



Middlesex Fire District

Fiscal Transparency

2025M-130 | March 2026

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Audit Results

Middlesex Fire District



Audit Objective

Did the Middlesex Fire District (District) Secretary/Treasurer (Treasurer) provide monthly and annual financial reports to the Board of Fire Commissioners (Board) and prepare and file the required annual financial report (AFR) with the Office of the State Comptroller (OSC)?

Audit Period

January 1, 2019 – October 24, 2025

Understanding the Audit Area

The monthly and annual financial reports detail the District's financial position and results of operations and provide the Board with necessary information to govern responsibly and monitor District financial operations. This can help protect the District from financial mismanagement and help establish transparency. For example, District residents and taxpayers may use the AFR to evaluate the financial stewardship of their elected representatives and to provide a basis for their own informed participation in the budgetary process. Gaps or delays in preparing monthly and annual financial reports undermines transparency and creates missed opportunities to identify and remedy fiscal concerns.

The Treasurer joined the District in October 2018 and serves as the District's chief fiscal officer. The Treasurer is responsible for the custody, receipt, disbursement and accounting for District funds and filing the AFR with the OSC.

Audit Summary

The Treasurer prepared and provided monthly and annual financial reports to the Board. However, the Treasurer did not prepare and file the District's AFRs with OSC for fiscal years 2018 through 2024 in a timely manner (Figure 1). The Treasurer told us the former Treasurer's records were disorganized and incomplete, and she did not have access to the OSC Online Services portal¹ to file the AFRs. When AFRs

Figure 1: Late and/or Unfiled AFRs as of October 1, 2025

Fiscal Year	Filed	Days Late
2018	Yes*	1,193
2019	No	2,039
2020	No	1,675
2021	No	1,310
2022	No	945
2023	No	580
2024	No	212

*AFR filed on June 6, 2022

¹ Fire districts must submit their AFR through the Online Services portal.

are not filed, transparency is diminished and the Board, District residents, taxpayers, OSC and other interested parties are denied the ability to assess the District's financial standing.

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

We conducted this audit pursuant to Article V, Section 1 of the State Constitution and OSC's authority as set forth in Article 3 of the New York State General Municipal Law (GML). 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.

Fiscal Transparency: Finding and Recommendations

A fire district treasurer should provide the Board with monthly and annual financial reports. These financial reports should include a detailed statement of all money received and disbursed during the month, reconciled cash balances for all bank accounts and comparisons of actual revenues and expenditures to amounts estimated in the annual budget (budget status reports).

GML Section 30 requires a fire district treasurer to file the fire district's AFR with OSC within 60 days of the end of the fire district's fiscal year. The AFR provides the fire district board, OSC, fire district residents, taxpayers and other interested parties with a transparent tool to monitor and evaluate financial operations. The AFR provides detailed information about the finances of the fire district and includes such items as revenues, expenditures, debt, cash reserves and fund balance. GML Section 30 also requires the fire district, to the extent practicable, to make AFR information available to the public on its official website.

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 3), are included in Appendix A.

Finding 1 – The Treasurer did not prepare and file the required AFRs.

The Treasurer did not prepare and file the District's AFRs in a timely manner for fiscal years 2018 through 2024 (Figure 2). Additionally, the Treasurer did not request a filing extension for fiscal years 2018 through 2024. The Treasurer told us the required AFRs had not been filed because the former Treasurer's records for 2018 were disorganized and incomplete and she thought the records were incorrect. As a result, the Treasurer filed the 2018 AFR on June 6, 2022, which was 1,193 days late. However, as of October 1, 2025, the AFRs for 2019 through 2024 remained unfiled and are between 212 and 2,039 days late.

Figure 2: Late and/or Unfiled AFRs as of October 1, 2025

Fiscal Year	Filed	Days Late
2018	Yes*	1,193
2019	No	2,039
2020	No	1,675
2021	No	1,310
2022	No	945
2023	No	580
2024	No	212

*AFR filed on June 6, 2022

The Treasurer also told us that she did not have access to the OSC Online Services portal to file the AFRs because the email she used to file the 2018 AFR was no longer active, and she could not log in to the portal. However, because she filed the 2018 AFR in 2022, she was aware of the filing requirement and had access to the system at least for the early years of her tenure. We provided the Treasurer with resources to assist with updating her contact information and regaining access to the Online Services portal.

