New York State Comptroller
THOMAS P. DiNAPOLI

Town of Willsboro

Town Clerk/Tax Collector

2025M-92 | November 2025

Division of Local Government and School Accountability

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Audit Results

Town of Willsboro

Audit Objective	Audit Period
Did the Town of Willsboro (Town) Town Clerk/Tax Collector (Clerk) properly record, deposit, report and remit collections?	January 1, 2017 – November 30, 2021. The release of this report was suspended while outside law enforcement reviewed the matter.

Understanding the Audit Area

The Clerk collects fees for a variety of purposes including licenses, water and sewer charges and transfer station tickets. Other fees are collected by Town employees and remitted to the Clerk for deposit, including fees for building permits, youth programs and golf course charges. The Clerk is responsible for remitting these collections to the Town Supervisor (Supervisor) and New York State (NYS) agencies. During the audit period, clerk fee collections received totaled more than $2.4 million.

The Clerk also collects Town and Essex County (County) real property taxes from January 1st to April 30th each year and is responsible for remitting the collections to the Supervisor and County Treasurer. During the audit period, tax collections received totaled more than $12.8 million.

Audit Summary

The Clerk did not properly record, deposit, report and remit collections and misappropriated more than $29,000 in collections during the audit period. The Clerk concealed her misappropriation of collections by not recording collections or recording them for less than the amount received, making unsupported cash deposits, not reporting and remitting collections to the Supervisor and NYS agencies, not returning overpayments to taxpayers and making unsupported disbursements between her three bank accounts.

The Clerk worked for the Town from 2014 to 2021, having lost election in 2021. She also separately served as Treasurer for the Essex County Agricultural Society (Society), a non-profit organization that promotes agriculture through the Essex County Fair, from 2013 to 2019.

Based upon the audit findings and subsequent investigation of the Clerk's activities at both the Town and the Society, the Clerk was arrested in the summer of 2024 for stealing approximately $60,000 from the Society and $29,000 from the Town.

In May 2025, the Clerk pleaded guilty to felony grand larceny in the second degree for the funds stolen from the Society and felony grand larceny in the third degree as a crime of public corruption for the theft from the Town.

In July 2025, the Clerk was sentenced to five years' probation and ordered to pay full restitution of nearly $90,000 for stealing funds from both the Society and Town.

We reviewed the Clerk's records during the audit period and identified significant deficiencies. The deficiencies included, but were not limited to, the following:

- Collections totaling $43,448 could not be traced to a deposit and unsupported cash deposits totaling $14,232 were made into the Clerk's three bank accounts. While we could not determine the source of the unsupported cash deposits, when subtracted from the collections that could not be traced to a deposit, this resulted in a combined cash shortage of $29,216 during the audit period.

- Collections were not properly recorded. For example, receipts were not recorded in the clerk software program for collections totaling $11,814.

- Collections were not deposited within the required timeframes. For example, for 52 of the 100 days we reviewed, the recorded tax collections totaling more than $1.1 million were not deposited within 24 hours of receipt, as required by NYS Town Law (Town Law).

- Based on our review of transfer station tickets, 42 tickets, valued at $745, were unaccounted for. As a result, officials do not have assurance that all collections received for ticket sales were deposited, or that the Clerk or Deputy Clerk did not take tickets for their own personal use without payment.

- Clerk fee collections were not remitted to the Supervisor and NYS agencies in the appropriate amounts and within the required timeframes. For example, for 34 of the 59 months (58 percent) during the audit period, the corresponding remittances made to the Supervisor from the clerk bank account were not for the appropriate amounts. For 31 of the 34 months, the Clerk or Deputy Clerk remitted a total of $14,285 less to the Supervisor than the amount owed.

- The Clerk did not remit tax collections to the Supervisor and County Treasurer in the appropriate amounts and/or within the required timeframes. For example, during the audit period, the Clerk did not remit to the Supervisor $14,167 in interest and penalties collected for tax payments made after the collection due dates.

- The Clerk did not return to taxpayers $2,460 in tax overpayments collected during the audit period.

- The Clerk made unsupported disbursements between her three bank accounts totaling $10,207. For example, the Clerk made an unsupported online transfer totaling $4,412 from the tax collector bank account to the clerk bank account on July 16, 2018. On the same day, $3,360 in cash collections were recorded in the clerk software program but were not deposited into the clerk bank account.

These deficiencies occurred and the Clerk was able to misappropriate collections without detection, because the Town Board (Board) did not provide oversight of the Clerk's duties, such as conducting independent reviews of the Clerk's records and bank statements. In addition, the Board did not require the Clerk to prepare monthly bank reconciliations and accountability analyses, which compare cash on hand and in the bank with known liabilities. This contributed to the discrepancies in the Clerk's records not being detected and corrected and resulted in officials not identifying the cash shortages in the Clerk's bank accounts during the audit period.

The Board also did not audit, or contract with an independent public accountant to audit, the Clerk's records for the 2017 through 2020 fiscal years. Had the Board fulfilled its fiscal oversight responsibilities by performing an annual audit of the Clerk's records, it may have identified certain irregularities that could have led to the detection of the Clerk's misappropriation of collections.

Our previous audit report released in July 2014[1] had similar findings related to monthly bank reconciliations and accountability analyses not being prepared and an annual audit of the Clerk's records not being performed. In addition, our audit follow-up letter released in August 2016[2] identified that officials had not implemented the recommendations in our previous audit report to address these findings. While the Clerk, Supervisor and four Council members received our previous audit report and audit follow-up letter since they were in office at the time of the releases, the same deficiencies continued to exist during the audit period, because these officials did not implement any corrective action to address the findings.

The report includes 14 recommendations that, if implemented, will improve the Clerk's financial activities. Town officials generally agreed with our recommendations and indicated they planned to initiate corrective action.

We conducted this audit pursuant to Article V, Section 1 of the State Constitution and the Office of the New York State Comptroller's (OSC) authority as set forth in Article 3 of the New York State General Municipal Law. Our methodology and standards are included in Appendix C.

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 the New York State 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.

1 Town of Willsboro – Internal Controls Over Selected Financial Operations (2014M-68)
2 Town of Willsboro – Audit Follow-Up (2014M-68-F)

Town Clerk/Tax Collector: Findings and Recommendations

A clerk should create and retain supporting documentation (e.g., duplicate press-numbered receipt), which includes the payer, purpose, amount, date of receipt and form of payment (i.e., cash, check, money order or credit card) for each payment received. In addition, a clerk should deposit collections intact (in the same amount and form – cash or check – as received) and report and remit collections to the appropriate parties in a timely manner to reduce the risk of fraud.

