

New York State Comptroller
THOMAS P. DiNAPOLI

Town of Paris

Water and Sewer User Charges

June 2026 | 2025M-146

Prepared by the Division of Local Government and School Accountability

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Audit Results

Town of Paris

Audit Objective

Did Town of Paris (Town) officials properly manage the billing, collection and enforcement activities associated with water and sewer user charges?

Audit Period

January 1, 2024 – October 29, 2025

Understanding the Audit Area

Strong billing, collection and enforcement practices are essential to ensure that water and sewer operations remain financially self-sustaining, equitable to users, and do not place an undue burden on ratepayers. These practices also help establish transparency, maintain the public's trust and can help prevent errors, irregularities, waste, legal non-compliance and fraud.

For 2024, the Town collected approximately \$175,000 in water rents and penalties on behalf of the Sauquoit Water District (Water District), and approximately \$256,000 in sewer rents, surcharges and penalties on behalf of the Oneida County (County) sewer district (Sewer District).

Audit Summary

Town officials did not properly manage billing, collection and enforcement activities associated with water and sewer user charges and the Town Board (Board) did not authorize the water rates. As a result, the rates and charges may not have been transparent to the public and customers lacked assurance that the water billings were accurate and appropriate. Additionally, the Board did not provide adequate oversight and guidance to the Town's water and sewer clerk (Clerk), increasing the risk of errors or irregularities that could occur without detection. Furthermore, because billing adjustments were not adequately supported and properly approved, erroneous adjustments could be made and/or adjustments could be made to conceal improper activity.

We determined the following:

- The Board did not approve all the water billing rates the Clerk used to bill water customers.
- The Board did not provide adequate oversight or implement compensating controls to reduce the risk involved with the Clerk performing nearly all duties related to water and sewer billing. Additionally, the Board did not conduct annual audits of the Clerk's records, as required by New York State Town Law (Town Law) Section 123, to oversee water and sewer billing operations.
- The Clerk inaccurately recorded 124 check payments totaling \$21,657 as cash in the billing system.
- The Clerk assessed late penalties on 24 water customer accounts that were in arrears for only 25 days. However, Town Law Section 198(3)(d) only authorizes towns to assess late penalties for unpaid water charges that are in arrears for 30 days or longer.
- The Clerk used an inconsistent and arbitrary process to identify overdue water and sewer account balances to be re-levied. We determined that 30 customer accounts had unpaid balances totaling \$6,624 as of September 30, 2024. However, the Clerk did not include 20 customer accounts with unpaid balances totaling \$1,639 in the annual statement (re-levy list) delivered to the County for re-levy on the property owners' tax bills.

- The Board did not approve 34 billing adjustments totaling \$5,461. In addition, the Clerk did not have sufficient documentation to support the need for 26 billing adjustments totaling \$2,640.

The report includes 13 recommendations that, if implemented, will improve the Town's billing, collection and enforcement activities associated with water and sewer user charges. Town officials 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 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 (GML). Our methodology and standards are included in Appendix C.

The Board has the responsibility to initiate corrective action. A written corrective action plan (CAP) that addresses the findings and recommendations in this report should be prepared and provided to our office within 90 days, pursuant to Section 35 of GML. 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 in the Town Clerk's office.

Water and Sewer User Charges: Findings and Recommendations

The Town provides water services to residents and businesses located within the Water District and some Town residents outside of the Water District. The Town is located within the County's Sewer District, which provides sewer services to, among others, residents and businesses located within the Water District and some Town residents outside the Water District. In addition to administering its own water user charges, the Water District administers, bills and collects sewer user charges on behalf of the Sewer District pursuant to an intermunicipal agreement (IMA) with the County.¹ The Clerk is responsible for billing approximately 800 water and/or sewer customers quarterly based on metered water usage and collecting payments on behalf of both the Water District and Sewer District.

A town board is generally responsible for managing a town's water district operations including providing adequate oversight of the town's billing operations. The town board is also generally responsible for setting user rates charged to water district customers. In addition, when a town enters into an IMA with another local government to administer, bill and collect sewer user charges on behalf of that local government, the town board is generally responsible for providing adequate oversight of the town's provision of that function.