Furthermore, while the Board meeting minutes indicated that the Treasurer provided the Board with monthly and annual financial reports² and the Board completed an annual audit of the Treasurer's records each year, the Chairman of the Board told us that the Board was not aware and the audit process did not identify that the Treasurer did not prepare and file the AFRs in a timely manner. When AFRs are not filed, transparency is diminished and the Board, District residents, taxpayers, OSC and other interested parties are denied the ability to assess the District's financial standing.

Recommendations

The Treasurer should:

1. Keep contact information up to date on the OSC website to maintain access.
2. Prepare and file the delinquent AFRs for the 2019 through 2024 fiscal years and file all future AFRs with OSC within 60 days of the end of the fiscal year, as required by GML Section 30.

² The financial reports included copies of the bank statements.

Appendix A: Profile, Criteria and Resources

Profile

The District provides fire protection and crash fire rescue services within the Town of Middlesex and a portion of the Town of Italy in Yates County. An elected five-member Board is responsible for the District's overall financial management and safeguarding its resources. The Treasurer prepares the annual budget and provides monthly and annual financial reports to the Board. The District's budget for the 2025 fiscal year was \$288,658.

Criteria – Fiscal Transparency

A fire district treasurer is responsible for providing the board of fire commissioners with monthly financial reports to facilitate the monitoring of fire district financial affairs. Monthly financial reports should include a detailed statement of all money received and disbursed during the month, reconciled cash balances for all bank accounts and comparisons of actual revenues and expenditures to amounts estimated in the annual budget (budget status reports).

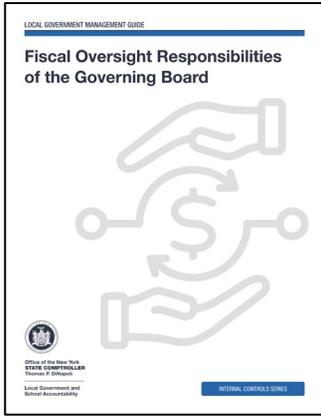
GML Section 30 requires treasurers to prepare and file their fire district's AFR with OSC within 60 days of the fire district's fiscal year end. OSC provides instructions for filing the report to all chief fiscal officers before the completion of the fire district's fiscal year. Fire district officials may request an AFR filing extension which, if granted, extends the fire district's filing deadline to 120 days after the end of the fiscal year. The AFR provides detailed information about the finances of the fire district and includes such items as revenues, expenditures, debt, cash reserves and fund balance. GML Section 30 also requires the fire district, to the extent practicable, to make AFR information available to the public on its official website.

Additional Fiscal Transparency Resources

Figure 3: OSC Publication

OSC *Local Government Management Guide* and other information resources are available on our website to help officials understand and perform their responsibilities.

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>

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 District Officials

The District submitted one response to two audit reports (Middlesex Fire District – Fiscal Transparency (2025M-130) and Middlesex Fire District – Procurement (2025M-135)). Our rebuttal notes are related to Middlesex Fire District – Procurement (2025M-135).



**Middlesex Fire District
Board of Commissioners
5537 Water Street
PO Box 145
Middlesex, NY 14507**

February 25, 2026

This Response also includes our corrective action plan (CAP)

Dear Auditors,

First, Even though Middlesex Fire District was not thrilled to be audited, it was good to have items brought to our attention. The items mentioned will help the Board of Fire Commissioners operate more efficiently while overseeing the town's taxpayers funds that support the Fire District's emergency equipment/response.

Second, We would like to thank our District and Fire/CFR department volunteers. They give up a lot of time for training, drills, and most importantly emergencies. They do this in all kinds of conditions – cold, heat, wind, rain, and snow. Having to deal with hazards like electrical, hazardous chemicals, mud, lakes, rivers, rope & rescue, etc. They respond 24 hours per day seven days a week. Thank you!

Fiscal transparency, section 130:

In reviewing the "Audit Summary" outlined on page 2 of the report, our treasurer does a very good job with monthly and annual financial reports to the commissioners.

