

**ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL
DISTRICT**

**Financial Statements as of
June 30, 2021**

**Together with Independent Auditor's Report and Reports
Required by the Uniform Guidance and *Government
Auditing Standards***

Bonadio & Co., LLP
Certified Public Accountants

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1 - 3
Required Supplementary Information (Unaudited)	
Management's Discussion and Analysis	4 - 11
Basic Financial Statements	
Statement of Net Position	12
Statement of Activities	13
Balance Sheet - Governmental Funds	14
Reconciliation of the Balance Sheet and Statement of Net Position	15
Statement of Revenue, Expenditures, and Change in Fund Balance - Governmental Funds	16
Reconciliation of the Statement of Revenue, Expenditures, and Change in Fund Balance to the Statement of Activities	17
Notes to Basic Financial Statements	18 - 46
Required Supplementary Information (Unaudited)	
Schedule of Revenue, Expenditures, and Change in Fund Balance - Budget and Actual - General Fund	47 - 48
Schedule of Changes in Total OPEB Liability and Related Ratios	49
Schedule of Proportionate Share of Net Pension Liability (Asset)	50
Schedule of Contributions - Pension Plans	51
Supplementary Information	
Combining Balance Sheet - Nonmajor Governmental Funds	52
Combining Statement of Revenues, Expenditures and Change in Fund Balances - Nonmajor Governmental Funds	53
Other Information (Unaudited)	
Schedule of Change from Original Budget to Revised Budget and the Real Property Tax Limit - General Fund	54
Schedule of Project Expenditures - Capital Projects Fund	55 - 56
Schedule of Net Investment in Capital Assets	57
Required Reports Under the Uniform Guidance	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	58 - 59
Independent Auditor's Report on Compliance for Each Federal Major Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	60 - 61
Schedule of Expenditures of Federal Awards	62
Notes to Schedule of Expenditures of Federal Awards	63
Schedule of Findings and Questioned Costs	64

INDEPENDENT AUDITOR'S REPORT

September 23, 2021

To the Board of Education of
Altmar-Parish-Williamstown Central School District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Altmar-Parish-Williamstown Central School District (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

INDEPENDENT AUDITOR'S REPORT

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the District as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter - Capital Projects Fund

As described in Note 14 to the financial statements, the District restated fund balance of the Capital Projects Fund and net position of the Governmental Activities at July 1, 2020, to correct liability balances. Our opinions are not modified with respect to this matter.

Emphasis of Matter - Change in Accounting Principle

As discussed in Note 14 to the financial statements, during the fiscal year the District adopted new accounting guidance, *Governmental Accounting Standards Board Statement No. 84*, Fiduciary Activities. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis; Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund; Schedule of Changes in Total OPEB Liability and Related Ratios; Schedule of Proportionate Share of Net Pension Liability (Asset) and the Schedule of Contributions - Pension Plans be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Combining Balance Sheet - Nonmajor Governmental Funds and Combining Statement of Revenues, Expenditures, and Change in Fund Balances - Nonmajor Governmental Funds; the Schedule of Change from Original Budget to Revised Budget and the Real Property Tax Limit - General Fund; Schedule of Project Expenditures - Capital Projects Fund; and the Schedule of Net Investment in Capital Assets are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The Combining Balance Sheet and Combining Statement of Revenues, Expenditures, and Change in Fund Balances and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Balance Sheet and Combining Statement of Revenues, Expenditures, and Change in Fund Balances and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Schedule of Change from Original Budget to Revised Budget and the Real Property Tax Limit - General Fund; Schedule of Project Expenditures - Capital Projects Fund; and the Schedule of Net Investment in Capital Assets have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Management's Discussion and Analysis (Unaudited)

The following is a discussion and analysis of Altmar-Parish-Williamstown Central School District's (the School District or District) financial performance for the fiscal year ended June 30, 2021. This section is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the District-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. The Management's Discussion and Analysis (MD&A) section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- The School District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of Standards set by the Governmental Accounting Standards Board (GASB). The School District's OPEB liability at June 30, 2020 totaled \$44,624,805. The accumulated OPEB liabilities at June 30, 2021 totaled \$64,219,655.
- The Statement of Net Position reflects a total net position (deficit) of \$20,444,661 at June 30, 2021. This compares to the prior year net position (deficit) of \$22,215,047.
- The General Fund budgeted expenditures, including carry-over encumbrances, were underspent by \$3,909,594 during the current year. Revenues in the General Fund were greater than estimated by \$226,939 during the year ended June 30, 2021.
- Construction in progress additions during the year ended June 30, 2021 amounted to \$117,262. Depreciable capital asset additions amounted to \$3,107,485.
- Principal payments of \$1,980,000 were made during the year ended June 30, 2021 reducing serial bonds and no additional serial bonds were issued, in total decreasing the serial bonds from \$11,595,000 at June 30, 2020 to \$9,615,000 at June 30, 2021.
- Restricted and assigned fund balance in the General Fund, (including reserves and designations), was \$25,402,843, an increase of \$6,739,827 from the prior year.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Management's Discussion and Analysis (Unaudited)

This annual report consists of three parts: MD&A (this section), the basic financial statements (including footnotes) and supplementary information, both required and not required. The basic financial statements include two kinds of statements that are presented using different methods of accounting.

- The first two statements are District-wide financial statements that provide both short-term and long-term information about the School District's overall financial status.
- The remaining statements are Governmental Fund financial statements that focus on individual parts of the School District, reporting the School District's operations in greater detail than the District-wide financial statements. The Governmental Fund financial statements concentrate on the School District's most significant funds with all other Non-Major Funds listed in total in one column.

District-wide Financial Statements

The District-wide financial statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the School District's assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two District-wide financial statements report the School District's net position and how they have changed. Net Position - the difference between the School District's assets and deferred outflows of resources and the School District's liabilities and deferred inflows of resources - is one way to measure the School District's financial health or position. Over time, increases or decreases in the School District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

To assess the School District's overall health, one needs to consider additional nonfinancial factors such as changes in the School District's property tax base and the condition of school buildings and other facilities.

In the District-wide financial statements, the School District's activities are shown as Governmental Activities. Most of the School District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and State formula aid finance most of these activities.

Governmental Fund Financial Statements

The Governmental Fund financial statements provide more detailed information about the School District's funds, focusing on its most significant or "Major" Funds - not the School District as a whole. Funds are accounting devices the School District uses to keep track of specific sources of funding and spending on particular programs. The fund financial statements are reported on the modified accrual basis. The School District reports the following fund type:

- Governmental Funds: Most of the School District's basic services are included in Governmental Funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the Governmental Funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the District-wide financial statements, additional information following the Governmental Funds statements explains the relationship (or differences) between them.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Management's Discussion and Analysis (Unaudited)

Financial Analysis of the District's Funds

Our analysis below focuses on the net position (Figure 1) and changes in net position (Figure 2) of the School District's Governmental Activities.

Figure 1
Condensed Statement of Net Position

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>Difference \$</u>	<u>Difference %</u>
		(as restated)		
Current assets	\$ 31,079,419	\$ 28,296,946	\$ 2,782,473	9.83%
Non-current assets - capital assets	46,715,259	47,577,027	(861,768)	-1.81%
Non-current assets - pension asset	-	1,424,910	(1,424,910)	-100.00%
Total Assets	<u>77,794,678</u>	<u>77,298,883</u>	495,795	0.64%
Deferred Outflows of Resources	<u>24,156,804</u>	<u>8,797,003</u>	15,359,801	174.60%
Current Liabilities	1,793,110	1,922,809	(129,699)	-6.75%
Long-term Liabilities	<u>75,801,583</u>	<u>59,820,440</u>	15,981,143	26.72%
Total Liabilities	<u>77,594,693</u>	<u>61,743,249</u>	15,851,444	25.67%
Deferred Inflows of Resources	<u>3,912,128</u>	<u>2,137,590</u>	1,774,538	83.02%
Net Position	<u>\$ 20,444,661</u>	<u>\$ 22,215,047</u>	(1,770,386)	-7.97%

Deferred Outflows of Resources saw a significant increase due the actuarial valuation of the OPEB liability that is refreshed every two years. Contract negotiations did not result in providing more benefits after Medicare age; rather the increase was the result of updating the premium information to the actuary. In the two years prior, the actuarial valuation used a less expensive health insurance option to value a set of the population that has retired. The reality is that group has a more expensive health benefit coverage. While that again, has been negotiated out of the existing contracts, the change in assumptions resulted in about \$10.3M of this increase to the liability. Along with the changes in assumptions, the change in actuarial assumptions for factors such as people living longer attributed to \$6.8M of the increase as shown in the Required Supplementary Information (Unaudited) table located on page 49.

