



Henrietta Fire District

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August 25, 2025

BY ONLY EMAIL TO: caps@osc.ny.gov

Office of the State Comptroller
Division of Local Government & School Accountability
RDU-CAP Submission
110 State Street, 12th Floor
Albany, New York 12236

**RE: Unit Name: Henrietta Fire District
Audit Report Title: Distribution of Foreign Fire Insurance Tax Proceeds
Audit Report Number: 2025M-26**

Dear Sir or Madam:

The Board of Fire Commissioners is in receipt of the above-referenced audit report regarding the Henrietta Fire District's (the "District") distribution of foreign fire insurance tax proceeds. While the District acknowledges that an error was made in the 2024 distribution calculations, there were no other items noted in the report for the periods examined. The error occurred because data from the 2023 distribution calculations remained in place in some of the cells in the spreadsheet used to calculate the 2024 distributions. The error was rectified with the 2025 distribution calculation.

For each recommendation included in the audit report, the District's corrective action(s) taken or proposed are listed below:

Recommendation #1

The Board should determine the appropriate course of action to ensure that FFI tax proceeds are distributed in accordance with Insurance Law and relevant case law.

Plan of Action: As noted in the audit, the District adopted a "Policy for Distribution of Foreign Fire Taxes" (the "Policy") in February 2025. The Policy requires the District Secretary and Fire Chief or Designee to utilize the official district records management system to determine

the number of active members in the District on December 31 of each year. This number is then subdivided as to the members of each company and the labor union. Based on these numbers, a pro rata calculation will be made, designating the percentage of funds each group will receive.

At the District's organizational meeting in January, the Board will pass a resolution authorizing the District Treasurer to distribute the funds in the pro rata amounts determined as of December 31 of the prior year.

Upon receipt of the funds, they will be distributed as allocated among each group (fire companies and union) on a pro rata basis. Checks will be mailed to each entity, with a cover letter explaining the pro rata calculation after proper audit and approval of checks at the July meeting of the Board of Fire Commissioners.

Implementation Date: As noted above, the Policy was adopted in February of this year.

Person(s) responsible for Implementation: The Board of Fire Commissioners, Chief or Designee, Secretary, and Treasurer.

Recommendation #2

The Board should ensure a detailed review of the allocation calculation and distribution dollar amount is performed prior to approving payments.

Plan of Action: As noted above, the Policy adopted by the District will ensure that the Board conducts a detailed review of the allocation calculation before funds are distributed. This will occur at the Board's organizational meeting and at its meeting in July when the distribution is formally authorized by the Board.

Implementation Date: As noted above, the Policy was adopted in February of this year.

Person(s) responsible for Implementation: The Board of Fire Commissioners.

Recommendation #3

The Treasurer should use the correct pro-rata allocation percentage when calculating the FFI tax proceeds distributions.

Plan of Action: As noted above, the Policy adopted by the District will ensure that the Treasurer uses the correct pro-rata percentage when calculating the FFI tax proceeds distributions.

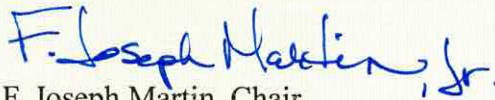
Implementation Date: As noted above, the Policy was adopted in February of this year.

Person(s) responsible for Implementation: The Board of Fire Commissioners and the Treasurer.

If you have any questions or require further follow-up, please feel free to contact me.

Very truly yours,

HENRIETTA FIRE DISTRICT

Handwritten signature of F. Joseph Martin, Jr. in blue ink.

F. Joseph Martin, Chair

Board of Fire Commissioners