

New York State Comptroller  
THOMAS P. DiNAPOLI

# Kerhonkson Fire District

Board Oversight

May 2026 | 2025M-124

Prepared by the Division of Local Government and School Accountability

# Table of Contents

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<b>Audit Results</b>	<b>1</b>
<b>Board Oversight: Findings and Recommendations</b>	<b>3</b>
Finding 1 – The Board did not provide adequate oversight of District financial operations.	3
Recommendations	4
Finding 2 – The Board did not perform an adequate audit of claims.	5
Recommendation	5
Finding 3 – The Board did not adopt or update financial policies or multiyear capital and financial plans.	6
Recommendations	7
Finding 4 – Three Commissioners did not complete mandatory fiscal oversight training within the required time period.	7
Recommendation	7
<b>Appendix A: Profile, Criteria and Resources</b>	<b>8</b>
Profile	8
Criteria	8
Additional Resources	9
<b>Appendix B: Response From District Officials</b>	<b>11</b>
<b>Appendix C: Audit Methodology and Standards</b>	<b>12</b>

# Audit Results

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## Kerhonkson Fire District

### Audit Objective

Did the Kerhonkson Fire District (District) Board of Fire Commissioners (Board) provide adequate oversight of District financial activities?

### Audit Period

January 1, 2024 – March 12, 2025.

We extended our audit period to review the District's 2008 through 2024 Annual Financial Report (AFR) filings as of March 12, 2025.

### Understanding the Audit Area

A board of fire commissioners, responsible for the general management and control of a fire district's financial operations, must provide adequate oversight of the financial activities to ensure public funds are managed with accountability, transparency and integrity. This critical function can help maintain public trust, prevent mismanagement, waste, fraud and legal non-compliance.

The District's budgeted appropriations totaled \$310,411 for the 2025 fiscal year. The District paid 227 claims totaling \$275,324 during the audit period.

### Audit Summary

The Board did not provide adequate oversight of the District's financial activities and was not transparent. The District's required AFR was last filed in 2007, more than 18 years ago. As a result, the Board, taxpayers, New York State Office of the State Comptroller (OSC) and other interested parties have been denied the ability to assess the District's financial standing.

In addition, because the Board did not request or review the Treasurer's financial records, there was an increased risk that errors and irregularities could occur and go undetected. Additionally, the Board's inadequate review of claims led to claims potentially being paid without sufficient budgetary appropriations being available. Because the Board did not adopt financial policies and plans and the individual members of the Board did not complete the required fiscal training, the Board's ability to set long-term financial priorities and goals was limited. As a result, the Board hindered its ability to make informed financial decisions and cannot ensure taxpayers and other interested parties that the District's financial activities are adequately accounted for and reported.

Specifically, the Board did not:

- Audit the Treasurer's records in accordance with New York State Town Law (Town Law) Section 177.
- Ensure the Treasurer prepared and provided the Board with monthly bank reconciliations.
- Request, and the Treasurer did not provide, monthly budget-to-actual reports. As a result, the Board approved expenditures without available appropriations and overspent five appropriation budget lines totaling \$50,792, or 43 percent more than budgeted.
- Ensure the Treasurer filed the District's AFR with the OSC for 17 fiscal years (2008 through 2024).<sup>1</sup>
- Perform an adequate audit of claims prior to approving the claims for payment. We reviewed 11 claims totaling \$46,075 and the Board did not properly audit all 11 claims. For example, 10 claims

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<sup>1</sup> OSC's website provides more information on AFR nonfilers and the District's current AFR filing status at: <https://web.osc.state.ny.us/localgov/afr-non-filers/>.

totaling \$45,792 had no evidence that quotes were obtained to demonstrate that the purchases complied with the District's procurement policy, which required officials to obtain competitive quotes.

- Develop and adopt required policies, including an investment policy, and ensure established policies are adequate.
- Develop and adopt written multiyear capital and financial plans to anticipate and prepare for infrastructure repairs, future purchases and asset upgrades.
- Ensure all members of the Board completed the mandatory fiscal oversight training within the required time period.

