

New York State Comptroller
THOMAS P. DiNAPOLI

Bloomington Fire District

Transparency of Fiscal Activities

October 2026 | S9-26-24

Prepared by the Division of Local Government and School Accountability

Table of Contents

Audit Results	1
Transparency of Fiscal Activities: Findings and Recommendations	2
Finding 1 – The Board did not obtain an audit of the Treasurer’s records.	2
Recommendation	2
Finding 2 – The Treasurer did not prepare and file the 2025 AFR in a timely manner.	3
Recommendations	3
Appendix A: Profile, Criteria and Resources	4
Profile	4
Criteria	4
Additional Resources	4
Appendix B: Response From District Officials	5
Appendix C: Audit Methodology and Standards	6

Audit Results

Bloomington Fire District

Audit Objective

Did the Bloomington Fire District (District) Board of Fire Commissioners (Board) obtain an annual audit of the Treasurer's financial records, and did the Treasurer file the Annual Financial Report (AFR) with the Office of the State Comptroller (OSC) as required?

Audit Period

January 1, 2025 – May 1, 2026

We extended our observation of annual AFR filings forward to July 27, 2026, and back to fiscal year 2018.

Understanding the Audit Area

To fulfill its fiscal oversight responsibilities, a board of fire commissioners (board) should obtain an annual audit of the treasurer's financial records and ensure the treasurer files the AFR with OSC on time as required by GML. Doing so will help identify and address errors or irregularities and provide fire district residents, taxpayers and other interested parties with transparent and reliable information about the fire district's fiscal condition and operations.

District officials budgeted a total of \$479,772 for the general fund appropriations in fiscal year 2025 to provide essential fire protection services. The budget was funded by \$482,755 in revenue collections.

Audit Summary

The Board did not obtain an audit of the Treasurer's financial records for fiscal year 2025. According to District officials, the last Board-obtained audit of the Treasurer's records was for fiscal year 2017. In addition, the Treasurer did not prepare and file the 2025 AFR with OSC within 60 days after the fiscal year end as required by New York State (NYS) General Municipal Law (GML) Section 30. Prior to this audit, the Treasurer last filed the AFR for fiscal year 2017.

Because the Board did not fulfill its oversight responsibilities, and the Treasurer did not fulfill her statutory responsibilities in a timely manner, transparency of the District's fiscal activities was diminished. As a result, District residents, taxpayers, OSC and other interested parties did not have access to the District's current fiscal condition.

The report includes three recommendations that, if implemented, will improve the Board's fiscal oversight of the District and the transparency of the District's fiscal activities. District officials generally agreed with our recommendations and their response is included in Appendix B.

This audit was conducted pursuant to Article V, Section 1 of the State Constitution and OSC's authority as set forth in Article 3 of GML. The audit's methodology and standards are included in Appendix C.

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

Transparency of Fiscal Activities: Findings and Recommendations

Fire districts are generally governed by an elected board, composed of a fixed number of fire commissioners who are responsible for overseeing a fire district's fiscal activities and the safeguarding of fire district resources. For fire districts, Town Law Section 181-b requires an annual audit by an independent certified public accountant (CPA) or an independent public accountant if the fire district has revenues of \$400,000 or more. A board-obtained audit of fiscal condition and resources also provides assurance that the treasurer's books and records are accurately accounted for and that transactions are properly recorded.

Pursuant to GML Section 30, the fire district treasurer is responsible for preparing and filing with OSC an annual report of the fire district's fiscal position, known as the AFR. After filing, the fire district's financial information is available to the public on OSC's website.¹

More details on the criteria used in this report, as well as resources OSC makes available to local officials that can help them improve operations, are included in Appendix A.

Finding 1 – The Board did not obtain an audit of the Treasurer's records.

The Board did not obtain an audit of the Treasurer's financial records by a CPA or independent public accountant for fiscal year 2025, as required by Town Law Section 181-b. The Chairman and two Commissioners told us that they were unaware of the annual audit requirement, but thought they should engage a CPA to perform audits of the Treasurer's financial records as a best practice. At a minimum, audits provide the Board the opportunity to assess the effectiveness of fiscal activities. The Chairman and two Commissioners also told us that the Board experienced difficulties hiring a CPA who was willing to perform audits of the Treasurer's financial records and reports until 2024.

Although the Board engaged a CPA firm in 2024 to conduct audits of the Treasurer's records for fiscal years 2018 through 2023; at the time of our fieldwork in June 2026, the audits had not started because the Treasurer had not provided the CPA firm with the financial records and reports. The Treasurer told us she did not provide the records due to personal matters but was working with the CPA firm to provide all required financial records.

