



Village of Holley

Transparency of Fiscal Activities

S9-24-12 | December 2024

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Report Highlights

Village of Holley

Audit Objective

Determine whether the Village of Holley (Village) Board of Trustees (Board):

- Conducted an annual audit of the Village Chief Fiscal Officer's (CFO) financial records and reports,
- Filed the required Annual Financial Report (AFR) with the Office of the State Comptroller (OSC), and
- Reported the results of the Village's fiscal activities to the public in a transparent manner.

Key Findings

The Board did not:

- Conduct an annual audit, or cause to be audited, the CFO's 2022-23 financial records and reports, as required by New York State Village Law (Village Law) Section 4-408,
- Ensure the AFR was prepared and filed with OSC, as required by New York State General Municipal Law (GML) Section 30, or
- Report the results of the Village's fiscal activities to the public, as required by GML Section 30 and Village Law Section 4-408.

Also, timely accounting records and water and sewer services control receivable accounts were not maintained and the Village's and bank's cash records have not been reconciled since December 2022.

The Board's ineffective oversight resulted in a lack of transparency with the public regarding the condition of the CFOs' records and the Village's fiscal activities. As a result, taxpayers and interested parties could not assess the Village's financial operations to make informed decisions.

Recommendations

The audit report includes eight recommendations to help the Board and CFO improve the transparency of their fiscal activities. Village officials generally agreed with our recommendations and indicated they have taken or will take corrective action.

Audit Period

June 1, 2022 – October 1, 2023

We extended our review of the last filed AFR to September 2024.

Background

The Village is located in the Town of Murray in Orleans County and is governed by the elected Board, comprising a Village Mayor (Mayor), Deputy Mayor and three Trustees.

During our audit period there were three appointed individuals who served as the Village's CFO:

- The former Clerk-Treasurer, who left the Village in January 2023, leaving the position vacant,
- A new Clerk-Treasurer, who was appointed and served from June 1 to September 25, 2023 when the combined Clerk-Treasurer position was split, and
- The current Treasurer, who was appointed after the Clerk-Treasurer position was split.

The CFO, in accordance with Village Law Section 4-408, is responsible for the custody of all Village funds, and must:

- Keep accounts of all receipts and expenditures,
- Deposit all funds received in a timely manner,
- Pay out all funds, and
- File a statement at the end of the fiscal year of all revenues and expenditures during the previous fiscal year and the outstanding indebtedness at year-end.

Quick Facts

2022-23 General Fund Appropriations	\$1.3 million
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Population	1,754
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As of September 30, 2024

Unfiled AFRs	Days Late
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2023	427
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2024	61
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Transparency of Fiscal Activities

The public has a fundamental right to know how village officials spend tax dollars to provide various services to the public, including general government support, street maintenance and improvement, snow removal, police protection, refuse collection, and water, sewer and electric services. To this end, village officials have a responsibility to ensure comprehensive financial information supporting a village board's actions and village operations is readily accessible and available to the public in a transparent manner.

How Should Village Officials Provide Transparency of Fiscal Activities?

A village board is responsible for overseeing the village's financial operations and safeguarding its resources and is required by Village Law Section 4-408 to annually audit, or cause to be audited, the village CFO's¹ books and records. These books and records include:

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

The audit of these records should be thorough and sufficiently detailed and helps to ensure that sufficient board oversight is being maintained over village operations. An audit of the CFO's records should determine that the following minimum concerns are met:

- Financial records are complete and up to date,
- Transactions are recorded properly,
- Reconciliations are performed monthly, and
- Required reports are made in a timely and accurate manner.

Appendix B includes a checklist and OSC guidance on conducting an annual audit excerpted from our Local Government Management Guide publication *Fiscal Oversight Responsibilities of the Governing Board*.² At a minimum, audits provide the village board with the opportunity to assess the effectiveness of financial operations. An annual audit also provides an independent verification that transactions are properly recorded, that village money is properly accounted for and whether any significant fiscal concerns exist.