Total liabilities were up \$15,851,444 when compared to the prior year. The large variance is attributed to the increase in OPEB obligations as previously described.

Our analysis in Figure 2 considers the operations of the School District's activities.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Management's Discussion and Analysis (Unaudited)

Figure 2
Condensed Statement of Activities

	6/30/2021	6/30/2020	Difference \$	Difference %
Program Revenues:				
Charges for Services	\$ 77,834	\$ 88,516	\$ (10,682)	-12.07%
Operating Grants & Contributions	1,973,228	2,243,921	(270,693)	-12.06%
Capital Grants	-	331,440	(331,440)	-100.00%
Total Program Revenues	<u>2,051,062</u>	<u>2,663,877</u>	(612,815)	-23.00%
General Revenues:				
Real property taxes	5,340,007	5,018,552	321,455	6.41%
Other tax items	966,062	1,373,308	(407,246)	-29.65%
Use of money and property	44,920	252,313	(207,393)	-82.20%
Sale of property and compensation for loss	-	176	(176)	-100.00%
Miscellaneous	927,062	856,993	70,069	8.18%
State sources	24,520,536	24,778,970	(258,434)	-1.04%
Federal sources	638,569	285,442	353,127	123.71%
Total General Revenues	<u>32,437,156</u>	<u>32,565,754</u>	(128,598)	-0.39%
Expenses by Function:				
General Support	5,796,319	6,168,095	(371,776)	-6.03%
Instruction	26,459,759	26,034,816	424,943	1.63%
Pupil Transportation	2,932,663	3,088,232	(155,569)	-5.04%
Interest	517,931	624,015	(106,084)	-17.00%
School Lunch Program	551,932	695,433	(143,501)	-20.63%
Total Expenses by Function	<u>36,258,604</u>	<u>36,610,591</u>	(351,987)	-0.96%
Change in Net Position	<u>\$ (1,770,386)</u>	<u>\$ (1,380,960)</u>	(389,426)	28.20%

Real property taxes saw an increase due to the Erie Boulevard Hydropower expired PILOT moving from the Other Tax item. Use of money and property revenues were down due to decreased interest rates. State sources of revenue were down due to the prior year impact from COVID on the aidable expenses disallowed for Transportation expenses from the period of May 8th to June 30th. Federal sources of revenues were increased as the federal stimulus monies from CARES Act were received by the district.

Expenses of the District generally trended down again due to the ongoing COVID pandemic. While the District was able to return to in person instruction, it was done on a cohort basis using two different cohorts of students. Cohort A attending in person two days per week and three days remotely. Cohort B had the same type of schedule with in-person and remote learning on opposite days. No sports or extra activity field trips were performed which led to reduced expenditures on gas, bus parts supplies and driver salaries. Year end spending in instruction allowed the district to purchase programmatic supplies and equipment. Instructional salaries were also more than prior year as the district experienced a large number of retiring faculty resulting in contractual buyouts for sick time.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Management’s Discussion and Analysis (Unaudited)

General Fund

The District’s General Fund balance at June 30, 2021 is \$26,729,489 an increase of \$4,064,598 compared to the prior year. The reason for the increase to fund balance was due to planned underspending of expenditures due to the ongoing pandemic.

General Fund Budgetary Highlights

Figure 3
Revenues – Budget to Actual

	Original Budget	Final Budget	Actual	Final Budget Variance with Budgetary Actual
REVENUES:				
Local Sources:				
Real property taxes	\$ 5,242,183	\$ 5,242,183	\$ 5,340,007	\$ 97,824
Other tax items	1,063,808	1,063,808	966,062	(97,746)
Other local sources	484,526	484,525	975,277	490,752
	<u>6,790,517</u>	<u>6,790,516</u>	<u>7,281,346</u>	<u>490,830</u>
State sources	25,898,693	25,898,693	24,853,612	(1,045,081)
Federal sources	<u>200,000</u>	<u>592,929</u>	<u>638,569</u>	<u>45,640</u>
Total revenue	<u>32,889,210</u>	<u>33,282,138</u>	<u>32,773,527</u>	<u>(508,611)</u>
Other Sources - Transfers from other funds	<u>-</u>	<u>-</u>	<u>735,550</u>	<u>735,550</u>
Total revenues and other sources	<u>\$ 32,889,210</u>	<u>\$ 33,282,138</u>	<u>\$ 33,509,077</u>	<u>\$ 226,939</u>

The District had favorable actual revenues in excess of budgeted revenues by \$226,939. The State sources of revenue were decreased as anticipated due to the COVID pandemic in the areas of BOCES, Transportation and other Special Education services being reduced based on the instructional day delivering program by cohorts. The Other Sources - Transfers from other funds was the result of returning amounts from the Capital Fund as the list of active capital projects was reconciled to actual upon the completion of the security project from prior year.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Management’s Discussion and Analysis (Unaudited)

Figure 4
Expenditures – Budget to Actual

	Original Budget	Final Budget	Actual	Encumbrances	Final Budget Variance with Budgetary Actual
EXPENDITURES:					
General Support	\$ 3,834,507	\$ 4,020,249	\$ 3,471,345	\$ 63,722	\$ 485,182
Instruction	16,850,173	17,182,127	14,730,612	247,486	2,204,029
Pupil transportation	2,166,199	2,169,781	1,480,843	-	688,938
Employee benefits	7,483,348	7,461,066	6,817,305	-	643,761
Debt service - principal	2,305,830	1,980,419	1,980,000	-	419
Debt service - interest	526,228	526,228	521,701	-	4,527
Total expenditures	33,166,285	33,339,870	29,001,806	311,208	4,026,856
Other Uses - Transfers to Other Funds	-	325,411	442,673	-	(117,262)
Total expenditures and other uses	33,166,285	33,665,281	29,444,479	311,208	3,909,594
NET CHANGE IN FUND BALANCES	\$ (277,075)	\$ (383,143)	4,064,598	\$ (311,208)	\$ 4,136,533
FUND BALANCE - beginning of year			22,664,891		
FUND BALANCE - end of year			\$ 26,729,489		

The District had favorable budget expenditure variances with actual expenditures being \$4,136,533 less than the modified budget amounts. Overall spending continued to be less than budgeted due to the COVID-19 pandemic as sports and field trips were not allowed which impacted salaries.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2021, the School District had invested in a \$2M capital project for security updates at the main offices that was completed in 2020 and the construction in progress moved to depreciable assets as noted by the decreases of \$2,279,932 in the table.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Management’s Discussion and Analysis (Unaudited)

Figure 5

	Beginning of Year	Increases	Decreases	End of Year	Net Change
Land	\$ 64,800	\$ -	\$ -	\$ 64,800	\$ -
Construction in Progress	2,162,670	117,262	(2,279,932)	-	(2,162,670)
Depreciable Assets	66,866,519	3,107,485	-	69,974,004	3,107,485
Total Capital Assets	69,093,989	3,224,747	(2,279,932)	70,038,804	944,815
Accumulated Depreciation	21,516,962	1,806,583	-	23,323,545	1,806,583
Net Capital Assets	\$ 47,577,027	\$ 1,418,164	\$ (2,279,932)	\$ 46,715,259	\$ (861,768)

Upon completion of current construction projects, the remaining balance in construction in progress will be reclassified to the appropriate categories (buildings, improvements, etc.), at which time these assets will begin to be depreciated. Additional major capital projects are planned for the near future in accordance with the School District’s Long Range Capital Plan.

Debt Administration

	Beginning of Year	Issued	Redeemed	End of Year	Net Change
Serial Bonds	\$ 11,595,000	\$ -	\$ (1,980,000)	\$ 9,615,000	\$ (1,980,000)

More detailed information about the District's outstanding debt is presented in the notes to the financial statements.

FACTORS BEARING ON THE SCHOOL DISTRICT’S FUTURE

The Altmar Parish Williamstown Central School District welcomed a new Superintendent during the school year. The Superintendent has set in motion a plan to develop a five year strategic plan to help the District intentionally set the priorities for teaching and learning over the next five years. The development of this plan is underway and has started with a positive impact with the tone at the top where the Board has set SMART goals. District Administration has also set SMART goals to align with the strategic plan and will be the focus of work over the next five years with faculty and staff to carry out the goals. The strategic plan will help keep the district on course as we navigate through troubled times like the COVID pandemic while helping to keep the focus on the teaching and learning priorities.