The town board should establish written policies and procedures to provide guidance and oversight for the employees performing billing, collection, and enforcement of water and sewer user charges and must annually audit, or cause to be audited, the records of officers and employees responsible for receiving and disbursing money.

To help ensure accurate records and detect errors, the town supervisor should ensure water and sewer receivable control accounts² are maintained and periodically reconciled with the individual customer accounts. If adjustments are needed to water usage or billed amounts, the adjustments should be subject to the review and approval of the town board, or its authorized designee and properly documented.

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 approve all water billing rates charged to customers.

We determined that the Clerk properly used the Sewer District Rate Schedule approved by the County Board of Legislators for billing the sewer rents charged to Sewer District customers. However, Town officials did not provide us with documentation showing the Board authorized all water rates charged by the Clerk.

The Board adopted water regulations which describe how the water charges should be imposed on water customer accounts. To supplement the water regulations, the Board periodically adopted resolutions to set new water rates when increases were needed. The Board passed a resolution to approve a water rate of \$4.67 per thousand gallons effective September 1, 2021. However, the Clerk did not bill all water usage at this rate, and instead billed customers within the Water District a minimum quarterly charge of \$18.48 for water usage up to 6,000 gallons. When water usage exceeded 6,000 gallons, the Clerk billed customers using the Board-approved rate of \$4.67 per thousand gallons for the total gallons used.

The Clerk and Town officials were unable to provide a Board resolution or other documentation showing that the Board approved the \$18.48 minimum billing charge. They were also unable to provide any documentation

¹ For purposes of this report, we did not review the IMA for legal sufficiency.

² A receivable control account summarizes total billings and collections, account adjustments and unpaid balances for all customer accounts.

showing that the Board approved the current tiered rate schedule that the Clerk used to bill 45 customers located outside of the Water District who received water services.³

The Town Supervisor (Supervisor) and four Board members told us they had limited knowledge of the process for approving water billing rates and were not aware of the rates, including the minimum usage charges, or the different tiers used by the Clerk. When water rates, including any minimum usage charges, have not been authorized by the Board, the rates and charges may not be transparent to the public, and Board members and customers lack assurance that the water billings are accurate and appropriate.

Recommendations

The Board should:

1. Pass a resolution that clearly sets the water rate schedules, including minimum charges, for customers located within and outside the Water District.
2. Ensure the rates and charges are communicated to the Clerk for billing purposes.

The Clerk should:

3. Ensure all changes in water rates are authorized by the Board before entering rate changes into the billing system.

Finding 2 – The Board did not provide adequate oversight to help mitigate risks associated with the Clerk’s financial duties not being segregated.

The Clerk was responsible for performing nearly all duties related to water and sewer billing, including entering billing rates and meter readings into the billing system and sending bills to customers; collecting and posting payments in the customer accounts; preparing and making bank deposits; applying penalties to overdue accounts; making adjustments to customer accounts; and determining the unpaid balances to be re-levied on the property owners’ real property tax bills. However, the Board did not provide adequate oversight or implement compensating controls, such as an independent periodic review of the billings and collections, to reduce the risk involved with the Clerk performing all these financial responsibilities. For example, the Board did not establish procedures for someone other than the Clerk to review the water and sewer billings and compare recorded collections with deposits. The Board also did not conduct annual audits of the Clerk’s records as required by Town Law Section 123 to oversee the operations.

Although the Town bookkeeper was responsible for recording water and sewer deposits in the Town’s accounting records, the bookkeeper did not maintain water and sewer receivable control accounts. By maintaining receivable control accounts and periodically reconciling the account balances with the total unpaid balances in the individual customer accounts maintained by the Clerk, Town officials could improve controls over water and sewer collections. For example, the reconciliation process would help to detect differences that need further investigation and could be attributable to errors, unauthorized adjustments to customer accounts or payments posted to customer accounts that were not deposited.