Furthermore, GML Section 30 requires a CFO to prepare and file an annual report of the village's financial position and results of operations, known as the AFR, with OSC within 60 days³ after the close of the fiscal year. The AFR provides detailed information about the village's finances and includes such items as revenues, expenditures, debt, cash reserves and fund balance.

1 A village can appoint an individual to serve as both clerk and treasurer, or have separate individuals serving as Village Clerk, and as Village Treasurer. Generally, the clerk-treasurer position encompasses the main responsibilities of the treasurer's area of financial accountability and reporting.

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

3 Villages with populations under 5,000 have 60 days to file, between 5,000 to 19,999 have 90 days, and populations with 20,000 or more have 120 days.

As part of its oversight responsibilities, a village board should ensure the CFO prepares and files the AFR as required. In addition, the AFR must be made available to the public in accordance with:

- Village Law Section 4-408 which requires the board to publish a notice in the village's official newspaper within 10 days that the AFR has been filed and is available to the public for inspection, and
- GML Section 30 which requires a village to make the AFR accessible to the public on its official website.

Gaps or delays in preparing records, completing annual audits and filing reports undermine transparency and create missed opportunities to identify fiscal concerns earlier when it might be more easily remedied.

The Board Did Not Provide For an Annual Audit of the CFOs' Records and Reports

The Board did not audit, or cause to be audited, the CFOs' records and reports for the fiscal year ending May 31, 2023. The Mayor, Deputy Mayor and one Trustee told us that they were unaware of the annual audit requirement.

Due to the Board's inaction, we performed an annual audit of the CFO's fiscal year 2022-23 records, using OSC guidance available to, and for, Trustees of the Village. Overall, we determined the records were not properly maintained or kept up-to date by any of the three individuals who served as CFO during our audit period.

We identified cash receipts and disbursements transactions recorded in an untimely manner, or not recorded at all, which delayed an annual audit and the reporting of financial information to the Board as follows:

- Ten utility cash receipts totaling \$23,168, collected in May 2023, were not entered into the accounting records until August 25, 2023, or up to three months after the transactions occurred. In addition, all vendor fees collected in May 2023, totaling \$580 for a Village festival were not recorded in the accounting records.
- Payroll amounts reported in the payroll journals, totaling \$310,546, were not entered into the accounting records as salary expenditures from January 2023 to May 2023.
- None of the three individuals who served as CFO during our audit period properly maintained receivable control accounts⁴ for the Village's water and sewer services. Although the Village has control accounts established in its general ledgers, routine billings and payments are not recorded in the control accounts, and the balance of these accounts showed zero at fiscal year ended May 31, 2023.

⁴ A receivable control account is an accounting record for recording and summarizing total billings, total collections, adjustments, and the outstanding balance of billed receivables. A properly maintained receivable control account allows for the balance of billed receivables to be readily determined and reconciled to individual customer accounts.

If accounting records include untimely or unrecorded entries, reports to the Board would be incomplete or delayed until completed. Therefore, had an annual audit commenced after the fiscal year's end, the audit could not have been completed because the accounting records were not up to date at the time.

The Treasurer told us:

- She was aware, when she began her appointment and became the current CFO, that not all receipt transactions had been entered into the accounting records after the former Clerk-Treasurer separated in January 2023 and that she was in the process of reviewing cash receipt records from January 2023 and forward to ensure they are properly entered into the accounting records.
- Neither she, nor the Clerk-Treasurer who was appointed in June 2023 and served as CFO prior to her appointment, had the accounting expertise to enter the payrolls into the central accounting records.
- Because payroll expenditures were no longer entered into the accounting records, along with unrecorded receipt transactions as described above, recorded cash would not reconcile to cash in the bank.

No one had reconciled the cash shown in the Village's bank to the cash recorded in the accounting records since December 2022. We also determined that the last completed bank reconciliation, for December 2022, included deposits in transit as far back as June 2018. Deposits in transit should clear the bank in the following month. Therefore, the Board could not be provided timely or accurate financial reports.