We reviewed the Treasurer's fiscal year 2025 records using the same guidance OSC developed to help local officials fulfill their general oversight responsibilities. This guidance is in OSC's *Local Government Management Guide: Fiscal Oversight Responsibilities of the Governing Board* and is readily available on our website.² Although our review only noted minor discrepancies, which we discussed with District officials, it is important that the Board provides for annual audits of the Treasurer's records, as required.

Without timely annual audits of the Treasurer's records, the Board cannot ensure public money is spent and handled properly; identify conditions in need of improvement; and provide oversight of fiscal activities.

Recommendation

The Board should:

1. Obtain a timely annual audit of the Treasurer's records.

¹ <https://www.osc.ny.gov/open-book-new-york>

² <https://www.osc.ny.gov/files/local-government/publications/pdf/fiscal-oversight-responsibilities-of-the-governing-board.pdf>

Finding 2 – The Treasurer did not prepare and file the 2025 AFR in a timely manner.

The Treasurer did not prepare and file with OSC the 2018 through 2025 fiscal years' AFRs on time,³ as required by GML. While conducting audit fieldwork during June 2026, we assisted the Treasurer and another Commissioner in accessing the online AFR filing system, and provided guidance regarding the various cash, revenue and expenditure account codes that are necessary for fire districts to file. The Treasurer then filed the delinquent AFRs for the 2018 through 2025 fiscal years between June 29, 2026 and July 24, 2026, between 145 and 2,677 days late.

The Treasurer told us that while she knew it was a requirement to file the AFR with OSC within 60 days after the fiscal year's end, she had not filed the 2018 through 2025 AFRs because she thought she could not do so until after the annual audit was completed. As with the Treasurer, the Chairman and two Commissioners also told us that while they were aware of the filing requirement and delinquent AFRs, they thought they were supposed to file after the completion of an annual audit of the Treasurer's records and reports. However, we explained to officials that regardless of the timing of the CPA audit, the Treasurer should maintain complete and accurate records and file the AFR within 60 days after the fiscal year's end; they can subsequently update the AFR should the annual audit identify any errors or needed corrections.

Because the Treasurer did not prepare and file the financial information in a timely manner, taxpayers, residents, OSC and other interested parties were not able to properly assess the District's fiscal activities and condition using District records to make informed decisions. As such, we analyzed the fund balances for the District's general fund for fiscal year 2025.⁴ Although we did not identify any significant fiscal concerns, because it is the Board's responsibility to oversee the general management of the District's finances, it should ensure that the Treasurer files the AFR, in accordance with statutory requirements in an effort to increase overall transparency of the District's fiscal activities with the public.

Recommendations

The Treasurer should:

2. Prepare and file AFRs with OSC within 60 days of the end of each fiscal year as required by GML.

The Board should ensure:

3. The Treasurer prepares and files AFRs with OSC within 60 days of the end of each fiscal year, as required by GML.

3 OSC's website provides more information on AFR non-filers and the District's current AFR filing status at: <https://web.osc.state.ny.us/localgov/afr-nonfilers/>

4 See Appendix C for methodology.

Appendix A: Profile, Criteria and Resources

Profile

The District provides fire protection services for the Towns of Rosendale and Ulster located in Ulster County. The District is governed by the elected five-member Board, composed of the Chairman and four Commissioners. The Board is responsible for overseeing the District's fiscal activities and safeguarding its resources.

As the District's Chief Fiscal Officer since 2018, the Board-appointed Treasurer is responsible for the custody of all District funds, keeping accounts of all receipts and expenditures, and depositing all funds received in a timely manner. A separately appointed secretary is responsible for maintaining the Board's meeting minutes and official District documents.

Criteria

A fire district treasurer is responsible for maintaining the fire district's financial records and reports. Town Law Section 177 requires a fire district treasurer to submit their books, records, receipts, vouchers (i.e., claims) and canceled check images to the board for inspection annually. Town Law Section 181-b requires a board to obtain an annual audit by a CPA or an independent public accountant if the fire district has revenues of \$400,000 or more. An annual audit helps a board carry out its oversight responsibilities of a treasurer's operations and helps ensure the accuracy of the treasurer's records, reports and processes. Conducting annual audits can help officials detect and prevent loss or theft of funds.

Based on the financial records and reports maintained by the fire district treasurer and the annual accounting provided to the board, GML Section 30 requires the fire district treasurer to prepare and file the AFR of the fire district's fiscal position and results of operations with OSC within 60 days after the close of the fiscal year. After filing, the AFR fiscal information is available to the public on the OSC website.