Because the Board did not provide adequate oversight of the Clerk’s financial duties or establish sufficient compensating controls, we performed tests of water and sewer billings, collections and enforcement activities (penalty assessments and re-levies) and determined the following:

³ The billing rates charged to customers outside the Water District were as follows: a minimum rate of \$40.58 for the first 6,667 gallons of water usage, then \$2.39 per 1,000 gallons between 6,667 and 10,000 gallons used, and \$2.77 per 1,000 gallons used over 10,000 gallons.

Billings – We tested a sample of 80 water and sewer bills totaling \$11,925 issued from December 2024 through February 2025. Except for minor discrepancies which we discussed with Town officials, we determined the bills were supported by meter readings and were accurately calculated based on the rates used in the billing system.⁴

Collections – We tested a sample of 16 water and sewer payment journals, which included 622 collections totaling \$106,756, to determine whether the Clerk deposited the collections in the Town's bank account. In addition, we reviewed the deposit compositions for three of these deposits, which included 124 check payments totaling \$21,657. While we determined that all 622 collections were deposited in the Town's bank account, the Clerk inaccurately recorded all the check payments as cash in the billing system. The Clerk told us that she records every transaction in the billing system as a cash transaction to save time because recording check payments requires her to enter the check number into the system. Accurately recording the form of collection (i.e., cash or check) helps provide a clear audit trail showing the funds received and makes it easier to detect errors or other discrepancies when comparing collections with deposits.

Penalties – We reviewed the sample of 80 water and sewer bills to determine whether the Clerk assessed late penalties on unpaid water charges in accordance with the Town's water regulations and Town Law Section 198(3)(d), and whether the Clerk assessed late penalties on unpaid sewer charges in accordance with the terms of the IMA and the County's Sewer District Rate Schedule.

- **Water Charges** – Under Town Law Section 198(3)(d), towns, on behalf of water districts, may pass an ordinance or resolution authorizing that unpaid water charges in arrears for 30 days or longer are subject to a penalty not exceeding 10 percent. The Town's water regulations indicate that bills that are not paid by the date shown on the bill (due date) will be subject to a 10 percent penalty. However, the Town's water regulations and Board resolutions did not specify the number of days customers can pay their bill before the late penalty should be assessed. Of the 80 bills reviewed, we determined that the Clerk assessed late penalties on 24 water customer accounts totaling \$91. Although we determined that the Clerk charged the appropriate penalty of 10 percent, she assessed the late penalties for unpaid water charges that were in arrears for only 25 days, which was not consistent with Town Law Section 198(3)(d). The Clerk told us that she was not aware of this legal provision.
- **Sewer Charges** – The IMA requires that the Water District bills sewer customers using the established schedule of sewer rates. The County's Sewer District Rate Schedule states that a 10 percent late charge will be charged to all accounts that are not paid by their due date. Of the 80 bills we reviewed, we determined that the Clerk appropriately assessed late penalties on 22 sewer customer accounts totaling \$147 using the 10 percent penalty.

Re-levy of Unpaid Charges – Of the 80 water and sewer customer accounts we tested for billing, we determined that 30 customer accounts had unpaid balances totaling \$6,624 as of September 30, 2024.⁵ We reviewed all 30 customer accounts to determine whether the Clerk included the unpaid balances in the re-levy lists prepared for the County on October 1, 2024, and whether the unpaid balances were re-levied on the 2025 Town and County tax roll.

- **Water Charges** – To enforce the collection of overdue water charges, the Clerk annually prepared the re-levy list to send to the County on October 1 so that the unpaid charges could be re-levied on the property owners' Town and County real property tax bills. While the water regulations indicated that all bills not satisfied by year end must be returned to the County Finance Officer for collection with the Town tax levy, the Board did not adopt any supplemental policies and procedures for the re-levy process. As a result, the Clerk did not always include all the unpaid water charges on the re-levy list as required by Town Law Section 198(3)(d).

⁴ There was no Board authorization for some water billing rates used by the Clerk. See Finding 1 for additional details.

⁵ We reviewed unpaid water and sewer balances as of September 30, 2024, because the Clerk told us it was her practice to re-levy unpaid balances as of October 1 each year.