A clerk should also prepare monthly bank reconciliations and accountability analyses to compare cash on hand and in the bank to detailed lists of amounts due. In addition, a board should ensure the required annual audit of a clerk's records is performed.

The Clerk was first elected to a four-year term that began on January 1, 2014 and then re-elected to another four-year term that began on January 1, 2018. The Board accepted a leave of absence for the Clerk at the September 8, 2021 Board meeting and she was not re-elected to another four-year term beginning on January 1, 2022. The Clerk had an appointed Deputy Clerk who worked under her direction and performed the Clerk's duties in her absence.[3]

The Clerk maintained a clerk software program in which sequentially numbered receipts could be recorded for collections received for a variety of purposes, including, but not limited to, marriage licenses, certified copies of death certificates, dog licenses and renewals, transfer station tickets, building permits, youth programs (e.g., summer camp) and golf course charges (e.g., memberships and greens fees). In addition, the Clerk had access to the water and sewer billing and collection software program (water and sewer software program) to record collections received for water and sewer charges. The Clerk maintained a clerk bank account for the deposit of these collections.

The Clerk also used the Department of Environmental Conservation Automated Licensing System (DECALS) to issue sporting licenses (e.g., hunting and fishing) and record the corresponding collections and maintained a sporting licenses bank account for the deposit of these collections. Furthermore, the Clerk used the County's tax collection software program in which sequentially numbered receipts could be recorded for tax collections received and maintained a tax collector bank account for the deposit of these collections. Payments received by cash, check and money order had to be deposited at the bank, while credit card payments were deposited directly into the Clerk's three bank accounts by the third-party provider.

More details on the criteria used in this report, as well as resources we make available to local officials that can help officials improve operations (Figure 8), are included in Appendix A.

Finding 1 – Collections were not properly recorded and the Clerk misappropriated more than $29,000 in collections.

We reviewed supporting documentation of collections (e.g., collection reports generated from the four software programs and credit card payment reports provided by the third-party provider), bank

3 Refer to Appendix A for further information.

statements and deposit compositions, that contain copies of each check and money order deposited, obtained from the Town's bank for deposits made into the Clerk's three bank accounts. We identified collections totaling approximately $15.3 million that were received during the audit period. Collections totaling $43,448 could not be traced to deposits made into the Clerk's three bank accounts during the audit period (Figure 1).

Figure 1: Misappropriated Collections

Bank Account	Total Collections[a]	Collections Deposited	Collections Not Traced to Deposits	Less: Unsupported Cash Deposits[b]	Cash Shortage
Clerk	$2,379,587	$2,347,308	$32,279	($9,995)	$22,284
Sporting License	108,019	102,477	5,542	(2,745)	2,797
Tax Collector	12,827,581	12,821,954	5,627	(1,492)	4,135
Totals	**$15,315,187**	**$15,271,739**	**$43,448**	**($14,232)**	**$29,216**

a) Consists of the identified collections that should have been deposited into each of the respective bank accounts.
b) Consists of cash deposits made into each of the respective bank accounts without supporting documentation of the source.

However, either all or a portion of 62 deposits made into the Clerk's bank accounts during the audit period consisted of unsupported cash ranging from less than $1 to $3,208, for a combined total of $14,232 (Figure 1). While we could not determine the source of these unsupported cash deposits, when subtracted from the collections that could not be traced to a deposit, this resulted in a combined cash shortage of $29,216 during the audit period (Figure 1).

Clerk – Clerk collections totaling $32,279 could not be traced to deposits made during the audit period (Figure 2). Examples of the collection deficiencies included, but were not limited to, the following:

Figure 2: Clerk Collections Not Traced to Deposits

Year	Amount
2017	$238
2018	9,417
2019	21,708
2020	261
2021	655
Total	**$32,279**

- Receipted, Not Deposited – Cash collections that were receipted in the clerk software program could not be traced to deposits made. For example, all cash collections totaling $4,359[4] that were recorded in the clerk software program with a receipt date of September 4, 2019 could not be traced to a deposit. However, the check collections totaling $95 that were recorded in the clerk software program with the same receipt date were deposited on September 12, 2019. Similarly, all cash collections totaling $2,635[5] that were recorded in the clerk software program with a receipt date of September 13, 2019 could not be traced to a deposit. However, the check collections totaling $523 that were recorded in the clerk software program with the same receipt date were deposited on October 22, 2019.

- Not Receipted, Not Deposited – Collections were not receipted in the clerk software program and the corresponding cash collections could not be traced to deposits made. For example, all cash

4 The $4,359 in cash collections consisted of golf course charges from August 23, 2019 through September 3, 2019 totaling $4,282 and transfer station ticket sales totaling $77.
5 The $2,635 in cash collections consisted of golf course charges from September 5, 2019 through September 12, 2019 totaling $2,038, youth program fees totaling $402, a building permit totaling $167 and a transfer station ticket sale totaling $28.

collections totaling $766 for golf course charges from September 5, 2018 through September 8, 2018 could not be traced to a deposit. In addition, all cash collections totaling $3,058 for golf course charges from July 1, 2019 through July 7, 2019 could not be traced to a deposit. However, the check collections totaling $150 for charges on the same dates were deposited on August 9, 2019. Furthermore, receipts were not recorded in the clerk software program for any of these collections.

- Partially Receipted, Partially Deposited – Collections were partially receipted in the clerk software program and the corresponding cash collections that were not receipted could not be traced to deposits made. For example, all cash collections totaling $360 for transfer station ticket sales at the Paine Memorial Library (Library) from October 13, 2018 through February 2, 2019 that were remitted to the Clerk for deposit on February 6, 2019 could not be traced to a deposit. However, a check totaling $12 that was included in the collections remitted to the Clerk was deposited on February 19, 2019. In addition, $714 of the $770 in cash collections for transfer station ticket sales at the Library from March 2, 2019 through July 6, 2019 that were remitted to the Clerk for deposit on July 11, 2019 could not be traced to a deposit. However, the remaining $56 in cash collections and check collections totaling $77 that were included in the collections remitted to the Clerk were deposited on July 31, 2019. Furthermore, the corresponding receipts recorded in the clerk software program for these transactions did not include the cash collections that could not be traced to a deposit.

During the audit period, we determined that receipts were not recorded in the clerk software program for corresponding collections received totaling $11,814 and payments were not recorded in the water and sewer software program for corresponding collections received totaling $1,647, or a combined total of $13,461.[6] In addition, for collections received totaling $6,149, the corresponding 30 receipts recorded in the clerk software program totaled $4,184, or $1,965 less than the collections received.