The District holds monthly committee meetings for both long range facility planning as well as financial planning. These committees help foster in-depth conversations that review the building/physical needs of the District and the outcome of those decisions on the financials. The Finance Committee helped to foster the conversation about the details contained in the Financial Reserve and Fund Balance plan document. This document addresses the recommendations of the NYS Comptroller to memorialize the actions taken by the board to fund and utilize reserves on an annual basis.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Management's Discussion and Analysis (Unaudited)

The District Long Range Planning Committee has been in process of developing a proposed capital project for referendum by the voters. At this time, the proposed project is in draft scope for the Board to consider and take action. The District Administration is planning for the Board to take action and recommend a vote to happen in December 2021. The scope of the project involves renovations to all district buildings, with an addition proposed at the JSHS along with sitework at each building. The funding for the project will be to utilize the reserves of the District that include both the Capital Reserve and Debt Service Fund to pay the local share for taxpayers with an anticipated outcome of the local share resulting in as close to a no tax increase as possible, depending on project aidability.

The COVID-19 emergency shuttered all schools in New York State by Executive Order on March 18, 2020. This emergency impacted the district by immediately transferring to a remote model of instruction for students and staff. The financial impact to the 2019-2020 school year saw the underspending of expenditures, specifically in the area of transportation, which translated to reduction in revenues in the 2020-2021 school year. Other aidable expenditures from 2019-2020 for services with BOCES, specifically Special Education also experienced the decreased utilization which lead to decreased aid returning to the district in 2020-2021. While this was anticipated, it was partially offset through the use of CARES Act federal stimulus funding. During 2020-2021, the COVID pandemic has remained an ongoing problem. While the District was able to return to in person instruction, it was done on a cohort basis using two different cohorts of students. Cohort A attending in person two days per week and three days remotely. Cohort B had the same type of schedule with in-person and remote learning on opposite days. At the beginning of the school year for 2021-2022 we are hopeful to be able to remain open for all five days with full days of teaching and learning with remote instruction only offered due to COVID restrictions to those quarantined. Impacts due to the COVID emergency are ongoing and unknown.

Prior to the COVID-19 emergency in 2019-2020, the District successfully negotiated new bargaining agreements with five of the units. As of June 30, 2021, all units of the district had successor agreements in place, where the District was successful in negotiating both the Faculty and CSEA units.

The annual budget vote was successfully held without issue during the COVID pandemic on May 18, 2021. The outcome of the vote was that the voters approved the budget by a margin of 199 yes to 54 no.

The District ended the fiscal year 2020-2021 in a strong financial position. The reserves of the district will be reviewed and considered for use given the unknown impact that the COVID-19 pandemic may have to the development of future budgets. Since June 30, 2020, the Federal government has responded to the pandemic with two additional rounds of funding that have allowed the District to use funding under CRSSA and ARP funding streams to meet the ongoing needs of the pandemic and its impact to faculty, staff, and students. These funding streams are available to the district outside of the General Fund and are available for up to three years. The District will continue to monitor fund balance and budgets in the near term to address any impacts that may occur.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Business Office at 315-625-5254.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

**Statement of Net Position
June 30, 2021**

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

CURRENT ASSETS:

Cash and cash equivalents - unrestricted	\$ 1,366,414
Cash and cash equivalents - restricted	27,438,614
Due from other governments	2,177,057
Other receivables	61,500
Inventories	<u>35,834</u>
Total current assets	<u>31,079,419</u>

NON CURRENT ASSETS:

Capital assets, net	<u>46,715,259</u>
Total non current assets	<u>46,715,259</u>

DEFERRED OUTFLOWS OF RESOURCES:

Deferred outflows of resources - pensions ERS	2,280,276
Deferred outflows of resources - pensions TRS	5,404,677
Deferred outflows of resources - OPEB related	<u>16,471,851</u>

Total deferred outflows of resources	<u>24,156,804</u>
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LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

CURRENT LIABILITIES:

Accounts payable	409,633
Accrued liabilities	322,113
Due to other governments	40,518
Due to teachers' retirement system	898,235
Due to employees' retirement system	<u>122,611</u>
Total current liabilities	<u>1,793,110</u>

LONG-TERM LIABILITIES:

Due and payable within one year:	
Bonds payable, current	2,065,000
Compensated absences payable, current	165,836
Due and payable in more than one year:	
Bonds payable, net of current portion	7,550,000
Compensated absences payable, net of current portion	274,872
Net pension liability - ERS	10,459
Net pension liability - TRS	1,515,761
Total other postemployment benefits	<u>64,219,655</u>
Total long-term liabilities	<u>75,801,583</u>

DEFERRED INFLOWS OF RESOURCES:

Deferred inflows of resources - pensions ERS	3,067,520
Deferred inflows of resources - pensions TRS	<u>844,608</u>

Total deferred inflows of resources	<u>3,912,128</u>
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NET POSITION

Net investment in capital assets	37,100,259
Restricted	27,413,947
Unrestricted	<u>(44,069,545)</u>
TOTAL NET POSITION	<u>\$ 20,444,661</u>

The accompanying notes are an integral part of these statements.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Statement of Activities
For the year ended June 30, 2021

	Program Revenue				Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating Grants	Capital Grants	
FUNCTIONS/PROGRAMS:					
General support	\$ 5,796,319	\$ 74,737	\$ -	\$ -	\$ (5,721,582)
Instruction	26,459,759	-	1,583,402	-	(24,876,357)
Pupil transportation	2,932,663	-	-	-	(2,932,663)
Interest	517,931	-	-	-	(517,931)
School lunch program	551,932	3,097	389,826	-	(159,009)
TOTAL FUNCTIONS AND PROGRAMS	\$ 36,258,604	\$ 77,834	\$ 1,973,228	\$ -	(34,207,542)
GENERAL REVENUE:					
Real property taxes					5,340,007
Other tax items					966,062
Use of money and property					44,920
Miscellaneous					927,062
State sources					24,520,536
Federal sources					638,569
TOTAL GENERAL REVENUE					32,437,156
CHANGE IN NET POSITION					(1,770,386)
NET POSITION - beginning of year, as previously reported					22,022,990
PRIOR PERIOD ADJUSTMENT (Note 14)					192,057
NET POSITION - beginning of year, as restated					22,215,047
CHANGE IN NET POSITION					(1,770,386)
TOTAL NET POSITION - end of year					\$ 20,444,661

The accompanying notes are an integral part of these statements.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Balance Sheet - Governmental Funds
June 30, 2021

	General	Special Aid	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS:					
Cash and cash equivalents - unrestricted	\$ 949,622	\$ -	\$ -	\$ 416,792	\$ 1,366,414
Cash and cash equivalents - restricted	25,091,635	226,210	100,000	2,020,769	27,438,614
Due from other funds	851,506	-	-	-	851,506
Due from other governments	1,470,824	627,191	-	79,042	2,177,057
Other receivables	61,500	-	-	-	61,500
Inventories	-	-	-	35,834	35,834
TOTAL ASSETS	\$ 28,425,087	\$ 853,401	\$ 100,000	\$ 2,552,437	\$ 31,930,925
LIABILITIES:					
Accounts payable	\$ 218,483	\$ 115,276	\$ -	\$ 75,874	\$ 409,633
Accrued liabilities	290,433	7,883	-	5,828	304,144
Due to other funds	-	730,242	100,000	21,264	851,506
Due to other governments	-	-	-	40,518	40,518
Due to teachers' retirement system	898,235	-	-	-	898,235
Due to employees' retirement system	122,611	-	-	-	122,611
Compensated absences payable	165,836	-	-	-	165,836
TOTAL LIABILITIES	1,695,598	853,401	100,000	143,484	2,792,483
FUND BALANCE:					
Nonspendable	-	-	-	35,834	35,834
Restricted:					
Workers' compensation	478,831	-	-	-	478,831
Unemployment insurance	71,916	-	-	-	71,916
Employee benefit accrued liability	724,276	-	-	-	724,276
Capital	10,018,190	-	-	-	10,018,190
Repair	11,131,142	-	-	-	11,131,142
Retirement contribution	2,187,385	-	-	-	2,187,385
Insurance	479,895	-	-	-	479,895
Debt service	-	-	-	1,881,983	1,881,983
Other	-	-	-	440,329	440,329
Total restricted fund balance	25,091,635	-	-	2,322,312	27,413,947
Assigned:					
Encumbered for:					
General support	63,722	-	-	-	63,722
Instruction	247,486	-	-	-	247,486
Other	-	-	-	50,807	50,807
Total assigned fund balance	311,208	-	-	50,807	362,015
Unassigned	1,326,646	-	-	-	1,326,646
TOTAL FUND BALANCE	26,729,489	-	-	2,408,953	29,138,442
TOTAL LIABILITIES AND FUND BALANCE	\$ 28,425,087	\$ 853,401	\$ 100,000	\$ 2,552,437	\$ 31,930,925

The accompanying notes are an integral part of these statements.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL

Reconciliation of the Balance Sheet and Statement of Net Position June 30, 2021

Amounts reported for governmental activities in the Statement of Net Position are different from amounts reported in the Balance Sheet because:

Total Governmental Funds - Fund Balance per the Balance Sheet		\$ 29,138,442
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Original cost of capital assets	70,038,804	
Accumulated depreciation	<u>(23,323,545)</u>	
Net cost of capital assets		46,715,259
Deferred outflows of resources not reported in the governmental funds Balance Sheet but included in the Statement of Net Position are as follows:		
Pensions - ERS	2,280,276	
Pensions - TRS	5,404,677	
Other postemployment benefits	<u>16,471,851</u>	
Total deferred outflows of resources		24,156,804
Long-term liabilities are not due and payable in the current period, and therefore are not reported as liabilities in the governmental fund Balance Sheet. Long-term liabilities recorded in the Statement of Position are as follows:		
Interest payable	(17,969)	
Bonds payable	(9,615,000)	
Net pension liability - ERS	(10,459)	
Net pension liability - TRS	(1,515,761)	
Other postemployment benefits liability	(64,219,655)	
Compensated absences	<u>(274,872)</u>	
Total long-term liabilities		(75,653,716)
Deferred inflows of resources not reported in the governmental funds Balance Sheet but recorded in the Statement of Net Position are as follows:		
Pensions - ERS	(3,067,520)	
Pensions - TRS	<u>(844,608)</u>	
Total deferred outflows of resources		<u>(3,912,128)</u>
Net position per the Statement of Net Position		<u>\$ 20,444,661</u>

The accompanying notes are an integral part of these statements.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Statement of Revenue, Expenditures, and Change in Fund Balance - Governmental Funds
For the year ended June 30, 2021

	General	Special Aid	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUE:					
Real property taxes	\$ 5,340,007	\$ -	\$ -	\$ -	\$ 5,340,007
Other tax items	966,062	-	-	-	966,062
Charges for services	74,737	-	-	-	74,737
Sales	-	-	-	3,097	3,097
Use of money and property	43,303	-	-	1,617	44,920
Miscellaneous	857,237	-	-	69,825	927,062
State sources	24,853,612	716,113	-	12,093	25,581,818
Federal sources	638,569	867,289	-	377,733	1,883,591
Total revenue	<u>32,773,527</u>	<u>1,583,402</u>	<u>-</u>	<u>464,365</u>	<u>34,821,294</u>
EXPENDITURES:					
General support	3,471,345	-	-	272,662	3,744,007
Instruction	14,730,612	1,573,867	-	-	16,304,479
Pupil transportation	1,480,843	9,535	-	-	1,490,378
Employee benefits	6,817,305	-	-	96,152	6,913,457
Cost of sales	-	-	-	183,118	183,118
Capital outlay	-	-	442,673	-	442,673
Other expenditures	-	-	-	56,524	56,524
Debt service - principal	1,980,000	-	-	-	1,980,000
Debt service - interest	521,701	-	-	-	521,701
Total expenditures	<u>29,001,806</u>	<u>1,583,402</u>	<u>442,673</u>	<u>608,456</u>	<u>31,636,337</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>3,771,721</u>	<u>-</u>	<u>(442,673)</u>	<u>(144,091)</u>	<u>3,184,957</u>
OTHER SOURCES AND (USES):					
Operating transfers in	735,550	-	442,673	74,955	1,253,178
Operating transfers out	(442,673)	-	(810,505)	-	(1,253,178)
Total other sources (uses)	<u>292,877</u>	<u>-</u>	<u>(367,832)</u>	<u>74,955</u>	<u>-</u>
CHANGE IN FUND BALANCE	<u>4,064,598</u>	<u>-</u>	<u>(810,505)</u>	<u>(69,136)</u>	<u>3,184,957</u>
FUND BALANCE - beginning of year, as previously reported	22,664,891	-	743,918	2,352,619	25,761,428
RESTATEMENT (Note 14)	-	-	66,587	125,470	192,057
FUND BALANCE - beginning of year	<u>22,664,891</u>	<u>-</u>	<u>810,505</u>	<u>2,478,089</u>	<u>25,953,485</u>
FUND BALANCE - end of year	<u>\$ 26,729,489</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,408,953</u>	<u>\$ 29,138,442</u>

The accompanying notes are an integral part of these statements.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Reconciliation of the Statement of Revenue, Expenditures, and Change in Fund Balance to the Statement of Activities For the year ended June 30, 2021

Amounts reported for governmental activities in the Statement of Net Activities are different from amounts reported in the Statement of Revenue, Expenditures, and Change in Fund Balances because:

Net changes in fund balance - total governmental funds	\$ 3,184,957
Capital outlays are expenditures in governmental funds, but are capitalized in the statement of net position.	
Capital asset additions	944,815
Net depreciation expense	(1,806,583)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	(333,076)
ERS pension (expense)/income resulting from the change in the pension related (liabilities)/assets and deferred outflows and inflows of resources, that are long-term in nature and therefore not reported in the funds.	
Net pension liability/asset	2,845,801
Deferred outflows of resources	365,932
Deferred inflows of resources	(3,009,548)
TRS pension (expense)/income resulting from the change in the pension related (liabilities)/assets and deferred outflows and inflows of resources, that are long-term in nature and therefore not reported in the funds.	
Net pension liability/asset	(2,940,671)
Deferred outflows of resources	571,378
Deferred inflows of resources	1,164,313
Other postemployment benefits (expense)/income resulting from the change in the pension related (liabilities)/assets and deferred outflows and inflows of resources, that are long-term in nature and therefore not reported in the funds.	
Other postemployment benefits liability	(19,594,850)
Deferred outflows of resources	14,422,491
Deferred inflows of resources	70,697
Repayments of long-term serial bonds are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the statement of net position.	1,980,000
Decrease in accrued interest not previously reported in the funds.	3,770
Certain expenses in the statement of activities do not require the expenditure of current resources and are, therefore, not reported as expenditures in the governmental funds include the following:	
Change in compensated absences	<u>360,188</u>
Change in net position - governmental activities	<u>\$ (1,770,386)</u>

The accompanying notes are an integral part of these statements.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

1. NATURE OF OPERATIONS

Altmar-Parish-Williamstown Central School District (the District) provides K-12 public education to students living within its geographic borders.

Reporting Entity

The District is governed by the Laws of New York State. The District is an independent entity governed by an elected Board of Education (BOE). The President of the Board serves as chief fiscal officer and the Superintendent is the chief executive officer. The BOE has authority to make decisions, power to appoint management and accountability for all fiscal matters.

The reporting entity of the District is based upon criteria set forth by the GASB and consists of the primary government, and when applicable, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying financials statements present the activities of the District including the Extraclassroom Activity Funds (the ECA Funds).

The ECA Funds and the related transactions are facilitated by the student body, however, the Board of Education exercises general oversight of these funds. The District accounts for the ECA Funds in the Extraclassroom Activities Fund, a special revenue fund. Separate audited financial statements (cash basis) of the ECA Funds can be found at the District's business office.

Joint Venture

The District is a component school district in the CiTi Board of Cooperative Education Services (BOCES). BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs which provide educational and support activities. There is no authority or process by which a school district can terminate its status as a BOCES component.

BOCES are organized under §1950 of the New York State Education Law. A BOCES board is considered a corporate body. Members of a BOCES board are nominated and elected by their component member boards in accordance with provisions of §1950 of the New York State Education Law. All BOCES property is held by the BOCES board as a corporation (§1950(6)). In addition, BOCES boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under §119-n(a) of the New York State General Municipal Law.

BOCES' budget is comprised of separate budgets for administrative, program, and capital costs. Each component school district's share of administrative and capital cost is determined by resident public school district enrollment, as defined in the New York State Education Law, §1950(4)(b)(7). In addition, component school districts pay tuition or a service fee for programs in which its students participate.

During the year, the District was billed \$5,527,583 for BOCES administrative and program costs.

Participating school districts issue debt on behalf of BOCES. During the year, the District issued no serial bonds on behalf of BOCES and had no outstanding debt.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

The District's share of BOCES aid amounted to \$1,912,373.

Financial statements for the BOCES are available from the BOCES administrative office.

2. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Certain significant accounting principles and policies utilized by the District are described below:

Basis of Presentation

The District's financial statements consist of district-wide financial statements, including a statement of net position and a statement of activities, and fund level financial statements which provide more detailed information.

District-Wide Statements

The statement of net position and the statement of activities present financial information about the District's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, state aid, intergovernmental revenue, and other exchange and non-exchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The statement of activities presents a comparison between direct expenses and program revenue for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas. Program revenue includes charges paid by the recipients of goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue.

Fund Financial Statements

The fund statements provide information about the District's funds, of which separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following major governmental funds:

General Fund - This is the District's primary operating fund. It accounts for all financial transactions that are not required to be accounted for in another fund.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Special Revenue Fund - These funds account for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes and other activities whose funds are restricted as to use. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties. The following is the major special revenue fund reported by the District:

- Special Aid Fund: Used to account for proceeds from State and Federal grants that are restricted for specific educational programs.