The report includes 12 recommendations that, if implemented, will improve the Board's oversight of the District's financial activities. District officials agreed with our findings and recommendations and indicated they plan to initiate corrective action.

We conducted this audit pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the New York State General Municipal Law. Our 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 our office 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 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.

# Board Oversight: Findings and Recommendations

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Fire districts are generally governed by an elected board of fire commissioners that is responsible for providing adequate oversight to ensure proper financial management. This includes developing and adopting required policies, conducting financial activity in a transparent manner, reviewing financial records, completing fiscal oversight training in a timely manner and adequately auditing claims.

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

## **Finding 1 – The Board did not provide adequate oversight of District financial operations.**

The Board did not provide adequate oversight of District financial operations. Specifically, the Board did not:

- Request or review the Treasurer’s 2024 fiscal year books, records, receipts, claims or canceled check images, as required by Town Law Section 177. As a result, the Treasurer’s 2024 fiscal year records were not audited by the Board as of March 12, 2025. The Treasurer told us she turns over the financial records to the Board at the end of the fiscal year; however, the Chairman of the Board (Chairman) told us that the Board does not review these records. The Chairman and another Commissioner told us they were unaware of their responsibility to annually request and review the Treasurer’s financial records and thought that the performance of an external audit of their Length of Service Award Program (LOSAP) fulfilled this requirement. Because the Board did not conduct the annual audit of the Treasurer’s records, District residents and taxpayers had no assurance that the District’s assets were adequately safeguarded from potential misuse, loss or theft.
- Ensure the Treasurer prepared and provided the Board with monthly bank reconciliations. The District maintained one checking and one savings account. During the audit period, the District’s checking account balance ranged from \$31,163 to \$45,774, and the District’s savings account balance ranged from \$145,319 to \$161,706. The Treasurer did not prepare, and the Board did not request monthly bank reconciliations for either of the District’s bank accounts. Two Commissioners told us although the Treasurer did not prepare and the Board did not request monthly bank reconciliations, the Board reviewed monthly disbursement reports provided by the Treasurer with the monthly bank statements. The Commissioners reviewed the bank statements for inconsistencies, reviewed check images to see who the checks were paid to and initialed each bank statement after this review. When bank reconciliations are not prepared and provided to the Board, there is an increased risk that errors and irregularities could occur and go undetected.
- Ensure the Treasurer prepared and provided the Board with periodic budget-to-actual reports. Although the Treasurer provided the Board with a monthly Treasurer’s report which included payment activity and bank statements, the Board did not request, and the Treasurer did not prepare or provide, periodic budget-to-actual reports. Therefore, the Board was unable to monitor the District’s budget throughout the year. As a result, the Board and Treasurer did not review budget-to-actual information to ensure appropriations were available before expenditures were approved by the Board, in accordance with Town Law Section 181-a. As a result, the Board approved expenditures without an available appropriation and overspent five appropriation budget lines totaling \$50,792 (Figure 1).

**Figure 1**  
**Overspent Budget Appropriate Lines**

Budget Line	Budget	Actual	Overspent Amount	Percent Overspent
Fire Equipment	\$37,420	\$56,041	\$18,621	50%
Insurance	44,456	54,743	10,287	23%
Building Costs	27,000	34,854	7,854	29%
Property Tax Payment	0	7,555	7,555	100%
Contractual Expenditures	9,147	15,622	6,475	71%
<b>Total</b>	<b>\$118,023</b>	<b>\$168,815</b>	<b>\$50,792</b>	<b>43%</b>

Without detailed budget-to-actual reports being prepared and provided to the Board monthly, the Board’s ability to effectively monitor the actual results of expenditures against budgeted amounts and take necessary action, when warranted, was impaired. A Commissioner told us he was unaware that the Board should be receiving budget-to-actual reports. Further, the Chairman told us that he maintains his own informal running total of annual expenditures and performs budget transfers if they are necessary. However, the Board did not always budget adequate appropriations and the Chairman is not able to process transfers without Board approval in accordance with Town Law Section 181(a). As a result, the Board overspent multiple appropriation lines that would have otherwise been detected and could have taken appropriate action in the form of budget transfers if it had been provided with adequate reports.

