



# Town of Alden

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Town Clerk/Tax Collector

2024M-106 | May 2025

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# Report Highlights

## Town of Alden

### Audit Objective

Determine whether the Town of Alden (Town) Town Clerk (Clerk) properly recorded, deposited, remitted and reported collections.

### Key Findings

The Clerk did not properly record, deposit, remit or report collections. As a result, collections were at greater risk for theft or loss. In addition, the Clerk accumulated unremitted funds totaling \$138,050 in the tax collection bank accounts. The funds should have been remitted to the Town Supervisor (Supervisor), a school district or refunded to taxpayers. Most of the unremitted funds or \$84,757 should have been returned to taxpayers who overpaid their taxes; only a limited number of taxpayers received their refund since 2021. Retaining the collections prevented the funds from being productively used by Town officials and taxpayers. The Clerk also did not:

- Always date stamp real property tax receipts – 66 percent of Town and County and 47 percent of school real property tax receipts were not date stamped when they were received. As a result, the potential for missing funds and the misuse of funds increases significantly.
- Properly deposit all real property tax collections in accordance with New York State Town Law (Town Law) Section 35.
- Deposit all Clerk fees in accordance with Town Law Section 30.

### Recommendations

The audit report includes 11 recommendations to the Clerk which, if implemented, will improve controls over collections. The Clerk generally agreed with our recommendations and indicated she has initiated corrective action.

### Audit Period

January 1, 2023 – May 15, 2024

We extended our scope period back to January 1, 2018 to review the origin and source of unremitted money in the Clerk’s tax collection accounts.

### Background

The Town is located in Erie County (County) and has a population of approximately 9,800 residents. Operations are financed primarily by revenues from real property taxes, sales tax, State aid and grants.

During our audit period, the structure of the Town Board (Board) changed; refer to Appendix A for details.

The Clerk collects fees for a variety of purposes, including licenses, permits and vital records. Generally, all fees received by the Clerk are the property of the Town, County or State and must be promptly remitted to the appropriate parties.

The Clerk also serves as the Tax Collector and is responsible for collecting and remitting Town and County real property taxes to the Supervisor and County Treasurer (Treasurer). The Clerk collects for and remits real property taxes to the Alden and Akron Central School Districts.

Quick Facts	
2023 Real Property Taxes Collected	\$16 million
2023 Clerk Fees	\$41,036

# Town Clerk/Tax Collector

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## What Is Proper Remitting, Recording, Depositing and Reporting of Collections?

The town clerk (clerk), as tax collector, is required<sup>1</sup> to remit amounts collected, including any interest and penalties, to the town supervisor (supervisor) at least once a week. The clerk, as receiver of school taxes, is also required<sup>2</sup> to remit school taxes collected within five days of collection. Any penalties collected by the clerk for school taxes must be remitted to the supervisor. Any interest earned on school taxes must be remitted to the school district.

Once the clerk collects the town's tax levy in full, tax collections must be remitted to the treasurer no later than the 15th day of the following month. At the end of the collection period, the clerk is required to settle with the county treasurer (treasurer) and must account for:

- The taxes collected,
- Amounts remitted to the supervisor and treasurer,
- Any adjustments to the tax roll, and
- The taxes that remain unpaid.

The clerk should also prepare monthly bank reconciliations for the accounts that she is responsible for and any differences between reconciled bank balances and general ledger cash accounts should be researched and corrected as necessary. The clerk should also perform monthly accountability analyses to compare the amount of cash on hand and on deposit in the bank to detailed lists of amounts due. These are critical procedures that serve to document the status of money held by the clerk that enable the clerk to verify the accuracy of financial records and ensure that assets are sufficient to meet liabilities. The clerk must prepare and provide a detailed monthly statement to the supervisor for all money received, including both tax collections and clerk fees.

The clerk must properly account for all transactions by promptly and accurately recording the daily amounts collected in a cash receipts journal. The clerk should issue duplicate pre-numbered receipts for all cash, checks or money orders collected and provide one copy to the customer and retain one copy on file. Specifically, with receipts for tax bills, the clerk should stamp all tax bills and receipts with the date they were received.

The clerk, as tax collector, must deposit all real property taxes collected within 24 hours of receipt.<sup>3</sup> Collections should be deposited intact, (i.e., in the same amount and form – cash or check – as received). The clerk must deposit all clerk fees collected, including licenses, permits and vital records, within three business days after total collections exceed \$250.<sup>4</sup> The clerk must remit all money received to either the supervisor or appropriate State agency in a timely manner. Certain collections must be remitted to the supervisor and the New York State Department of Health (DOH) by the 15th day of the following month and other collections to the New York State Agriculture and Markets (AGM) by the 5th day of the following month.