Capital Projects Fund - This fund is used to account for the financial resources used for acquisition, construction, or major repair of capital facilities.

The District reports the following nonmajor governmental funds:

Special Revenue Fund - See description above. The following are the nonmajor special revenue funds reported by the District:

- School Lunch Fund: This fund accounts for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for school lunch operations.
- Extraclassroom Activities Fund: This fund accounts for the activities of the student run clubs and organization of the District.
- Scholarship Fund: This fund accounts for amounts contributed to fund scholarships and the distribution of scholarships.

Debt Service Fund - This fund accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of governmental activities.

Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured, whereas basis of accounting refers to when revenues and expenditures are recognized. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The District-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place.

Non-exchange transactions in which the District gives or receives value without directly receiving or giving equal value in exchange include property taxes, grants, and donations.

On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The district considers all revenues reported in the governmental funds to be available if the revenues are collected within 90 days after the end of the fiscal year.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Cash

The District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. New York State law governs the District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the state. Permissible investments include obligations of the United States Treasury, United States agencies, repurchase agreements, and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and Its agencies and obligations of the State and its municipalities and Districts.

Restricted Cash

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets include amounts required by statute to be reserved for various purposes.

Accounts Receivable

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

Due from Other Governments

Due from other governments include receivables from New York State, the Federal government and BOCES. Management does not believe an allowance for doubtful accounts is necessary.

Inventory

Inventory of food in the school lunch fund is recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value which approximates market. Purchases of inventory items in other funds are recorded as expenditures at the time of purchase, and are considered immaterial in amount.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Property Taxes

Real property taxes are levied annually by the Board of Education for a tax collection period of 60 days. There is no opportunity to pay the tax bill after October 31. Unpaid taxes are returned to the Oswego County Treasurer and will be added to the county tax bill with an additional 7% re-levy fee.

Uncollected real property taxes are subsequently enforced by the County in which the District is located. The County pays an amount representing uncollected real property taxes transmitted to the County for enforcement to the District no later than the following April 1.

Interfund Transactions

The operations of the District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The District typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditures and revenues to provide financing or other services.

In the district-wide statements, the amounts reported on the statement of net position for interfund receivables and payables between governmental funds are eliminated.

The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables may be netted on the accompanying governmental funds balance sheet when it is the District's practice to settle these amounts at a net balance based upon the right of legal offset.

Capital Assets

In the District-wide financial statements, capital assets are accounted for at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold is used to report capital assets and the range of estimated useful lives by type of assets is as follows:

	<u>Capitalization</u> <u>Threshold</u>	<u>Depreciation</u> <u>Method</u>	<u>Estimated</u> <u>Useful Life</u>
Buildings and improvements	\$ 5,000	Straight-Line	20 - 50 years
Furniture and equipment	\$ 5,000	Straight-Line	5 - 20 years

Vested Employee Benefits

Compensated absences consist of unpaid accumulated annual sick leave, vacation, and sabbatical time. Sick leave eligibility and accumulation is specified in negotiated labor contracts, and in individual employment contracts. Upon retirement, resignation or death, employees may contractually receive a payment based on unused accumulated sick leave.

District employees are granted vacation in varying amounts, based primarily on length of service and service position. Some earned benefits may be forfeited if not taken within varying time periods.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

The liability has been calculated using the vesting/termination method and an accrual for that liability is included in the district-wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year-end.

In the fund statements only the amount of matured liabilities is accrued within the General fund based upon expendable and available financial resources. These amounts are recognized as expenditures on a pay-as-you-go basis.

Other Benefits

District employees participate in the New York State Employees' Retirement System and the New York State Teachers' Retirement System.

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provisions of various employment contracts in effect at the time of retirement. Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. (If applicable "The cost of providing post-retirement benefits is shared between the District and the retired employee.") The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the balance sheet and statement of net position will sometimes report a separate section for deferred outflows/inflows of resources. The separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

Accrued Liabilities and Long-Term Obligations

Payables, accrued liabilities, and long-term obligations are reported in the District-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Claims and judgments and compensated absences that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Long-term obligations represent the District's future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the statement of net position.

Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the District's policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these notes.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

District-wide Statements - Equity Classifications

In the District-wide statements there are three classes of net position:

Net investment in capital assets - consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.

Restricted net position - reports net position when constraints placed on the assets or deferred outflows of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position - reports all other net position that does not meet the definition of the above two classifications and are deemed to be available for general use by the District.

Governmental Fund Financial Statements - Equity classifications

In the fund basis statements there are five classifications of fund balance:

Nonspendable fund balance - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted fund balance - Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The District has available the following restricted fund balances:

Capital Reserve

According to Education Law §3651, this reserve must be used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of the reserve; the ultimate amount, its probable term and the source of the funds. Expenditures may be made from the reserve only for a specific purpose further authorized by the voters. The form for required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. The Reserve is accounted for in the General Fund under restricted fund balance.

Reserve for Debt Service

According to General Municipal Law §6-l, the Reserve for Debt Service must be established for the purpose of retiring the outstanding obligations upon the sale of District property or capital improvement that was financed by obligations that remain outstanding at the time of the sale. Also, earnings on project monies invested together with unused proceeds are reported here.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Repair

Repair reserve (GML §6-d) is used to pay the cost of repairs to capital improvements or equipment, that are of a type not recurring annually. The BOE, without voter approval, may establish a repair reserve fund by a majority vote of its members. Voter approval is required to fund this reserve (opinion of the New York State Comptroller 81-401). Expenditures from this reserve may be made only after a public hearing has been held, except in emergency situations. If no hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years. This reserve is accounted for in the General Fund.

Employee Benefit Accrued Liability Reserve

According to General Municipal Law §6-p, this reserve must be used for the payment of accrued employee benefits due to an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board, and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated.

Insurance Reserve

According to General Municipal Law §6-n, this reserve must be used to pay liability, casualty and other types of losses, except losses incurred for which the following types of insurance may be purchased: life, accident, health, annuities, fidelity and surety, credit, title residual value and mortgage guarantee. In addition, this reserve may not be used for any purpose for which a special reserve may be established pursuant to law (for example, for unemployment compensation insurance). The reserve may be established by Board action, and funded by budgetary appropriation, or such other funds as may be legally appropriated. There is no limit on the amount that may be accumulated in the Insurance Reserve, however, the annual contribution to this reserve may not exceed the greater of \$33,000 or 5% of the budget. Settled or compromised claims up to \$25,000 may be paid from the reserve without judicial approval.

Retirement Contribution

Retirement contribution reserve (GML §6-r) is used for the purpose of financing retirement contributions. The reserve must be accounted for separate and apart from all other funds and a detailed report of operation and condition of the fund must be provided to the Board. This reserve is accounted for in the General Fund. Of this reserve at June 30, 2021, \$560,703 is reserved under the TRS Reserve Sub Fund.

Workers' Compensation

According to General Municipal Law §6-j, must be used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law, and for payment of expenses of administering this self-insurance program. The reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. This reserve is accounted for in the General Fund.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Unemployment Insurance Reserve

This reserve (GML §6-m) is used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the District has elected to use the benefit reimbursement method. The reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. If the District elects to convert to the tax (contribution) basis, excess resources in the fund may be transferred to any other reserve fund. The reserve is accounted for in the General fund under restricted fund balance.

Other

Other restricted fund balance amounts in the School Lunch Fund, Extraclassroom Activities Fund and Scholarship Fund are restricted for the purposes of those funds.

Committed fund balance - Includes amounts that can be used for the specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority, the BOE. The District has no committed fund balances as of June 30, 2021.

Assigned fund balance - Includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances of the General fund are classified as assigned fund balance in the General fund. Encumbrances represent purchase commitments made by the District's purchasing agent through their authorization of a purchase order prior to year-end. The District assignment is based on the functional level of expenditures.

Unassigned fund balance - Includes all other General Fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the District.

New York State Real Property Tax Law §1318 limits the amount of unexpended surplus funds the District can retain to no more than 4% of the District's budget for the General Fund for the ensuing fiscal year. Non-spendable and restricted fund balance of the general fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year's budget and encumbrances are also excluded from the 4% limitation.

Order of Fund Balance Spending Policy

By resolution, the Board of Education is authorized to assign fund balance. Assignments of fund balance cannot cause a negative unassigned fund balance. The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and then unassigned fund balance.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Use of Estimates

The preparation of basic financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from these estimates, particularly given the economic disruptions and uncertainties associated with the ongoing COVID-19 pandemic, and such differences may be significant.