- Ensure the Treasurer filed the District’s required AFRs with OSC for 17 fiscal years (2008 through 2024), which was when the submission form changed from manual to electronic filing.<sup>2</sup> The Chairman told us that the former Treasurer stopped filing the District’s AFR in 2008 when the submission form changed from manual to electronic filing because the Board did not provide training to the former Treasurer to submit the form electronically. The Chairman also told us the current Treasurer would be working with the District’s contracted CPA to get the AFRs filed and up to date. When AFRs are not filed, the Board, taxpayers, OSC and other interested parties are denied the ability to assess the District’s financial standing and the transparency of operations is diminished.

## Recommendations

The Board should:

1. Perform an annual audit of the Treasurer’s records and reports.
2. Ensure the Treasurer prepares and provides the Board with monthly bank reconciliations.
3. Request and review periodic budget-to-actual reports to ensure appropriation lines are not overspent and approve budget transfers to the line items.
4. Ensure the Treasurer prepares and files the District’s delinquent AFRs and files all subsequent AFRs with OSC within 60 days of the close of the fiscal year.

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<sup>2</sup> Ibid.

The Treasurer should:

5. Prepare monthly bank reconciliations for all District bank accounts.
6. Provide the Board with periodic budget-to-actual reports and ensure there are sufficient appropriations available before expenditures are made.

## **Finding 2 – The Board did not perform an adequate audit of claims.**

From January 1, 2024 through March 12, 2025, there were 227 District claims totaling \$275,324. We reviewed a sample of 11 claims totaling \$46,075 to determine whether they were for valid District purposes, properly supported, purchased in accordance with the District's procurement policy requirements and audited and approved by the Board. We determined that the Board did not adequately audit all 11 claims.<sup>3</sup> Specifically:

- 10 claims totaling \$45,792 had no evidence that quotes were obtained to demonstrate that the purchases complied with the District's procurement policy, which required officials to obtain competitive price quotes. These claims included the purchase of radios, as well as various firehouse repairs, such as a garage bay door repair, exterior building painting and roof repairs.
- Eight claims totaling \$25,926 did not have sufficient appropriations available to pay claims. This contributed to the overspent appropriation budget lines mentioned previously in the report for the 2024 fiscal year.
- Two claims included sales tax totaling \$117 for vehicle repairs and firehouse cleaning supplies, which the District should not have paid because fire districts are generally exempt from paying sales tax.

A Commissioner told us that the Chairman kept evidence of quotes separate from the claim packets. However, the Chairman was unable to provide evidence of verbal or written quotes for the claims we reviewed. Furthermore, because the Board did not request and the Treasurer did not provide periodic budget-to-actual reports, the Board was unable to determine whether there were sufficient budgetary appropriations available before the approval to pay claims.

Although we determined that all claims reviewed were for valid District purposes, when the claims audit process is inadequate, there is an increased risk that improper or unsupported payments could be made and go undetected or uncorrected. Additionally, when the Board does not ensure that the District's procurement policy is followed before purchases are made, significant cost savings may be missed, and those increased costs are passed on to taxpayers. Furthermore, when claims are approved without sufficient appropriations, it diminishes the Board's ability to adequately monitor fiscal activities and may lead to budgetary shortfalls.

## **Recommendation**

7. The Board should thoroughly audit claims prior to approval for payment to ensure:
  - Claims contain adequate evidence of compliance with the procurement policy (quotes).
  - Claims do not contain sales tax.
  - Sufficient budgetary appropriations exist within a claim's designated budgetary line.

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<sup>3</sup> Some claims had more than one exception.

### **Finding 3 – The Board did not adopt or update financial policies or multiyear capital and financial plans.**

The Board did not develop and adopt an investment policy in accordance with General Municipal Law (GML) Section 39. The Chairman told us he was not aware of the legal requirement to adopt an investment policy. Without an investment policy, there were no official guidelines on how to manage District funds to help ensure the District's investment program involving public money has the basic components of legality, safety, liquidity and yield. For example, the District's savings account, which held a balance of \$161,706 at 2024 fiscal year end, only accrued \$210 in interest during the 2024 fiscal year.