Additional Resources

OSC's *Local Government Management Guides*, and other informational resources that are available on OSC's website to help officials understand and perform their responsibilities, include:

- *Local Government Management Guide: Fiscal Oversight Responsibilities of the Governing Board* <https://www.osc.ny.gov/files/local-government/publications/pdf/fiscal-oversight-responsibilities-of-the-governing-board.pdf>
- Fire District Information: <https://www.osc.ny.gov/local-government/resources/fire-district-information>

In addition, local officials can use OSC's website to search for audits, resources, publications and training for officials at: <https://www.osc.ny.gov/local-government>

Appendix B: Response From District Officials

The content below is a reproduced copy of the original response letter issued by District officials, is reformatted to meet the Americans with Disabilities Act *Web Content Accessibility Guidelines (WCAG)*,⁵ and may have included changes to spelling and grammar. The substance of the content was not changed.

Bloomington Fire District
PO Box 109
Bloomington, NY 12411

RESPONSE TO OSC DRAFT AUDIT REPORT

The Bloomington Fire District Board of Commissioners has carefully read, reviewed and discussed the OSC Draft Audit Report and responds as follows:

1. The Board acknowledges that the District had been in arrears with regards to the required filing of Annual Financial Reports (AFRs) for the years 2018 through 2025. This was due, in part, to a misunderstanding by a prior Chairman that the requirement to file an Annual Financial Report is independent of the requirement to first complete and file an annual audit. The Board notes that the Draft Audit Report acknowledges that, once informed of this, the Board immediately initiated action to ensure that the Treasurer act to correct this omission and bring the filings of the described AFRs up to date, which has now been done.
2. The Board acknowledges that the District has been in arrears with regards to obtaining and filing required audit reports for the years 2018 through 2025. The Board notes that the Draft Audit Report acknowledges that the Board had experienced difficulty in locating a qualified auditing firm to conduct the required audits and that, once one was found and an engagement agreement executed, the Treasurer failed to provide the information required to complete any of the audits until the Board learned of this, nearly a year later. Upon repeated inquiries regarding the progress of the delayed audits, the Board had been assured by the Treasurer that progress was being made, however slowly.
3. The Board now recognizes the need to more diligently supervise the Treasurer in order to ensure that the required Annual Financial Report is filed in a timely manner.
4. The Board is more closely supervising the Treasurer's actions in providing the retained auditing firm with the information and documentation necessary to file the required annual audits for the years not yet audited.
5. The Board is pleased to note that, other than the omissions stated above, there were no findings of significant discrepancies in the financial records audited by the OSC.

Robert N. Chester
Chairman Board of Fire Commissioners Bloomington Fire District
chairmanbfdistrict@gmail.com
(775) 771-2888

⁵ <https://www.ada.gov/resources/2024-03-08-web-rule/#highlights-of-the-requirements-in-the-rule>

Appendix C: Audit Methodology and Standards

OSC auditors obtained an understanding of internal controls that were deemed significant within the context of the audit objective and assessed those controls. Information related to the scope of the work on internal controls, as well as the work performed in the audit procedures to achieve the audit objective and obtain valid audit evidence, included the following:

- We reviewed Board meeting minutes and interviewed the Treasurer, Chairman and two Commissioners to gain an understanding of the District's operations, the Treasurer's fiscal recordkeeping and reporting and the Board's oversight regarding annual audits, filing of the AFR and review of financial reports.
- We performed an annual audit of the Treasurer's records for the fiscal year ended December 31, 2025, using OSC guidance available to the Commissioners. Using the OSC-developed guidance,⁶ we made observations and reviewed:
 - All collections using cash receipt source documentation including tax rolls, remittance advices, cash receipt ledgers, bank statements and bank deposit slips on file for all ten cash receipts in fiscal year 2025 totaling \$482,755 to determine whether the Treasurer deposited the checks into the District's bank accounts in a timely manner, as required, and recorded the receipts in the accounting records. Minor exceptions were communicated verbally to the Board.
 - All 67 cash disbursements totaling \$40,595 from the Treasurer's ledger, from October to December 2025, to determine whether they were audited and approved, adequately supported and for proper fire district purposes. Board audited claim voucher packets were viewed to determine the payee, amount and purpose. From the 290 cash disbursements totaling \$488,985 made in 2025, we used our professional judgment to select the last quarter of fiscal year 2025 to determine whether records were up-to-date. Minor exceptions were communicated verbally to the Board.
 - All non-payroll electronic payments made during 2025, other than for utilities already reviewed in cash disbursements testing above, to determine whether they were Board-approved, adequately supported, and for proper District purposes. None were noted.
 - The December 2025 reconciliations for all five District bank accounts to determine whether the reconciled bank balances agreed with cash balances recorded in the accounting records. We traced reconciling items to subsequent bank statements to verify whether the outstanding checks and deposits in transit were cleared. We used our professional judgment to select December 2025 because it was the last month of fiscal year 2025. We noted no exceptions.
 - Collateral statements from the District's financial institution to determine whether deposits of all District funds were secured and protected. We noted no exceptions.
 - The District's equipment and fixed assets to determine whether property records were maintained, and up-to-date, and whether physical inventories were performed and compared to the records. We noted no exceptions.
 - The fiscal year 2025 canceled checks payable to the Treasurer and Secretary and the Board-approved pay rates observed in the Board meeting minutes to determine whether amounts paid by the Treasurer were in accordance with Board-approved pay rates. We determined there were no exceptions.
- We traced all checks payable to the Treasurer, Secretary and Commissioners from the Treasurer's ledgers and the bank canceled check images to the source documentation in the claim voucher packets to determine whether the checks were for the same payee and amount and were for proper District purposes. We used our professional judgment to select these individuals because of their role in the District's fiscal activities.