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

By its nature as a local government unit, the District is subject to various federal, state and local laws and contractual regulations. An analysis of the District's compliance with significant laws and regulations and demonstration of its stewardship over District resources follows.

Budgets

The District administration prepares a proposed budget for approval by the Board Of Education for the General Fund.

The voters of the District approved the proposed appropriation budget.

Appropriations are adopted at the program line item level.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved the BOE as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restriction, if the board approves them because of a need that exists which was not determined at the time the budget was adopted. There were no supplemental appropriations during the year.

Budgets are adopted annually on a basis consistent with generally accepted accounting principles. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year.

The General Fund is the only fund with a legally approved budget for the fiscal year ended June 30, 2021.

Budgets are established and used for individual capital project funds expenditures as approved by a special referendum of the District's voters. The maximum project amount authorized is based primarily upon the cost of the project, plus any requirements for external borrowings, not annual appropriations. These budgets do not lapse and are carried over to subsequent fiscal years until the completion of the projects.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Encumbrances

Encumbrance accounting is used for budgetary control and monitoring purposes and is reported as a part of the governmental funds. Under this method, purchase orders, contracts and other commitments for the expenditure of monies are recorded to reserve applicable appropriations. Outstanding encumbrances as of year-end are presented as assignments of fund balance and do not represent expenditures or liabilities. These commitments will be honored in the subsequent period. Related expenditures are recognized at that time, as the liability is incurred or the commitment is paid.

Portions of the fund balances are restricted and are not available for current expenditures or expenses, as reported in the governmental funds balance sheet.

4. CASH AND CASH EQUIVALENTS

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. While the District does not have a specific policy for custodial credit risk, New York State statutes govern the District's investment policies, as discussed previously in these Notes.

As of June 30, 2021, the District's aggregate bank balances (not including investments in external investment pools) were insured and collateralized as follows:

<u>Description</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>
Primary government	\$ 14,747,418	\$ 14,588,317
Cash and cash equivalents	<u>\$ 14,747,418</u>	<u>\$ 14,588,317</u>
Category 1:		
Covered by FDIC insurance	\$ 500,000	
Category 2:		
Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name	<u>14,247,418</u>	
	<u>\$ 14,747,418</u>	

Investments in External Investment Pools

At June 30, 2021, the District's cash and cash equivalents included amounts with a fair value of \$14,216,711 invested in NYCLASS, an external investment pool for local governments in New York State.

NYCLASS measures its investments at fair value in accordance with Paragraph 41 of Statement 79 and Paragraph 11 of Statement 31, and therefore a Participant's investment in NYCLASS is not required to be categorized within the fair value hierarchy for purposes of Paragraph 81a(2) of Statement 72.

NYCLASS is rated by S&P Global Ratings. The current rating is 'AAAm.'

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

The dollar weighted average days to maturity (WAM) of NYCLASS at June 30, 2020, is 41 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of NYCLASS at June 30, 2020, is 60 days.

5. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2021, were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Nondepreciable:				
Land	\$ 64,800	\$ -	\$ -	\$ 64,800
Construction in progress	<u>2,162,670</u>	<u>117,262</u>	<u>(2,279,932)</u>	<u>-</u>
Subtotal	<u>2,227,470</u>	<u>117,262</u>	<u>(2,279,932)</u>	<u>64,800</u>
Depreciable:				
Buildings and improvements	61,822,971	2,572,046	-	64,395,017
Furniture and equipment	<u>5,043,548</u>	<u>535,439</u>	<u>-</u>	<u>5,578,987</u>
Subtotal	<u>66,866,519</u>	<u>3,107,485</u>	<u>-</u>	<u>69,974,004</u>
Total capital assets	<u>69,093,989</u>	<u>3,224,747</u>	<u>(2,279,932)</u>	<u>70,038,804</u>
Accumulated depreciation:				
Buildings and improvements	18,238,811	1,761,232	-	20,000,043
Furniture and equipment	<u>3,278,151</u>	<u>45,351</u>	<u>-</u>	<u>3,323,502</u>
Total	<u>21,516,962</u>	<u>1,806,583</u>	<u>-</u>	<u>23,323,545</u>
Net capital assets	<u>\$ 47,577,027</u>	<u>\$ 1,418,164</u>	<u>\$ (2,279,932)</u>	<u>\$ 46,715,259</u>

Depreciation expense for the year ended June 30, 2021, was allocated to specific functions as follows:

General support	\$ 1,463,223
Pupil transportation	<u>343,360</u>
Total depreciation	<u>\$ 1,806,583</u>

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

6. SHORT-TERM DEBT

The District may issue Revenue Anticipation Notes (RANs) and Tax Anticipation Notes (TANs), in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent a liability that will be extinguished by the use of expendable, available resources of the fund. The District did not issue any RANs or TANs during the year ending June 30, 2021 and does not have any RANs or TANs outstanding at June 30, 2021.

The District may issue budget notes up to an amount not to exceed 5% of the amount of the annual budget during any fiscal year for expenditures for which an insufficient or no provision is made in the annual budget. The budget note must be repaid no later than the close of the second fiscal year succeeding the year in which the note was issued. The District did not issue or redeem any budget notes during the year.

The District may issue Bond Anticipation Notes (BANs), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date. The District did not issue any BANs during the year ending June 30, 2021 and does not have any BANs outstanding at June 30, 2021.

7. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability balances and activity for the year ended June 30, 2021 are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Amount Due Within One Year
Bonds:					
Serial bonds	\$ 11,595,000	\$ -	\$ (1,980,000)	\$ 9,615,000	\$ 2,065,000
Other liabilities:					
Compensated absences	\$ 744,375	\$ -	\$ (303,667)	\$ 440,708	\$ 165,836

Additions and deletions to compensated absences are shown net because it is impractical to determine these amounts separately.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Interest on all debt for the year was composed of:

Interest paid	\$ 521,701
Less: Interest accrued in the prior year	(21,739)
Plus: Interest accrued in the current year	<u>17,969</u>
Total interest expense	<u>\$ 517,931</u>

Issue dates, maturities, and interest rates on outstanding debt are as follows:

<u>Bond Issue</u>	<u>Issued</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>6/30/2021 Balance</u>
Serial Bonds	6/15/2011	6/25/2024	1.00% - 4.50%	\$ 1,330,000
Serial Bonds	7/15/2012	7/15/2026	3.00% - 5.00%	8,000,000
Serial Bonds	10/15/2017	6/15/2022	0.50% - 2.85%	95,000
Serial Bonds	10/15/2017	6/15/2023	2.34% - 2.88%	<u>190,000</u>
Total bond issue				<u>\$ 9,615,000</u>

The following is a summary of the maturity of long-term indebtedness as of June 30, 2021:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 2,065,000	\$ 431,256	\$ 2,496,256
2023	2,060,000	335,316	2,395,316
2024	2,055,000	237,000	2,292,000
2025	1,675,000	136,550	1,811,550
2026	<u>1,760,000</u>	<u>52,800</u>	<u>1,812,800</u>
Totals	<u>\$ 9,615,000</u>	<u>\$ 1,192,922</u>	<u>\$ 10,807,922</u>

8. INTERFUND BALANCES AND ACTIVITY

	<u>Interfund</u>		<u>Transfers</u>	
	<u>Receivable</u>	<u>Payable</u>	<u>In</u>	<u>Out</u>
General	\$ 851,506	\$ -	\$ 735,550	\$ 442,673
Special Aid	-	730,242	-	-
Capital Projects	-	100,000	442,673	810,505
School Lunch	-	21,264	-	-
Debt Service	<u>-</u>	<u>-</u>	<u>74,955</u>	<u>-</u>
Total	<u>\$ 851,506</u>	<u>\$ 851,506</u>	<u>\$ 1,253,178</u>	<u>\$ 1,253,178</u>

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Interfund receivables and payables between governmental funds are eliminated on the statement of net position. The District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. All interfund payables are expected to be repaid within one year.

Transfers are used to finance certain special aid programs, support capital project expenditures, school lunch programs and debt service expenditures.

9. PENSION PLANS

New York State Employee Retirement System (NYSERS)

The District participates in the New York State and Local Employees’ Retirement System (ERS) also referred to as New York State and Local Retirement System (the System). This is a cost-sharing multiple-employer retirement system, providing retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), established to hold all net assets and record changes in plan net position allocated to the System. System benefits are established under the provisions of the New York Retirement and Social Security Law (RSSL). Once an employer elects to participate in the System, the election is irrevocable.

