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August 2018

William D. Reilich, Supervisor
Members of the Town Board
Town of Greece
1 Vince Tofany Boulevard
Greece, New York 14612

Report Number: S9-17-17

Dear Supervisor Reilich and Members of the Board:

A top priority of the Office of the State Comptroller is to help Town officials manage their resources efficiently and effectively and, by so doing, provide accountability for tax dollars spent to support Town operations. The Comptroller oversees the fiscal affairs of local governments statewide, as well as compliance with relevant statutes and observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations and governance. Audits also can identify strategies to reduce costs and to strengthen controls intended to safeguard assets.

In accordance with these goals, we conducted an audit of six municipalities (four cities, one town and one village) throughout New York State (NYS). The objective of our audit was to determine whether the use of local government resources is resulting in effective enforcement of fire safety and property maintenance (FSPM) inspections for multiple dwelling (MD)¹ properties at a minimum of once every three years and confirming known violations are corrected. We included the Town of Greece (Town) in this audit. Within the scope of this audit, we examined the Town's inspection records for MD properties for the period January 1, 2015 through November 18, 2016. We extended the scope of our audit to January 2017 for inspection testing and we extended the scope of our audit back to January 2010 for permit testing. This audit was conducted 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.

This report of examination letter contains our findings specific to the Town. We discussed the findings with officials and considered their comments, which are included in Appendix B, in

¹ A "multiple dwelling" generally is a unit which is either rented, leased, let or hired out, to be occupied, or is occupied as the residence or home of three or more families living independently of each other. An MD is not a hospital, convent, monastery, asylum or public institution, or a fireproof building used wholly for commercial purposes except for not more than one janitor's apartment and not more than one penthouse occupied by not more than two families.

preparing this report. Town officials agreed with our report. At the completion of our audit of the six municipalities, we prepared a global report that summarizes the opportunities we identified to improve the inspection of MD properties.

Summary of Findings

While the Town has some strong procedures, we found that it still could improve its internal controls over FSPM inspections on MD properties. Town officials have not developed written policies or complete procedures to guide the inspectors on the documentation requirements for inspections and the timeframes for inspection and violation follow-up procedures. The Fire Marshal maintained a list of MD properties that we found was missing five properties. Certified inspectors perform FSPM inspections annually or biennially and document them by completing a notice of violation (NV) form. However, because the inspectors document inspection information on an exception basis and although they document the properties inspected, they do not always document all buildings inspected. As a result, we could not determine the nature and extent of the FSPM inspections performed. Inspectors generally followed-up on violations within an average of 34 days.

Background and Methodology

The Town is located in Monroe County, covering approximately 42 square miles and has approximately 96,000 residents. The Town is governed by an elected five-member Town Board (Board) composed of four Board members and a Supervisor. The Town's 2016 budgeted general fund appropriations totaled approximately \$36.7 million. The Town provides various municipal services to its residents.

Article 18 of Executive Law Section 381² generally directs that cities, towns and villages of the State shall be responsible for enforcing the Uniform Code,³ and the New York Codes, Rules and Regulations (NYCRR)⁴ provides that enforcement of the Uniform Code shall be made through local law, ordinance or other appropriate regulation. Further, the NYCRR⁵ requires FSPM inspections for all residential buildings with three or more dwellings at least once every three years. Expedient and effective inspections can help to preserve the health, safety and welfare of residents; provide reasonable comfort for the tenants; ensure the quality of rental housing units and maintain the character of a neighborhood's population base. Conversely, the lack of inspections could lead to the dilapidation of MD properties and an increased risk of serious injury, death, health and economic issues.

NYS Department of State⁶ requires FSPM inspections be performed by certified code enforcement officials or building safety inspectors whose certification has not become inactive or revoked.⁷

² New York State Executive Law Article 18, Section 381.2

³ 19 NYCRR 1219-1228

⁴ 19 NYCRR 1203.2 (a)

⁵ 19 NYCRR 1203.3 (h)(2)

⁶ 19 NYCRR 1208-3.1

⁷ Inspectors must meet the certification requirements set forth by the NYS Department of State in order to be eligible to inspect a property. The requirements include 24 hours of in-service training annually for code enforcement officials and six hours annually for building safety inspectors.

The Town adopted a local law⁸ that designated the Building Inspector responsible for administering and enforcing the Uniform Code and under his direction, the Fire Marshal is responsible for enforcing the NYS Fire Code. In addition, the Building Inspector deemed the Fire Marshal responsible for MD inspections. The Fire Marshal oversees three assistant fire marshals, who assist him with inspecting the Town's 70⁹ MD properties.

