

THOMAS P. DiNAPOLI  
COMPTROLLER

STATE OF NEW YORK  
**OFFICE OF THE STATE COMPTROLLER**  
110 STATE STREET  
ALBANY, NEW YORK 12236

STEVEN J. HANCOX  
DEPUTY COMPTROLLER  
DIVISION OF LOCAL GOVERNMENT  
AND SCHOOL ACCOUNTABILITY  
Tel: (518) 474-4037 Fax: (518) 486-6479

January 29, 2010

Ms. Bridget E. Barclay, Deputy Director  
Members of the Board of Dutchess County Water and Wastewater Authority  
Dutchess County Water and Waste Water Authority  
27 High Street 2<sup>nd</sup> Floor  
Poughkeepsie, NY 12601

Report Number: S9-9-22

Dear Ms. Barclay and Members of the Board of the Dutchess County Water and Wastewater Authority:

One of the Office of the State Comptroller's primary objectives is to identify areas where local government officials can improve their operations and provide guidance and services that will assist them in making those improvements. Our goals are to develop and promote short-term and long-term strategies to enable and encourage local government officials to reduce costs, improve service delivery, and to account for and protect their entity's assets.

In accordance with these goals, we conducted an audit of 20 local public authorities throughout New York State. The objective of our audit was to determine whether these authorities' board members are receiving more compensation than is legally authorized. We included the Dutchess County Water and Wastewater Authority (Authority) in our audit. Within the scope of this audit we reviewed payroll, cash disbursements and other relevant records to determine compensation provided to board members for the period January 1, 2007 through March 31, 2008.

This report of examination letter contains our findings specific to the Authority. We discussed the findings with Authority officials and considered their comments in preparing this report. The Authority's response is attached to this report in Appendix A. At the completion of our audit of the 20 authorities, we prepared a global report that summarizes the significant issues we identified at all of the authorities audited.

### **Background and Methodology**

The Dutchess County Water and Wastewater Authority is a public benefit corporation created in 1992 under the New York State Public Authorities Law. The Authority consists of five members (Board). Two members are appointed by the County Executive, two members are appointed by the County Legislature and one member is appointed

jointly by the County Executive and the County Legislature. Each appointment is for a five-year term. The Authority's annual revenue is derived from charges to customers for water sales, sewer charges and rental fees, and grants from Dutchess County.

In order to determine the amount of compensation provided to the Authority board members, we interviewed authority officials and reviewed various records including insurance invoices, payroll records, and vendor history reports for the period January 1, 2007 through March 31, 2008. Our audit procedures included identifying the amount of compensation provided by the authority to current and prior board members during the same period. We also reviewed cash disbursements made to board members to determine if they would be considered compensation or reimbursement for actual and necessary expenses. We compared the total amounts of compensation paid to or on behalf of the board members to the amounts permitted by the Authority's enabling statute.

We conducted this performance audit in accordance with generally accepted government auditing standards. 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.

### **Audit Results**

The Authority's enabling statute states that members of the authority shall receive no compensation for their services. The term "compensation" generally refers to the total consideration paid to an officer or employee for his or her services, including salary or wages and fringe benefits. Therefore, the Authority may not provide to the members of the Board any salary or fringe benefits.

We found that the Agency did not provide compensation to its Board members during the period January 1, 2007 through March 31, 2008.

If we can be of assistance to you or if you have any questions concerning this report of examination, please feel free to contact Ann Singer at (607) 721-8306.

Sincerely,

Steven J. Hancox  
Deputy Comptroller  
Office of the State Comptroller  
Division of Local Government and  
School Accountability

## **APPENDIX A**

### **RESPONSE FROM AUTHORITY OFFICIALS**

The Authority officials' response to this audit can be found on the following page.

**DUTCHESS COUNTY**

**WATER AND  
WASTEWATER AUTHORITY**



27 High St. 2<sup>nd</sup> Floor  
Poughkeepsie  
New York, 12601  
(845) 486-3601  
Fax (845) 486-3610  
dcwwa@co.dutchess.ny.us  
www.dutchessny.gov

March 23, 2009

Authority Board Members

**Thomas LeGrand**  
Chairperson

**Daniel J. McCabe**  
Vice-Chairperson

**Vincent DiMaso**  
Treasurer

**Rudy Vavra**

Authority Officer

**Samuel Bartholomew**  
Secretary

Ex officio Members

Ed Hoxsie, District Manager  
Soil and Water Conservation District

Roger P. Akeley, Commissioner  
D. C. Dept. of Planning & Development

Staff

**Bridget Barclay**  
Executive Director

**Mary C. Morris**  
Deputy Director

Robert Meller, Chief Examiner  
Office of the State Comptroller  
295 Main Street, Room 1050  
Buffalo, New York 14203-2510

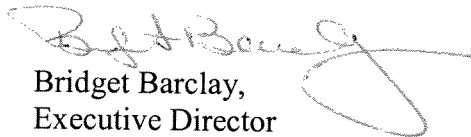
Report Number: S9-9-22

Dear Mr. Meller:

We are in receipt of the draft report of examination letter, dated March 2009, regarding the recent audit of the Dutchess County Water and Wastewater Authority.

We agree with the findings of the audit, and have no further comments.

Sincerely,

  
**Bridget Barclay,**  
Executive Director

cc: Thomas LeGrand, DCWWA Chair