The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The District also participates in the Public Employees’ Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The system is included in the State’s financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

Contributions

The system is noncontributory except for employees who joined the New York State and Local Employees’ Retirement System after July 27th, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 (ERS) who generally contribute 3 percent of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers’ contributions based on salaries paid during the Systems’ fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

2021	\$	481,464
2020		469,586
2019		412,524

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the District reported a liability of \$10,459 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2021, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of April 30, 2020. The District’s proportion of the net pension liability was based on a projection of the Districts’ long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2021, the District’s proportion was 0.0105033%, a decrease from its proportion measured June 30, 2020 of 0.0107862%.

For the year ended June 30, 2021, the District recognized pension expense of \$279,283. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 127,727	\$ -
Changes in assumptions	1,922,991	36,268
Net difference between projected and actual earnings on pension plan investments	-	3,004,313
Changes in proportion and differences between the District's contributions and proportionate share of contributions	106,947	26,939
Contributions subsequent to the measurement date	<u>122,611</u>	<u>-</u>
 Total	 <u>\$ 2,280,276</u>	 <u>\$ 3,067,520</u>

The District reported \$122,611 in contributions subsequent to the measurement that would be recognized as a reduction in the net pension liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Plan’s Year Ended March 31:	
2022	\$ (143,754)
2023	(42,291)
2024	(148,578)
2025	<u>(575,232)</u>
	<u>\$ (909,855)</u>

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Actuarial Assumptions

The total pension liability at March 31, 2021 was determined by using an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total pension liability to March 31, 2021.

The actuarial valuation used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.70%
Salary scale	4.4% indexed by service
Projected COLAs	1.4% compounded annually
Decrements	Developed from the Plan's 2020 experience study of the period April 1, 2015 through March 31, 2020
Mortality improvement	Society of Actuaries Scale MP-2020
Investment Rate of Return	5.9% compounded annually, net of investment expenses

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2021 are summarized below:

Asset Type	Target Allocations in %	Long-Term expected real rate of return in %
Domestic Equity	32.0	4.05
International Equity	15.0	6.30
Private Equity	10.0	6.75
Real Estate	9.0	4.95
Opportunistic/ARS Portfolio	3.0	4.50
Credit	4.0	3.63
Real Asset	3.0	5.95
Fixed Income	23.0	-
Cash	1.0	0.50
	100.0	

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Discount Rate

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (4.9%) or 1% higher (6.9%) than the current rate:

	1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
Proportionate Share of Net Pension liability (asset)	\$ 2,902,890	\$ 10,459	\$ (2,657,040)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability (in 000’s) of the employers as of March 31, 2021, were as follows:

Total pension liability	\$ 220,680,157
Plan net position	(220,580,583)
Net pension liability (asset)	\$ 99,574
ERS net position as a percentage of total pension liability	99.95%

New York State Teachers’ Retirement System (NYSTRS)

The District participates in the New York State Teachers’ Retirement System (NYSTRS). This is a cost-sharing, multiple employer public employee retirement system. NYSTRS offers a wide range of plans and benefits, which are related to years of service and final average salary, vesting of retirement benefits, death, and disability.

The New York State Teachers’ Retirement Board administers NYSTRS. NYSTRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. NYSTRS issues a publicly available financial report that contains financial statements and required supplementary information for the system. The report may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York 12211-2395.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Contributions

NYSTRS is noncontributory for the employees who joined prior to July 27, 1976. For employees who joined the NYSTRS after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary, except that employees in the System more than ten years are no longer required to contribute. For employees who joined after January 1, 2010 and prior to April 1, 2012, contributions of 3.5% are paid throughout their active membership.

For employees who joined after April 1, 2012, required contributions of 3.5% of their salary are paid until April 1, 2013 and they then contribute 3% to 6% of their salary throughout their active membership. Pursuant to Article 11 of the Education Law, the New York State Teachers' Retirement Board establishes rates annually for NYSTRS.

The District is required to contribute at an actuarially determined rate. The District contributions made to NYSTRS were equal to 100% of the contributions required for each year. The required contributions for the current year and two preceding years were:

	<u>TRS</u>
2021	\$ 824,905
2020	972,233
2019	805,647

Pension Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the District reported a liability of \$1,515,761 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of June 30, 2019. The District's proportion of the net pension asset was based on a projection of the Districts' long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

The District's proportion measured June 30, 2020 was 0.054854% percent, which was an increase from its proportion measured June 30, 2019 of 0.054846%.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

For the year ended June 30, 2021, the District recognized pension expense of \$2,103,690. At June 30, 2021 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ 1,328,110	\$ 77,680
Changes in assumptions	1,917,085	683,341
Net difference between projected and actual earnings on pension plan investments	989,925	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	271,322	83,587
Contributions subsequent to the measurement date	<u>898,235</u>	<u>-</u>
Total	<u>\$ 5,404,677</u>	<u>\$ 844,608</u>

The District made contributions subsequent to the measurement date in the amount of \$898,235 that will be recognized as a reduction in the net pension liability in the plan year ended June 30, 2021.

Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense (income) as follows:

Plan's Year Ended June 30:	
2021	\$ 653,414
2022	1,254,906
2023	1,005,935
2024	618,399
2025	55,888
Thereafter	<u>73,292</u>
	<u>\$ 3,661,834</u>

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Actuarial Assumptions

The total pension liability at the June 30, 2020 measurement date was determined by an actuarial valuation as of June 30, 2019, with update procedures used to roll forward the total pension liability to June 30, 2020. This actuarial valuation used the following actuarial assumptions:

Inflation 2.20%
Projected Salary Increases Rates of increase differ based on service. They have been calculated based upon recent NYSTRS member experience.

Service	Rate
5	4.72%
15	3.46%
25	2.37%
35	1.90%

Projected COLAs 1.30% compounded annually
Investment Rate of Return 7.10% compounded annually, net of pension plan investment expense including inflation

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP2019, applied on a generational basis.

The actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2014. Active member mortality rates are based on plan member experience.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expect future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2020 are summarized below:

Asset class:	Target Allocations in %	Long-Term expected real rate of return in %
Domestic Equity	33	7.1
International Equity	16	7.7
Global Equity	4	7.4
Real Estate Equity	11	6.8
Private Equity	8	10.4
Domestic Fixed Income	16	1.8
Global Bonds	2	1.0
High-Yield Bonds	1	3.9
Private Debt	1	5.2
Real Estate Debt	7	3.6
Cash Equivalents	1	0.7
	100	

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from school districts will be made at statutorily required rates, actuarially determined. Based on those assumptions, the NYSTRS’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability (Asset) to the Discount Rate Assumption

The following presents the net pension liability (asset) of the school districts calculated using the discount rate of 7.10%, as well as what the school districts’ net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10%) or 1-percentage-point higher (8.10%) than the current rate:

	1% Decrease	Current discount rate	1% Increase
Proportionate Share of Net Position liability (asset)	\$ 9,574,543	\$ 1,515,761	\$ (5,247,598)

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Pension Plan Fiduciary Net Position

The components of the current-year net pension (asset) (in 000's) of the employers as June 30, 2021 were as follows:

Total pension liability	\$	123,242,776
Plan net position		<u>120,479,505</u>
Net pension liability (asset)	\$	<u>2,763,271</u>
NYSTRS net position as a percentage of total pension liability		97.8%

10. OTHER POSTEMPLOYMENT BENEFITS OBLIGATION

Plan Description

The District provides certain other postemployment benefits (predominately health insurance and life insurance) for retired employees of the District in accordance with the provisions of various employment contracts. The District administers the Other Postemployment Benefits Plan (OPEB Plan) as a single-employer defined benefit Other Postemployment Benefit Plan (OPEB).

Funding Policy

As of the date of these financial statements, New York State did not yet have legislation that would enable government entities to establish a qualifying trust for the purpose of funding Other Postemployment Benefits. As such there are no assets accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4, to fund this obligation and benefits are paid on a pay as you go basis.

Employees Covered by Benefit Terms

At July 1, 2020, the following employees were covered by the benefit terms:

Actives	250
Inactive employees entitled to but not yet receiving benefits	-
Inactive employees or beneficiaries currently receiving benefits	<u>116</u>
Total participants	<u>366</u>

Total OPEB Liability

The District's total OPEB liability of \$64,219,655 was measured as of June 30, 2021, and was determined by an actuarial valuation as of July 1, 2020.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Changes in the Total OPEB Liability

Balance at June 30, 2020	\$ 44,624,805
Changes for the Year-	
Service cost	2,427,640
Interest	1,320,453
Benefit payments	(1,321,036)
Plan change	(50,600)
Assumption changes	10,352,007
Difference between actual and expected experience	<u>6,866,386</u>
Net changes	<u>19,594,850</u>
Balance at June 30, 2021	<u>\$ 64,219,655</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.50% in 2020 to 2.16% in 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2020 - June 30, 2021 measurement period was determined using the following actuarial assumptions:

Discount Rate	2.16%. The discount rate was based on the index provided by <i>Bond Buyer 20-Bond General Obligation Index</i> based on the 20 year AA municipal bond rate as of June 30, 2021.
Healthcare Cost Trend Rates:	
Current Year Trend	5.00%
Second Year Trend	7.00%
Ultimate Trend	4.04%
Year Ultimate Trend is Reached	2089
Salary Increases	2.00%
Mortality Rates	SOA RP-2014 Total Dataset Mortality with Scale MP-2020 (Base Rate 2006).

