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TREASURER
TAMMY L. KELLEY
CHIEF OF POLICE
RICHARD C. LAURICELLA

August 22nd, 2016

New York State Comptroller's Office
Attn: Jeffrey D. Mazula, Chief Examiner
295 Main Street
Buffalo, New York 14203-2510

Re: Village of Akron
Selected Financial Activities
#2016M-133

Dear Mr. Mazula,

For each recommendation included in the audit report, the following is our corrective action(s) taken or proposed. For recommendations where corrective action has not been taken or proposed we have included the following explanations.

1. Audit Recommendation: The Board should; Ensure the DPW Superintendent and the Treasurer develop procedures to periodically reconcile the number of actual water service connections to the actual water accounts billed and the amount of water produced with the amount of water billed, investigate any discrepancies and periodically (at least annually) report to the Board on the results of this reconciliation.

Implementation Plan of Action(s): The Treasurer has reconciled the amount of water billed vs. water produced monthly beginning with June, 2016 and will report any loss amount to the Board. The Treasurer will reconcile the number of meter connections to the number of bills generated monthly beginning with the September 1st, 2016 billing.

2. Audit Recommendation: The Board should: Ensure the Clerk-Treasurer's office properly bills water and sewer customers at Board-adopted rates.

Implementation Plan of Action(s): The Treasurer verified that all water and sewer customers are being billed at Board approved rates. Charges for newly created customers will be verified monthly, beginning with the September 1st, 2016 billing.

3. Audit Recommendation: The Board should: To the extent practical, segregate the water and sewer duties of billing, collecting, and recording or provide for oversight and an independent review of work when adequate segregation is not practical.

Implementation Plan of Action(s): When practical, the Village will strive to segregate the water and sewer duties of billing, collecting, recording, and will ask the newly-engaged audit firm to review the system of controls as appropriate, during their audit work.

4. Audit Recommendation: The Clerk-Treasurer's office should: Ensure that water and sewer receivable control accounts are properly maintained and reconciled monthly with the detailed customer account totals. Any discrepancies should be promptly investigated and resolved.

Implementation Plan of Action(s): The Treasurer will reconcile the account status report for water and sewer accounts at the end of each month as of July 31st, 2016.

5. Audit Recommendation: The Clerk-Treasurer's office should: Bill both water and sewer customers based on accurate meter readings and Board-approved rates and in a timely manner, and with assistance of the Village's legal counsel at the direction of the Board, seek recovery from the under billed customers.

Implementation Plan of Action(s): The Village will ensure that water and sewer customers are billed based on accurate meter readings and board-approved rates at least semi-annually. The Village will, with assistance from Village Counsel, continue its efforts to seek recovery from under billed customers as appropriate.

6. Audit Recommendation: The Clerk-Treasurer's office should: Only make adjustments to water and sewer accounts after they are Board approved.

Implementation Plan of Action(s): The Treasurer will present billing adjustments to the Board for approval as of August 1st, 2016. The Treasurer is authorized to make adjustments to water and sewer accounts in amounts up to \$25.00 prior to board approval.

7. Audit Recommendation: The Clerk-Treasurer's office should: Ensure that penalties on late water and sewer bills are properly accounted for.

Implementation Plan of Action(s): After the Deputy Clerk posts penalties to customer's accounts, the penalty report will be forwarded to the Treasurer who will post the journal entries and reconcile with the ledger, beginning as of August 21st, 2016.

8. Audit Recommendation: The Department of Public Works Superintendent should ensure that all sources of billed and unbilled water usage are properly metered and read.

Implementation Plan of Action(s): The Water Treatment Plant Operator has been forwarding his metered readings from the water plant to the Treasurer's office along with any estimated use of unmetered water since June 15th, 2016. Forms will be provided to the Akron Fire Company to be completed for any water usage that is not metered but that can be measured by their equipment as of September 1st, 2016.

August 22nd, 2016

Date

A handwritten signature in black ink, appearing to read 'Carl E. Patterson', written over a horizontal line.

Carl E. Patterson
Mayor