Saranac Central School District

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November 5, 2018

To Whom It May Concern:

Saranac Central School District's response and corrective action plan for the Financial Report and Management Letter for the 2017-2018 school year is as follows:

The finding reported by the auditors is excess fund balance. Due to fluctuations in state aid, the Saranac Central School District has continued to monitor and review spending in an attempt to reduce expenditures and still provide a quality education to the students. Part of this process entails comparing the budget to actual expenditures and using this information to plan future budgets. One area that is difficult to project is special education. This population served tends to be more transient than the general education students. In 2017 – 2018 the District realized significant savings due to lower than anticipated special education costs. This provided additional unexpected savings. Due to the savings generated in this area the District's fund balance increased from 2016 – 2017 to 2017 - 2018.

Based on fluctuating revenues and rising operational costs the Saranac Central School District acted prudently and fiscally responsible to maintain current education programs for our students. With the implementation of the tax cap law, fund balance and reserves are planned to be utilized for revenue shortfalls in an attempt to alleviate taxpayer burden and continue operating within the confines of the tax cap. In addition, the District anticipates a BOCES Capital Project to commence during the 2019-2020 school year and plans to use fund balance to offset a portion of the local share of costs. The District maintains a proactive approach to meeting future expenditures and will continue to do so by reviewing financial plans and moving forward in a prudent manner.

Signed,

Tracy Allen-Waite	Robert Brooks	Jonathan A. Parks
BOE President	BOE Audit Sub-Committee Chair	Superintendent of Schools