Figure 3: Sporting License Collections Not Traced to Deposits

Year	Amount
2017	$47
2018	79
2019	5,381
2020	10
2021	25
Total	**$5,542**

Sporting License – Sporting license collections totaling $5,542 could not be traced to deposits made during the audit period (Figure 3). For example, all cash collections totaling $3,294 for sporting license sales from October 3, 2019 through November 1, 2019 could not be traced to a deposit. However, the check collections totaling $993 for sales for the same dates were deposited on November 4, 2019.

Figure 4: Tax Collections Not Traced to Deposits

Year	Amount
2017	$55
2018	840
2019	4,693
2020	20
2021	19
Total	**$5,627**

Tax Collector –Tax collections totaling $5,627 could not be traced to deposits made during the audit period (Figure 4). For example, cash payments totaling $2,127 for six tax bills that were recorded on the corresponding tax payment stubs

6 The $13,461 in collections consisted of $6,950 in cash, $5,477 in credit card payments and $1,034 in checks.

as being received between January 4, 2019 and January 25, 2019 could not be traced to a deposit. In addition, these six tax payments were all recorded in the tax collection software program with a payment date of April 16, 2019, or between 81 and 102 days after their receipt.

Furthermore, a cash payment totaling $945 for a tax bill that was recorded on the tax payment stub as being received on April 8, 2019 could not be traced to a deposit and was not recorded in the tax collection software program. As a result, at the end of the 2019 tax collection period, the Clerk reported the corresponding taxpayer's taxes as unpaid to the County Treasurer. However, after the County Treasurer's process of collecting unpaid taxes began, the Clerk compensated for this deficiency by issuing a check totaling $945 from the tax collector bank account to the County Treasurer on June 12, 2019.

While unsupported cash deposits totaling $14,232 were made into the Clerk's three bank accounts during the audit period, these deposits did not eliminate the cash shortages in the Clerk's bank accounts caused by collections that were not deposited. In addition, had some of the unsupported cash deposits not been made on the dates they were, the Clerk's bank accounts would have been overdrawn (i.e., negative bank balance) during the audit period. For example:

- Without an unsupported cash deposit totaling $2,071 into the sporting license bank account on November 14, 2019, the bank account would have been overdrawn by $1,911 on November 15, 2019 after the NYS Department of Environmental Conservation (DEC) withdrew the State's share of the October 2019 sporting license sales totaling $5,707 from the account.
- In addition, without an unsupported cash deposit totaling $1,205 into the clerk bank account on January 13, 2020, the bank account would have been overdrawn by $421 on January 14, 2020 if the check issued to the Supervisor that day for water and sewer collections totaling $3,166 had cleared the bank account.

By not recording collections or recording them for less than the amount received and making unsupported cash deposits, the Clerk was able to conceal her misappropriation of collections during the audit period.

Recommendations

The Clerk should:

1. Ensure all collections are recorded in the applicable software program in a timely and accurate manner.
2. Ensure all collections are deposited intact.
3. Ensure supporting documentation is attached to the deposit receipts received from the bank to support all deposits made.

Finding 2 – Collections were not deposited in a timely manner.

Clerk – Clerk fee collections were not always deposited by the third business day after total collections exceeded $250, as required by Town Law. We reviewed 100 days of recorded clerk fee collections[7] totaling $234,444 (cash, check or money order) during the audit period and determined that for 47 days (47 percent) either all or a portion of the recorded collections for those days, which totaled $44,620, were deposited between one and 40 days late.

Tax Collector – Tax collections were not always deposited within 24 hours of receipt, as required by Town Law. We reviewed 100 days of recorded tax collections[8] totaling approximately $2.7 million (cash, check or money order) during the audit period and determined that for 52 days (52 percent) the recorded collections totaling more than $1.1 million were deposited between one and 11 days late.

When collections are not deposited in a timely manner, there is an increased risk money could be lost or misused.

Recommendation

4. The Clerk should ensure all collections are deposited in a timely manner in compliance with Town Law.

Finding 3 – Transfer station tickets were unaccounted for.

The Town of Essex operated a transfer station that was used by residents of the Towns of Essex and Willsboro during the audit period. The Town purchased press-numbered transfer station tickets from the Town of Essex to be sold to its residents. Transfer station charges are based on weight and tickets could be purchased for $6, $12 and $24 at the start of the audit period until February 2019 when the costs increased to $7, $14 and $28. The Clerk maintained tickets in the Clerk's office, and she and the Deputy Clerk sold them. The Clerk also issued tickets to the Library Director to be sold by Library employees. The Library discontinued selling transfer station tickets in July 2020.

We reviewed all 4,507 transfer station tickets totaling $77,111 that were purchased from the Town of Essex and available to be sold during the audit period. We determined that 42 transfer station tickets,[9] valued at $745, were unaccounted for because they were not recorded as sold or returned to the Town

7 Refer to Appendix C for information on our sampling methodology.

8 Ibid.

9 The 42 transfer station tickets consisted of one $6 ticket, six $12 tickets, 10 $24 tickets, seven $7 tickets, nine $14 tickets and nine $28 tickets.

of Essex,[10] or on hand during our review. None of the unaccounted-for tickets were recorded as issued to the Library to be sold.

Officials were not aware that tickets were unaccounted for because no one independently reviewed the inventory records (i.e., documentation of tickets purchased, issued and sold) and tickets on hand to ensure all tickets were accounted for. As a result, officials do not have assurance that all collections received for ticket sales were deposited, or that the Clerk or Deputy Clerk did not take tickets for their own personal use without payment.

Recommendation

5. The Board should designate someone independent of the Clerk's office to periodically review the inventory records and tickets on hand to ensure all transfer station tickets are accounted for.

Finding 4 – Clerk fee collections were not properly reported and remitted.

Reports – During the audit period, the Clerk or Deputy Clerk generated monthly reports that contained a summary of the collections receipted in the clerk software program. While the DECALS was used to record individual collections for sporting licenses, a receipt for the total sporting license sales for the month was recorded in the clerk software program to be included in the monthly reports. The monthly reports were submitted to the Supervisor with the corresponding checks issued from the clerk and sporting license bank accounts for the Town's share of the recorded collections for the month.

