New York State Comptroller
THOMAS P. DiNAPOLI

Springfield Fire District

Board Oversight

September 2026 | 2026M-43

Prepared by the Division of Local Government and School Accountability

Table of Contents

Audit Results

Springfield Fire District

Audit Objective

Did the Springfield Fire District (District) Board of Fire Commissioners (Board) provide adequate oversight of the Treasurer's accounting records and financial reports?

Audit Period

January 1, 2024 – February 19, 2026.

We extended the audit period back to February 1, 2023 to review Commissioners' training certifications and forward to June 23, 2026 to review the status of Annual Financial Report (AFR) filings.

Understanding the Audit Area

The Board is responsible for overseeing the Treasurer's accounting records and financial reports to ensure the District's financial information is complete, accurate and reliable. Effective oversight helps safeguard public funds, supports informed financial decision making, ensures compliance with applicable laws and reporting requirements and promotes accountability, transparency and public trust. It also provides independent assurances that financial transactions are properly recorded, assets are safeguarded and errors, irregularities, mismanagement, waste or fraud are identified and addressed in a timely manner.

The District's budgeted appropriations for the 2024 and 2025 fiscal years were $119,500 and $182,629, respectively.

Audit Summary

The Board did not provide adequate oversight of the Treasurer's accounting records and financial reports or ensure that all required AFRs were filed. As a result, the Board lacked assurance that the District's accounting records and financial reports were accurate, financial operations were properly monitored and statutory reporting requirements were met. In addition, when AFRs are not filed, the Board, taxpayers, the Office of the State Comptroller (OSC) and other interested parties are prevented from obtaining timely and reliable information to assess the District's financial condition.

Specifically, the Board did not:

- Ensure the accuracy of the Treasurer's financial records and reports.
- Conduct an annual audit of the Treasurer's records.
- Ensure all Commissioners completed the mandatory fiscal oversight training in a timely manner.
- Ensure that the Treasurer filed the District's AFRs from 2021 through 2025, which remained unfiled at the end of our audit period.

This report includes seven recommendations that, if implemented, will improve the Board's oversight of the Treasurer's accounting records and financial reports, improve accountability and transparency, enhance compliance with statutory requirements and provide the Board with more reliable financial information for decision making. District officials generally agreed with our recommendations and have indicated they planned to initiate corrective action.

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

Board Oversight: Finding and Recommendations

A fire district board (board) is responsible for overseeing the fire district's financial operations to safeguard its resources. To fulfill this duty, the board should review the treasurer's financial records and reports to ensure accuracy. Additionally, the treasurer should reconcile bank account balances with the accounting records monthly so the board can determine whether all collection and disbursement transactions were captured and correctly recorded in a timely manner. The board should also ensure that the treasurer provides the board with all books, records, receipts, claims and canceled check images annually so the board can perform an annual audit of the treasurer's records to verify that funds are properly accounted for and transactions are properly recorded. In addition, each fire district commissioner must attend and successfully complete training regarding their oversight duties within 270 days of their first day in office. Furthermore, the treasurer must file the fire district's AFR within 60 days after the end of each fiscal year.

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 provide adequate oversight of the Treasurer's records and reports.

Treasurer's Monthly Reports – The Treasurer provided monthly reports to the Board that included the month's beginning and ending reconciled book balances for each District bank account. We reviewed 17 Board-approved Treasurer's reports from January 1, 2024 to May 31, 2025, and determined that reported book balances generally agreed when reconciled to bank statement balances. However, we determined that reported book balances in four of the reports were inaccurate, which included:

- Reported deposits for October 2024 were overstated by $8,486.
- Reported deposits for November 2024 were understated by $8,064.
- Reported deposits for December 2024 were overstated by $982.
- Reported deposits for May 2025 were overstated by $21,295.

Without accurate and reliable financial information, the Board cannot effectively monitor the District's financial position and make informed decisions.