The board members were not aware of an annual financial report needing to be on file with the Office of the State Comptroller. As brought to our attention at the first meeting we had with the auditors. We have passed a policy entitled "Annual Financial Report". This policy basically states: Treasurer will provide to the District Fire Commissioners confirmation that the the required AFR statement was completed and submitted to the New York State Comptroller's Office at the March board meeting. A reminder was also added to the chairman's calendar for the month of February to remind treasurer that the report is due no later than the end of March.

On your recommendations on page 5, Chairman will put on his docket calendar for organizational meeting in January of every year a note, to remind Treasurer to make sure to complete the AFR for the State. This will be done after the Treasurer has been elected.

Procurement, Section 135:

Note page 1 Finding #2: Statement is not correct. While the main issue for the most part is really adequate documentation of checking for value of purchase.

Purchasing the lowest price is not always the most economical manner. Example some items that are cheaper may not have the lifespan of something a little more expensive.

We take that into consideration when we look at purchasing something.

On page 2, under audit summary, first sentence – "District officials did not ensure the procurement of goods and services were done in an economical manner."

Overall, we do this by looking online, sending emails inquiries and making phone calls.

We have to find items that fit our present equipment and not at all vendors make/

supply same equipment. There are no fire equipment stores like generic auto stores. We are held captive by the fire equipment manufacturers and their salesmen. Furthermore, we have learned that equipment/especially safety equipment has to be easy to use and be comfortable. The quicker and easier a firefighter can complete a task the safer the firefighter is. An example would be inexpensive, bulky gloves, forcing you to take gloves off to adjust equipment or put it together safely. Cheaper turnout gear may have more cancer causing materials in their manufacture. More expensive gear does not. We prefer to have our volunteers safe. It has long been noted the more comfortable the gear, the more the volunteer will use it, wear it an be safe. This being said, we agree that our documentation showing that overall we did do diligence in purchasing is lacking in some areas. The board was using the understanding that grouping individual purchasing from a vendor and grouping them together so we could review them under one voucher and pay with one check regardless of total purchase of \$2500 was OK. Thus saving district time to review several vouchers and writing several checks to the same vendor.

The Board understands and agrees with seeking competitive bids for goods and services for the reason you mention on page 2 of report 135. We have changed our vouchers to reflect the need of purchaser to follow our procurement policy and included printed details of the procedure on the back of the new vouchers.

Page 4, finding one, We we agree that we interpreted "emergency exception" incorrectly. However saying "The Board's lack of planning, by developing an equipment, replacement schedule or multi year capital plan, did not make this an

unforeseen occurrence". That is not correct. At our first meeting, we showed you our "Budget Forecast" that goes out to 2033 and includes the Capitol Reserve Fund and our truck replacement schedule. As a relatively small volunteer department it would be unwise if we didn't do this. We generally use 25 years for truck replacement age. Trucks at times don't last that long and repair cost prohibit fixing it compared to buying a replacement. We have to adjust. Also government mandates pop up now and then. This district does a good job adjusting and working not to overburden our taxpayers. The board did meet and talk to three different manufacturers before going with Four Guys. Basically they were the only one that could meet design and cost. The \$3392 additional cost you mentioned was due to Covid. Because of low inventory and parts availability to build the truck. By the time the chassis was being built, we were "forced" to accept a new model chassis and manufacturer said, "Take it or we'll sell it to someone else". Thus delaying getting the tanker into service to the district. The \$157,992 payment was for the finished chassis as per contract agreement – which is standard within the industry. The Board now recognizes this tanker should have been bid, we did compare three manufacturers. Board has also acknowledged the use of legal council would be of help in considering these things.

Respectfully submitted,

Middlesex Fire District Board of Commissioners

Chairman Raymond Lafler Jr. _____



**Middlesex Fire District
Board of Commissioners
5537 Water Street PO Box 145
Middlesex, NY 14507**

February 25, 2026

CAP Response:

Fiscal Transparency 2025M-130:

The auditors made two recommendations at the treasure should do the following:

1. Keep contact information up-to-date on the OSC website to maintain excess.
2. Prepare and file the delinquent AFR's for the 2019 - 2024 fiscal years and file all future AFR's with OSC within 60 days of the end of the fiscal year, as required by GML section 30.

GML Section 30: CAP Response

Finding 1: The treasurer now has the link to update the board contact information.