Of the 80 bills we reviewed, 29 water customer accounts had unpaid balances totaling \$2,360 as of September 30, 2024. Of those 29 accounts, we determined that nine accounts with unpaid balances totaling \$1,716 were included in the re-levy list prepared by the Clerk and the ensuing 2025 Town and County tax roll. However, the remaining 20 customer accounts (69 percent) with unpaid balances totaling \$644 were not re-levied on the taxes to enforce collection. The Clerk told us that after she prepares the September bills, she usually sends an unpaid balance notice to all customers who have not consistently paid during the year, informing them that their unpaid water balances will be re-levied if they are not paid. However, the Clerk did not send notices or include the unpaid balances in the re-levy list for the customers she felt attempted to pay their bills throughout the year. This resulted in an inconsistent and arbitrary enforcement process and may have caused delays in the Town's collection of overdue payments.

- **Sewer Charges** – The Clerk also prepared a re-levy list of unpaid sewer charges as of October 1 to send to the County. However, the Clerk did not always include all the unpaid sewer charges on the re-levy list. Instead, she followed the same process with respect to the unpaid water charges (i.e., unpaid balance notice to some customers and not others, etc.). Of the 80 bills we reviewed, 26 sewer customer accounts had unpaid balances totaling \$4,264 as of September 30, 2024. Of those 26 accounts, we determined that eight accounts with unpaid balances totaling \$3,269 were included on the re-levy list. However, the remaining 18 accounts (69 percent) with unpaid balances totaling \$995 were not properly included on the re-levy list.

The Supervisor and four Board members told us they have limited knowledge of water and sewer billing, collection and enforcement processes and they relied on the Clerk to handle these functions. Because the Board did not provide adequate oversight and guidance to the Clerk, there was an increased risk of errors or irregularities that could occur without detection.

Recommendations

The Board should:

4. Provide additional oversight and implement compensating controls with respect to the Clerk's financial duties.
5. Annually audit the Clerk's records as required by Town Law Section 123.
6. Ensure penalties are only applied to water bills when they are in arrears for 30 days or longer, in accordance with Town Law Section 198(3)(d).
7. Develop written policies and procedures to provide clear guidance for water billings, collections and enforcement activities (penalty assessments and re-levies).

The Supervisor should:

8. Ensure that the bookkeeper establishes water and sewer receivable control accounts, performs periodic reconciliations between the control accounts and the total of the individual customer account balances, and resolves any differences.

The Clerk should:

9. Accurately record the form of collection (i.e., cash or check) when recording collections in the billing system.

Finding 3 – The Clerk did not obtain approval for billing adjustments or maintain adequate documentation to support the adjustments.

The Clerk was responsible for performing nearly all duties related to water and sewer billing, including adjusting customer accounts. The Board did not approve any billing adjustments or provide any guidance to the Clerk for adjusting customer accounts and left it to the Clerk’s discretion to decide when to adjust water and sewer billings. If adjustments are needed to water usage or billed amounts, the adjustments should be reviewed and approved by the Board, or its authorized designee, before the adjustment is made, and the reason for any adjustments should be documented and maintained.

We tested 35 water and sewer billing adjustments totaling \$5,539 applied to 32 customer account balances and determined that only one adjustment of \$78 was Board-approved and had sufficient supporting documentation. The remaining 34 adjustments totaling \$5,461 were not approved by the Board. Additionally, nine of the 34 adjustments totaling \$1,249 were made to reduce sewer bills when customers used water to fill their swimming pools. Although the Board adopted a resolution authorizing the Town to adjust the sewer portion of a bill when residents use water to fill their swimming pools, the IMA only authorized the Town to adjust sewer bills for specified reasons, including adjustments that are recognized and proper for water customers.

Because the Board did not authorize adjustments to water customer accounts when residents used water to fill their swimming pools, there was no documentation indicating that the Clerk was authorized to make the nine sewer billing adjustments for pool fillings. In addition, 26 of the adjustments totaling \$2,640 had documented reasons for the adjustments in the customer accounts, such as “paid on time,” “filled pool,” or “meter read was wrong.” However, the Clerk did not have other documentation to support the need for the adjustments.