Additionally, the Board has not reviewed or revised the procurement policy since 2010, when GML bid thresholds were increased. Therefore, the policy was outdated and did not establish guidelines for purchase contracts exceeding \$10,000 but below \$20,000 and public works contracts exceeding \$20,000 but below \$35,000. As a result, there was an increased risk that the District could spend more than necessary when obtaining goods and services.

Furthermore, the Board did not develop and adopt written policies in accordance with best practices to help provide guidance for all financial activities including maintaining capital assets, the use of online banking, the use of credit cards, and incurring travel and conference expenses. The Chairman told us he was not aware of these best practices and is working with the Board to develop and adopt written policies.

Additionally, the Board did not transparently communicate and justify its financial decisions by developing comprehensive written multiyear capital or financial plans, including a plan for future purchases and managing existing assets. Developing multiyear capital and financial plans could have helped the Board anticipate and prepare for infrastructure repairs, future purchases and asset upgrades, including the following:

- Purchase of a new pumper truck that is expected to cost approximately \$1.4 million. The Board plans to fund this purchase by issuing debt totaling \$1.2 million and using the District's capital reserve to cover the remaining cost.
- Replacement of the District's self-contained breathing apparatus (SCBAs) that are obsolete. Because the apparatus is obsolete, District officials cannot order oxygen bottles for the SCBAs and will need to replace the units. These units are used by approximately 35 active volunteer firefighters and had an estimated cost range of \$5,000 to \$8,000 during the audit fieldwork.
- Replacement of the firehouse roof that required a \$7,500 emergency repair to fix a leak in September 2024.

The Chairman and a Commissioner told us that many expenses are unanticipated, such as the repairs to leaks in the roof. They felt that multiyear plans would not help with unanticipated expenses. However, without adequate capital and financial planning, District officials are limited in their ability to set long-term priorities and work toward goals. Instead, they made choices based only on current needs.

While developing, adopting and updating financial policies and procedures and multiyear capital and financial plans will not guarantee error-free financial activities or other potential issues, they will help to communicate the Board's role for oversight, expectations of District officials and members involved with financial activities, and if followed, help to reduce the risk for potential errors or irregularities occurring and not being identified and corrected.

## Recommendations

The Board should:

8. Develop and adopt an investment policy in accordance with GML Section 39.
9. Update the District's procurement policy to ensure the policy establishes guidance for all purchases made below competitive bidding thresholds.
10. Develop and adopt policies for maintaining capital assets, the use of online banking, the use of credit cards, and incurring travel and conference expenses.
11. Develop and adopt written multiyear capital and financial plans.

### Finding 4 – Three Commissioners did not complete mandatory fiscal oversight training within the required time period.

Two Commissioners completed the mandatory fiscal oversight training within the required time period. As of March 12, 2025, the remaining two Commissioners and Chairman did not complete the mandatory training within the required 270 days of their first day in office in accordance with Town Law Section 176 (Figure 2).

**Figure 2**  
**District Commissioner Required Fiscal Oversight Training**

Commissioner	Current Election Term	Training Completion Due Date	Days Late as of March 12, 2025
Commissioner #1	1/1/2021 - 12/31/2025	9/30/2021	1,259
Chairman	1/1/2022 - 12/31/2026	9/30/2022	894
Commissioner #2	1/1/2023 - 12/31/2027	9/30/2023	529
Commissioner #3	1/1/2025 - 12/31/2029	9/30/2025	0
Commissioner #4	1/1/2025 - 12/31/2025	9/30/2025	0

The two Commissioners and the Chairman who completed the training late told us that they believed the training was only required to be completed upon their first term and they were unaware that it must be taken upon re-election to a new term.

Had the Commissioners and Chairman completed the mandatory training in a timely manner, they would have been better prepared to effectively oversee the District's financial activities and developed and implemented multiyear financial plans and necessary policies.

### Recommendation

12. The Board should comply with Town Law by ensuring all Commissioners complete the fiscal oversight training within 270 days of their first day in office and maintain appropriate records to support the completion of the training.