Water and sewer charges were only recorded in the water and sewer software program. These collections were not receipted in the clerk software program, and therefore, were not included in the monthly reports submitted to the Supervisor. However, the Clerk or Deputy Clerk generated reports of the collections recorded in the water and sewer software program, which were submitted periodically throughout the month to the Supervisor with the corresponding check issued from the clerk bank account for the recorded water and sewer collections.

We reviewed all monthly clerk reports submitted to the Supervisor and determined that a separate report was not submitted for each of the 59 months during the audit period. This occurred because the Clerk submitted four reports to the Supervisor that each contained financial transactions covering a two-month period. For example, the report submitted to the Supervisor on July 10, 2019 contained financial transactions for the months of May and June 2019.

10 When the cost of transfer station tickets increased, 125 tickets were returned to the Town of Essex.

In addition, for 11 of the 59 months (19 percent) during the audit period, the corresponding reports were not submitted to the Supervisor in a timely manner, because they were submitted between one and 49 days late, or an average of approximately 20 days late. For example, the Clerk submitted the monthly reports for both October 2019 and November 2019 to the Supervisor on January 3, 2020, or 49 and 19 days late, respectively.

We also reviewed 10 monthly clerk reports[11] during the audit period and determined that the total collections recorded on six reports (60 percent) were not accurate, because they were understated by $12 to $8,872, for a combined total of $18,100. The discrepancies predominately occurred because collections were either not recorded or inaccurately recorded in the clerk software program.

Clerk Remittances – We reviewed all 56 checks totaling $676,936 issued by the Clerk or Deputy Clerk to the Supervisor for remittances of the Town's share of collections received during the audit period.[12] We determined that 56 checks were issued, which was three less than the expected amount of 59 (one for each month). This occurred because four checks issued each included the remittance of two months of collections and the Clerk issued two checks to the Supervisor for collections received in August 2020. In addition, for 10 of the 59 months (17 percent), the corresponding remittances totaling $70,658 were made between two and 49 days late, or an average of approximately 21 days late. Furthermore, for 34 of the 59 months (58 percent), the corresponding remittances were not for appropriate amounts. For example, for 31 months the Clerk or Deputy Clerk remitted less to the Supervisor than the amount owed ranging from $3 to $7,121, for a combined total of $14,285.

We also reviewed all 86 checks totaling $2,017 issued by the Clerk or Deputy Clerk to NYS agencies (i.e., NYS Department of Agriculture and Markets [AGM] and NYS Department of Health [DOH]) for remittances of the State's share of collections received during the audit period. We determined that:

- The Clerk did not remit to DOH the State's share of collections received for the months of January 2019, August 2021 and October 2021 totaling $90.
- The Clerk issued two checks or duplicate remittances to both AGM and DOH for the State's share of collections received for the month of October 2019 totaling $10 and $45, respectively.
- For 34 of the 55 months (62 percent) that remittances were made to AGM during the audit period, the corresponding remittances totaling $385 were made between one and 69 days late, or an average of approximately 12 days late.
- For three of the 32 months (9 percent) that remittances were made to DOH during the audit period, the corresponding remittances totaling $158 were made between one and 59 days late.

11 Refer to Appendix C for information on our sampling methodology.

12 These remittances were for the Town's share of collections received and deposited into the clerk bank account (e.g., marriage licenses, dog licenses and renewals, transfer station tickets and golf course charges) but did not include collections for water and sewer charges that were remitted separately.

- For three of the 55 months (5 percent) that remittances were made to AGM and two of the 32 months (6 percent) that remittances were made to DOH during the audit period, the corresponding remittances were not for appropriate amounts. For example, for both months the Clerk remitted less to DOH than the amount owed totaling a combined $45.

Water and Sewer Remittances – We reviewed all 394 checks totaling approximately $1.7 million issued by the Clerk or Deputy Clerk to the Supervisor for remittances of collections received for water and sewer charges during the audit period. Except for one minor discrepancy that we discussed with Town officials, remittances were made in a timely manner. However, 21 of the 394 remittances (5 percent) were not for appropriate amounts. For example, for 14 remittances, the Clerk or Deputy Clerk remitted less to the Supervisor than the amount owed ranging from $14 to $377, for a combined total of $1,360.

Sporting License Remittances – We reviewed all 52 checks totaling $4,905 issued by the Clerk or Deputy Clerk to the Supervisor for remittances of the Town's share of collections received for sporting license sales during the audit period. We determined that 52 checks were issued, which was seven less than the expected amount of 59 (one for each month). This occurred because there were no sporting license sales in February 2020, four checks issued each included the remittance of two months of collections, and the Clerk did not remit to the Supervisor the collections received for the months of September 2019 and December 2019 totaling $440.

In addition, for nine of the 56 months (16 percent) that remittances were made during the audit period, the corresponding remittances totaling $1,233 were made between two and 49 days late, or an average of approximately 20 days late. Furthermore, for nine of the 56 months (16 percent), the corresponding remittances were not for appropriate amounts. For example, for three months the Clerk remitted less to the Supervisor than the amount owed ranging from $50 to $83, for a combined total of $191.

Because the Clerk and Deputy Clerk did not remit all collections received, the Supervisor and NYS agencies did not have access to all funds belonging to them. In addition, by not reporting and remitting collections in a timely manner or at all, the Clerk was able to conceal her misappropriation of collections during the audit period.

Recommendations

The Clerk should:

6. Submit a monthly report to the Supervisor containing all collections received for the month and in a timely manner in compliance with Town Law.

7. Remit all clerk fee collections to the Supervisor and NYS agencies in the appropriate amounts and within the required timeframes.

Finding 5 – The Clerk did not properly remit tax collections and return tax overpayments to taxpayers.

Real Property Taxes – During the audit period, the Clerk did not always remit real property tax collections to the Supervisor at least once a week until the Town's share of the tax levy was collected in full and all additional real property tax collections to the County Treasurer no later than the 15th day of each month following the date of receipt, as required by Town Law. For example, for the 2019 tax collection period, the Clerk remitted tax collections to the Supervisor twice, which consisted of $879,375 on January 23, 2019 and $699,365 on February 6, 2019. However, the Clerk should have made at least five remittances to the Supervisor, because the Town's share of the tax levy was collected in full between January 1 and January 29, 2019. Also, the Clerk did not remit $475,185 in additional tax collections received in January 2019 to the County Treasurer in a timely manner, because they were remitted on March 6, 2019 or 19 days late. Because the Clerk did not remit tax collections in a timely manner, the Supervisor's and County Treasurer's access to funds that could be used for Town and County operations was delayed.

