

New York State Comptroller
THOMAS P. DiNAPOLI

New Woodstock Fire District

Transparency of Fiscal Activities

October 2026 | S9-26-34

Prepared by the Division of Local Government and School Accountability

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Audit Results

New Woodstock Fire District

Audit Objective

Did the New Woodstock Fire District (District) Board of Fire Commissioners (Board) conduct an annual audit of the Treasurer's financial records and reports, 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 June 25, 2026, and back to fiscal year 2020.

Understanding the Audit Area

To fulfill its fiscal oversight responsibilities, a board of fire commissioners (board) should conduct an annual audit of the treasurer's financial records and ensure the treasurer files the AFR with OSC on time as required by New York State (NYS) General Municipal Law (GML) Section 30. 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 \$148,618 for the general fund appropriations in fiscal year 2025 to provide essential fire protection services; the budget was funded by \$167,606 in revenue collections.

Audit Summary

The Board did not conduct an annual audit of the Treasurer's financial records and reports for fiscal year 2025. Neither the Chairman nor another Commissioner we spoke to were aware the Board should conduct an annual audit, and were therefore unable to tell us when, if ever, the Board last audited the Treasurer's financial records and reports. However, both Commissioners told us they attended the required fire district commissioner training,¹ which should include content about annual audits. 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 GML Section 30. Prior to this audit, the District's last filed AFR was for the 2019 fiscal year.

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 District residents, taxpayers, OSC and other interested parties did not have access to the District's current fiscal condition. As a result, the Board cannot effectively monitor the District's financial position and available fund balance to make informed decisions or to safeguard District funds by detecting errors and irregularities.

Furthermore, had the Board conducted an annual audit of the Treasurer's records and reports, it may have identified and potentially helped remedy issues we identified in our review of the Treasurer's records. Specifically, we determined that the Treasurer, assisted by an appointed bookkeeper, did not:

- Ensure that the Board's claims audit was documented and all claims were supported prior to payment.
- Ensure that the Board approved all debit card purchases.
- Provide the Board with monthly budget status reports.
- Provide the Board with her records annually, in accordance with NYS Town Law (Town Law) Section 177.

¹ See: <https://www.osc.ny.gov/local-government/resources/fire-district-information-fire-district-training-providers>

The report includes 10 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 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 the fire district's fiscal activities and the safeguarding of fire district resources. Furthermore, the board of fire commissioners should ensure that the treasurer provides it with all books, records, receipts, claim vouchers and canceled check images annually, as required by Town Law Section 177. This will enable the board to annually audit the treasurer's books and records to help ensure that funds 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 AFR is made available to the public on OSC's website.²

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 audit the Treasurer's records and reports.

The Board did not conduct an audit of the Treasurer's financial records and reports for fiscal year 2025, nor did it request the Treasurer's annual records. The Chairman and another Commissioner told us they were unaware the Board should conduct an annual audit, or that it should request the Treasurer's annual records. However, they told us they attended mandatory fire district commissioner training that should include content about these audits. The Treasurer told us she was unaware of the requirement to annually provide her records and reports to the Board in accordance with Town Law Section 177.

We reviewed the Treasurer's fiscal year 2025 records and reports using the same guidance OSC developed to help local officials fulfill their audit 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.³

Below are examples of issues we identified that, had the Board conducted an annual audit of the Treasurer's books and records, it may have identified, and potentially helped remedy:

Check and Debit Card Disbursements – We reviewed all 165 disbursements for fiscal year 2025 totaling \$108,329, composed of 89 check disbursements totaling \$94,315 and 76 debit card disbursements made by the Treasurer totaling \$14,014. Although we determined that disbursements were for legitimate District purposes, they were not always adequately supported with documentation or included evidence of the Board's audit and approval. The Chairman and another Commissioner told us the Board audits all vendor claims for payment at its monthly meetings and that the Chairman's signature on the abstract (listing of claims) evidences the Board's audit and approval to pay claims.

All 89 check disbursement claims totaling \$94,315 generally⁴ included evidence of the Board's audit and were supported. However, not all debit card disbursements were Board-approved or adequately supported. Not all debit card disbursement claim vouchers were listed on the abstract and did not include supporting invoices or sales receipts. Of the 76 debit card disbursements totaling \$14,014, we determined 62 totaling \$9,697 were not Board-approved, including 21 totaling \$1,303 that did not include supporting invoices or sales receipts.

