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Fiscal Year Ending 2025 External Audit Corrective Action Plan

The District's External Auditor, Raymond G. Preusser, CPA, presented the External Audit Report to the Audit Committee at its meeting on November 18, 2025.

Audit Area(s)	Comment	Corrective Action	Person(s) Responsible	Date
<p>Fund Balance</p>	<p>Section 1318 of Real Property Tax Law establishes the maximum unassigned fund balance that can be retained by a school district. The current law limits this amount to 4% of the ensuing year's budget. The District's financial statements for the year ended June 30, 2025, indicate that the unassigned fund balance was at 6.2%, which is in excess of the legal limit.</p>	<p>The district is facing urgent facilities issues that have the potential for system failure before a full Capital Project can be properly planned, put before voters, and submitted to NYSED.</p> <p>Systems posing a risk to continuity of operations include:</p> <ul style="list-style-type: none"> * A water system with Department of Health deficiency citation regarding potential for critical failure * Aging underground fuel tanks beyond their useful life * Roofing, envelop, and drainage failures requiring immediate inspection and remediation <p>The district has limited contingency appropriations to address such critical failures, should they occur before a Capital Project is approved. The district has determined this is the only fiscally responsible mechanism immediately available to mitigate the impact of these potential system failures and to further protect district assets from damage.</p> <p>The District is taking action to pursue a voter approved Capital Project that would allow the district to access its Capital Reserves and fully address all three potential system failures.</p> <p>In the 2026-2027 Budget Development Process the district will determine the best use of excess fund balance, should any remain in excess of 4% at the close of 2025-2026.</p> <p>The funds may be appropriated for the 2026-2027 budget or will be assigned to reserves.</p>	<p>Superintendent Business Official Board of Education</p>	<p>October 2025 Architect RFP Development & Advertising</p> <p>November 13, 2025 Architect Interviews</p> <p>November 18, 2025 Architect Appointment</p> <p>Spring 2026 Prepare Capital Project Referendum for Vote</p>