Interest and Penalties – During the audit period, the Clerk did not remit to the Supervisor $14,167 of the $27,101 in interest and penalties collected for tax payments made after the collection due dates (Figure 5). For example, the Clerk did not remit to the Supervisor any of the interest and penalties collected during the 2018 and 2019 tax collection periods, which totaled $5,592 and $5,606, respectively. In addition, for the 2020 tax collection period, the Clerk remitted $2,221 in interest and penalties to the Supervisor, which was $2,956 less than the amount collected. The Supervisor was not aware of the unremitted interest and penalties, because he did not provide oversight of the Clerk to ensure she remitted all interest and penalties collected. In addition, the Supervisor was not provided with, and did not request, supporting documentation of the interest and penalties collected during each tax collection period (e.g., collection reports from the tax collection software program).

Figure 5: Unremitted Interest and Penalties

Year	Collected	Remitted to Supervisor	Not Remitted to Supervisor
2017	$5,553	$5,553[a]	$0
2018	5,592	0	5,592
2019	5,606	0	5,606
2020	5,177	2,221	2,956
2021	5,173	5,160	13
Totals	**$27,101**	**$12,934**	**$14,167**

a) The check issued to the Supervisor for interest and penalties for the 2017 tax collection period totaled $5,977, or $424 more than the amount collected, because it incorrectly included a portion of the overpayments collected and not returned to taxpayers in 2017. As a result, we deducted $424 from the amount remitted in 2017.

Tax Overpayments – During the audit period, the Clerk did not return to taxpayers $2,460 of the $3,116 in tax overpayments collected during the audit period (Figure 6). This consisted of overpayments on 128 tax bills ranging from less than $1 to $922. For example, the Clerk did not issue refund checks to any taxpayers for the overpayments on 23 tax bills during the 2019 tax collection period totaling $1,087. Because the Clerk did not return all overpayments collected, taxpayers did not have access to money belonging to them.

Figure 6: Unreturned Tax Overpayments

Year	Collected	Returned to Taxpayers	Not Returned to Taxpayers
2017	$977	$20	$957
2018	258	152	106
2019	1,087	0	1,087
2020	234	18	216
2021	560	466	94
Totals	**$3,116**	**$656**	**$2,460**

While more than $16,000 should have accumulated in the tax collector bank account for the undisbursed interest and penalties and tax overpayments, the account had a $0 balance as of June 30, 2021. This occurred because the Clerk used these funds, including to make unsupported disbursements from the tax collector bank account to the clerk and sporting license bank accounts, to conceal her misappropriation of collections during the audit period.

Recommendations

The Clerk should:

8. Remit all real property tax collections to the Supervisor and County Treasurer in a timely manner in compliance with Town Law.

9. Remit all interest and penalties collected for late tax payments to the Supervisor in the appropriate amounts.

10. Return all tax overpayments to taxpayers as soon as possible.

The Supervisor should:

11. Request and review supporting documentation to ensure the interest and penalties remitted by the Clerk are in the appropriate amounts.

Finding 6 – The Clerk made unsupported disbursements between the bank accounts.

During the audit period, the Clerk made disbursements between her three bank accounts to correct collections that were initially deposited into the wrong bank account. However, we determined that the Clerk also made unsupported disbursements between her three bank accounts totaling $10,207 during the audit period (Figure 7). The Clerk predominately made these unsupported disbursements from the tax collector bank account to the clerk and sporting license bank accounts to conceal her misappropriation of corresponding collections. The unsupported disbursements from the tax collector bank account consisted of available funds on deposit from undisbursed interest and penalties for late tax payments and tax overpayments.

Figure 7: Unsupported Disbursements Made Between Bank Accounts

	Disbursement From:				Disbursement To:		
Year	Clerk	Sporting License	Tax Collector	Total	Clerk	Sporting License	Total
2017	$0	$0	$47	$47	$47	$0	$47
2018	0	0	4,445	4,445	4,445	0	4,445
2019	1,191	0	4,357	5,548	2,912	2,636	5,548
2020	0	107	0	107	107	0	107
2021	25	35	0	60	35	25	60
Totals	**$1,216**	**$142**	**$8,849**	**$10,207**	**$7,546**	**$2,661**	**$10,207**

For example, we determined that the Clerk:

- Made an unsupported online transfer totaling $4,412 from the tax collector bank account to the clerk bank account on July 16, 2018. On the same day, $3,360 in cash collections were recorded in the clerk software program but were not deposited into the clerk bank account.
- Used the remaining cash balance in the tax collector bank account as of December 31, 2018, to issue two checks from the account totaling $905 ($734 and $171) on January 23, 2019 and deposit them into the clerk bank account on the same day in separate deposits. These two checks were substituted to offset cash collections that were recorded in the clerk software program in December 2018 and January 2019 in the same amounts but not deposited.
- Made an unsupported online transfer totaling $1,445 from the tax collector bank account to the sporting license bank account on December 16, 2019. Had this transfer not been made, the sporting license bank account would have been overdrawn by $1,004 on December 17, 2019 after DEC withdrew the State's share of the November 2019 sporting license sales totaling $1,488 from the account.

Recommendation

12. The Clerk should retain supporting documentation for any disbursements made between the Clerk's bank accounts.

Finding 7 – Bank reconciliations and accountability analyses were not prepared, and the Board did not perform an annual audit of the Clerk's records.

The Clerk or Deputy Clerk did not prepare bank reconciliations or accountability analyses comparing cash on hand in the bank with known liabilities during the audit period, and no one independently reviewed the Clerk's bank statements. This contributed to the discrepancies in the Clerk's records not being detected and corrected and resulted in officials not identifying the cash shortages in the Clerk's bank accounts during the audit period.

In addition, the Clerk did not provide an annual accounting and the Board did not audit, or contract with an independent public accountant to audit, the Clerk's records for the 2017 through 2020 fiscal years. Had the Board fulfilled its fiscal oversight responsibilities by performing an annual audit of the Clerk's records, it may have identified certain irregularities that could have led to the detection of the Clerk's misappropriation of collections.

Our previous audit report released in July 2014[13] had similar findings related to monthly bank reconciliations and accountability analyses not being prepared and an annual audit of the Clerk's records not being performed. In addition, our audit follow-up letter released in August 2016[14] identified that officials had not implemented the recommendations in our previous audit report to address these findings. While the Clerk, Supervisor and four Council members received our previous audit report and audit follow-up letter since they were in office at the time of the releases, the same deficiencies continued to exist during the audit period, because these officials did not implement any corrective action to address the findings.