When District funds are disbursed without Board audit or adequate supporting documentation, there is little assurance that funds were expended to further the District's purpose of providing fire protection services to the community. In addition, because debit card payments are withdrawn directly from the District's bank account at the time of purchase, their use poses additional risks, as unauthorized use may not be detected in timely manner or corrected.

² <https://www.osc.ny.gov/open-book-new-york>

³ <https://www.osc.ny.gov/files/local-government/publications/pdf/fiscal-oversight-responsibilities-of-the-governing-board.pdf>

⁴ We verbally reported minor exceptions to District officials.

The Chairman and Treasurer told us they had not considered the risk implications of using a debit card to make purchases. As a result of the audit, the Chairman told us the District would discontinue using the debit card and officials were planning to replace the debit card with a credit card.

Financial Reports – The Treasurer provided the balance sheet, bank reconciliations, and cash receipt and disbursement journals to the Board monthly. However, the Treasurer provided budget status information to the Board only during budget development meetings. The Treasurer told us that because she was new to her position, she was unaware that she should provide this information monthly to the Board. Without a periodic review of all financial information, the Board cannot effectively monitor the District’s operating results and financial position.

Recommendations

The Board should:

1. Conduct a thorough annual audit of the Treasurer’s records and reports and ensure the Treasurer provides her records as required.
2. Document the claims audit and ensure that individual claims are properly supported with invoices or itemized receipts.
3. Consider discontinuing the use of a debit card for District purchases.
4. Request monthly budget status reports to monitor the District’s fiscal activities and make informed decisions.
5. Attend relevant and beneficial training sessions to obtain a better understanding of its duties or consult with counsel, where appropriate. Training provided by OSC can be found at: www.osc.ny.gov/localgov/academy/index.htm

The Treasurer should:

6. Submit books, records, receipts, claim vouchers and canceled check images to the Board annually as required by Town Law.
7. Ensure all payments are properly supported and audited by the Board prior to payment.
8. Provide monthly budget status reports to the Board.

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

The Treasurer, who started in January 2025, did not prepare and file with OSC the 2020 through 2025 fiscal years’ AFRs on time,⁵ as required by GML. After we completed our audit fieldwork, the Treasurer filed all delinquent AFRs between May 20, 2026, and May 30, 2026, between 1,906 and 90 days late.

The Treasurer told us that she was unaware of the requirement to file the AFR with OSC within 60 days after the fiscal year’s end or of the delinquent AFRs. The Treasurer told us she learned of the requirement and of the delinquent AFRs in May 2026, when she updated her contact information with OSC and was notified of the delinquent AFRs. The Chairman and one Commissioner told us they were aware of the filing requirement but not the delinquent AFRs, as they relied on the current Treasurer and former Treasurer to file as required.

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 of the District’s general fund for fiscal year 2025.⁶ 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

⁵ 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-non-filers/>

⁶ See Appendix C for methodology.

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:

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

The Board should ensure:

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

Appendix A: Profile, Criteria and Resources

Profile

The District provides fire protection services to portions of the Towns of Cazenovia and DeRuyter located in Madison County. The District is governed by the elected Board, composed of five Commissioners, including one who serves as Chairman. The Board is responsible for overseeing the District's fiscal activities and safeguarding its resources. As the District's Chief Fiscal Officer since 2025, the appointed Treasurer, assisted by a bookkeeper, 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. The Treasurer also serves as the District's appointed Secretary who is responsible for maintaining the Board 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, claims vouchers and canceled check images to the board annually so the board can conduct an audit of the treasurer's records.⁷ 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 and processes. Conducting annual audits can help commissioners detect and prevent loss or theft of funds.

The accounting records should be up-to-date and should document assets, liabilities, fund balance and results of operations (revenues and expenditures) for each fire district fund. The treasurer must maintain an accurate and complete accounting of all funds received and disbursed, and deposit fire district funds within 10 days of receipt, as required by Town Law Section 177.