To complete our audit objective, we interviewed Town officials, reviewed policies and procedures and reviewed inspection reports to determine whether inspections occurred within the past three years. We also reviewed inspection documentation to determine if minimum inspection requirements were completed and documented and if officials ensured violations were corrected.

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). More information on the standards and the methodology used in performing this audit are included in Appendix C of this report. 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.

Audit Results

Policies and Procedures – The Board and officials have a responsibility to oversee and monitor Town operations and to ensure that government resources are being used effectively. This responsibility includes establishing policies and procedures that define roles, designate responsibilities, establish the documentation that must be maintained for inspections and provide reasonable assurance that applicable laws, rules and regulations are followed. Maintaining adequate records enables the Board and officials to fulfill their responsibility to monitor inspections of MD properties. In addition, effective policies and procedures would also establish timeframes for inspections and violation follow-ups, as well as establishing how many potential follow-up inspections should occur before involving the Court system. The entire enforcement process also should be formalized and effectively communicated to ensure that violation follow-up procedures are equally and consistently applied.

Because the Board has not adopted a written policy and the Building Inspector and Fire Marshal have not developed and implemented written procedures, documentation of inspections varies among the inspectors and is not sufficient to ascertain whether minimum inspections were performed. For example, an inspection of a property with seven MD buildings had documentation of three violations at three buildings. Based on the limited documentation, officials cannot be assured that all required items were inspected in all of the buildings. Even though uncorrected violations could be turned over to the Court system, there are no guidelines for the number of reinspections or for the timeframe between the inspections.

The Fire Marshal told us that because of the required NYS inspector certification process and the close monitoring of inspection activities, a written policy and procedures had not been developed. The Fire Marshal also told us the Town is currently obtaining computer software, scheduled to be

⁸ Town of Greece Code Section 114-4 (a)

⁹ The biennial MD list has 63 properties, with five properties not being listed. The annual list has two properties.

implemented in January 2017, which will address these procedural issues – such as increased documentation requirements and ensuring inspections include property maintenance code items.¹⁰

MD Property Lists – Municipalities must maintain a complete listing of MD properties to effectively manage the inspection process. The Fire Marshal maintained a list that included 63 MD properties that he uses to schedule inspections on a biennial basis. In addition, two properties were separately tracked for annual inspections.

We compared the Fire Marshal’s list of 63 MD properties to the Town’s tax rolls and new MD building permits to determine whether the lists were complete. We found five MD properties on the tax roll that were not included on the lists:

- The Fire Marshal was unaware of the existence of two MD properties.
- The Fire Marshal was aware of three unlisted properties. However, the MD list was not updated for these properties. Although he was aware of these properties, without updating the list, these properties potentially may not be inspected in the future.

The Fire Marshal told us that inspectors are involved in fire safety and building code inspections related to new construction within the Town and they add a property to the MD property list when the property’s certificate of occupancy is issued. Without complete lists of MD properties, there is a likelihood that some properties requiring inspection may not be inspected.

Inspections and Violations – The NYCRR requires FSPM inspections for all residential buildings with three or more dwelling units at least once every three years. Inspections should be completed by certified inspectors. Town officials should follow up on violations, as well as, determine when voluntary compliance is ineffective and formal enforcement action should be initiated.

The Fire Marshal told us they inspect new MD properties annually until they feel comfortable that the property owners are complying with code requirements and then inspections are performed biennially. The Fire Marshal indicated that they generally only inspect common areas and the exterior of properties. However, they will inspect individual units if they are invited in. Although a checklist for fire safety requirements was developed, it was not required to be used in the inspection process. Inspectors sign and complete an NV form, whether or not there were any violations, indicating that an inspection was completed. The Fire Marshal also told us that if a property owner does not address the violations in a timely manner, the issue is turned over to the Court system for resolution.

The Fire Marshal’s records provided us with his lists of 65 MD properties (100 percent), which were inspected within the last three years. We reviewed records for 21 MD properties, including the five properties not on the lists, to determine if certified inspectors were performing minimum inspections within three years and following up on violations. We found also that all four inspectors were certified. As a result, certified inspectors signed NV forms that they inspected 19 properties. However, two properties were not inspected. We further found that inspectors were performing these inspections within two years and had their own documentation procedures. Some inspectors would document each building inspected and violations found. For example, for four of

¹⁰ See Appendix A.

