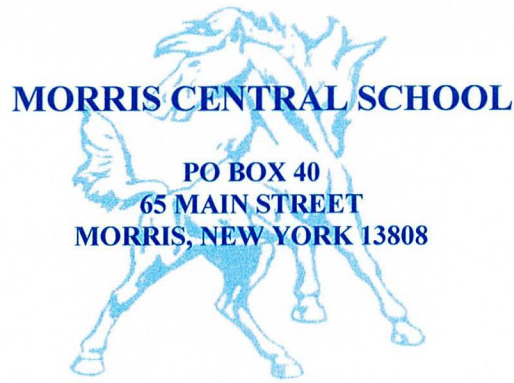


**BOARD OF  
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Principal

June 23, 2023

New York State Office of State Comptroller  
Binghamton Regional Office  
State Office Building, Suite 1702  
44 Hawley Street  
Binghamton, NY 13901-4417

Reference: Morris Central School District Fund Balance Report of Examination 2023M-47

To Whom It May Concern:

The Morris Central School District has received and thoroughly reviewed the draft audit report on the Fund Balance for the period of July 1, 2019, to December 31, 2022. We would like to express our sincere gratitude to the auditors for their flexibility and professionalism during their time at MCS.

While we generally agree with the report's findings and recommendations, there are a few areas that may benefit from further clarification.

The audit examined our fund balance during a time when our nation faced an unprecedented health emergency. The Covid-19 pandemic brought about significant uncertainty and challenges to the economy as a whole. National efforts and financial resources were primarily focused on addressing the pandemic, resulting in increased costs for materials and disinfecting supplies. Simultaneously, our spending in other areas was temporarily reduced due to quarantine orders. Unfortunately, the audit was unable to fully capture the impact of the pandemic and related regulations on our spending practices, as well as the additional costs incurred in closing the learning loss gaps for our most vulnerable students. Furthermore, during the review period, the Governor's office predicted a 20% decrease in state aid. If this prediction had materialized, Morris Central School would have been compelled to immediately reduce programming for students, as the majority of our funding originates from this source.

Subsequent to the audit, we have implemented a gradual and responsible approach to reducing our fund balance. This method allows us to balance the financial constraints of our community with the projected expenses outlined in our long-range financial plan. Since the conclusion of the 20-21 school year, we have reduced our unassigned fund balance by an overall 59.75%. The Tax Certiorari Reserve account is expected to have a balance of \$5,015 at the end of the 22-23 school year, representing an 88% decrease. Additionally, we have not made additional contributions to our Unemployment Reserve or Employee Benefit Accrued Liability Reserve since 2020. The long-range financial plan presented by our fiscal advisors predicts a steady decline of our existing fund balance over the next five years. Our recently approved 23-24 school budget maintains the tax levy significantly below the tax cap while keeping spending in check.

The Board of Education consistently strives to balance the needs of our learners with the fiscal limitations of our community. Through transparent planning, including annual budget hearings and open discussions at Board of Education meetings, we have been able to maintain fiscal solvency in this high-needs district, even in the face of unprecedented circumstances. We will continue to collaborate with our community, External Auditor, Shared BOCES Business Office, and Independent Financial Advisor to review and adjust our practices concerning the fund balance. The Board of Education and Administration of the Morris Central School District wish to express their appreciation for the recommendations provided through the audit process and will continue to fulfill our obligations to the taxpayers, students, and families of the school district.

Sincerely,

A handwritten signature in black ink, appearing to read 'JMA', followed by a long horizontal line extending to the right.

Jamie Maistros  
Superintendent