A fire district treasurer's financial books and records, can include:

- Cash receipt and disbursement transactions,
- Cash reconciliations,
- Receivables,
- Investment records,
- Deposit protections,
- Indebtedness and property records,
- Payrolls, and
- Financial reports.

Audits provide the board with the opportunity to assess the effectiveness of fiscal activities and help ensure that adequate board oversight is maintained over fire district operations. An annual audit also provides independent verification that transactions are properly recorded, that fire district funds are properly accounted for and whether any significant fiscal concerns exist.

An audit of the fire district treasurer's records should be thorough and sufficiently detailed to determine that the following minimum concerns are met:

- Financial records are complete and up to date,
- Transactions are recorded properly,

⁷ 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.

- Reconciliations are performed monthly, and
- Required reports are made in a timely and accurate manner.

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.⁸

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>

⁸ <https://www.osc.ny.gov/open-book-new-york>

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)*,⁹ and may have included changes to spelling and grammar. The substance of the content was not changed.

NEW WOODSTOCK FIRE DISTRICT

PO BOX 178

NEW WOODSTOCK, NY 13122

October 06, 2026

New York State Comptroller Thomas P. DiNapoli
Local Government & School Accountability
State Office Building
333 East Washington Street, Syracuse, New York 13202-1428

RE: New Woodstock Fire District (District)

Preliminary Draft Audit Report received from OSC on 09/14/26

Greetings **[Redacted]**,

This letter is to confirm that the Board of Commissioners of the New Woodstock Fire District has received the above referenced OSC draft audit report and have accepted the findings. We ask that you consider our written responses to the draft report and our Corrective Action Plan (Cap) below for your final audit report. The Board considers the audit to have met its stated objective of identifying areas that need improvement. As Commissioners, we welcome any opportunity to further improve our operations and oversight for the benefit of the taxpayers.

Finding 1 – The Board did not audit the Treasurer’s records and reports.

OSC Audit Recommendations:

1. Conduct a thorough annual audit of the Treasurer’s records and reports and ensure the Treasurer provides her records as required.

District Response: The Board will ensure in the future that the Treasurer will provide the records & reports and the Board will conduct an annual audit. After any errors or irregularities found are addressed, the audit results will then be recorded with the following month’s meeting minutes.

2. Document the claims audit and ensure that individual claims are properly supported with invoices or itemized receipts.

District Response: This recommendation has already been implemented by the Treasurer for our past two monthly meetings and the claims audit has included any automatic payments made as well as proposed payments requested. The Treasurer has also provided itemized receipts and invoices for all items listed on the monthly claims audit. The Board will ensure this process continues.

⁹ <https://www.ada.gov/resources/2024-03-08-web-rule/#highlights-of-the-requirements-in-the-rule>

3. Consider discontinuing the use of a debit card for District purchases.

District Response: The Board has since obtained a credit card for District purchases from the same bank as our District accounts are located and has since discontinued use of the debit card.

4. Request monthly budget status reports to monitor the District's fiscal activities and make informed decisions.

District Response: The Board's Treasurer and Bookkeeper have been apprised of our requirement to fulfill this recommendation and will in the future provide a monthly budget status, to be included with the monthly meeting Treasurers' report.

5. Attend relevant and beneficial training sessions to obtain a better understanding of its duties or consult with counsel, where appropriate.

District Response: The Board will ensure that all newly elected and re-elected members will fulfill the fire district commissioners training as required. Board members and the Treasurer will be encouraged to seek additional training and/or resources that would increase the financial wellness of the District and increase transparency. If appropriate, the Board also has attorney available that is very knowledgeable on NYS fire district Town law [redacted].

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

OSC Audit Recommendations:

The Treasurer should:

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

District Response: The Treasurer has assured the Board that all future AFRs will be filed within the 60 days requirement.

The Board should ensure:

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

District Response: The past years of AFRs missing have been filed and the Board will ensure that all future AFRs will be filed within the 60 days requirement.

The Board thanks the Office of State Comptroller for these and other valuable recommendations and comments offered during the audit, all of which have been or are in the process of being implemented. Also please note that the Board is in process of completing an internal checklist of the required items that must be completed annually, for use by the present and future District Boards and Treasurers. The checklist will be distributed to all present Board members, the Treasurer and bookkeeper. It will also be posted on the bulletin board in the Districts/Chiefs office for current and future Boards' easy reference.

