EACH YEAR. OUR FISCAL YEAR HAS TO RUN FROM 1-01-24 TO 12-31-2024. THIS CHANGE WILL HELP WITH THE FILING OF THE AFR TO OSC IN TIMELY MANNER.

THE AFR THAT YOU PREPARE ANNUALLY WASN'T FILED WITHIN THE 60 DAY PERIOD.

THE RICHFORD BOARD OF FIRE COMMISSIONERS WOULD LIKE TO REMIND YOU THAT THE AFR NEEDS TO BE FILED WITHIN THE 60 DAY GRACE PERIOD.

THE BOARD OF FIRE COMMISSIONERS WOULD LIKE TO THANK YOU FOR YOUR TIME.

SINCERELY,

ÁPRIL ANDERSEN, SECRETARY

RICHFORD FIRE DISTRICT, PO BOX 81, RICHFORD NY 13835

Appendix B: Audit Methodology and Standards

We conducted this audit pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the New York State General Municipal Law. We obtained an understanding of internal controls that we deemed significant within the context of the audit objective and assessed those controls. Information related to the scope of our work on internal controls, as well as the work performed in our audit procedures to achieve the audit objective and obtain valid audit evidence, included the following:

- We interviewed District officials and reviewed Board meeting minutes to gain an understanding of the District's financial operations, to determine whether long-term plans, fund balance and reserve policies were developed and adopted, and to determine whether processes were in place for fiscal monitoring, budgeting, managing fund balance and providing financial oversight.
- We calculated the District's last five years of real property tax levy rate changes and compared these with the annual inflation rates.
- We reviewed the engineer's report and the architect's estimates to calculate the cost of the capital project to build a new fire station building and to determine the potential impact on operations if the building fails.
- We compared the age of the District's current vehicles to the NYSDOT optimal usable life document to determine the remaining useful life of these vehicles and discussed optimal life estimates of remaining equipment with the Chief. We reviewed 48 claim vouchers and supporting documentation related to the purchase of pieces of equipment totaling $82,708 to identify the age and estimate the replacement costs of all major equipment over $5,000.
- We reviewed 14 of the District's claim vouchers and supporting documentation relating to vehicle repair costs totaling $15,935 to calculate the District's significant repair costs (over $1,000) for vehicles in need of non-routine repairs.
- We interviewed District officials and reviewed Board meeting minutes and bank statements to determine whether the Board established capital reserve funds for the building and for equipment and vehicle replacement, and to determine reserve activity and balances. We used our estimated replacement costs of major equipment and the building construction cost estimates to determine reserve funding shortfalls.
- We interviewed officials to gain an understanding of budgeting practices and analyzed changes in fund balance from operations during the audit period.

- We compared the Treasurer's final monthly budget-to-actual for each year in our audit period with Board-approved abstract (i.e., listing of claim vouchers approved for payment) totals, bank statements and adopted budgets to assess whether financial information on record was accurate.
- We reviewed the Treasurer's check register recordings for the audit period and compared them to the bank reconciliations for December of each year in our audit period to determine whether they were complete, accurate and timely. We judgmentally selected December as it is the last month of the fiscal year.
- We reviewed AFR filings to determine whether the District had submitted these to OSC within 60 days of the close of the fiscal year.
- We reviewed election records and commissioner training completion certificates to determine whether the Commissioners completed required fiscal oversight training in a timely manner.
- We interviewed officials and reviewed enrollment rosters to assess trends in active membership at the District.

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Unless otherwise indicated in this report, samples for testing were selected based on professional judgment, as it was not the intent to project the results onto the entire population. Where applicable, information is presented concerning the value and/or size of the relevant population and the sample selected for examination.

The Board has the responsibility to initiate corrective action. Pursuant to Section 181-b of New York State Town Law, a written corrective action plan (CAP) that addresses the findings and recommendations in this report must be prepared and forwarded to our office within 90 days. To the extent practicable, implementation of the CAP must begin by the end of the next fiscal year. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit Report*, which you received with the draft audit report. We encourage the Board to make the CAP available for public review.

Appendix C: Resources and Services

Regional Office Directory
www.osc.ny.gov/files/local-government/pdf/regional-directory.pdf

Cost-Saving Ideas – Resources, advice and assistance on cost-saving ideas
www.osc.ny.gov/local-government/publications

Fiscal Stress Monitoring – Resources for local government officials experiencing fiscal problems
www.osc.ny.gov/local-government/fiscal-monitoring

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Planning and Budgeting Guides – Resources for developing multiyear financial, capital, strategic and other plans
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Protecting Sensitive Data and Other Local Government Assets – A non-technical cybersecurity guide for local government leaders
www.osc.ny.gov/files/local-government/publications/pdf/cyber-security-guide.pdf

Required Reporting – Information and resources for reports and forms that are filed with the Office of the State Comptroller
www.osc.ny.gov/local-government/required-reporting

Research Reports/Publications – Reports on major policy issues facing local governments and State policy-makers
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Training – Resources for local government officials on in-person and online training opportunities on a wide range of topics
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Contact

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