Additionally, the IMA authorized the Water District to make sewer billing adjustments. However, the County’s Sewer District Rate Schedule says that customers are required to petition the Sewer District to request adjustments to sewer billings for abnormal water consumption. Given these inconsistencies, the process for approving Sewer District adjustments was unclear.

Furthermore, the Board did not establish written policies and procedures establishing when water billing adjustments would be appropriate, the process for approving billing adjustments, or the documentation that must be provided for adjustments. As a result, the Clerk did not have clear guidance for obtaining Board approval and making these adjustments.

When adjustments are not adequately supported and subject to prior approval of the Board or another designated Town official, there is an increased risk that erroneous adjustments could be made and/or adjustments could be made to conceal improper activity.

Recommendations

The Board should:

10. In consultation with the Town’s attorney, review the IMA and work with County officials to ensure the IMA is up to date and consistent with the County’s Sewer Rate Schedule.
11. In consultation with the Town’s attorney, develop and adopt written policies and procedures that provide clear guidance for adjusting customer accounts.
12. Review and approve adjustments made to customer accounts or designate someone independent of the billing and collection process to review and approve the adjustments.

The Clerk should:

13. Present all adjustments to customer accounts to the Board (or its designee) for review and approval before making the adjustments and maintain supporting documentation for all adjustments.

Appendix A: Profile, Criteria and Resources

Profile

The Town has a population of 4,332 residents and is governed by an elected five-member Board, including the Supervisor. The Board is responsible for the general oversight of the Town's operations and financial activities. The Supervisor is the Town's chief fiscal officer and a bookkeeper assists the Supervisor with maintaining the Town's financial records. The Town's 2025 budgeted appropriations totaled approximately \$4.7 million.

In addition to collecting water rents for the Water District, the Town also collects sewer rents and other charges on behalf of the County for Town customers within the Sewer District and remits the sewer collections to the County monthly. The County's Board of Legislators established the sewer rates by adopting the Sewer District Rate Schedule.

Criteria

A town board is generally responsible for managing a town's water district operations, including providing adequate oversight of the town's billing operations, by ensuring employees involved in the billing, collection, adjustment and enforcement of water charges accurately perform their roles. The town board is also generally responsible for setting user rates charged to water district customers in accordance with Town Law Section 198(3) and any ordinance or resolution adopted by the town board. In addition, when a town enters into an IMA with another local government to administer, bill and collect sewer user charges on behalf of that local government, the town board is generally responsible for providing adequate oversight of the town's provision of that function by ensuring employees perform their duties in accordance with the terms of the IMA, as amended and/or supplemented.

The town board should establish written policies and procedures to provide guidance and oversight for the employees performing billing, collection, adjustment and enforcement of water and sewer user charges. These policies and procedures should provide for proper segregation of duties so that one employee does not control all aspects of a transaction (e.g., preparing and adjusting bills, collecting money, recording collections and making deposits). However, when segregating duties is not possible, the town board should implement compensating controls, such as having an independent periodic review of the billings and collections, to reduce the risks associated with the duties not being segregated. For example, the town board, or its authorized designee, should review bills to ensure authorized rates are used and customers are accurately billed and should periodically compare recorded collections with deposits. Once established, the town board should monitor compliance with its policies and procedures.

The town board must also annually audit, or cause to be audited, the records of officers and employees responsible for receiving and disbursing money, as required by Town Law Section 123. Annual audits help the town board meet its fiscal oversight responsibilities and ensure that cash is properly accounted for and transactions are properly recorded.

To help ensure accurate records and detect errors, the town supervisor should ensure water and sewer receivable control accounts⁶ are maintained. Someone independent of the cash collection and deposit duties should periodically reconcile the receivable control account balances to the total unpaid balances in the individual customer account balances and investigate discrepancies. These reconciliations help ensure collections and adjustments are properly recorded and delinquent account balances are accurate for facilitating enforcement actions.

⁶ See supra, note 2.

If adjustments are needed to water usage or billed amounts, the adjustments should be subject to the review and approval of the town board, or its authorized designee, before they are made, and the reason for any adjustment should be properly documented.

