

**Brasher Falls Central School District
St. Lawrence Central School**

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December 17, 2019

Office of the State Comptroller
Division of Local Government & School Accountability
PSU-CAP Submission
110 State Street, 12th Floor
Albany, NY 12236

Re: Corrective Action Plan
Brasher Falls Central School District
Report Number 2019M-158

Office of the State Comptroller:

On behalf of the Board of Education and the District Administration, I would like to thank the local office of the State Comptroller for their professionalism and courtesy while completing this audit.

We have developed the following Corrective Action Plan based upon the recommendations in your report.

Audit Recommendation: Ensure the amount of surplus fund balance complies with the statutory limit and use the surplus funds as a financial source for:

- Funding one-time expenditures.
- Funding needed reserves.
- Paying off debt.
- Reducing District property taxes.

Implementation Plan of Actions: The District will implement multiple steps to ensure the surplus fund balance complies with statutory limits. These steps include planned transfers to reserves as appropriations in the future. However, these transfers will be done with contingency funds. These are funds the District budgets for potential unexpected needs such as: a high needs child moving into the school district, a child moving into a residential placement or more restrictive placement, a spike in natural gas or diesel, and any other item unforeseen when the budget is prepared. The District will utilize reserve funds to counter a need to raise the local tax levy, which in turn is giving

money back to the taxpayers in a reasonable manner. The District will also look into funding one-time expenditures in this year's budget.

Audit Recommendation: Develop a comprehensive written multi-year plan to provide a framework for future budgets and guide the District's management of financial condition. The plan should be periodically reviewed and updated as appropriate.

Implementation Plan of Actions: The District will develop a multi-year financial plan based upon a review of historical expenditure trends and realistic cost projections. This will allow for an accurate projection of surplus fund balance and plan for the use of reserves.

Audit Recommendation: Adopt annual budgets that contain realistic estimates for appropriations based upon historical or other known factors.

Implementation Plan of Actions: The District will develop realistic estimates for appropriations based upon historical expenditure trends and cost projections.

Thank you for the recommendations. The District will implement action steps to achieve future compliance.

Sincerely,



Robert Stewart
Superintendent
Brasher Falls Central School