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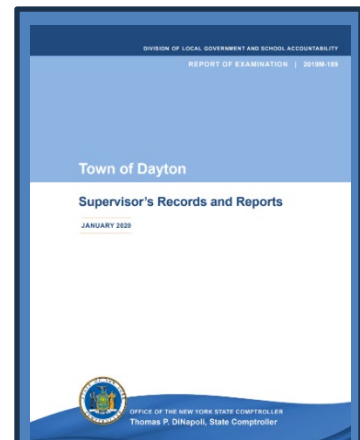
March 2025

Aaron Huber, Town Supervisor
Members of the Town Board
Town of Dayton
9100 Route 62
South Dayton, NY 14138

Report Number: 2019M-189-F

Dear Town Supervisor Huber and Members of the Town Board:

One of the Office of the State Comptroller's primary objectives is to identify areas where local government officials can improve their operations and provide guidance and services that will assist them in making those improvements. The Office also works to develop and promote short-term and long-term strategies to enable and encourage town officials to reduce costs, improve service delivery and to account for and protect their town's assets. In accordance with these objectives, we conducted an audit of the Town of Dayton (Town) to assess the Town Supervisor's (Supervisor's) records and reports. As a result of our audit, we issued a report, dated January 2020,¹ identifying certain conditions and opportunities for the Town Boards's review and consideration.



To further our policy of providing assistance to local governments, we revisited the Town in November 2024, to review progress in implementing our recommendations. Our follow-up review was limited to interviews with Town personnel and inspection of certain documents related to the issues identified in our report. Based on our limited procedures, Town officials have not implemented corrective action, as none of the seven audit recommendations were implemented. The Supervisor and Town Board (Board) were unable to provide a reasonable explanation for taking no corrective action. (Also see the audit report *Town of Dayton – Fund Balance*

¹ <https://www.osc.ny.gov/local-government/audits/town/2020/01/31/town-dayton-supervisors-records-and-reports-2019m-189>

Management (2019M-221) released in January 2020² and our follow-up review where we determined that seven of the nine recommendations were not implemented (2019M-221-F)³.

Recommendation 1 – Supervisor’s Fiscal Oversight Responsibilities

The Supervisor should continue making use of available resources to help perform the Supervisor’s fiscal oversight responsibilities, such as the New York State Comptroller’s Office (OSC) training and publications resources at: <http://www.osc.ny.gov/localgov/academy/index.htm> and <http://www.osc.ny.gov/localgov/pubs/publisting.htm>.

Status of Corrective Action: Not Implemented

Observations/Findings: While the current Supervisor⁴ participated in a formal training session offered by the New York State Association of Towns and also participated in a one-day training conference offered by Southern Tier West Regional Planning and Development Board, it was evident (see recommendations three, four, five and seven) that the publications, resources and verbal guidance offered to the Supervisor prior to and during the audit follow-up was not implemented.

Recommendation 2 – Complete and Accurate Records

The Supervisor should properly monitor the Firm performing the recordkeeping duties and ensure that the Supervisor’s records are complete and accurately maintained.

Status of Corrective Action: Not Implemented

Observations/Findings: Because the current Supervisor performs the record keeping duties that were previously performed by a firm, we reviewed two months of Supervisor’s reports that were submitted to the Board and determined that the Supervisor did not ensure the financial records were complete and accurately maintained. Specifically, we compared 37 canceled check images totaling \$140,067 to the information contained on the general ledger reports and determined that 11 checks totaling \$11,008 were inaccurately recorded. Without accurate financial records the Board cannot properly monitor and manage Town finances.

Recommendation 3 – Receipt Issuance, Recording and Depositing

The Supervisor should issue, when required, and record receipts for money received and promptly deposit money no later than 10 days after receipt.

Status of Corrective Action: Not Implemented

² <https://www.osc.ny.gov/files/local-government/audits/pdf/dayton-2019-221.pdf>

³ <https://www.osc.ny.gov/files/local-government/audits/2025/pdf/dayton-town-2019-221-f.pdf>

⁴ The current Supervisor took office on January 1, 2024.