⁶ See Supra, footnote 2; note that receivables and investment and indebtedness records were not applicable to the District.

- We determined whether the District experienced any significant fiscal concerns by reviewing the District's year end unrestricted fund balances from 2023 through 2025 and compared them to the 2024 through 2026 fiscal years' budgeted appropriations to reflect the District's ability to fund its adopted 2024, 2025 and 2026 budgeted appropriations.

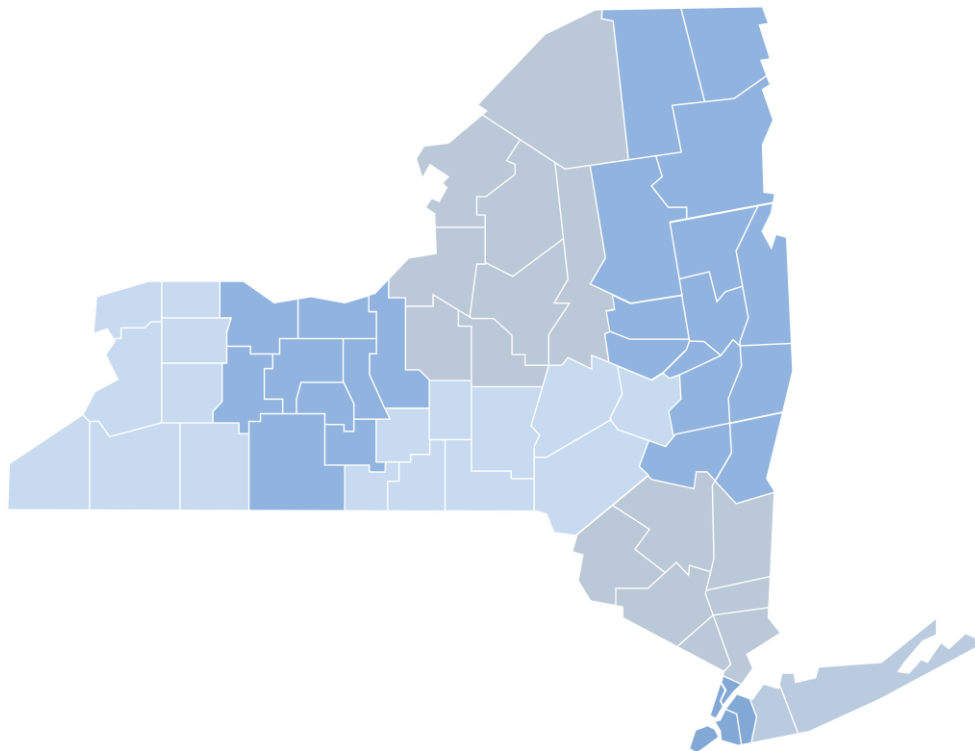
OSC auditors conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that auditors plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on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

Questions?

STATEWIDE AUDITS

Nicole A. Tomsen, Chief of Municipal Audits
295 Main Street, Suite 1032 • Buffalo, New York 14203-2510
Tel (716) 847-3647 • Fax (716) 847-3643
Email: Muni-Statewide@osc.ny.gov





Contact

Office of the New York State Comptroller

110 State Street

Albany, New York 12236

(518) 474-4044

<https://www.osc.ny.gov/>

Prepared by the Division of Local Government and School Accountability



FOLLOW US: [osc.ny.gov/subscribe](https://www.osc.ny.gov/subscribe)