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:

- *The Practice of Internal Controls:*
<https://www.osc.ny.gov/files/local-government/publications/pdf/the-practice-of-internal-controls.pdf>
- *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>
- *Accounting and Reporting Manual – Counties, Cities, Towns, Villages, Libraries, Soil and Water Conservation Districts:*
<https://www.osc.ny.gov/files/local-government/publications/pdf/arm.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 Town Officials

The content below is a reproduced copy of the original response letter issued by Town officials and is reformatted to meet the Americans with Disabilities Act *Web Content Accessibility Guidelines (WCAG)*,⁷ and may have included changes to spelling and grammar. The substance of the content was not changed.

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Office of the New York State Comptroller
Attn: Rebecca Wilcox, Chief of Municipal Audits
State Office Building, Room 409
333 E. Washington Street, Syracuse, NY 13202

Dear Ms. Wilcox,

Please find our response on behalf of the Town of Paris regarding the recent audit conducted by your office.

Finding 1:

I acknowledge that enhanced oversight should have been exercised by both the Town Board and the Water Department. To address this deficiency, the Town intends to implement corrective action by passing a formal resolution adopting a comprehensive water rate schedule.

Finding 2:

I acknowledge this finding. To strengthen financial oversight and accountability, the Town Board, in coordination with the Water Department, will require an annual audit of all financial aspects of the Water Department to be conducted by an independent Certified Public Accountant (CPA). The Town is currently in the process of developing and formalizing policies and procedures to strengthen governance, improve operational consistency, and ensure compliance with established standards.

Additionally, the bookkeeper will monitor periodic reconciliations between control accounts and the total of individual customer account balances. Any discrepancies will be reviewed and resolved with the approval of the Town Board.

Finding 3:

I acknowledge this finding. The Town is currently working closely with the Town Attorney to develop and formalize comprehensive policies and procedures. This effort includes reviewing existing practices, identifying gaps in governance, and ensuring that all policies are aligned with applicable laws, regulations, and industry best practices.

As part of this process, the Town Attorney is providing legal guidance to ensure that all policies are properly structured, enforceable, and clearly define roles, responsibilities, and internal controls. The Town is also

⁷ <https://www.ada.gov/resources/2024-03-08-web-rule/#highlights-of-the-requirements-in-the-rule>

incorporating guidance and recommendations from the Oneida County Sewer Department to support consistency with county-level standards and operational expectations.

Once developed, these policies and procedures will be formally adopted by the Town Board and communicated to all relevant personnel to promote accountability, strengthen oversight, and ensure consistent implementation across operations.

Thank you for your guidance on our findings. If you have any questions, please feel free to contact me.