Furthermore, a reminder has been put on the chairman's calendar for the January meeting to remind treasure to update information.

This action has already been done in January 2026.

Finding 2: treasure has been in contact with OSC and has worked out and agreeable understanding to fulfill the delinquent AFR's.

Treasurer has already started on the agreed plan to file past AFR's with OSC as of

January 2026. Sabra Dunton Treasurer : _____ February 25, 2026

Procurement 2025M-135:

The audits made three recommendations that the District Officials should do.

-
1. Evaluate and with consultation of legal council, declarations for emergency purchases to ensure they are consistent with the emergency exception to competitive bidding prior to making the purchase. As well as maintain appropriate documentation that all criteria are satisfied to support the decision to use the exception.
 2. Development maintain an equipment replacement schedule or multi year plan.
 3. District officials should procure goods and services according to applicable statues and the district procurement policy with relevant supporting documentation.

CAP Response: Procurement 2025M-135:

Finding 1: It has been discussed by the board and agreed that legal council is to be used on matters of this nature. We have since used legal council on some policy and equipment issues. Use of council will be ongoing as issues arise.

Finding 2: as noted in our response letter, we do have an equipment replacement schedule in a multi year capital plan. As discussed with the auditors, even though districts plan projects out to 2033, there needs to be a more detailed/complete equipment replacement schedule.

The board along with the fire, chief and assistant chief have already been discussing updating the schedule. Being a small district, this plan must remain flexible for the unknown equipment repairs, government/regulator mandates and an increase increases an ongoing operating cost.

Finding 3: The board and treasure have already taken steps in the fall of 2025 and rectified district procurement process and most importantly the documentation of

obtaining goods and services. We've updated our vouchers with this policy on the back of the voucher with an area for documenting price, quotes, etc. when dealing with various vendors. Board has also taken time to review/discuss policy with approved purchasers for the district.

Chairman Middlesex Board of Fire Commissioners

Raymond Lafler Jr. _____

Respectfully submitted,

Middlesex Board of Fire Commissioners

Chairman: Raymond Lafler Jr _____

Treasurer: Sabra Dunton _____

February 25, 2026

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 District officials and reviewed Board meeting minutes, Treasurer’s reports and policies to gain an understanding of the District’s internal controls, determine what financial reports the Board receives and whether the Board conducted annual audits of the Treasurer’s records.
- We interviewed the Treasurer to determine the reason for not preparing and filing AFRs.
- We reviewed AFR filings for the 2018 through 2024 fiscal years to determine whether the Treasurer submitted AFRs to OSC within 60 days of the close of the fiscal year.

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.

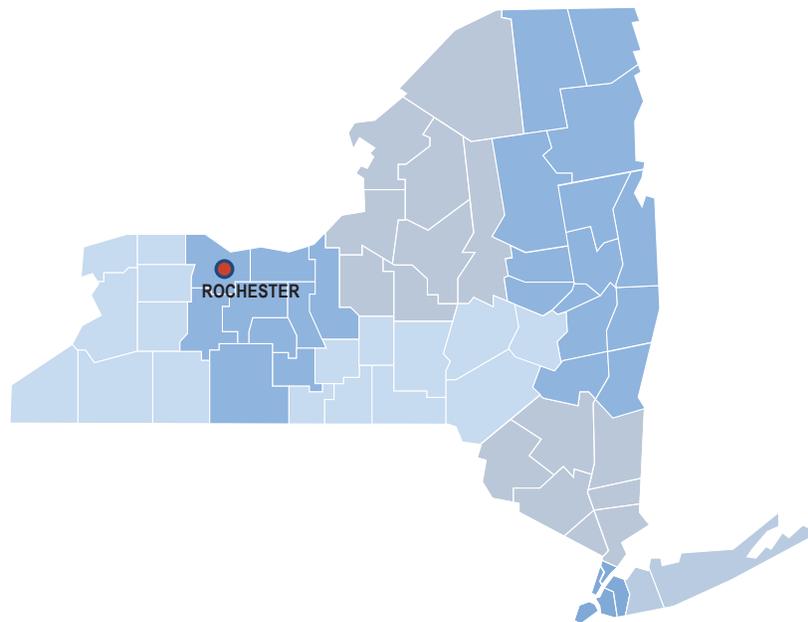
Contact

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