13 Town of Willsboro – Internal Controls Over Selected Financial Operations (2014M-68)
14 Town of Willsboro – Audit Follow-Up (2014M-68-F)

Recommendations

The Board should:

13. Ensure the Clerk prepares monthly bank reconciliations and accountability analyses where known liabilities are reconciled to available cash and, along with bank statements, are independently reviewed and approved.

14. Annually audit the Clerk's records or contract with an independent public accountant to conduct the audit and consider providing more frequent monitoring of the Clerk's financial activities.

Appendix A: Profile, Criteria and Resources

Profile

The Town, located in Essex County, has a population of approximately 1,900 residents. The Town is governed by an elected five-member Board, which includes the Supervisor and four Council members. The Board is responsible for the general oversight of Town operations and finances, including overseeing the elected Clerk's financial activities.

The Town has two water districts and one sewer district. One water district has approximately 1,175 customers that are billed quarterly at a flat rate per unit and three commercial properties that are billed quarterly based on their metered usage. The other water district has approximately 30 seasonal customers that are billed annually at a flat rate per unit. The sewer district has approximately 215 customers that are billed quarterly at a flat rate per unit. The Town also manages a nine-hole public golf course that is open from at least May through September each year.

The former Deputy Clerk served in the position until another Deputy Clerk was first appointed on November 18, 2020. However, due to the Board's acceptance of the Clerk's leave of absence at the September 8, 2021 Board meeting, at the same meeting, the Board appointed the former Deputy Clerk as First Deputy Clerk and the current Deputy Clerk as Second Deputy Clerk. The First Deputy Clerk performed the Clerk's duties for the remainder of the 2021 year.

Criteria – Town Clerk/Tax Collector

A clerk should create and retain supporting documentation for each payment received. Receipts and other supporting documentation help to ensure transactions entered in the accounting records are accurate and traceable from the point of collection to the bank deposits and monthly reports.

Town Law Section 30 requires a clerk to deposit all money collected no later than the third business day after total collections exceed $250. Collections should also be deposited intact to reduce the risk of fraud. In addition, Town Law Section 27 requires a clerk to submit a monthly verified statement of all money received and remit such money owed to the supervisor by the 15th day of the month following receipt. A clerk also must report and remit collections to certain NYS agencies in a timely manner, such as to AGM by the 5th day of the month following receipt and DOH by the 15th day of the month following receipt.

In addition, an inventory should be maintained of all transfer station tickets purchased, issued and sold. An individual independent of the transfer station ticket sale process should periodically review the inventory records and inventory on hand to ensure all transfer station tickets are accounted for.

Town Law Section 35 requires a clerk, as tax collector, to deposit all tax money collected within 24 hours of receipt. In addition, Town Law Section 35 requires a clerk to remit real property tax collections to the supervisor at least once a week until the town's share of the tax levy is collected in full and all additional real property tax collections to the county treasurer by the 15th day of the month following receipt. A clerk should also properly assess interest to any tax payments made after the due dates and NYS Real Property Tax Law Section 924 requires a clerk to remit the interest collected to the Supervisor. If tax overpayments or duplicate tax payments are received, a clerk should return the excess amount to the taxpayer or entity that made the payment as soon as possible.

At the end of the tax collection period, a clerk is required to settle with the county treasurer and must account for the taxes collected, amounts remitted to the supervisor and county treasurer, any adjustments to the tax roll and the taxes that remain unpaid. After the end of the tax collection period and until the start of the next tax collection period, there should be no further activity and a clerk's tax bank account balance should be zero (unless a nominal amount is needed to keep the account open).

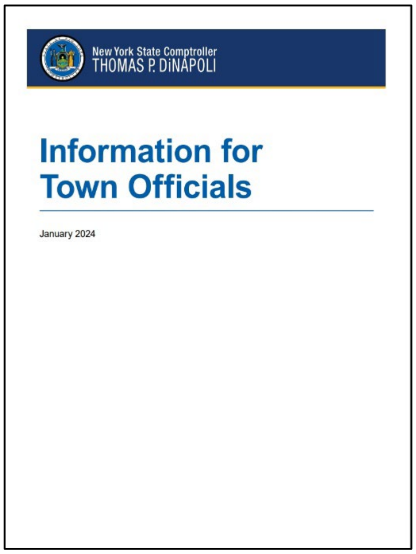
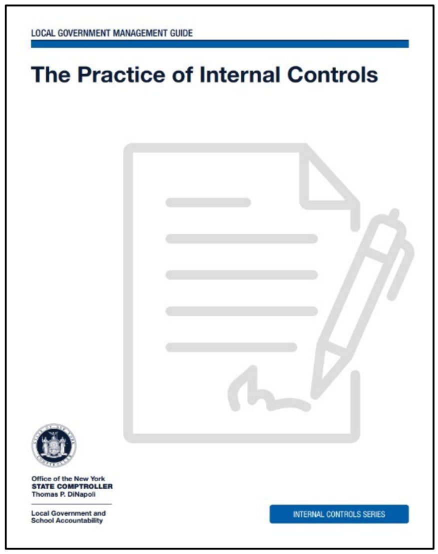
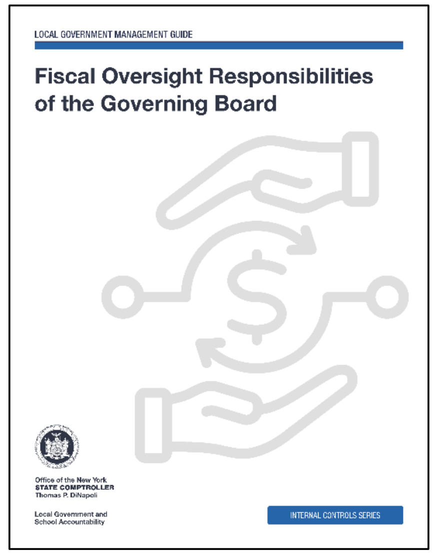
A clerk is responsible and accountable for all money received by their office. Therefore, a clerk should prepare monthly bank reconciliations and accountability analyses, which compare the amount of cash on hand and on deposit in the bank to detailed lists of amounts due to the supervisor and NYS agencies. These are critical procedures that serve to document the status of money held by a clerk, provide a means to verify the accuracy of financial records and ensure assets are sufficient to meet liabilities. A board should ensure monthly bank reconciliations and accountability analyses are prepared and, along with bank statements, are independently reviewed and approved.

