



Village of Wappingers Falls

INCORPORATED 1871

2582 SOUTH AVENUE, DUTCHESS COUNTY, WAPPINGERS FALLS, N.Y. 12590-2701

RESPONSE TO DRAFT REPORT EXAMINATION #2023M-70

The Village of Wappingers Falls Mayor and the Village Board of Trustees (MVBT) acknowledge the receipt of the Draft Report Examination #2023M-70. Additionally, the MVBT had the opportunity to review the draft prior to the November 27th meeting with the New York Office of State Comptroller's (OSC) audit staff in which myself, Mayor Huber, Trustees' Niznik, Nicholas, Ruffen, Tyliszczak, and Williams met to review the draft and ask questions. While the draft report remains confidential at this point, the MVBT has discussed the findings in an executive session.

The MVBT has prepared the following response:

The period that the audit focused on was during a previous administration in which the mayor and several of the Trustees no longer serve the Village in their former capacity. Nevertheless, the MVBT asserts that the report's "Key Findings" are not complementary, nor are they a true representation of the current administration's focus and fiscal oversight.

For the last several years the Treasurer's Office has turned over at least five times. The inconsistency has created gaps in financial record keeping. This, however, does not negate the board's responsibility of oversight, compliance, accountability, and transparency.

Upon accepting the position of Mayor in April of 2023, I, along with the Board of Trustees agreed to focus on building a strong finance department with a primary focus on stabilizing the Treasurer's Office. Our mission is to be compliant with the OSC while being responsible fiscal custodians of taxpayer's money. Our appointment to the Village Treasurer's Office comes with years of broad governmental experience. Since April, the Treasurer's office along with the board, have begun creating accountability measures throughout the Village. The focus thus far has been on internal controls; segregation of duties, board oversight of all financial transactions, including dual verification for online financial transactions, comprising financial disclosure policies, implementing stronger oversight of the Clerk's records management and requiring accountabilities for all contracts that the Clerk is responsible to retain, and adopting compliance policies which require the finance committee and the board's direct oversight.

So far, the Treasurer's Office has implemented a division for collections so that there is segregation of duties. The collection includes property taxes, water, sewer, and sanitation. The collection process also includes dual verification. Additionally, the Treasurer performs,

“housekeeping actions” in which monetary movements are voted on by the MVBT and recorded within the Clerk’s certified minutes. Financial record keeping is undergoing a transformation as the Treasurer’s Office has created a system that will keep the government software updated. The Treasurer’s Office has not been initiating unilateral wires as in the past. Thus, the newly appointed Treasurer acknowledges that the segregation of duties and board oversight is paramount.

To date, the Treasurer has requested the MVBT take formal board action on closing 6 of the 26 bank accounts and is effectively closing them out along with closing out outstanding dated capital projects. In addition to this the Treasurer’s Office is working on the financials of 2022-2023 so that it can produce the proper financial records to complete the outstanding AFRs.

The Treasurer continually keeps the Finance Committee and the Village Board of Trustees apprised and involved in all financial activities of the Village. Also, I meet with the Treasurer daily and am involved in the day-to-day finances.

Currently, the Treasurer is working alongside my office to finalize the Village’s Corrective Action Plan in which we will timely submit to your office for your review and publication. My office is working with the Treasurer to create a multiyear plan so that the forecasting of capital projects and impending debt can be scrutinized by the Finance Committee and the MVBT. This response only includes a snapshot of the changes the MVBT and the Treasurer’s Office are implementing.

As Mayor, I am committed to rectifying the practices of the past. On behalf of the Board of Trustees, we appreciate the State Comptroller’s Office due diligence and guidance. Fiduciary responsibility will remain my team’s focus.

Sincerely,



Kevin D. Huber
Mayor

December 7th, 2023

cc: Village Treasurer, Lori Jiava
Village Clerk, John Karge
Village Board of Trustees