Sincerely,

James Christian, Jr.
Town of Paris Supervisor

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 Town officials and employees and reviewed Board meeting minutes, resolutions and water regulations, the IMA with the Sewer District, the County's Sewer District Rate Schedule, the rates in the billing system, and various water and sewer reports and records to gain an understanding of the Town's procedures related to billing, collecting, adjusting, recording, depositing and enforcement activities associated with water and sewer charges.
- We reviewed billing rates charged to customers in the billing system to determine whether the rates were approved by the Board for the water user charges and by the County Board of Legislators for the County sewer user charges.
- We used our professional judgment to select 80 customer accounts from a total of 793 water and sewer accounts (10 percent) and tested one billing for each account to determine whether bills were accurately prepared with the correct usage, current rate used and balance due. We selected three consecutive billing months (December 2024, January and February 2025) of water and sewer billings to include all customers in the population because the water and sewer customers are divided into three routes and each route and the associated customers are billed quarterly. From the three meter books for the months selected, we selected every 10th account, excluding inactive accounts.
- We used our professional judgment to select a sample of 16 water and sewer payment journals (622 payments) totaling \$106,756 from a total population of 89 payment journals (3,617 payments) totaling \$605,290 for collections received between January 1, 2024 and May 31, 2025. We determined whether all collections in our sample were deposited in the Town's bank account. We selected the same three months used for the billing test (December 2024, January and February 2025) for testing consistency and traced the payment journal totals to the associated deposits in the Town's bank account. Additionally, we selected the first deposit from each of the three months selected and reviewed the associated bank deposit compositions to determine whether the form of payment, check name and amount matched what was recorded in the water and sewer billing system.
- From the 80 customer accounts selected in the billing test above, we reviewed all 25 accounts that were charged a late penalty for not paying the bill by the due date shown in the billing. We reviewed the water portion of the bills associated with the 25 accounts to determine whether the Town complied with Town Law Section 198(3)(d) regarding the amount and timeframe for assessing penalties on unpaid water charges in arrears for 30 days or longer. We reviewed the sewer portion of the bills to determine whether the Town complied with the IMA and the County's Sewer District Rate Schedule regarding the amount and timeframe for assessing penalties on unpaid sewer charges. We recalculated the billed penalties to determine whether the rates approved by the Board and County were used.
- From the 80 customer accounts selected for the billing test, we identified the accounts with unpaid balances as of September 30, 2024 to determine whether the Clerk appropriately initiated the re-levy of the unpaid balances for these customers by tracing the amount of the unpaid balances to the re-levy list delivered to the County by the Clerk and the amounts re-levied on the 2025 tax roll.
- We reviewed 35 water billing adjustments (10 percent) totaling \$5,539 from a total population of 346 adjustments totaling \$20,360 made from January 1, 2024 through May 27, 2025. To determine whether the adjustments were reviewed, approved, supported and appropriate, we used our professional judgment to select a variety of adjustments for our sample, including large adjustments, adjustments

noted with no reason in the system, adjustments for pool fillings, and adjustments indicating the customer paid on time. We excluded re-levy adjustments from the population because those adjustments were tested separately.

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?

SYRACUSE REGIONAL OFFICE

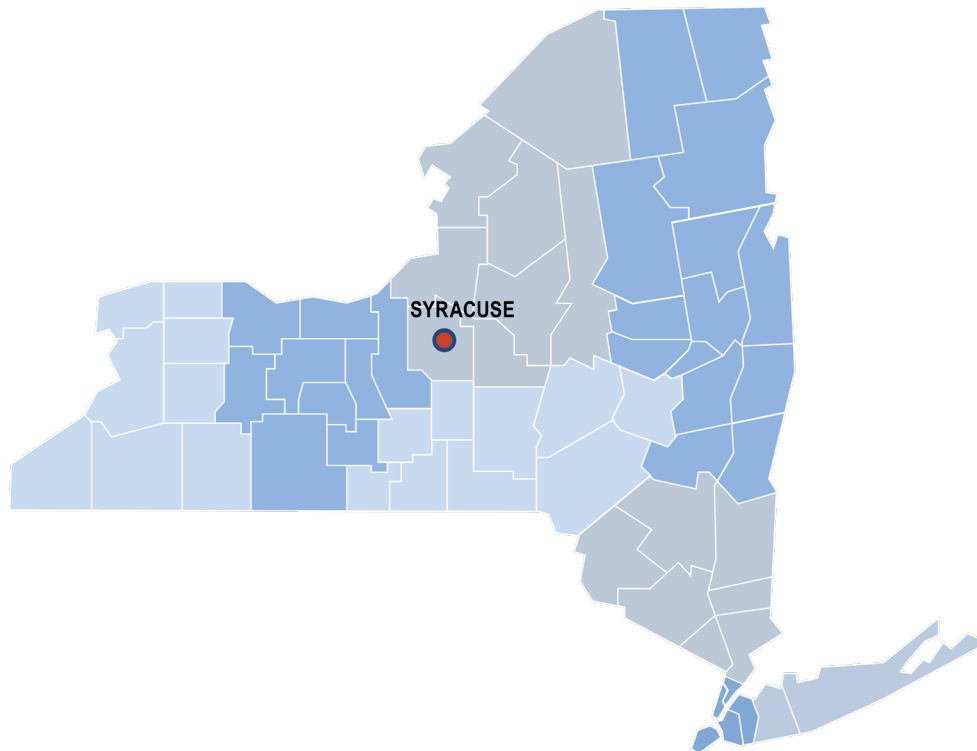
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