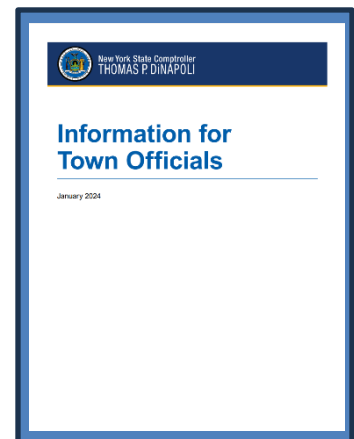
Observations/Findings: The current Supervisor did not issue receipts as required by New York State General Municipal Law Section 99-b. As a result, we could not determine whether collections were recorded and deposited in a timely manner. The Supervisor told us that he did not issue receipts for money received, because he did not read the Town’s prior OSC audit report or publications provided and was not aware of the information they included.

Recommendation 4 – Supervisor’s Report

The Supervisor should provide the Board a monthly report of receipts and disbursements, as required.

Status of Corrective Action: Not Implemented

Observations/Findings: The Supervisor did not provide a report for receipts and disbursements, commonly referred to as the Supervisor’s Report, to the Board monthly as required by New York State Town Law Section 125. For example, the Supervisor supplied the Board with the Supervisor’s Report for April 2024 through June 2024 in August of 2024. Additionally, Board members did not receive any other financial reports until December 2024. When the Board does not receive timely financial reports, it cannot make informed financial decisions. The current Supervisor should refamiliarize himself with his financial duties and responsibilities as can be found in the OSC publication entitled, *Information for Town Officials*.⁵



Recommendation 5 – Annual Supervisor’s Records Submission

The Supervisor should submit the Supervisor’s records to the Board on or by January 20th for audit.

Status of Corrective Action: Not Implemented

Observations/Findings: We determined that the 2023 financial records were not submitted to the Board for audit by January 20, 2024, as required by Town Law Section 123. The current Supervisor told us he was not aware of the statutory deadline until we had sent him the OSC publication entitled *Fiscal Oversight Responsibilities of the Governing Board* (see recommendation seven), on January 18, 2024. As of December 20, 2024, the Supervisor had still not submitted his 2023 financial records to the Board for audit.

Recommendation 6 – Report Monitoring

The Board should ensure it requests and receives the appropriate reports to monitor the Town’s financial operations.

⁵ <https://www.osc.ny.gov/files/local-government/publications/2020/pdf/information-for-town-officials.pdf>

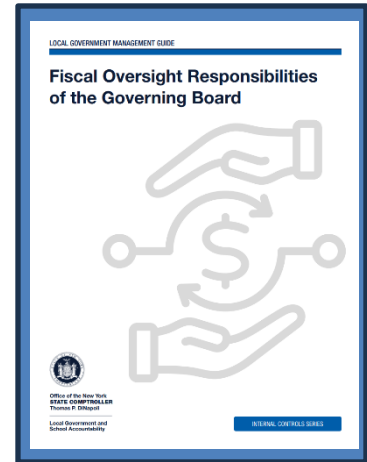
Status of Corrective Action: Not Implemented

Observations/Findings: While the Board members periodically requested financial reports from the Supervisor, they did not always receive them (see recommendations four and five). Without timely and accurate financial reports, the Board cannot adequately monitor the Town's financial operations.

Recommendation 7 – Annual Audit of Supervisor's Records

The Board should conduct an annual audit of the Supervisor's records or engage a certified public accountant or public accountant to conduct the audit. For guidance on conducting annual audits, the Board and Town officials should refer to our publication entitled, *Local Government Management Guide – Fiscal Oversight Responsibilities of the Governing Board* available at:

<https://www.osc.ny.gov/files/local-government/publications/pdf/fiscal-oversight-responsibilities-of-the-governing-board.pdf>



Status of Corrective Action: Not Implemented

Observations/Findings: The Board did not audit or have a certified public accountant audit the Supervisor's 2023 financial records. The current Supervisor told us the Board performed an audit in 2024, but he was unable to provide documentation to demonstrate that an audit was completed. Furthermore, neither the Town Clerk nor any of the other Board members were able to recall the Board conducting an audit of the Supervisor's records.

During our review, we discussed the basis for our recommendations and the operational considerations relating to these issues. We encourage Town officials to implement our recommended improvements. During our review, we provided the Board and Town Clerk with guidance related to the recommendations identified in our report and gave them information on how to access further information in OSC publications and webinars.

Thank you for the courtesies and cooperation extended to our auditors during this review. If you have any further questions, please contact Melissa A. Myers, Chief of Municipal Audits of our Buffalo Regional Office (716) 847-3647.

Sincerely,

Robin L. Lois, CPA
Deputy Comptroller