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<sup>1</sup> Town Law Section 35

<sup>2</sup> Town Law Section 37 and the Erie County Tax Act

<sup>3</sup> Town Law Section 35

<sup>4</sup> Town Law Section 30

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## **The Clerk Did Not Properly Remit, Report, Record or Deposit Real Property Tax Collections**

Tax collections totaling over \$16 million were deposited into the Clerk's tax collection bank accounts from January 1, 2023 through December 31, 2023, which included Town and County real property tax collections totaling over \$5.8 million and school real property tax collections totaling over \$10.2 million. We reviewed the Clerk's accounting records and supporting documentation for 2023 and determined that real property tax collections were generally not remitted, reported, recorded or deposited properly.

Remittance – The Clerk did not properly remit all real property tax collections as required and has not refunded overpaid taxes. As of December 31, 2023, the Clerk had \$138,050 remaining in her tax collection bank accounts when all money should have been remitted to the Supervisor, the County or a school district. All real property tax collections owed to the County and the school districts were remitted. However, although the amount required to satisfy the real property tax levy was remitted to the Supervisor, not all penalties and interest were remitted.

We reviewed the Clerk's records from January 2018 through December 31, 2023 to identify the origin of the accumulated money in the Clerk's bank accounts. The balance included tax penalties totaling \$48,275 collected in 2021, 2022 and 2023 and bank interest earnings totaling \$5,453 from 2019 through 2023. These unremitted penalties and interest earnings were not remitted to the Supervisor or the school districts as required by Town Law Sections 35 and 37 and the Erie County Tax Act. The remaining balance, totaling \$84,322, was from overpayments or duplicate payments generally made by escrow companies which should have been refunded. The Clerk told us it is common for escrow companies to pay more than is due and she had to manually calculate refunds. The Clerk told us she was behind on calculating refunds and our review indicated that she had made a limited number of refund payments since 2021.

In addition, the Clerk said that she has not completed any bank reconciliations or accountability analyses, which are basic controls designed to ensure funds are properly accounted for, since the end of 2022 because of an error with her bank reconciliation spreadsheet. The Clerk also did not provide reports to the Supervisor of real property tax collections. Regardless, the Clerk should have been performing bank reconciliations, accountability analyses and providing reports on a regular monthly basis. If she had unremitted money, it would have been easily detected and turned over to the appropriate parties in a timely manner.

In addition to the unremitted money, tax collections for the Town's 2023 real property tax levy were not remitted to the Supervisor weekly as required. Instead, the Clerk made one payment for the full real property tax levy on March 15, 2023. When collections are not remitted in a timely manner, the funds are not available for Town officials to provide services.

Records – Although all tax payments were recorded in the tax collection software, the date collected was not always recorded on the tax payment receipts. We reviewed 386 Town and County tax receipts, totaling almost \$600,000 and 256 receipts (66 percent), totaling over \$400,000 did not have the collection date recorded. We also reviewed 338 school tax receipts totaling almost \$800,000 and 159 receipts (47 percent), totaling almost \$370,000 did not have the collection date recorded. The Clerk said that it was not her practice to record the collection date on the receipts nor was this practice in

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place when she took office. After we discussed this practice with the Clerk, she began consistently recording the collection date on the tax receipts.

We also determined that the dates the daily Town and County tax collections were recorded as received in the tax collection software did not always match the date of collection. The Clerk or her deputy, typically bundled together each day's collection receipts in a batch and attached a handwritten note with the collection date for that batch. For the 386 Town and County tax receipts we reviewed, 107 receipts totaling \$169,581 (27 percent) had a different collection date recorded than noted on the batch. Furthermore, we were unable to locate 12 Town and County tax receipts, totaling \$20,767. The recorded collection date for all 338 school tax collections matched the collection date noted on the batch. We were unable to locate seven school tax receipts totaling \$18,183.

The Clerk stated that the variance in dates was because collections may have been received on a certain day and input into the tax collection software on another day. However, cash collections should be recorded as soon as possible after receipt. If the office was busy at the time of collection, the Clerk may not enter the transaction until another day. However, not properly recording the date that tax payments were received in the tax collection software and on the receipts increases the risk that money will not be remitted or deposited in a timely manner, penalties and interest may not be applied correctly, and collections might not be recorded accurately. Furthermore, by not issuing properly dated receipts and recording collections in a timely manner, the potential for missing funds and the misuse of funds increases significantly.