Town Law Section 123 requires a clerk to submit an annual accounting to a board on or before January 20 for all funds received and disbursed during the preceding year and produce all books, records, receipts and canceled checks or check images for inspection by the board, unless a certified public accountant or public accountant has been hired to audit the clerk's records within 60 days after the close of the fiscal year. The annual accounting helps a board fulfill its overall fiscal oversight responsibilities by providing it with an opportunity to assess the reliability of the books, records and supporting documents and to identify conditions needing improvement. While an audit of a clerk's records is required at least annually, more frequent monitoring of a clerk's financial activities helps reduce the risk that errors or irregularities could occur and remain undetected and uncorrected.

Additional Town Clerk/Tax Collector Resources

Figure 8: OSC Publications

OSC publications available on our website to help officials understand and perform their responsibilities.

Information for Town Officials	*Local Government Management Guide – Practice of Internal Controls*	*Local Government Management Guide – Fiscal Oversight Responsibilities of the Governing Board*
		
https://www.osc.ny.gov/files/local-government/publications/2020/pdf/information-for-town-officials.pdf	https://www.osc.ny.gov/files/local-government/publications/pdf/the-practice-of-internal-controls.pdf	https://www.osc.ny.gov/files/local-government/publications/pdf/fiscal-oversight-responsibilities-of-the-governing-board.pdf

In addition, our website can be used to search for audits, resources, publications and training for officials: https://www.osc.ny.gov/local-government.

Appendix B: Response From Town Officials

Town of Willsboro
Office of the Supervisor

November 14, 2025

Gary G. Gifford
Chief of Municipal Audits
NYS Office of the State Comptroller
Division of Local Government and School Accountability
One Broad Street Plaza
Glens Falls, NY 12801

Re: Response to Draft Audit Report, Town of Willsboro Town Clerk / Tax Collector Audit Period: January 1, 2017 through November 30, 2021

Dear Mr. Gifford:

On behalf of the Town of Willsboro and the Town Board, I am writing in response to the draft audit report issued by the Office of the State Comptroller for the Town Clerk and Tax Collector operations for the period January 1, 2017 through November 30, 2021.

We appreciate the time and effort your staff invested in reviewing our records and internal controls. The Town takes the safeguarding of public funds very seriously. We generally agree with the audit's findings and recommendations, and we recognize that significant weaknesses existed in both the Clerk's office and the Town's oversight during the audit period.

Because there has been a change in leadership, I also want to make clear that this response reflects the Town's commitment to address the problems identified and to improve our practices going forward.

Overall comments on the findings

The audit documents a pattern in which the former Town Clerk failed to properly record, deposit, remit, and account for collections, and misappropriated Town funds. The former Clerk has since been criminally prosecuted, has pleaded guilty to a felony charge for the theft from the Town, and has been ordered to pay full restitution. We agree that the conduct described in the report was unacceptable and deeply inconsistent with the expectations of public service in Willsboro.

The report also concludes that the Town Board did not provide sufficient oversight of the Clerk's financial activities, including the lack of monthly reconciliations and the absence of the required annual audits of the Clerk's records. We agree that these governance failures contributed to the problems identified, and that stronger, more consistent oversight is needed.

5 Farrell Road, PO Box 370, Willsboro, NY 12996
Phone: (518) 963-8668 Website: www.townofwillsboro.com

Where we believe additional context is helpful, we provide it below. However, we are not disputing the key facts or overall conclusions in the draft report.

Responses to specific findings and recommendations

Recording and depositing collections

The audit found that not all collections were recorded in the Clerk's systems, that deposits were not always intact, and that deposits were frequently delayed beyond what Town Law requires.

We agree with this finding and with the recommendation that all collections be promptly and accurately recorded and deposited intact and on time. The Town will ensure that the Clerk's office follows written procedures that clearly outline how collections are receipted, recorded in the appropriate software, and deposited within the required timeframes.

Transfer station ticket inventory and controls

The audit identified missing transfer station tickets and noted that ticket inventories were not independently reconciled.

We agree that press-numbered tickets must be controlled and reconciled regularly. The Town intends to implement a process where ticket inventories are tracked by sequence, reconciled at routine intervals by someone independent of daily handling, and reviewed with the Town Board.

Clerk fee reporting and remittances

The audit found that monthly reports to the Supervisor were sometimes late or incomplete, that remittances did not always match what was owed, and that State shares were not always remitted correctly or timely.

We agree with these findings. The Town will require complete monthly reports that clearly show all collections by type, the amounts due to the Town and to State agencies, and the amounts remitted. The Supervisor's office will compare these reports to bank activity and supporting documentation to verify that all money is being properly reported and remitted.

Water and sewer, sporting license, and tax collections

The audit noted errors and delays in remitting water and sewer collections, sporting license fees, and tax collections. It also identified unremitted interest and penalties on late taxes and unreturned overpayments to taxpayers.

We agree that all such collections must be handled according to law and local policy. The Town will standardize remittance schedules, ensure that interest, penalties, and overpayments are clearly tracked, and verify that all amounts owed to the Town, the County, the State, and taxpayers are properly paid. For remaining historical items within the audit period that can still be identified and corrected, we will work with our accountants, County partners, and your staff as needed to determine the most appropriate remedial steps.

Unsupported transfers between bank accounts

The audit found unsupported transfers among the Clerk, sporting license, and tax collector bank accounts, some of which were used to mask shortages.

We agree that transfers must be rare, fully documented, and supported by clear underlying transactions. The Town will require that any future transfers between bank accounts be approved, documented, and supported by written explanations and backup.

Bank reconciliations, accountability analyses, and Board oversight

The audit concluded that the Clerk's office did not perform monthly bank reconciliations or accountability analyses, and that the Town Board did not conduct the required annual audits of the Clerk's records during the audit period.

We agree that this is a significant weakness that must be corrected. Going forward, the Town will ensure that:

- Monthly bank reconciliations and accountability analyses are prepared for all Clerk-related accounts.
- These reconciliations are independently reviewed and compared to bank statements and supporting records.
- The Town Board conducts, or formally engages an independent public accountant to conduct, an annual audit of the Clerk's records, consistent with statutory requirements and the Comptroller's guidance.

Corrective Action Plan

This letter is intended to serve as the Town's formal response to the draft audit report and to set out, at a high level, our position on the findings and recommendations. The Town Board and I intend to develop a detailed Corrective Action Plan that addresses each recommendation with specific actions, responsible parties, and timelines. That plan will be adopted by the Board and submitted to your office within the required 90 days after the final report is issued.

Conclusion

The Town of Willsboro is committed to learning from this audit and to restoring and maintaining strong controls over public funds. We appreciate the work of your staff and the opportunity to respond. If you need any additional information or clarification as you finalize the report, please contact my office.