Although the Deputy Mayor and one Trustee told us that the Board received budget-to-actual reports during its monthly meetings, they said that the reports were useless because they knew that not all revenue and expenditure transactions were recorded, and accurate year-to-date amounts could not be provided. Further, a trial balance report was not provided to the Board during its monthly meetings. Without accurate and timely budget status reports, the Board cannot effectively monitor actual results of operations against budget estimates.

The Board Did Not Ensure the CFOs Prepared and Filed the AFR

The former Clerk-Treasurers did not and, as of September 30, 2024, the current Treasurer had not filed the AFR for the year ending May 31, 2023 with OSC. Furthermore, the 2023-24 AFR is also delinquent. As a result, there was no notification to the public of available annual financial information, as required by Village Law Section 4-408 and GML Section 30.

The Treasurer told us that the 2022-23 AFR was not filed because the accounting records were not up to date. Specifically, as described above, not all cash receipt and disbursement transactions were entered into the Village's accounting records after the former Clerk-Treasurer left in January 2023. These untimely and unrecorded transactions would have prevented annual filing by July 31, 2023.

The Mayor told us that he was aware that the AFR was not filed. The Village has hired accounting consultants to help with preparing its budgets, and preparing and submitting the AFR. However, the former consultant told him that he could not assist them in preparing the AFR for the 2022-23 year

because the records were not up to date. The Deputy Mayor and another Trustee said they did not know it was a requirement to file the AFR with OSC within 60 days after the close of the fiscal year.

Due to the Village's lack of transparency, taxpayers and other interested parties were not able to properly assess the Village's financial operations and financial condition using Village records to make informed decisions.

Due to the condition of the Village's financial records, we reviewed the Village's bank ending balances and compared them to the following year's budget for the Village's general fund for the year 2022-23. Although we did not identify any significant fiscal concerns, the Board's ineffective oversight of fiscal activities resulted in a lack of transparency with the public.

What Do We Recommend?

The Board should provide oversight and transparency by:

1. Conducting the annual audit of the CFO's records and reports or causing the audit to be performed.
2. Ensuring the CFO prepares and files the AFR.
3. Notifying the public that the AFR is available and posting the AFR to the Village's website.
4. Attending applicable and beneficial training sessions to obtain a better understanding of its duties. Training provided by OSC can be found at: www.osc.ny.gov/localgov/academy/index.htm

The Treasurer, as the Village's current CFO, should:

5. Provide timely and complete financial reports to the Board.
6. Prepare and file the AFR with OSC as required.
7. Enter cash receipts and payroll expenditures into the accounting records in a timely manner.
8. Periodically reconcile the water and sewer receivable control accounts to the total of the individual customer account balances and investigate and correct any differences in a timely manner.

Appendix A: Response From Village Officials



Village of Holley

1 Wright Street, Holley NY

Mark Bower, Mayor

Rainey Losee, Clerk

Katie Niles, Treasurer

November 4, 2024

To: NYS Comptroller's Office

Attention: Statewide Audit Unit

From: Village of Holley, Mark Bower, Mayor

Re: Response to Preliminary Draft Findings

I am taking this opportunity, as mayor (and on behalf of the Deputy Mayor and Trustees who have reviewed this response) to first thank you and the team who spent time in our village reviewing our fiscal activities for the period of June 2, 2022 through October 1, 2023.

