



September 15, 2025

Board of Education
Solvay Union Free School District
Solvay, New York

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Solvay Union Free School District as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered Solvay Union Free School District's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

In addition, as part of obtaining reasonable assurance about whether Solvay Union Free School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

However, during our audit we became aware of deficiencies in internal control other than significant deficiencies and material weaknesses and compliance matters that are opportunities for strengthening internal controls and operating efficiency. The observations that accompany this letter summarizes our comments and suggestions regarding those matters. We previously communicated to you about Solvay Union Free School District's internal control over financial reporting and on compliance and other matters in our Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an audit of financial statements performed in accordance with *Government Auditing Standards* dated September 15, 2025. This letter does not affect our report dated September 15, 2025 on the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Solvay Union Free School District.

Solvay Union Free School District's written response to the matter noted in our audit has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This communication is intended solely for the information and use of management, board of education and within the Solvay Union Free School District, and is not intended to be, and should not be, used by anyone other than those specified parties.

Grossman St Amour CPAs

GROSSMAN ST. AMOUR
CERTIFIED PUBLIC ACCOUNTANTS PLLC

Compliance with Certain Provisions of Laws, Regulations, Contracts and Grant Agreements

2025-1 Unreserved Undesignated General Fund Balance

Observation: The District's unreserved undesignated General Fund balance is in excess of the 4% New York State Real Property Tax Law 1318 requirements in relation to the 2025-2026 voter approved budget. The balance was 12.55% in relation to the voter approved budget.

Recommendation: In order to comply with New York State Real Property Tax Law 1318, we recommend the District reallocate the excess fund balance during the 2025-2026 fiscal year. The District should consider establishing reserves that are authorized by New York State General Municipal Law or New York State Education Law. Combining a reasonable level of unassigned fund balance with specific legally established reserve funds provides resources for both unanticipated events and other identified or planned needs.

Response: The District has developed a plan to use fund balance and will review establishing other reserves as needed to reallocate the excess fund balance.