Sincerely,

Shaun Gilliland
Town Supervisor
Town of Willsboro

On behalf of the Town Board

Appendix C: Audit Methodology and Standards

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 Town officials and reviewed various records and reports to gain an understanding of the Town's procedures related to recording, depositing, reporting and remitting clerk fee and tax collections, and preparing and reviewing bank reconciliations and accountability analyses. We documented any associated effects of deficiencies in those procedures.
- We reviewed all recorded clerk fee and tax collections and deposits made into the clerk, sporting license and tax collector bank accounts during the audit period to determine whether collections were accurately recorded in the clerk, water and sewer, DECALS and tax collection software programs and deposited intact.
- We obtained and reviewed deposit compositions for deposits made into the clerk, sporting license and tax collector bank accounts during the audit period to determine whether they included any checks or money orders that did not appear to be for clerk fee or tax collections.
- We reviewed all receipts that were voided in the clerk software program during the audit period to determine whether they were for appropriate purposes.
- We used our professional judgment to select a sample of 100 days of recorded clerk fee collections (20 days from each of the five fiscal years during the audit period) and 100 days of recorded tax collections (20 days from each of the five tax collection periods during the audit period) to determine whether the corresponding collections were deposited in a timely manner. Our samples consisted of selecting, without any known bias, days throughout each fiscal year or tax collection period. Our review excluded any recorded collections paid by credit card on our selected days, because officials had no control over when these collections were deposited, because they were deposited directly into the bank accounts by the third-party provider.
- We reviewed all transfer station tickets that were purchased from the Town of Essex and available to be sold during the audit period to determine whether they were accounted for.
- We used our professional judgment to select a sample of 200 tax payments that were made after the due dates during the audit period (40 tax payments, consisting of 20 single and 20 installment plan payments, from each of the five tax collection periods during the audit period) to determine whether interest was properly assessed and paid. Our sample consisted of selecting, without any known bias, late tax payments made throughout each tax collection period.
- We reviewed all monthly clerk reports during the audit period to determine whether the Clerk or Deputy Clerk prepared and submitted a monthly report to the Supervisor for each month and whether the monthly reports were submitted in a timely manner.
- We used our professional judgment to select a sample of 10 monthly clerk reports during the audit period to determine whether the collections recorded on the monthly reports were accurate. Our sample consisted of selecting, without any known bias, two monthly reports from each of the five fiscal years during the audit period.

- We reviewed the County tax settlement statements for the 2017 through 2021 tax collection periods to determine whether the recorded transactions agreed with the Clerk's tax collection records.
- We reviewed all checks issued from the clerk, sporting license and tax collector bank accounts during the audit period to determine whether they were issued in sequence and signed by the Clerk or Deputy Clerk.
- We reviewed all checks issued from the clerk and sporting license bank accounts for remittances of clerk fee collections received during the audit period to determine whether the remittances were made to the Supervisor and NYS agencies in a timely manner and for the appropriate amounts. We also reviewed all other checks issued and non-check disbursements made from the clerk and sporting license bank accounts during the audit period to determine whether they were for appropriate purposes and amounts. We also documented any disbursements that were not made but should have been made from the clerk and sporting license bank accounts during the audit period.
- We reviewed all checks issued from the tax collector bank account for remittances of tax collections received during the audit period to determine whether the remittances were made to the Supervisor and County Treasurer in a timely manner and for the appropriate amounts. We also reviewed all checks issued from the tax collector bank account for refunds of tax overpayments or duplicate tax payments during the audit period to determine whether the checks were issued in a timely manner and for the appropriate amounts. In addition, we reviewed all other checks issued and non-check disbursements made from the tax collector bank account during the audit period to determine whether they were for appropriate purposes and amounts. We also documented any disbursements that were not made but should have been made from the tax collector bank account during the audit period.
- We used our professional judgment to select a sample of two months and prepared accountability analyses at month-end for the clerk and sporting license bank accounts to determine whether the corresponding assets agreed with the known liabilities. We investigated and documented any differences disclosed. Our sample included the first and last months of the audit period.
- We interviewed Town officials and reviewed Board meeting minutes to determine whether the Board had audited, or obtained an audit of, the Clerk's records for the 2017 through 2020 fiscal years.

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 relevant population size and the sample selected for examination.

Contact

GLENS FALLS REGIONAL OFFICE – Gary G. Gifford, Chief of Municipal Audits

One Broad Street Plaza • Glens Falls, New York 12801-4396

Tel (518) 793-0057 • Fax (518) 793-5797 • Email: Muni-GlensFalls@osc.ny.gov

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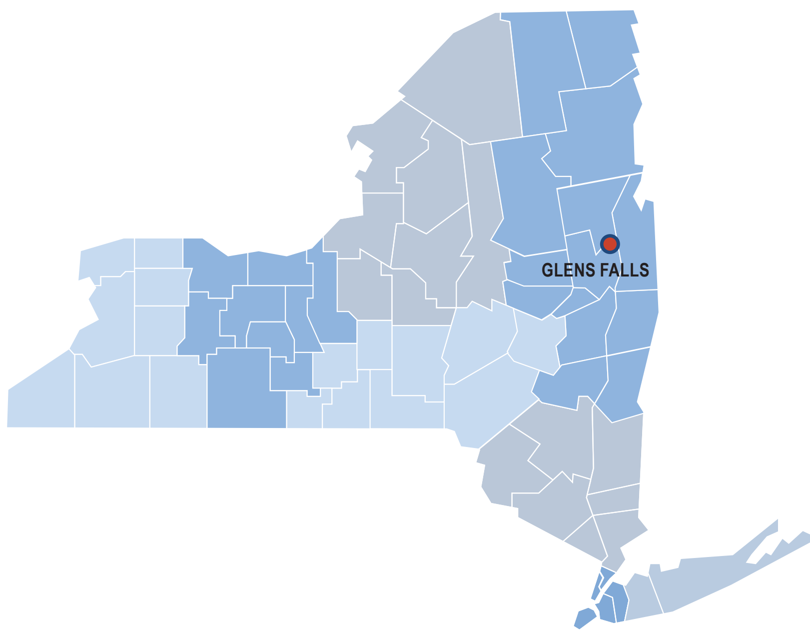

Office of the New York State Comptroller
Division of Local Government and School Accountability
110 State Street, 12th Floor, Albany, New York 12236

Tel: (518) 474-4037 • Fax: (518) 486-6479 • Email: localgov@osc.ny.gov

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