In total, my first reaction is that the written report you submitted is completely in line with the conversations we had during your time with us and matches what was said to those of us who met with you prior to your exit. The report itself is clear, direct and succinct. It most definitely indicates some of the struggles with staff and accountant consultants that the village has experienced and which lead to many of the findings and recommendations. While not an excuse by any means, what position we were in prior to the start of your review of the audit period was in direct correlation to where we were at the end of the time period you reviewed and, to some degree, where we were at during the time you visited and conducted your review. In essence, the cumulative impact of a five plus year time period under one clerk treasurer working with one outside accountant consultant has greatly impacted where we find ourselves at the present time. Additionally, in that clerk treasurer's sudden departure in January 2023, it needs to be stated in

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WEBSITE: Villageofholley.org PHONE: (585) 638-6367 FAX: (585) 638-7540 TDD number (TDD 1-800-662-1220)



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this response that said individual was not able to be reappointed as of July 2022 due to her not meeting the legal residency requirement. Two previous mayors made the appointment without having checked that the village had never passed a local law to expand residency. As said individual left, she had not completed a laundry list of actions of which she was sorely behind in and the deputy clerk treasurer at the time then assumed the temporary role of clerk treasurer. The village was fortunate in that a then retired office employee with ten years' experience was able to return to work and assist the individual in the temporary clerk treasurer role. As mayor, I gave her opportunities to study for and become a notary public, to complete NYCOM's financial course and to shadow other experienced clerk treasurers in neighboring villages. In my desire as mayor to give her the time needed to ascertain whether it was a position she wanted, it was the thinking of the full board that this individual once she expressed that she wanted the position was indeed our best option at the time. Ultimately, however, that did not last more than 4 months before she asked to be relieved of that role. I say all of this to establish the context for many of the findings included in your report. While the team alluded to this situation, it was not something covered in any real detail, nor should it have been. It is, however, important for me to include this in my response.

In reviewing the key findings included in your report highlights, I concur that all three are extremely important and, sadly, have not been completed as is required. For the first month of your reviewed audit period, I was still a trustee and had been for two years under the last elected mayor. In large part, but again not to be used as an excuse, I believe that he continued the actions of the mayor he followed and I in turn, did the same. While I was totally aware of the AFR being routinely submitted late and had hopes that it would be immediately corrected, several issues contributed to this and, while not stated in your report, I want to quickly mention these. First, the financial

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software having been used by the village, in my estimation, was and is not the best suited for municipal accounting. The reason given by both the clerk treasurer of five plus years and by the accountant consultant during that same time period (and years prior as well) was that it was easy and affordable. Coming into the present time with our now treasurer and new accountant consultant, neither has had any experience in working with [REDACTED] nor has the accountant consultant ever completed an AFR in over 35 years of working in municipal government. This, in large part, is the reason why, as you write in your findings, that we are still late in filing the 2023 and 2024 AFR.

A second key finding was the need, on an annual basis, to conduct an audit of the CFO's financial records and reports. In the two years that I served as trustee prior to becoming mayor, I had never participated in such an audit nor was said audit ever mentioned as needing to be completed. This, of course, is a matter of great importance and one that neither of the two prior mayors nor I were even aware of. Certainly, this falls on our shoulders and will be corrected. Your assistance in directing us in this area and providing us with General Recordkeeping and CFO Checklist will be of great help. In a related note, in the summer of 2022, I immediately began conversations with the trustees serving with me to hire an outside firm to conduct a formal village audit. That audit commenced in the fall of 2022 and has yet to be completed by the outside firm.

Your third key finding of reporting the results of the Village's fiscal activities to the public is also one of great importance. It is, however, in small part accomplished in our outlining our annual

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Rainey Losee, Clerk

Katie Niles, Treasurer

budget and providing that to those who attend our open budget development sessions, regular meetings during the budget development period and our annual budget hearing. More, though, needs to be done to comply with GML Section 30 and Village Law Section 4-408.

As I reflect on key findings in total, it is necessary to emphasize how they are interconnected and interrelated. It is next to impossible to accurately and effectively complete one if either of the remaining ones have not also been completed.

To a lesser extent, but also important, you mention the timely accounting records of water and sewer services control receivable accounts not being maintained and bank's cash records not reconciled. This is, of course, falls on the shoulders of the mayor in directing the office staff to complete this and to ensure it is accurate. In splitting of the clerk treasurer role into two-clerk and treasurer, it is important for me to emphasize that the current treasurer finds herself in a position where there was so much "catch up" to do, that in order for her to be both accurate and up-to-date, it involves a lot of work. Not to excuse any of us for failure to do so, but it needs to be clearly stated here. Additionally, for a village of under 1800 residents, it is critical here to mention that is highly unusual that we have all three utilities (water, sewer, electric) and each is billed on a monthly basis. As you would know, many municipalities our size and both smaller and larger may only bill one utility and many of them bill that on a quarterly basis.