Deposits – Tax collections were not always deposited within 24 hours of receipt, as required. We reviewed 111 Town and County tax collection receipts and 108 collections were not deposited within 24 hours, averaging more than six days between collection and deposit. We also reviewed 171 school tax collection receipts and 169 were not deposited within 24 hours, averaging more than four days between collection and deposit.

In 2023, the Clerk made 330 deposits, an average of 28 deposits per month. However, she typically went to the bank approximately six days per month to make the deposits.

- During the Town and County real property tax collection season, there were 156 deposits totaling \$5.8 million with an average of 13 deposits per month. The average time between when a tax payment batch was recorded and when it was deposited was 1.6 days for February, 3.6 days for March, 5.6 days for April and 11.7 days for May with an overall average of 5.6 days for that time period.
- For the school tax collection season, there were 164 deposits in that period totaling \$10.2 million with an average of 14 deposits made per month. The average time between the tax payment batch recording and deposit was 1.9 days for September, 3.4 days for October, 9 days for November and 5.6 days for December.

The Clerk told us that she was not aware that deposits needed to be made within 24 hours and that she would make an effort to make timely deposits. While these required deadlines are the latest point in time at which a deposit may be made, from an internal control perspective, the best approach is to deposit funds as soon as possible. The longer money remains undeposited, the greater the risk that

loss or theft can occur. The Clerk should refer to internal control guidance that is available on the Office of the State Comptroller's (OSC) web page (see Figure 1).

## The Clerk Did Not Properly Record, Deposit or Remit Clerk Fee Collections

The Clerk deposited Clerk fee collections totaling \$41,036 from January 1, 2023 through December 31, 2023. Although the Clerk properly reported her Clerk fee collections each month to the Supervisor, the Clerk generally did not have complete records, or make deposits and remittances in a timely manner.

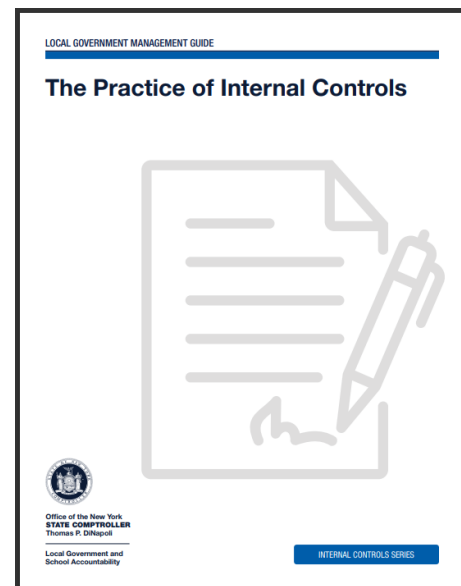
Records – We reviewed the Clerk's daily cash collections for January, June and October 2023,<sup>5</sup> which included 327 collections totaling \$7,851. Of the 327 collections, 46 collections (14 percent) totaling \$2,453 did not have a duplicate pre-numbered receipt. In addition, of the 220 dog license collections we reviewed, 28 collections (13 percent) did not have a current license on file, only licenses from previous years. The Clerk told us that for dog licenses sometimes she or her deputy forgot to print out the updated license for the file when it was renewed or it was placed in the wrong file. She also told us that it was not her practice to maintain duplicate receipts for Clerk fee collections, collections are only recorded in the accounting system. The Clerk agreed that using duplicate pre-numbered receipts was a good practice and should be implemented.

Deposits – Clerk fee collections were not deposited in a timely manner. We reviewed the Clerk's deposits for January, June and October 2023,<sup>6</sup> which included seven deposits totaling \$8,992 and the average time between collection and deposit was over 10 days, or seven days more than the three days required for Clerk fee deposits. The Clerk told us that she was not aware of this requirement, and she did not attend any training when she became the Town Clerk. By not depositing funds in a timely manner, the risk of funds being lost or stolen increased significantly.

Remittance – The Clerk was not remitting fees collected to the Supervisor and New York State (NYS) agencies in a timely manner. We reviewed all 36 remittances made during 2023. Of the 36 remittances, 21 were made late and included: five remittances to the Supervisor, totaling \$8,607; 11 remittances to

FIGURE 1

### The Practice of Internal Controls



<https://www.osc.ny.gov/files/local-government/publications/pdf/the-practice-of-internal-controls.pdf>

<sup>5</sup> See Appendix C for details of our sampling methodology.

