

BOULRICE & WOOD CPAS, P.C.

Certified Public Accountants

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September 30, 2023

To the Board of Education
Saranac Central School District
Saranac, New York

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Saranac Central School District for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, Government Auditing Standards and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 7, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Saranac Central School District are described in Note 1 to the financial statements. Accounting policies for GASB 96 were adopted this year and the application of existing policies was not changed during the year ended June 30, 2023. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes the uncorrected misstatement of the financial statements. Management has determined that the effect is immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 30, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the governmental unit’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management’s discussion and analysis, budgetary comparison information, Schedule of Changes in the District’s Total OPEB Liability and Related Ratios, Schedules of District’s Proportionate Share of the Net Pension Liability – ERS and TRS, and Schedules of the District’s Contributions – ERS and TRS which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Combining Non-Major Fund financial statements, the Schedule of Change from Original Budget to Final Budget and the Real Property Tax Limit, Schedule of Project Expenditures, and Net Investment in Capital Assets, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves

Audit Comments

ERS Retirement Reserve- Contributions to the retirement reserve fund are only available to pay contributions to the NYS Employee Retirement System. The balance in the reserve fund at June 30, 2023 was \$1,178,323 which represents over two and a half years of contributions at the current rate. Section 6-r of General Municipal Law states the amount reserved can be all or any portion of the amount payable to NYS ERS. We suggest the District consult with their attorney regarding the reasonableness of the reserve balance and any potential impact of having an excess reserve balance.

We would again like to thank Danielle McAfee and the staff of Saranac Central School District for their assistance during our audit of the financial records for the school district. Accounts were reconciled to supporting documentation and supporting documentation for the necessary disclosures in the financial statements was prepared and organized for us prior to our beginning fieldwork. It is a pleasure to work with Danielle and the rest of the Districts’ staff.

This information is intended solely for the information and use of Boulrice & Wood CPAs, PC and management of the Saranac Central School District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Boulrice & Wood CPAs, PC