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April 27, 2010

Mr. Thomas Perillo, Superintendent
Members of the Board of Education
Greater Amsterdam School District
11 Liberty Street
Amsterdam, NY 12010

Report Number: B5-10-15

Dear Superintendent Perillo and Members of the Board of Education:

Chapter 118 of the Laws of 2001 authorizes the Greater Amsterdam School District (District) to issue debt totaling \$6 million to liquidate the accumulated deficit in the District's general fund as of June 30, 2001. Local Finance Law Section 10.10 requires all local governments that have been authorized to issue obligations to fund operating deficits to submit to the State Comptroller each year, starting with the fiscal year during which the local government is authorized to issue obligations and for each subsequent fiscal year during which the deficit obligations are outstanding, their tentative or preliminary budget for the next succeeding fiscal year.

The budget must be submitted no later than 30 days before the date scheduled for the governing board's vote on the adoption of the budget or the last date on which the budget may be finally adopted, whichever is sooner. The State Comptroller must examine the tentative budget and make recommendations for any changes that are needed to bring the proposed budget into balance. Such recommendations are made after the examination into the estimates of revenues and expenditures of the District.

Our Office has recently completed an audit of the District's budget for the 2010-11 fiscal year. The objective of the audit was to provide an independent evaluation of the proposed budget. Our audit addressed the following question related to the District's budget for the 2010-11 fiscal year:

- Are the significant revenue and expenditure projections in the District's proposed budget reasonable?

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS), with the exception of reporting views of responsible officials. Officials' views were not solicited for this report due to the necessity of providing the District with this time-sensitive information. However, the results of this audit have been discussed with District officials and their comments have been considered in preparing this report. GAGAS requires that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that

the evidence obtained provides a reasonable basis for our findings and conclusions regarding the estimates in the tentative/proposed budget.

To accomplish our objectives in this audit, we requested your proposed budget along with other pertinent information. We analyzed the composition of revenues and expenditures in order to determine if the revenue and expenditure estimates are reasonable. We do not offer comments on public policy decisions, such as the type and level of services to be provided.

The tentative budget package submitted for audit for the fiscal year ended June 30, 2011 consisted of the following:

- 2010-11 Proposed Budget
- Supplementary Information

The proposed budget submitted to our Office is summarized as follows:

Fund	Appropriations	Estimated Revenues	Appropriated Fund Balance	Real Property Taxes
General	\$57,694,324	\$33,840,725	\$5,453,599	\$18,400,000

We have reviewed the 2010-11 proposed budget for the Greater Amsterdam School District and found that the budgeted estimated revenues and appropriations appear reasonable.

We request that you provide us with a copy of the adopted budget. If you have any questions on the scope of our work, please feel free to contact Karl Smoczynski, Chief Examiner of our Glens Falls Regional Office, at (518) 793-0057.

Very truly yours,

Steven J. Hancox
Deputy Comptroller

cc: Ms. Dorothy M. Phoenix, District Clerk
Mr. Roger Seward, Business Manager
Mr. Mark Vivacqua, HFM BOCES Superintendent
Hon. Karl Kruger, Chair, Senate Finance Committee
Hon. Herman D. Farrell, Jr., Chair, Assembly Ways and Means Committee
Hon. George Amedore, State Assembly Representative
Hon. Hugh T. Farley, State Senator
Mr. Robert Megna, Director, Division of the Budget
Mr. David Steiner, Commissioner, State Education Department
Mr. James Conway, Director, Office of Audit Services, State Education Department
Mr. Karl Smoczynski, LGSA Regional Chief Examiner