



THOMAS P. DiNAPOLI
STATE COMPTROLLER

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

ROBIN L. LOIS, CPA
DEPUTY COMPTROLLER
DIVISION OF LOCAL GOVERNMENT
AND SCHOOL ACCOUNTABILITY
Tel: (518) 474-4037 Fax: (518) 486-6479

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Via Email: ttb1368@gmail.com

Dear Signatories to 11/26/2025 Letter to State re City of Mount Vernon Fiscal Monitor:

Thank you for writing to Comptroller DiNapoli pertaining to the City of Mount Vernon. The Comptroller has asked me to respond on his behalf.

Your letter outlines concerns regarding the City's financial condition, tax burden, services, crime, and the potential appointment of a State Monitor for the City. I appreciate the opportunity to share with you the work Comptroller DiNapoli's Division of Local Government and School Accountability has been doing, which includes actively examining various aspects of the City's financial management.

These engagements have resulted in three reports that have been released over the past four years which include 54 recommendations to enhance financial management and improve City operations. The reports, recommendations and the City's official audit responses are available on [Comptroller DiNapoli's website](#). In summary, these audits identified the following areas of concern:

Financial Reporting and Oversight Audit Report Issued September 2020

The audit reported that the City Council and officials did not have adequate financial information for the effective management of operations. In addition to the audit's overall finding, the audit report also noted:

- The City Comptroller failed to file the required annual financial report with our office for fiscal years 2016 through 2019.
- The Council did not take sufficient action to acquire financial information.
- No audited financial statements have been issued since the 2015 fiscal year because City officials have not provided their independent auditors with the necessary financial information.
- City officials did not have financial information available to develop a multiyear or capital plan.
- City officials did not establish policies and procedures to ensure that critical financial information, such as budget to actual reports or cash flow reports, were received.

2021 Budget Review Issued April 2021

The budget review reported that the significant revenue and expenditure projections in the City's adopted budget were not reasonable. The report also noted that the adopted budget results in substantial risks of negatively impacting the City's financial condition. Officials developed a budget that included unsupported or uncertain one-shot sources of funds likely resulting in overestimations of revenues, as well as under-budgeted appropriations. These factors put the City

at risk of declining financial condition and cash flow shortages. The report included 14 recommendations that were designed to help officials manage the City's financial operations.

Non-Payroll Disbursements Audit Issued January 2022

The audit reported that the City Council, the former Comptroller and other City officials did not provide proper oversight of non-payroll disbursement. The former Comptroller did not properly or transparently account for all non-payroll disbursements. Her failure to provide financial information or perform her duties resulted in the untimely payment of claims and litigation. As a result, the City's reputation with its vendors was damaged and the City paid for additional, potentially unnecessary, disbursements relating to litigation. The report also noted the former Comptroller and the City Council did not ensure adequate policies and procedures were developed or adopted; nor did they ensure officials and employees had clear guidance on how the disbursement process should work. The audit included 29 recommendations designed to improve the City's disbursement processes.

In addition to these audits and reviews, our Office is actively monitoring the City's financial condition and related matters. We are currently conducting an audit follow-up to determine what progress the City has made in implementing the 11 recommendations included in the 2020 Financial Reporting and Oversight audit and will issue a public report of the results of this engagement when it is completed.

We are aware that the City is delinquent in filing their required annual financial reporting (AFR) for 2021 through 2024. Although the Comptroller's Office cannot compel local governments to file, we regularly engage local leaders and finance officials on AFR filing through many channels such as training events, conferences, and regular communication on filing deadlines. We also provide various tools and resources to assist local officials in timely filing, including on-demand webinars, direct technical assistance, and a [webpage](#) to help local governments and the public track their filing status.

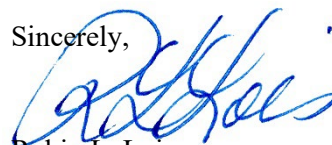
We encourage officials to use all the resources we make available to them, and to ensure reliable, timely financial information is consistently available to the public to promote informed governance and strengthen the public trust.

While we believe there is significant value in the recommendations we offer, we cannot compel officials to take corrective action, as our recommendations are advisory in nature. While our current audit follow-up in progress will report on City officials' efforts to implement the recommendations we made to enhance the City's financial reporting and oversight, we also continue to monitor the City and consider what additional efforts may be of value to City officials and the City's residents and taxpayers.

Regarding the appointment of a state-level fiscal monitor, this would require legislative action similar to the provisions included in the State Fiscal Year 2024-25 Enacted State Budget, which authorized the State Education Commissioner to appoint a monitor for the Mount Vernon City School District. The State Comptroller does not have the authority to appoint such a monitor for the city.

We welcome your outreach and appreciate the concerns you have shared. If you have any further questions or information you would like to share, please reach out to James Latainer, Chief of Municipal Audits in our Newburgh regional office at 845-567-0858 or muni-newburgh@osc.ny.gov.

Sincerely,



Robin L. Lois
Deputy Comptroller