The Treasurer told us that she used a spreadsheet to create the monthly Treasurer's reports and some calculated amounts did not update correctly, which led to incorrect figures in the spreadsheet (i.e., accounting records) and the report. The Treasurer also told us that she performed informal monthly bank reconciliations, but she did not provide them to the Board and the Board did not request them. Because the Treasurer did not prepare formal bank reconciliations and the Board did not require them, these errors and inaccuracies went undetected and uncorrected.

Annual Audit – The Treasurer did not provide her records to the Board and the Board did not audit the Treasurer's records for 2024. Four Commissioners told us that they were unaware that the Treasurer's records should be audited and, therefore, were not sure when the last time the Treasurer's records and reports were audited. Had the Board performed the annual audits, it may have observed the deficiencies that we identified during the audit.

Mandatory Fiscal Oversight Training – As of February 19, 2026, only one of five Commissioners completed the mandatory fiscal training within 270 days of the start of their term, as required by Town Law Section 176-e. Although one other Commissioner completed the required training, he did not do so until 404 days after the start of the term. The remaining three Commissioners did not complete the training even though more than 270 days had elapsed since the start of their terms (Figure 1).

Figure 1: Board Training

Board of Commissioners	Days Late (beyond 270 Days after term start)	Completed Training
Commissioner #1 (Chairman)	0	Yes
Commissioner #2	134	Yes
Commissioner #3	510	No
Commissioner #4	1,605	No
Commissioner #5	1,971	No

One Commissioner told us that they did not realize the training was required again after reelection to the Board. When Commissioners complete mandatory training in a timely manner, they are better prepared to oversee the District's records and reports.

Annual Financial Reporting – The Board did not ensure the Treasurer filed the District's AFRs from 2021 through 2025 or apply for an extension in any of the years during the audit period. As of the end of the audit period, these AFRs remained unfiled.[1] The Treasurer told us that she had the financial information she needed to file the reports, but that she experienced technical difficulties during the filing process. During fieldwork, we provided the Treasurer with technical assistance to access the filing portal.

Recommendations

The Board should:

1. Require the Treasurer to provide formal bank reconciliations to the Board and compare the adjusted book balances to bank statement balances.
2. Ensure that the Treasurer provides all financial records to the Board and conduct an annual audit.
3. Ensure that all elected Commissioners complete the mandatory fiscal oversight training within 270 days of their first day in office, as required by Town Law Section 176-e.
4. Ensure the Treasurer prepares and files the District's AFR with OSC within the required timeframe in accordance with GML Section 30.

The Treasurer should:

5. Perform formal monthly bank reconciliations and provide them to the Board.
6. Provide annual financial records to the Board as required by Town Law Section 177.
7. Prepare and file the District's AFR with OSC within the required timeline in accordance with GML Section 30.

1 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/.

Appendix A: Profile, Criteria and Resources

Profile

The District is located in, and provides fire protection services to, the Town of Springfield in Otsego County. The elected five-member Board governs the District. The Board is responsible for the overall financial management of the District, including overseeing the District's financial records and reports. The Treasurer is responsible for receiving, disbursing and accounting for District funds and preparing financial reports. The District's 2025 budget was $182,629 and was primarily funded by real property taxes.

Criteria

A board is responsible for overseeing the fire district's financial operations to safeguard its resources. To fulfill this duty, the board should review the treasurer's financial records and reports to ensure accuracy. Additionally, the treasurer should reconcile bank account balances with the accounting records monthly, which allows the board to determine whether all collection and disbursement transactions were captured and correctly recorded in a timely manner.

Town Law Section 177 requires that the treasurer provide the board with all books, records, receipts, claims and canceled checks or check images annually so that the board can perform an annual audit of the treasurer's records to verify that the funds are properly accounted for and transactions are properly recorded.

Town Law Section 176-e requires every elected and appointed commissioner to attend and successfully complete a specific OSC-approved training course within 270 days of their first day in office. The training course must cover the commissioners' legal, fiduciary, financial, procurement, ethical, and any other responsibilities, as may be prescribed by OSC. Commissioners are required to complete the training each time they are elected, re-elected, appointed or re-appointed to the office.