# Appendix A: Profile, Criteria and Resources

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## Profile

The District provides fire protection and emergency services within the Town of Wawarsing in Ulster County. It is a district corporation of the State, distinct and separate from the Town, and is governed by the elected five-member Board of Fire Commissioners responsible for the District's overall financial management. The District's fiscal year is January 1 through December 31.

The Chairman is the chief executive officer and is responsible for oversight of the District's day-to-day activities. The Board-appointed Treasurer, who serves as the District's chief fiscal officer, is responsible for maintaining accounting records, preparing claims, and preparing monthly and annual financial reports.

## Criteria

A board of fire commissioners is responsible for overseeing a fire district's financial activities and safeguarding its resources. To effectively oversee financial activities, a board of fire commissioners should require that the treasurer provides the board with all books, records, receipts, claim vouchers and canceled check images annually, as required by Town Law Section 177, so the board can perform an annual audit of the treasurer's records to determine whether funds are properly accounted for and transactions are properly recorded.

The fire district treasurer is responsible for receiving and having custody of district funds and for maintaining current, complete and accurate financial records that are relevant and useful for the board to adequately monitor financial activities. It is important that monthly bank reconciliations are prepared in a timely manner for all bank accounts and adjusted bank account balances agree with the cash balances in the accounting records. An adjusted bank balance is determined by adding deposits in transit and subtracting outstanding checks (and other pending charges) from the bank balance as of a certain date. Any discrepancies between adjusted bank balances and recorded cash balances should be promptly investigated and corrected in a timely manner to ensure cash balances are accurate and all cash activity is properly recorded.

Town Law Section 181-a requires that no expenditure can be made unless an amount has been appropriated for that particular purpose and the amount is available. A board of fire commissioners should periodically request and review interim financial reports, including budget status reports, to determine whether sufficient appropriations remain in each line item within the budget. If necessary, a board should approve budgetary transfers to replenish appropriation line items prior to fiscal year-end.

The fire district treasurer must prepare and file the fire district's AFR with OSC within 60 days after the close of the fiscal year, as required by GML Section 30. Filing timely and accurate AFRs is essential for transparency and financial oversight.

An effective claims auditing process ensures sufficient appropriations are available prior to approving the claim, and all supporting documentation, including receipts and evidence of compliance with legal and policy requirements, if applicable, accompany the claim. A fire district board should also ensure the claim is mathematically correct and no sales tax is included prior to approving a claim for payment.

Moreover, it is essential for a board of fire commissioners to establish policies in accordance with law and best practice. GML Sections 39 and 104-b require a board of fire commissioners to adopt an investment policy and procurement policy, respectively. An investment policy provides guidelines on how to manage fire district investments. It should establish a prudent set of basic procedures to meet investment objectives that help ensure invested assets are adequately safeguarded. A procurement policy provides guidelines for procuring goods and services. Procurement policies and procedures generally ensure that competition is sought in a reasonable and cost-effective manner for purchases that fall below the bidding thresholds and for other contracts exempt from competitive bidding.

The District’s procurement policy requires, in part, that officials seek competition for purchases and public works contracts as noted in Figure 3.

**Figure 3**  
**Procurement Policy**

Type of Contract	Dollar Range	Types of Required Competition
Purchase Contract	Less than \$500	No quotes required
Purchase Contract	\$500 - \$1,000	Two verbal quotes
Purchase Contract	\$1,000 - \$2,999	Three verbal quotes
Purchase Contract	\$3,000 - \$9,999	Three formal written/fax quotes or written proposals
Public Works Contract	Less than \$500	No quotes required
Public Works Contract	\$500 - \$1,000	Two verbal quotes
Public Works Contract	\$1,000 - \$2,999	Three verbal quotes
Public Works Contract	\$3,000 - \$4,999	Two written/fax quotes
Public Works Contract	\$5,000 - \$19,999	Three written/fax quotes or written request for proposals (RFPs)

While not required by law, a board of fire commissioners should also develop and adopt policies for maintaining capital assets, the use of online banking, the use of credit cards, and incurring travel and conference expenses. The establishment of a capital asset policy could help the District prepare for both anticipated and unanticipated expenses, such as building repairs and the replacement of aging vehicles. Additionally, the establishment of a credit card policy and travel and conference policy would help to ensure that all cardholders are aware of appropriate card use and provide additional control over District expenditures. These policies help establish acceptable access to and use of a fire district’s resources. A board of fire commissioners should periodically review and update these policies as needed.