In looking at these findings now, there are clearly several steps that need to be taken. First off, let me underscore one statement made in your report. This statement, in part, said that you reviewed the Village's bank ending balances and compared them to the following year's budget for the

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Village's general fund for the year 2022-23 and did not identify any significant fiscal concerns. Additionally, when onsite, both of you mentioned several times that unlike many other municipalities, we were in great shape with our fund balance. I also want to emphasize that it has not been the wish of any of the fellow trustees I worked with as a trustee myself nor the current board I do work with to intentionally hide any of our financial work or to deprive the public with financial transparency. If you were to have attended any budget sessions or monthly board meetings or budget hearings or to read some of my detailed mayor columns in our quarterly newsletter, you would know we are being as open and clear as we can be. I recognize that this is not enough and, to that end, we have reviewed your eight recommendations and have taken some corrective action already and will continue with others until we are in compliance in all areas you have highlighted.

To date:

- We have found and will formally hire an individual to complete the 2023 and 2024 AFR. This individual has an in-depth knowledge of ██████████ used in municipal settings and experience in having completed said reports for villages with their own municipal electric departments such as Holley has. She begins the process as of November 5, 2024.
- I have compiled a packet for each trustee which I will give them on the November 12, 2024 monthly meeting. This packet will include: a copy of the 2022 AFR; a copy of the General Recordkeeping and CFO Checklist; copies of three other village's reports of fiscal activities for the previous budget years.

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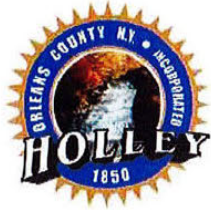
Katie Niles, Treasurer

- We have begun to inquire about onsite [REDACTED] training and hope to engage the company itself to provide more onsite training for all four office employees.
- Our office staff will each review the most applicable and beneficial training sessions provided by OSC, NYCOM, MEUA (Municipal Electric Utilities Association) and we will determine those sessions most relevant to each employee and those that focus on the areas you have pointed out in your report.
- Our Deputy Clerk Treasurer has already completed the Fall 2024 NYCOM Annual Weeklong Training/Conference in mid-September.
- Our full office staff has recently worked for three days with our municipal electric auditing firm, [REDACTED] and will work an additional two more days with our [REDACTED] lead contact onsite or via [REDACTED]
- One side benefit of our assigned contact is that she held the position of Treasurer for the Village of Skaneateles of seven years and said village also has their own municipal electric department.
- With respect to your recommendations 7 and 8, I have asked the current treasurer with input from the current clerk, deputy clerk treasurer and new utility billing and window clerk to put together a plan of action that addresses cash receipts, payroll expenditures, water and sewer receivables. This action plan will be due to the mayor by November 23, 2024.

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Katie Niles, Treasurer

Respectfully Submitted,

X

Mark Bower, Mayor

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Appendix B: General Recordkeeping and CFO Checklist

Determine the types of funds in use, and whether separate cash receipts and disbursements books are maintained for the various funds or whether a single cash receipts and single cash disbursements book is maintained. The following checklist can be used for each fund maintained and is excerpted from pages 26-28 of our publication Local Government Management Guide publication *Fiscal Oversight Responsibilities of the Governing Board* available at: <https://www.osc.ny.gov/files/local-government/publications/pdf/fiscal-oversight-responsibilities-of-the-governing-board.pdf>

