

## TOWN OF NICHOLS CORRECTIVE ACTION PLAN

- 1) Require the Supervisor to provide the Board with monthly financial reports that can be reviewed and used to make informed financial decisions:

Answer: The Town hired, and are in contract with the accounting firm, EFPR Solutions, that will provide the Supervisor and the Town board with monthly financial statements, and reports.

- 2) Audit or provide for an audit of the Supervisor's financial records and report on an annual basis:

Answer: The Town Supervisor and the Deputy Supervisor will audit EFPR Solutions on a quarterly basis per NYS Fiscal oversight responsibilities in accordance with guidance provided by the NYS Comptroller.

- 3) Develop and adopt balanced budgets with realistic estimates of revenues and expenditures based on historical trends, prior-year actual results and known changes and appropriate real property tax levies that ensure equity among tax bases.

Answer: As part of the Town of Nichols' contract with the accounting firm, EFPR Solutions, they will work with us to ensure the Town develops a balanced and realistic budget that is fair for all our Town residents.

- 4) Ensure budgeted interfund transfers are balanced.

Answer: The Town of Nichols hired and is in contract with the accounting firm, EFPR Solutions, which oversees and advises the Town board on all of our interfund transfers.

- 5) Consult with the Town attorney to ensure casino revenues are used for appropriate Town purposes:

Answer: The Town board has consulted with our Town attorney and the Town's contracted accountant, EFPR Solutions, and has developed a sound understanding of where casino monies can and cannot be used on Town expenditures.

- 6) Ensure the bookkeeper is maintaining complete, accurate and timely accounting records and financial reports, including bank reconciliations.

Answer: The Town board has hired, and is in contract with the accounting firm, EFPR Solutions, to handle all our accounting, financial reports and bank reconciliations. In addition, the accounting firm will be audited, See answer in Q #2.

- 7) Review bank reconciliations prepared by the bookkeeper:

Answer: Beginning with the first quarter of 2023, the Town Supervisor and the Deputy Supervisor will review bank reconciliations every quarter, in accordance with the NYS Comptroller Local Government Management guidelines.

8) Provide the board with monthly financial reports including budget to actual reports:

Answer: The Town board has hired and is in contract with the accounting firm, EFPR Solutions, who will provide monthly financial reports and actual budget reports.

9) Ensure AFRs are filed with OSC timely:

Answer: The Town has hired, and is in contract with the accounting firm, EFPR Solutions, who will prepare our AUD report yearly per NYS.

10) Revise the budget forms given to the department heads for their budget estimates to include all revenue and expenditure account codes used in the previous two years along with actual and budgeted estimates for the previous fiscal year and year -to-date totals for the current fiscal year.

Answer: The Town of Nichols has hired, and is in contract with the accounting firm, EFPR Solutions, who will help the Town board revise budget forms, and prepare actual and budget estimates for each department head on a yearly basis with year to date totals.

11) Discontinue the practice of making interfund transfers and interfund advances across tax bases:

Answer: The Town board is now knowledgeable regarding the difference between our Town wide and Part Town funds, and fully understand monies cannot be transferred between either account. We immediately ended this practice.

12) Repay all interfund advances before the close of the fiscal year.

Answer: The Town Board is now knowledgeable and understands that if interfund advances are done, that we must repay the fund before the end of the fiscal year. Beginning immediately interfund advances will be repaid before the close of the fiscal year.

13) Ensure expenditures for road repairs and improvements are recorded in, and funded by, the TOV highway fund.

Answer: The Town Board is now knowledgeable and understands that road repair can only be funded by TOV highway funds. We will ensure expenditures are recorded and funded properly.