<sup>6</sup> See Appendix C for details of our sampling methodology.



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AGM, totaling \$1,208; and five remittances to DOH totaling \$563. The Clerk told us that although she was aware of the remittance requirements for one of the remittances, she disregarded it because she had never been contacted requesting a payment when it was late. She said she sends the payments in as soon as possible or at the beginning of the following month. While the required deadline is the latest point in time at which remittances may be made, from an internal control perspective, the best approach is to remit money as soon as possible. The longer money remains unremitted, the greater the risk that loss or theft can occur.

By not issuing receipts, properly accounting for all collections, depositing or remitting in a timely manner, the greater the risk for loss, theft or misuse of funds.

## **What Do We Recommend?**

The Clerk should:

1. Remit real property tax collections and penalties to the Supervisor at least once per week until the Town's real property tax levy is paid in full; afterwards continue to remit all interest earned on the tax collection accounts and the penalties collected for late tax payments to the Supervisor or school districts, as required.
2. Refund all real property tax overpayments as soon as possible.
3. Identify the origin of real property tax overpayments accumulated in the tax collection bank accounts and promptly refund any overpayments.
4. Prepare monthly bank reconciliations and ensure any necessary corrections are made as soon as possible.
5. Provide monthly reports for all real property tax collections, including interest earned on accounts and penalties collected, to the Supervisor.
6. Accurately record the real property tax collections in the tax collection software, including the actual date of collection.
7. Deposit real property tax collections within 24 hours of receipt.
8. Issue and maintain duplicate pre-numbered receipts for all Clerk fee collections.
9. Deposit all Clerk fee collections within 72 hours once \$250 has been collected.
10. Remit all Clerk fee collections to the Supervisor and NYS agencies within the required timeframe.
11. Attend applicable and beneficial training sessions to better understand and perform her duties. Training provided by OSC can be found at: <https://www.osc.ny.gov/local-government/academy>.



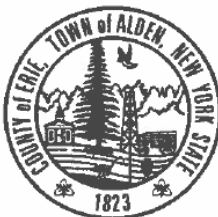
## Appendix A: Change in Board Structure

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Prior to January 1, 2024, an elected three-member Board was the legislative body responsible for overseeing the Town's operations and finances. The Board consisted of the Supervisor and two council members. After January 1, 2024, pursuant to a voter-approved referendum, the number of council members on the Board was increased to five members, which included the Supervisor and four council members.

## Appendix B: Response From Town Officials

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### OFFICE OF THE ALDEN TOWN CLERK

Alecia Barrett | 716.937.6969 ext. 2 | [alecia.barrett@erie.gov](mailto:alecia.barrett@erie.gov)

In response to the audit report, I would like to note the following:

Since taking this position in 2018, I have relied on the checks and balances between my office and the Supervisor's Office. Early on this worked very well. The staff in the Supervisor's Office was knowledgeable and communicated openly. The staffing in my office did not allow me to take time to attend workshops or training classes, so this was a valuable resource. This working relationship has drastically changed over the last several years.

After the conclusion of your audit, at a Regular Town Board Meeting, the Town Board had the auditor from [REDACTED] attend and state on the record that the entirety of the unidentified funds was tax overpayments. I had no response to this as you had stated that the information was confidential at that point. This was clearly false information.

I continued to work through the payment files and tax warrants as time permitted.

In January the Board passed a resolution approving an auditor from [REDACTED] to access certain records from my office (tax warrants). At the time, this person represented themselves as an independent forensic auditor, but later the Town was billed for her services as they pertained to investigating misadministration in my office.

At no time has any additional help, additional hours approved for staff, or anything been afforded to me to work through this back log of work. The Town Board has continued to act aggressively and discriminatory toward me, knowing I would not break the confidentiality of your audit.

When I submitted a check to the Supervisor's Office for the Town's portion of the funds the Town Board held a meeting (Supervisor Pautler, Councilmember Waiss, Councilmember Bork, Councilmember Crist, Town Attorney Strong, Budget Officer Rogers) and voiced their displeasure with my having figured out the correct amount. Councilmember Waiss stated the Supervisor's Secretary should have refused the check. They even went as far as to accuse Councilmember Cieszki (not present) and/or his wife of "leaking" confidential information to me to help identify the funds.

