



ALBION CENTRAL SCHOOL

DISTRICT OFFICE
324 East Avenue
Albion, New York 14411
Tel: 585-589-2055
Fax: 585-589-2059
www.albionk12.org

February 28th, 2022

Melissa A. Myers, Chief Examiner
295 Main Street, Suite 1032
Buffalo, New York 14203-2510

Dear Mrs. Myers,

For each recommendation included in the audit report, the following is our corrective action(s) taken or proposed. For recommendations where, corrective action has not been taken or proposed, we have included the following explanations.

Audit Recommendation:

1. *Develop and adopt budgets that include reasonable estimates for appropriations and the amount of fund balance that will be used to fund operations.*
2. *Discontinue the practice of appropriating fund balance that is not needed or used to fund operations.*
3. *Develop a plan to reduce surplus fund balance to comply with the statutory limit. Surplus funds can be used for:*
 - a. *Funding one-time expenditures such as capital improvements*
 - b. *Funding needed reserves*
 - c. *Paying off debt*
 - d. *Reducing District property taxes*
4. *Consult with legal counsel regarding the retirement contribution reserve and the use of excess amounts.*

Implementation Plan of Action(s):

1. *The District is reassessing our appropriations and expenditures to ensure for more realistic estimates.*
2. *The District is reviewing the recently developed long range financial plan. It will be our goal to resize the appropriated fund balance by having more accurate revenue and expenditures.*
3. *The Board of Education approved a reserve plan created on November 12th, 2021 and Board approved on December 6th, 2021. This reserve plan will be updated and approved*



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by the Board of Education yearly. The intent of this reserve plan is to ensure all reserves comply with the statutory limit.

- 4. The District has hired Hodgson Russ as our legal counsel and we will follow their advice in regards to transferring any excess funds out of our retirement contribution reserve.*

Implementation Date:

- 1. March 1st, 2022*
- 2. March 1st, 2022*
- 3. December 6th, 2021*
- 4. January 15th, 2022*

Person Responsible for Implementation:

- 1. Board of Education*
- 2. Board of Education*
- 3. Rick Recckio II, School Business Administrator*
- 4. Rick Recckio II, School Business Administrator*

Sincerely,

A handwritten signature in blue ink, appearing to read "Kathy Harling".

Kathy Harling
Board of Education President