10 properties with more than one building, inspectors documented each building inspected. Other inspectors would only document violations found. Inspectors were not required to use the fire safety checklist and unless there was a violation, they did not document what items they inspected. As a result, we could not verify that the minimum inspection requirements were met or that all buildings were inspected.

The Town has not established timeframes for property owners to correct the cited violations or for the follow-up inspections. However, we found that inspectors generally followed-up on cited violations. For the 19 properties inspected, inspectors cited 16 properties with 164 violations. Examples of violations were improper storage (e.g., propane tanks in the building, bikes and furniture in hallways, storage in boiler rooms), missing smoke and carbon monoxide detectors, missing handrails, lack of trash removal, inadequate basement doors and failure to make structural repairs. Inspectors reinspected all 16 properties 17 to 63 days later (average 34 days) and indicated all cited violations were corrected. Our review did not indicate any property violations that should have been referred to the Court system. By following up on violations with timely reinspections, the Town can ensure that violations are corrected, which potentially prevents a decline in the quality of the rental housing units and decreases safety risks to residents.

Recommendations

1. The Board should adopt a written policy and the Building Inspector, with assistance from the Fire Marshal, should develop procedures for inspections of MDs that convey management's expectations to ensure that the minimum FSPM items are inspected and violations are followed-up on consistently.
2. The Fire Marshal should ensure the MD property list is complete through periodic verification to tax rolls and building permits.

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 forwarded 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 this plan available for public review in the Clerk's office.

We thank the officials and staff of the Town for the courtesies and cooperation extended to our auditors during this audit.

Sincerely,

Gabriel F. Deyo
Deputy Comptroller

APPENDIX A

International Property Maintenance Code Multiple Dwelling- Fire Safety and Property Maintenance Inspections

The International Property Maintenance Code, as a part of the Uniform Fire Prevention and Building Code, provides standards for MD properties, with exceptions provided for buildings that were built prior to the existence of certain requirements.

Multiple Dwelling- Fire Safety and Property Maintenance Inspection Requirements

General Requirements	General Requirements (continued)	Lighting, Ventilation and Occupancy Limitations	Plumbing Facilities and Fixture Requirements	Mechanical and Electrical Requirements	Fire Safety
<p>General Scope Responsibility Vacant Structures and Land</p> <p>Exterior Property Areas Sanitation Grading/Drainage Sidewalks and driveways Weeds Rodent Harborage Exhaust Vents Accessory Structures Motor Vehicles Defacement of Property</p> <p>Swimming Pools, Spas and Hot Tubs Swimming Pools Enclosures</p> <p>Exterior Structure General Unsafe Conditions Protective Treatment Premises Identification Structural Members Foundation Walls Exterior Walls Roofs and Drainage Decorative Features Overhang Extensions Stairways, Decks, Porches and Balconies Chimneys and Towers Handrails and Guards Window, Skylight and Door Frames -Glazing -Openable Windows Insect Screens Doors Basement Hatchways Guards for Basement Windows Building Security -Doors -Windows -Basement Hatchways Gates</p>	<p>Interior Structure General Unsafe Conditions Structural Members Interior Surfaces Stairs and Walking Surfaces Handrails and Guards Interior Doors</p> <p>Component Serviceability General Unsafe Conditions</p> <p>Handrails and Guardrails General</p> <p>Rubbish and Garbage Accumulation of Rubbish and Garbage Disposal of Rubbish -Rubbish Storage Facilities -Refrigerators Disposal of Garbage -Garbage Facilities -Containers</p> <p>Pest Elimination Infestation Owner Single Occupant Multiple Occupancy Occupant</p>	<p>General Scope Responsibility Alternative Devices</p> <p>Lighting Habitable Spaces Common Halls and Stairways Other Spaces</p> <p>Ventilation Habitable Spaces Bathrooms and Toilet Rooms Cooking Facilities Process Ventilation Clothes Dryer Exhaust</p> <p>Occupancy Limitations Privacy Minimum Room Widths Minimum Ceiling Heights Bedroom and Living Room Requirements -Room Area -Access from Bedrooms -Water Closet Accessibility -Prohibited Occupancy -Other Requirements Overcrowding -Sleeping Area -Combined Spaces Efficiency Unit Food Preparation</p>	<p>General Scope Responsibility</p> <p>Required Facilities Dwelling Units Rooming Houses Hotels Employees' Facilities -Drinking Facilities Public Toilet Facilities</p> <p>Toilet Rooms Privacy Location Location of Employee Toilet Facilities Floor Surface</p> <p>Plumbing Systems and Fixtures General Fixture Clearances Plumbing System Hazards</p> <p>Water System General Contamination Supply Water Heating Facilities</p> <p>Sanitary Drainage System General Maintenance Grease Interceptors</p> <p>Storm Drainage General</p>	<p>General Scope Responsibility</p> <p>Heating Facilities Facilities Required Residential Occupancies Heat Supply Occupiable Work Spaces Room Temperature Measurement</p> <p>Mechanical Equipment Mechanical Appliances Removal of Combustion Products Clearances Safety Controls Combustion Air Energy Conservation Devices</p> <p>Electrical Facilities Facilities Required Service Electrical System Hazards -Abatement of Electrical Hazards Associated with Water Exposure -Electrical Equipment -Abatement of Electrical Hazards Associated with Fire Exposure -Electrical Equipment</p> <p>Electrical Equipment Installation Receptacles Luminaries Wiring</p> <p>Elevators, Escalators, Dumbwaiters General Elevators</p> <p>Duct Systems General</p>	<p>General Scope Responsibility</p> <p>Means of Egress General Aisles Locked Doors Emergency Escape Openings</p> <p>Fire Resistance Ratings Fire-resistance-rated assemblies Opening Protectives</p> <p>Fire Protection Systems General -Automatic Sprinkler Systems -Fire Department Connection Single- and multiple-station smoke alarms -Where Required --Group R-1 --Groups R-2, R-3, R-4 and I-1 --Installation Near Cooking Appliances --Installation Near Bathrooms -Interconnection -Power Source -Smoke Detection System</p>