Furthermore, a board of fire commissioners should develop multiyear capital and financial plans to effectively plan for and manage capital projects and acquisitions of assets. Multiyear capital plans are an important tool for fire district officials to identify assets owned by the fire district, prioritize capital investment needs, as well as plan and anticipate for financing capital assets, and subsequent maintenance and repair costs. Similarly, a multiyear financial plan is a vital tool for fire district officials to help establish long-term priorities, forecast long-term revenue and expenditure projections, and track reserve funds available to endure unanticipated expenditures or revenue shortfalls.

All elected and appointed fire commissioners must complete the OSC-approved fiscal oversight training course within 270 of their first day in office, as required by Town Law Section 176-e. The training course must include the commissioners’ legal, fiduciary, financial, procurement and ethical responsibilities. Commissioners are required to complete the training each time they are elected, re-elected, appointed or reappointed to office. Training provides the fire commissioners with opportunities to become aware of statutory requirements and sound management practices that help them with their oversight responsibilities.

## Additional Resources

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

- *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>
- *Multiyear Financial Planning*: <https://www.osc.ny.gov/files/local-government/publications/pdf/multiyear-financial-planning.pdf>

- *Multiyear Capital Planning*: <https://www.osc.ny.gov/files/local-government/publications/pdf/multiyear-capital-planning.pdf>
- *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>
- *Fire Districts – Accounting and Reporting Manual*: <https://www.osc.ny.gov/files/local-government/publications/pdf/arm-fds.pdf>

In addition, local officials can use our 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

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The content below is a reproduced copy of the original response letter issued by District officials and is reformatted to meet the Americans with Disabilities Act *Web Content Accessibility Guidelines (WCAG)*,<sup>4</sup> and may have included changes to spelling and grammar. The substance of the content was not changed.

**Kerhonkson Fire District  
333 Main Street  
P.O. Box 107  
Kerhonkson, New York 12446**

To: **[Redacted]**, Auditor in Charge  
Office of the State Comptroller

Date: April 24, 2026

We agree with the findings and the recommendations that were in the draft copy that we received. The following is our response and CAP. The response will be listed by the number of the recommendations.

1. The annual audit of the Treasurer's records and reports will be reviewed annually along with external audits done by our engaged CPA firm.
2. The Treasurer submits to the board every month. The bank reconciliations continue, with sign-off on bank statements each month.
3. Budget-to-actual reports will be put in place a work in progress, we agree with the findings.
4. The AFR's are in the process of being brought up to date and will continue to be filed in a timely manner.
5. As noted in #2, the reconciliation is reviewed and is signed off by the Board.
6. The budget-to-actual reports will ensure there are sufficient appropriations and if money has to be moved from one line item to another, it will be approved by the Board and noted in the minutes.
7. The Board will continue to review all bills for payment and ensure that any required quotes and bids are properly documented. We will also ensure that the claims do not contain sales tax, that they indicate the appropriate budget line, and will ensure sufficient budgetary appropriations are available.
8. The Board will develop and adopt policies as recommended. Note, the credit card policy as recommended was adopted as of 2/12/2026.
9. The procurement policy has been audited and adopted as of 2/12/26.
10. Two of the four recommendations for development and adoption of policies have been done, the credit card and travel policies.
11. We agree with the recommendation to develop and adopt written and multiyear Capital and Financial plans. We will be working towards that goal.
12. We are in agreement with ensuring for the Commissioners training to be done for newly elected or re-elected Commissioners. The Secretary will continue to maintain a file for completed certificates.