Respectfully submitted,

Walter S. Starkweather

Chairman, Board of Fire Commissioners,
New Woodstock Fire District
PO Box 178 (2632 Mill St.)

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 one other Commissioner 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,¹⁰ we made observations and reviewed:
 - All collections using cash receipt source documentation including copies of remitted checks, remittance advices, bank statements and bank deposit slip receipts on file for all seven cash receipts in fiscal year 2025 totaling \$166,390 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. We determined there were no exceptions.
 - All 165 check and debit card disbursements totaling \$108,329, from the Treasurer's cash disbursement journal for fiscal year 2025, to determine whether they were Board-approved, adequately supported and for proper District purposes. We reviewed canceled check images from the bank and Board-audited claim voucher packets to determine the payee, amount and purpose. We also compared all fiscal year 2025 disbursement transactions recorded in the bank account to the Treasurer's cash disbursement journal to determine whether the transactions were recorded in the ledger.
 - All other electronic disbursements made during 2025 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 determined there were no exceptions.
 - Collateral statements from the District's financial institution to determine whether deposits of all District funds are secured and protected and we determined there were no exceptions.
 - The District's equipment and fixed assets to determine whether property records are maintained, and up-to-date, and whether physical inventories are performed and compared to the records and we determined there were no exceptions.
- We traced all checks payable to the Treasurer, bookkeeper and Commissioners from the Treasurer's cash disbursement journals 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.

¹⁰ See Supra, footnote 3; 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 year's budgeted appropriations to reflect the District's ability to fund its adopted 2024, 2025, and 2026 budgeted appropriations.

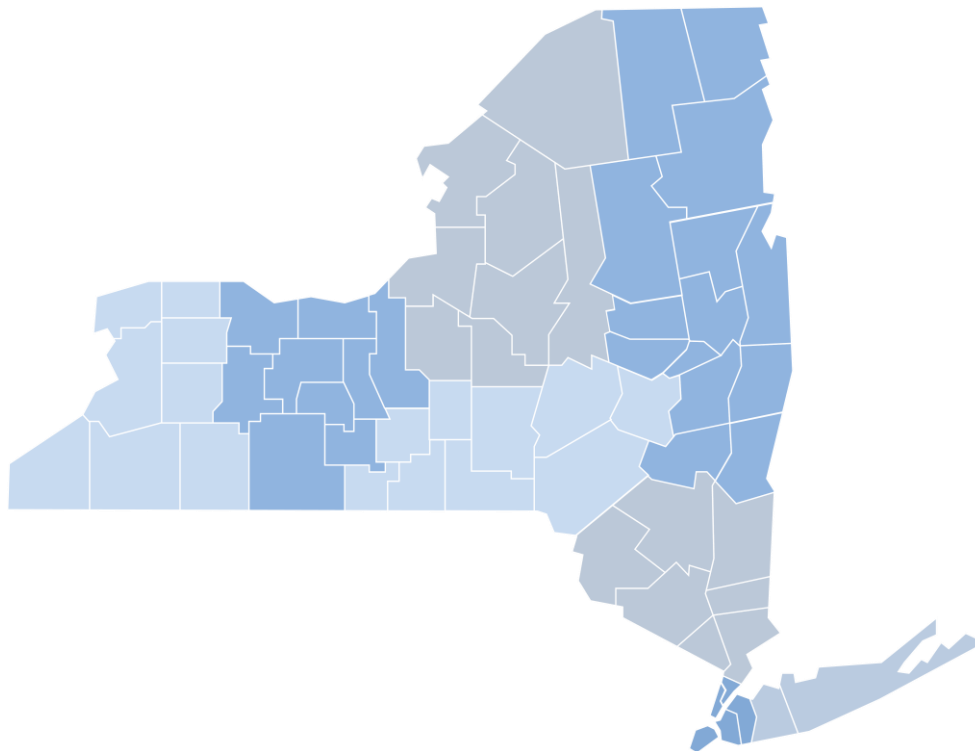
OSC auditors conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that auditors plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on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

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