

# VILLAGE OF MONTICELLO



July 11, 2012

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OSC Binghamton Regional Office

State Office Building, Room 1702

44 Hawley St., Binghamton, NY 13901

Dear Mr. Carbone

As an elected Trustee in the Village of Monticello and a member of the Audit Committee of the Village Board, I am writing to request that your Office conduct a detailed FORENSIC AUDIT of Monticello's financial records.

I have reason to believe that financial improprieties have occurred, and continue to occur on a fairly routine basis. For example, I am attaching copies of vouchers ordering payment to the Nyack law firm of Feerick, Lynch & MacCartney in an amount significantly exceeding the total amount budgeted during the present Fiscal Year for legal services.

Funds were taken, unlawfully I believe, from dedicated water and sanitation accounts, to pay Feerick, Lynch & MacCartney for services that did not pertain specifically to those purposes. In some cases, large vouchers were executed by management, entirely bypassing the Audit Committee.

A second example of cause for concern, see the attached records pertaining to the long-term lease of a truck, executed with no authorization whatever by the Village Manager. Contrary to his action, the Manager was in fact direct by unanimous resolution of the Board of Trustees to purchase the said truck outright, drawing the amount from the aforesaid dedicated funds. Instead, without lawful authority, the Manager secretly signed a lease agreement without informing the Board of Trustees. The lease was discovered by the Treasurer after a time-consuming investigation.

A third example pertains to accounting of monies collected by and in the name of the a Village Activities Committee, of which I have volunteered my own time as one of several members. Thousands of dollars have been collected in the form of donations, with little evidence maintained by the Manager of the disposition of these funds. When I have asked, he has replied simply, the money is "in the bank", but he has not provided further details when requested. The Parks and Recreation Department deserves close scrutiny with respect to internal controls of receipts and expenditures. I have been aware, on numerous occasions, of monies being collected, but then not showing up in account balances.

I consider the situation in Monticello to be fairly urgent with respect to the attention that is required, in order to put a stop to be what appears to be a regular pattern of misappropriation and/or theft. Please respond to me at [845-791-1432](tel:845-791-1432) at the earliest possible date to advise when you will be able to attend to visit Monticello for what I would recommend be an unannounced site visit for the purpose of commencing a detailed forensic audit.

I hope to hear from you soon. Thank you.

Sincerely,

Carmen B. Rue  
Village Trustee

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