APPENDIX B

RESPONSE FROM TOWN OFFICIALS

The Town officials' response to this audit can be found on the following pages.



TOWN OF GREECE

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William D. Reilich
Supervisor

March 19, 2018

Via 1st Class Mail and E-Mail

Ann C. Singer, Chief Examiner
Office of the State Comptroller
State Office Building, Suite 1702
44 Hawley Street
Binghamton, New York 13901

Re: Response to Draft Report Number: S9-17-17

Dear Ms. Singer:

I am writing on behalf of the Town of Greece (“Town”) in response to the findings and recommendations contained in the New York State Office of the Comptroller’s draft report regarding multiple dwelling property inspections (“Draft Report”).

As Supervisor of the Town of Greece, I have the honor of serving over 97,000 residents here in Town. Since taking office in 2014, the Town Board and I have made fire safety and property maintenance inspections a priority. We are very proud to support the incredible work being done by our Fire Marshal and the entire Code Compliance Department. In fact, this Town Board has established a Municipal Court that deals exclusively with property maintenance and fire safety enforcement. We have found that this has dramatically increased the efficiency and effectiveness of code enforcement here in the Town of Greece.

The Town Board and I would like to thank the State Comptroller’s Office for your full assessment and evaluation of our fire safety and property maintenance inspections for multiple dwelling properties. This audit was an opportunity to demonstrate the professionalism of our entire code compliance team and the important work they perform for our residents each day. I am especially proud that our Fire Marshal was found to be performing inspections of multiple dwelling properties more often than the minimum requirements of the State.

The provided Draft Report does include two recommendations to be considered by the Town relating to written policy and procedures. Since we are constantly looking to improve operations to be as efficient and effective as possible for our residents, I am pleased to report the Town has successfully addressed and implemented both recommendations included in the Draft Report.

The Town Board and I would like to once again thank you for the thorough evaluation and recommendations concerning our inspections of multiple dwelling properties. We look forward to continuing to provide residents of this Town with the high level of service they have come to expect.

Very truly yours,

William D. Reilich
Supervisor
Town of Greece

APPENDIX C

AUDIT METHODOLOGY AND STANDARDS

To achieve our audit objective and obtain valid evidence, our audit procedures included the following:

- We interviewed Town officials and staff to gain an understanding of the Town's policies and procedures for the inspections of MD properties.
- We compared the Town's list of MD properties to the 2015 tax roll and MD new construction permits from 2010 to 2016 to determine the completeness of the inspection lists.
- We selected an audit testing sample of 16 properties by using a random number generator (1-4) to select a starting point and selected every fourth property on the Town's inspection list. We also tested all MD properties that were not on the Town's list. We reviewed records to determine whether:
 - Inspections of MD properties occurred within the timeframe prescribed by law.
 - The documentation indicated the FSPM items inspected and whether minimum inspections were performed.
 - The inspectors were certified by NYS.
 - Inspectors followed-up on violations, including Court system referrals, if warranted.
- We reviewed the annual reports of the MD property inspections.

We conducted this performance audit in accordance with 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 the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.