Charles Mutz, Chairman  
Board of Fire Commissioners  
Kerhonkson Fire District

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<sup>4</sup> <https://www.ada.gov/resources/2024-03-08-web-rule/#highlights-of-the-requirements-in-the-rule>

# Appendix C: Audit Methodology and Standards

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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 District officials and reviewed Board meeting minutes to gain an understanding of the District's financial management processes, including budgeting, policy development, claims audit and multiyear financial and capital planning.
- We interviewed the Treasurer to determine whether bank reconciliations were prepared, and interviewed Board members to determine whether they requested and/or reviewed bank reconciliations.
- We reviewed accounting records for accuracy by tracing select transactions from the accounting records to bank statements and traced a sample of bank statement transactions to accounting records.
- We compared the District's 2024 fiscal year ledger of financial activity to the Board-adopted budget to determine whether appropriations were overspent at the end of the fiscal year.
- We used our professional judgment to select a sample of 11 claims totaling \$46,075 out of a population of 227 claims totaling \$275,324 during the audit period based on claims which required evidence of competition to be attached. We reviewed each claim for evidence of a thorough Board audit, including supporting documentation such as receipts and/or invoices, receipt of goods (e.g., a packing slip), indication that the purchase was a proper District charge, proof of competition, Board verification of sufficient appropriations, and whether the claims contained sales tax.
- We reviewed the District's policies to determine whether all policies required by law and in accordance with best practice were established. Furthermore, we reviewed existing policies to determine whether they were adequate.
- We reviewed the District's AFR filings for 2008 through 2024 (as of March 12, 2025) to determine whether they were filed within 60 days after the close of the fiscal year.
- We requested fire commissioner training completion certificates for all Commissioners who served throughout the audit period to determine whether they completed the OSC-approved fiscal oversight training course within 270 days of their first day in office.

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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## **NEWBURGH REGIONAL OFFICE**

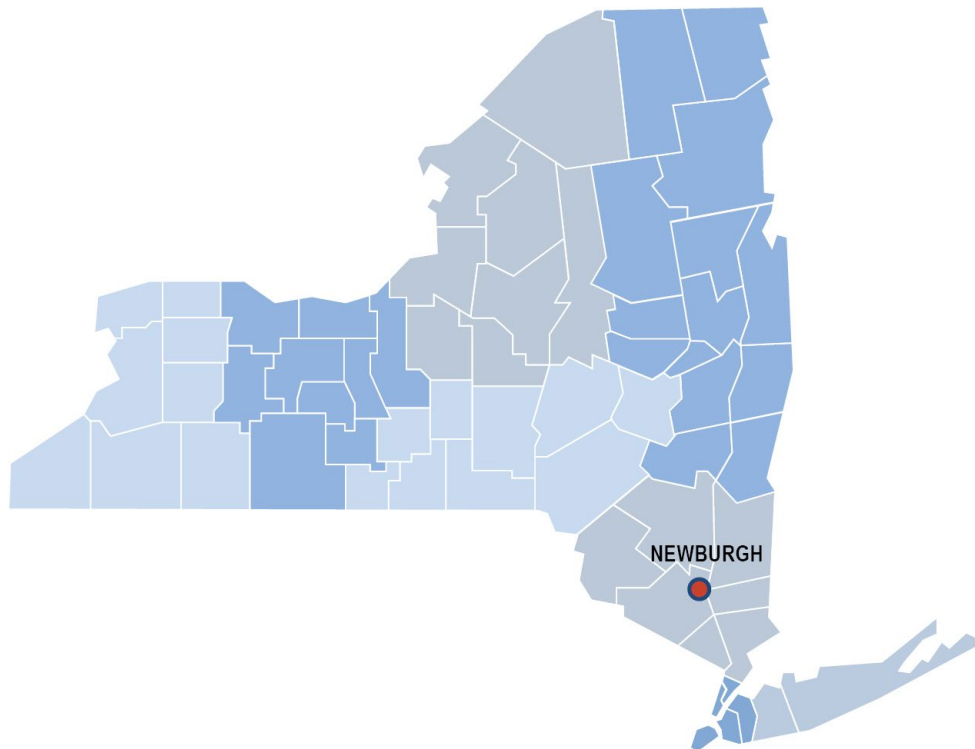
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