



**Fort Edward Union Free School District**  
**Meeting of the Board of Education**  
**February 6, 2023**  
**Special Board Meeting Minutes**

**Members Present:** Thomas Roche, James Donahue, Christina Durkee, John Guglielmo, Timothy Clark and Taylor Boucher; Ella Collins arrived at 6:35pm

**Members Absent:** Amanda Durkee

**Others Present:** Richard DeMallie, Keaysie Ferguson, Christopher Rayder, Alan Walther and Gregory Weeks

- I. Call to Order and Pledge of Allegiance** - Time 6:30 pm
- II. Recognition of Successes** - None
- III. Community Comments** - None
- IV. Presentations:**
  - A. Alan Walther from The Bonadio Group presented a printed PowerPoint presentation summarizing the independent audit reports. Alan stated that The Bonadio Group issued unmodified opinions that the financial statements are presented fairly in accordance with GAAP, that there was one material weakness in the school district's financial reporting and that there was one instance of non-compliance. Alan noted that the audit was due October 15th and is late due to issues obtaining supporting schedules. Alan explained that there are two sets of financial statements, school district wide and fund level, that show two very different pictures of the school district's finances and that is normal. The overall net position of the school district wide financial statement shows a \$5.4 million deficit; Alan assured that this is typical in school district's and is caused, primarily, by the post-employment benefit obligations, which is roughly \$20 million. Alan noted that the one material weakness that was reported related to year-end closing procedures. The one instance of non-compliance was related to excess fund balance, which was over 16%. Alan, lastly, noted that extra classroom activity funds have some documentation issues and inactive clubs that could use some "tightening up".

James Donahue noted that the Board has recognized this issue and suggested that the school district should make a handbook to distribute to these clubs to assist in this process.

Alan Walther stated that the state has a Pamphlet 2 that shows exactly what should be done and he will send it to the school district for review to assist in this process.

Richard DeMallie stated that the Business Office addressed the faculty and in-house advisors on the process at the beginning of the school year but that we will refresh that as well.

Thomas Roche clarified that the numbers presented closed the books on 2022 and were accurate as of June 30, 2022 so they do not include any of the delay in state aid due to the delayed audit,



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etc.

Richard DeMallie noted that part of the next steps will be uploading a corrective action plan into the state portal and that the Business Office has already created those corrective action plans.

Christopher Rayder went over the corrective actions plans. Christopher stated that the school district took the recommendation regarding year-end closing and that the Business Office will be implementing their corrective action accounting principals immediately and that they anticipate being complete with this action 06/30/2024. Christopher stated that they also took the recommendation on stewardship and compliance and that he hopes the district will have a better handle on the fund balance by 06/30/2023.

James Donahue commended Christopher Rayder on having an excellent response in the corrective action plans.

Thomas Roche inquired what steps were necessary, moving forward, to get state aid flowing again. Richard DeMallie responded that once the school district finishes uploading everything to the state, it is then in the hands of New York State but that, with the anticipated turnaround timeframe, we are hoping for state aid to begin again in March.

Richard DeMallie noted that we are hoping to have The Bonadio Group back for a pre-audit in May, close the books in August and we will be able to meet next year's audit deadline to not end up in this situation again next year.

**V. Reports - None**

**VI. Discussion Items - None**

**VII. Consent Agenda - None**

**VIII. Action:**

- A. Motion made by John Guglielmo, seconded by Ella Collins to approve the independent audit reports, for the fiscal year ending June 30, 2022, as presented by The Bonadio Group. Motion carried 7-0.
- B. Motion made by John Guglielmo, seconded by Christina Durkee to approve the Independent Audit 2022 Corrective Action Plan. Motion carried 7-0.
- C. Motion made by John Guglielmo, seconded by Timothy Clark to approve the Independent Audit 2022 ECAF Corrective Action Plan. Motion carried 7-0.
- D. Motion made by Christina Durkee, seconded by Ella Collins to approve the contract with Trojan for the boiler project. Motion carried 7-0.
- E. Motion made by Ella Collins, seconded by Taylor Boucher to approve the contract with Tetra Tech for the boiler project. Motion carried 7-0.



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- F. Motion made by Christina Durkee, seconded by Timothy Clark to approve the contract with Stark Tech/TBS for the boiler project. Motion carried 7-0.
- G. Motion made by Taylor Boucher, seconded by Timothy Clark to approve the contract with Alpine for the boiler project. Motion carried 7-0.
- H. Motion made by John Guglielmo, seconded by Ella Collins to approve the contract for the NYSERDA study.  
Timothy Clark inquired where this study came from. Richard DeMallie noted that Garrett Hamlin from TetraTech brought it up and that it is a free energy efficiency study. Motion carried 7-0.

**IX. Personnel - None**

**X. Coaching - None**

**XI. Second Public Comment Period - None**

**XII. Executive Session - None**

**XIII. Adjournment**

Motion made by Taylor Boucher, seconded by John Guglielmo to adjourn the meeting at 6:59 pm.  
Motion carried 7-0.