Cash Receipts	YES	NO
Is the cash receipts journal up-to-date?	<input type="checkbox"/>	<input type="checkbox"/>
Is the cash receipts journal maintained in a manner that identifies the date received, payer, purpose and the amount either individually or totals referenced to subsidiary receipt records (e.g., water rents receipts register)?	<input type="checkbox"/>	<input type="checkbox"/>
Are un-deposited cash receipts safeguarded?	<input type="checkbox"/>	<input type="checkbox"/>
Are duplicate deposit slips kept?	<input type="checkbox"/>	<input type="checkbox"/>
Do deposit amounts agree with cash receipt amounts?	<input type="checkbox"/>	<input type="checkbox"/>
Are deposits made timely and recorded up-to-date? <i>Last Recorded Deposit: Date _____ Amount _____</i>	<input type="checkbox"/>	<input type="checkbox"/>
Is the cash receipts journal totaled and summarized monthly?	<input type="checkbox"/>	<input type="checkbox"/>

Cash Disbursements	YES	NO
Is the cash disbursements journal up-to-date?	<input type="checkbox"/>	<input type="checkbox"/>
Is the cash disbursements journal maintained in a manner to identify amounts disbursed either individually or totals referenced to abstracts or payrolls?	<input type="checkbox"/>	<input type="checkbox"/>
Are pre-numbered checks used for all disbursements (other than petty cash)?	<input type="checkbox"/>	<input type="checkbox"/>
Are all checks signed by the chief fiscal officer and co-signed if required?	<input type="checkbox"/>	<input type="checkbox"/>
If checks are signed electronically, is the signature stamp or software in the custody and control of the chief fiscal officer?	<input type="checkbox"/>	<input type="checkbox"/>
Are canceled checks or check images returned with bank statements and maintained on file?	<input type="checkbox"/>	<input type="checkbox"/>
Are all unused checks properly controlled (blank check stock)?	<input type="checkbox"/>	<input type="checkbox"/>
Are checks recorded up-to-date? <i>Last Recorded Check: # _____ Date _____ Amount _____</i>	<input type="checkbox"/>	<input type="checkbox"/>
Is the cash disbursements journal totaled and summarized monthly?	<input type="checkbox"/>	<input type="checkbox"/>
Are payments supported by appropriate documentation? Consider comparing a sample of disbursements with supporting documentation.	<input type="checkbox"/>	<input type="checkbox"/>

Cash Reconciliations			YES	NO
Are bank accounts reconciled?			<input type="checkbox"/>	<input type="checkbox"/>
<i>By Whom?</i> _____				
<i>How Often?</i> _____				
<i>Who Reviews/Verifies Them?</i> _____				
Is the bank reconciliation performed by a person whose job duties do not include maintaining either the cash receipts or disbursements journals or receiving or disbursing cash?			<input type="checkbox"/>	<input type="checkbox"/>
Is the bank reconciliation performed in a timely manner after the bank statement is received?			<input type="checkbox"/>	<input type="checkbox"/>
Last Bank Reconciliation for Each Bank Account				
Bank Account	Date Performed	Month Ending		
Are reconciliations documented and available for review?			<input type="checkbox"/>	<input type="checkbox"/>
Does the reconciled bank balance agree with the cash balance recorded in the accounting records?			<input type="checkbox"/>	<input type="checkbox"/>

Receivables	YES	NO
Are receivable control accounts maintained?	<input type="checkbox"/>	<input type="checkbox"/>
Is there indication that the receivable control accounts are reconciled to the detail subsidiary records?	<input type="checkbox"/>	<input type="checkbox"/>

Investment Records	YES	NO
Is an investment record maintained?	<input type="checkbox"/>	<input type="checkbox"/>
Is the record complete and up-to-date?	<input type="checkbox"/>	<input type="checkbox"/>

Deposit Protection	YES	NO
Has the bank pledged adequate, eligible securities to protect deposits and investments (under the custody of the chief fiscal officer) that exceed FDIC insurance protection?	<input type="checkbox"/>	<input type="checkbox"/>

Indebtedness Records <i>(This record is maintained by the clerk in certain local governments)</i>	YES	NO
Is an indebtedness register maintained?	<input type="checkbox"/>	<input type="checkbox"/>
Is the register complete and up-to-date?	<input type="checkbox"/>	<input type="checkbox"/>