Alden Town Hall | 3311 Wende Road | Alden, New York 14004



## OFFICE OF THE ALDEN TOWN CLERK

Alecia Barrett | 716.937.6969 ext. 2 | [alecia.barrett@erie.gov](mailto:alecia.barrett@erie.gov)

Over the last several years I have had to spend time out of the office for major health related issues. During this time unidentified funds accumulated that required a substantial amount of time to identify. As time allowed, I have been working through everything, identifying and paying out the funds. I will continue to work through this until it is completed. Suggestions made by yourselves have been implemented and become the standard for work in the office.

I thank you for your time and suggestions on how to improve the function and documentation for the office.

**Alecia Barrett**

Alden Town Clerk

716.937.6969 ext 125

[www4.erie.gov/alden/](http://www4.erie.gov/alden/)

Alden Town Hall | 3311 Wende Road | Alden, New York 14004

## Appendix C: Audit Methodology and Standards

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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 the Clerk and deputy clerks and reviewed bank statements and financial reports including tax collection records, Clerk fee daily cash collection reports and Clerk monthly collection reports to the Supervisor to gain an understanding of the Clerk's operations.
- We used our professional judgement to select a sample of 724 tax collections totaling approximately \$1.4 million, recorded for 2023, for both Town and County and school real property taxes to determine whether they were recorded properly, the date of collection was recorded on tax receipts, and interest and penalties were included as appropriate. We reviewed the tax collections recorded in the tax collection software and traced them to the physical tax receipts. We also selected physical tax receipts and then traced them to the entries in the tax collection software.
- We compared the real property tax collections received for 2023 to the bank deposit slips to determine whether collections were deposited in a timely manner and intact. We also reviewed bank statements and canceled checks for the same period to determine whether all collections were remitted to the Supervisor and NYS agencies in a timely manner.
- In order to identify the source of unremitted money in the tax collection bank accounts, we expanded our review. We reviewed the Clerk's tax collection and Clerk fees bank accounts, including canceled check images and real property tax settlements and summaries for County, Town and school taxes from January 1, 2018 through December 31, 2023 to determine when unremitted money began to accumulate in the Clerk's tax collection bank accounts.
- We used our professional judgment to select a sample of 327 Clerk fee collections for the months of January, June and October 2023 for review. We selected January to include one month with typical collection activity and months when taxes were also collected. We reviewed all Clerk activity for the three months to determine whether collections were recorded properly by comparing recorded collections to supporting documentation such as printed dog and marriage licenses issued, death certificates and shelter rental fees.
- We reviewed all Clerk fees collected for 2023, comparing the daily cash collection report to bank deposit slips to determine how often deposits are being made. Using the same sample of three months, we reviewed the seven deposits made during these months and traced them to the daily cash reports in the Clerk's software to determine whether they were deposited in a timely manner.
- We reviewed the Clerk's monthly 2023 reports to the Supervisor and compared them to the Clerk's daily cash reports to determine whether they were accurate. We also compared the Clerk's reports to bank statements and canceled check images to determine whether money collected was remitted to the Supervisor and NYS agencies in a timely manner.

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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. A written corrective action plan (CAP) that addresses the findings and recommendations in this report should be prepared and provided to our office within 90 days, pursuant to Section 35 of General Municipal Law. 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 in the Clerk's office.

## Appendix D: Resources and Services

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### **Regional Office Directory**

[www.osc.ny.gov/files/local-government/pdf/regional-directory.pdf](http://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](http://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](http://www.osc.ny.gov/local-government/fiscal-monitoring)

### **Local Government Management Guides** – Series of publications that include technical information and suggested practices for local government management

[www.osc.ny.gov/local-government/publications](http://www.osc.ny.gov/local-government/publications)

### **Planning and Budgeting Guides** – Resources for developing multiyear financial, capital, strategic and other plans

[www.osc.ny.gov/local-government/resources/planning-resources](http://www.osc.ny.gov/local-government/resources/planning-resources)

### **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](http://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](http://www.osc.ny.gov/local-government/required-reporting)

### **Research Reports/Publications** – Reports on major policy issues facing local governments and State policy-makers

[www.osc.ny.gov/local-government/publications](http://www.osc.ny.gov/local-government/publications)

### **Training** – Resources for local government officials on in-person and online training opportunities on a wide range of topics

[www.osc.ny.gov/local-government/academy](http://www.osc.ny.gov/local-government/academy)

## Contact

Office of the New York State Comptroller  
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<https://www.osc.ny.gov/local-government>  
Local Government and School Accountability Help Line: (866) 321-8503

**BUFFALO REGIONAL OFFICE** – Melissa A. Myers, Chief of Municipal Audits  
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