New York State Comptroller
THOMAS P. DiNAPOLI

Hopkinton Fire District

Claims Auditing

August 2026 | Report 2026M–68
Prepared by the Division of Local Government and School Accountability

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Audit Results

Hopkinton Fire District

Audit Objective

Did the Hopkinton Fire District (District) Board of Fire Commissioners (Board) ensure claims were adequately supported, for proper District purposes and authorized before payment?

Audit Period

January 1, 2025 – May 18, 2026

Understanding the Audit Area

An effective claims audit is often the last line of defense to prevent unauthorized, improper or fraudulent payment of claims. A fire district with a strong claims auditing process ensures that a careful review of claims will occur before public funds are disbursed. Because it is the Board's responsibility to ensure tax dollars are spent properly, efficiently and in the best interest of taxpayers, the Board should conduct a thorough and deliberate audit of claims before directing the Treasurer to issue payment.

From January 1, 2025 through April 30, 2026, the Treasurer paid 162 claims totaling $278,589.

Audit Summary

We reviewed 47 claims totaling $145,549. Except for minor discrepancies, which we discussed with District officials, the claims were adequately supported, for proper District purposes and authorized before payment.

There were no recommendations as a result of this audit. The results of our audit were discussed with District officials. District officials agreed with the results and their response is included in Appendix B.

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.

Claims Auditing: Finding

A board of fire commissioners should perform a thorough audit of every claim against the fire district before authorizing payment by ensuring, among other requirements, that claims are adequately supported (i.e., they include itemized invoices or receipts), are for valid and legal purposes and that the goods and services were received.

Typically, a board of fire commissioners will audit the claim packet, which includes a standard voucher form (as a cover sheet) and a combination of original invoices, receiving slips and other relevant documentation supporting the claim. Every claim should be properly itemized and provide all information, including supporting documentation, to permit a satisfactory audit by a person who is unfamiliar with the transaction.

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, are included in Appendix A.

Finding 1 – The Board ensured claims were adequately supported, for proper District purposes and authorized before payment.

We reviewed 47 claims[1] totaling $145,549 and determined that except for minor discrepancies that we discussed with District officials, the claims were adequately supported, for proper District purposes and authorized before payment.

The Board established and generally adhered to adequate procedures for preparing and reviewing claims before payment, including:

- Each month, the Treasurer prepared voucher packets with supporting documentation for each claim and a listing of all claims to be audited (abstract). The packets included sufficient details such as vendor name, item description, amount due, budget account code and voucher number.
- The Board reviewed the claims and supporting documentation. To certify their review and approval, at least three Commissioners initialed vouchers and signed the abstract of audited claims. The Board's approval of claims was also documented in the Board meeting minutes.

Because our audit testing did not identify any significant deficiencies in the Board's claims auditing process, there were no recommendations as a result of this audit.

1 See Appendix C for more information on our sampling methodology.

Appendix A: Profile, Criteria and Resources

Profile

The District provides fire protection within the Town of Hopkinton in St. Lawrence County. The elected five-member Board governs the District and is responsible for its overall financial management. The Board meets monthly to conduct District business, such as auditing and approving claims.

The elected Treasurer is the District's chief fiscal officer and is responsible for preparing claims packets and abstracts, providing the claims to the Board for audit and issuing payments.

The District's budgeted appropriations for the 2026 calendar year totaled approximately $252,000 and was primarily funded by real property taxes.

Criteria

Generally, in accordance with New York State Town Law Section 176(4-a), a board of fire commissioners (board) must audit all claims against the fire district and order the payment of claims by resolution before the treasurer disburses payments. A board's audit responsibilities include determining, among other things, that each claim is:

- For a valid and legal purpose,
- Mathematically accurate,
- Sufficiently itemized,
- Exclusive of reimbursement for sales tax, and
- Supported by sufficient documentation, such as detailed receipts, invoices and receiving documentation.

It is important to document a board's authorization to pay claims. This documentation is provided generally through preparation of an abstract, which is a listing of all claims audited and approved for payment. Once prepared and certified, the abstract of audited claims is sent to the treasurer. The treasurer must pay only the claims authorized by the board.

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:

- *Improving the Effectiveness of Your Claims Auditing Process:* https://www.osc.ny.gov/files/local-government/publications/pdf/improving-the-effectiveness-of-claims-auditing-process.pdf
- *Fiscal Oversight of Responsibilities of the Governing Board:* https://www.osc.ny.gov/files/local-government/publications/pdf/fiscal-oversight-responsibilities-of-the-governing-board.pdf

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)*,[2] and may have included changes to spelling and grammar. The substance of the content was not changed.

Hopkinton Fire District

August 10, 2026

To whom it may concern,

This letter is in response to the audit report for the Hopkinton Fire District.

I agree with the information and findings reported in the audit report.

Since there were no recommendations made in the report, a corrective action plan letter will not be made.

Sincerely,

James L. Lyon
Treasurer
Hopkinton Fire District

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

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 the Treasurer and Commissioners and reviewed claims packets, abstracts and the Board meeting minutes to gain an understanding of the District's policies and claims audit and approval process.
- The Treasurer paid 162 claims totaling $278,589 from January 1, 2025 through April 30, 2026. We reviewed a sample of 47 claims totaling $145,549 (52 percent) to determine whether claims were adequately supported, for proper District purposes and authorized before payment. Using our professional judgment, we selected the following sample:
  - The months of September 2025 and April 2026 because these months had the highest claims activity. We reviewed all 23 claims paid during these months totaling $110,425.
  - 24 claims totaling $35,124 that posed a greater risk such as payments to unknown vendors or District officials.

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.

Questions?

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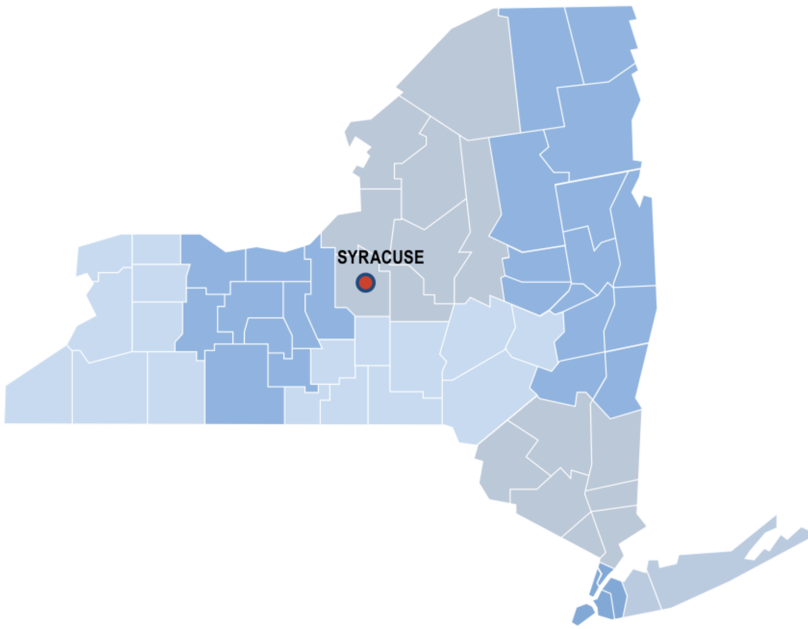

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