Property Records	YES	NO
Are property records maintained?	<input type="checkbox"/>	<input type="checkbox"/>
Are the records up-to-date?	<input type="checkbox"/>	<input type="checkbox"/>
Are all fixed assets included in the records?	<input type="checkbox"/>	<input type="checkbox"/>
Are physical inventories taken and compared to the records?	<input type="checkbox"/>	<input type="checkbox"/>

Financial Reporting	YES	NO
Are interim reports (budget/actual; trial balances; etc.) prepared?	<input type="checkbox"/>	<input type="checkbox"/>
Are the reports distributed to the governing board and department heads?	<input type="checkbox"/>	<input type="checkbox"/>
Does total year-end recorded cash agree with that reported in the annual financial report?	<input type="checkbox"/>	<input type="checkbox"/>

Payrolls	YES	NO
Are payrolls certified/approved by the appropriate official?	<input type="checkbox"/>	<input type="checkbox"/>
Are pay rates in accordance with collective bargaining agreements and other lawful employment contracts, or board resolutions?	<input type="checkbox"/>	<input type="checkbox"/>
Is leave time accounted for?	<input type="checkbox"/>	<input type="checkbox"/>

Appendix C: Audit Methodology and Standards

We conducted this audit pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the New York State General Municipal Law. 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 reviewed Board minutes and interviewed the Mayor, Treasurer, and two Trustees to gain an understanding of the Village's operations and the Board's oversight regarding annual audits, filing of the AFR and review of financial reports.
- We performed an annual audit of the Clerk-Treasurer's records for the fiscal year ended May 31, 2023, using OSC guidance available to Board members.
- We reviewed judgmental samples of cash receipt and disbursement transactions for May 2023 to identify the dates these transactions were entered into the accounting records. We also reviewed the audit log files to verify when the selected transactions were entered into the accounting records.
- We compared the total earnings from payroll journals during fiscal year 2022-23 to amounts recorded in the accounting records to determine the dollar amount of unrecorded salary expenditures.
- We assessed whether the Village experienced any significant fiscal concerns by reviewing the bank ending balances and compared them to the following year's budget for the general fund for the year 2022-23.

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 size of the relevant population and the sample selected for examination.

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 General Municipal Law. 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 Clerk's office.

Appendix D: Resources and Services

Regional Office Directory

www.osc.ny.gov/files/local-government/pdf/regional-directory.pdf

Cost-Saving Ideas – Resources, advice and assistance on cost-saving ideas

www.osc.ny.gov/local-government/publications

Fiscal Stress Monitoring – Resources for local government officials experiencing fiscal problems

www.osc.ny.gov/local-government/fiscal-monitoring

Local Government Management Guides – Series of publications that include technical information and suggested practices for local government management

www.osc.ny.gov/local-government/publications

Planning and Budgeting Guides – Resources for developing multiyear financial, capital, strategic and other plans

www.osc.ny.gov/local-government/resources/planning-resources

Protecting Sensitive Data and Other Local Government Assets – A non-technical cybersecurity guide for local government leaders

www.osc.ny.gov/files/local-government/publications/pdf/cyber-security-guide.pdf

Required Reporting – Information and resources for reports and forms that are filed with the Office of the State Comptroller

www.osc.ny.gov/local-government/required-reporting

Research Reports/Publications – Reports on major policy issues facing local governments and State policy-makers

www.osc.ny.gov/local-government/publications

Training – Resources for local government officials on in-person and online training opportunities on a wide range of topics

www.osc.ny.gov/local-government/academy

Contact

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Division of Local Government and School Accountability
110 State Street, 12th Floor, Albany, New York 12236

Tel: (518) 474-4037 • Fax: (518) 486-6479 • Email: localgov@osc.ny.gov

<https://www.osc.ny.gov/local-government>

Local Government and School Accountability Help Line: (866) 321-8503

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