A treasurer is required by GML Section 30 to prepare and file the fire district's AFR with OSC within 60 days after the end of each 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 is an important fiscal tool that can provide a fire district board with necessary information to monitor district operations and provide taxpayers and other interested parties with a summary of the fire district's financial operations.

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:

- *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
- *The Practice of Internal Controls:* https://www.osc.ny.gov/files/local-government/publications/pdf/the-practice-of-internal-controls.pdf
- *The Internal Audit Process for Fire Districts:* https://www.osc.ny.gov/files/local-government/resources/pdf/internalauditprocess.pdf

In addition, local officials can use OSC's website to search for audits, resources, publications and training for officials at: https://www.osc.ny.gov/local-government

Appendix B: Response From District Officials

The content below is a reproduced copy of the original response letter issued by District officials, is reformatted to meet the Americans with Disabilities Act *Web Content Accessibility Guidelines (WCAG)*,[2] and may have included changes to spelling and grammar. The substance of the content was not changed.

Springfield Fire District
P.O. Box 11
Springfield Centre, NY 13468

August 4, 2026

Luke Armstrong
Office of the New York State Comptroller
110 State Street
Albany, NY 12236

Mr. Armstrong,

The district met on this day to discuss the findings from the audit. We agree with the findings from the audit and we will amend our policies to correct the issues found.

Springfield Fire District Chairman
Stephen A. More

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

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 interviewed four Commissioners and the Treasurer to gain an understanding of District operations, internal controls, the Treasurer's job duties and responsibilities for filing the AFR, any policies or procedures for financial operations and the Board's oversight of the Treasurer's duties, including the financial recording and reporting process.
- We reviewed the Board meeting minutes to gain an understanding of financial procedures and to determine which financial records and reports were prepared, provided and reviewed.
- We reviewed the Treasurer's reports from January 1, 2024 to May 30, 2025, and compared them with corresponding bank statements to determine whether the reported balances on the Treasurer's report were accurate.
- We scanned bank statements and canceled check images from January 1, 2024 to July 31, 2025, to review all transfers, cash withdrawals and disbursements to determine whether they were authorized and for proper District purposes.
- We requested and reviewed training information and certificates to determine whether Commissioners completed the mandatory fiscal oversight training within the required deadline.
- We reviewed OSC records and interviewed the Treasurer to determine whether the District filed AFRs in a timely manner.

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.

Questions?

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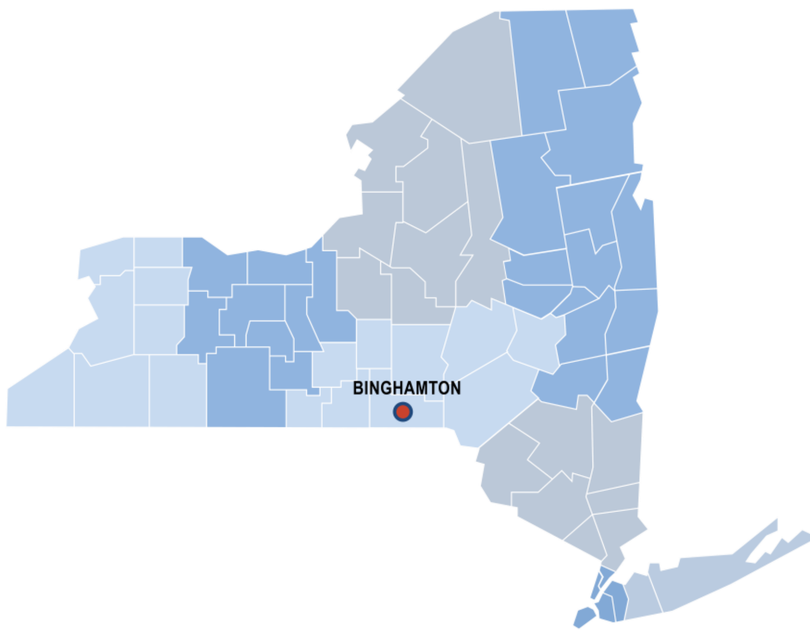

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