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	Discount Rate		
	Current		
	1% Decrease	Discount	1% Increase
Total OPEB Liability	\$ 78,772,329	\$ 64,219,655	\$ 53,144,681

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates as defined in the Actuarial Assumptions and Other Inputs section of this footnote:

	Healthcare Cost Trend Rate		
	Current Cost		
	1% Decrease	Trend	1% Increase
Total OPEB Liability	\$ 51,412,118	\$ 64,219,655	\$ 81,685,698

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the District recognized OPEB expense of \$6,422,698. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 9,363,561	\$ -
Differences between Expected and Actual	7,108,290	-
Total	\$ 16,471,851	\$ -

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June</u>	<u>Amount</u>
2022	\$ 2,795,902
2023	2,795,902
2024	2,795,902
2025	2,795,902
2026	2,498,668
Thereafter	2,789,575
	<u>\$ 16,471,851</u>

11. COMMITMENTS AND CONTINGENCIES

General

The District is exposed to various risks of loss related to torts, theft, damage, injuries, errors and omissions, natural disasters, and other risks. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

Worker's Compensation

The School District participates in a Workers' Compensation Consortium for its employees. Benefits are provided through self funding by the individual participants through the purchase of insurance and through the purchase of "stop-loss" coverage. A member may withdraw from the Plan by submitting a notice of withdrawal by May 1 preceding the school year of withdrawal. Upon withdrawal, the Board will determine amounts owed by the member or amounts that may be due to the withdrawing member. The District funds its portion of the program through the General Fund and premiums due to the Workers' Compensation Consortium totaled \$180,560 for the year ended June 30, 2021.

12. COMMITMENTS AND CONTINGENCIES

Grants

The District has received grants, which are subject to audit by agencies of the State and Federal governments. Such audits may result in disallowances and a request for a return of funds. Based on prior years' experience, the District's administration believes disallowances, if any, will be immaterial.

13. TAX ABATEMENTS

The County of Oswego Industrial Development Agency entered into various property tax abatement programs for the purpose of economic development. The District's property tax revenue was discounted \$69,512. The District received payment in lieu of tax (PILOT) payments totaling \$48,548.

14. PRIOR PERIOD ADJUSTMENTS

Capital Projects Fund

The financial statements have been restated to correct an overstatement of liabilities and expenditures reported in the Capital Projects Fund for amounts that were identified as not being liabilities of the District. This results in a restatement in the Capital Projects Fund and Governmental Activities opinion units.

Change in Accounting Principle

The District adopted GASB Statement No. 84, Fiduciary Activities, during the year ended June 30, 2021. Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

The District does not report a Custodial Fund under the standard. Beginning assets, liabilities and fund balance / net position were adjusted as noted below for the following opinion units:

	<u>Assets</u>	<u>Liabilities</u>	<u>Fund Balance</u>
<u>General Fund:</u>			
Balance at June 30, 2020, as previously reported	\$ 24,425,240	\$ 1,427,273	\$ 22,664,891
Restatement - Adoption of GASB 84	<u>205,090</u>	<u>205,090</u>	<u>-</u>
Balance at July 1, 2020, as restated	<u>\$ 24,630,330</u>	<u>\$ 1,632,363</u>	<u>\$ 22,664,891</u>

	<u>Assets</u>	<u>Liabilities</u>	<u>Fund Balance</u>
<u>Capital Projects Fund:</u>			
Balance at June 30, 2020, as previously reported	\$ 1,347,450	\$ 603,532	\$ 743,918
Restatement - Capital Projects Fund	<u>-</u>	<u>(66,587)</u>	<u>66,587</u>
Balance at July 1, 2020, as restated	<u>\$ 1,347,450</u>	<u>\$ 536,945</u>	<u>\$ 810,505</u>

	<u>Assets</u>	<u>Liabilities</u>	<u>Net Position</u>
<u>Governmental Activities:</u>			
Balance at June 30, 2020, as previously reported	\$ 76,968,323	\$ 61,604,746	\$ 22,022,990
Restatement - Capital Projects Fund	-	(66,587)	66,587
Restatement - Adoption of GASB 84	<u>330,560</u>	<u>205,090</u>	<u>125,470</u>
Balance at July 1, 2020, as restated	<u>\$ 77,298,883</u>	<u>\$ 61,743,249</u>	<u>\$ 22,215,047</u>

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

The following affected funds are part of the aggregate remaining fund information opinion unit:

	Assets	Liabilities	
<u>Agency Fund:</u>			
Balance at June 30, 2020, as previously reported	\$ 294,226	\$ 294,226	
Restatement - Adoption of GASB 84	<u>(294,226)</u>	<u>(294,226)</u>	
Balance at July 1, 2020, as restated	<u>\$ -</u>	<u>\$ -</u>	
	Assets	Liabilities	Net Position
<u>Private Purpose Trust Fund - Scholarship:</u>			
Balance at June 30, 2020, as previously reported	\$ 36,334	\$ -	\$ 36,334
Restatement - Adoption of GASB 84	<u>(36,334)</u>	<u>-</u>	<u>(36,334)</u>
Balance at July 1, 2020, as restated	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	Assets	Liabilities	Fund Balance
<u>Extraclassroom Activities Fund:</u>			
Balance at June 30, 2020, as previously reported	\$ -	\$ -	\$ -
Restatement - Adoption of GASB 84	<u>89,136</u>	<u>-</u>	<u>89,136</u>
Balance at July 1, 2020, as restated	<u>\$ 89,136</u>	<u>\$ -</u>	<u>\$ 89,136</u>
	Assets	Liabilities	Fund Balance
<u>Scholarship Fund:</u>			
Balance at June 30, 2020, as previously reported	\$ -	\$ -	\$ -
Restatement - Adoption of GASB 84	<u>36,334</u>	<u>-</u>	<u>36,334</u>
Balance at July 1, 2020, as restated	<u>\$ 36,334</u>	<u>\$ -</u>	<u>\$ 36,334</u>

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Basic Financial Statements

15. COVID-19

The United States is presently in the midst of a national health emergency related to a virus, commonly known as Novel Coronavirus (COVID-19). The overall consequences of COVID-19 on a national, regional and local level are unknown, but it has the potential to result in a significant economic impact. The impact of this situation on the District and its future results and financial position is not presently determinable.

On December 27, 2020, the President signed into law the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA Act). The CRRSA Act authorizes funding for a second Education Stabilization Fund to prevent, prepare for and respond to the coronavirus. The District is expected to receive and expend Elementary and Secondary School Emergency Relief (ESSER 2) funds as well as Governor's Emergency Education Relief (GEER 2) funds.

On March 11, 2021, the President signed into law the American Rescue Plan Act of 2021 (ARP). These funds are focused on supporting the safe return to in-person instruction and continuity of services, addressing the impact of lost instructional time through summer or extended school programs, responding to students' academic, social, and emotional needs, and addressing the disproportionate impact of the coronavirus on economically disadvantaged students, children with disabilities, English learners, racial and ethnic minorities, migrant students, students experiencing homelessness, and children and youth in foster care. The District is expected to receive and expend ARP ESSER 3 funds.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Required Supplementary Information (Unaudited)

Schedule of Revenue, Expenditures, and Change in Fund Balance - Budget and Actual - General Fund

For the year ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Final Budget Variance with Budgetary <u>Actual</u>
REVENUE				
LOCAL SOURCES:				
Real property taxes	\$ 5,242,183	\$ 5,242,183	\$ 5,340,007	\$ 97,824
Other tax items	1,063,808	1,063,808	966,062	(97,746)
Charges for services	28,711	28,711	74,737	46,026
Use of money and property	156,605	156,605	43,303	(113,302)
Sale of property and compensation for loss	14,210	14,210	-	(14,210)
Miscellaneous	<u>285,000</u>	<u>284,999</u>	<u>857,237</u>	<u>572,238</u>
Total local sources	6,790,517	6,790,516	7,281,346	490,830
State sources	25,898,693	25,898,693	24,853,612	(1,045,081)
Federal sources	<u>200,000</u>	<u>592,929</u>	<u>638,569</u>	<u>45,640</u>
Total revenue	<u>32,889,210</u>	<u>33,282,138</u>	<u>32,773,527</u>	<u>(508,611)</u>
OTHER FINANCING SOURCES				
Transfers from other funds	<u>-</u>	<u>-</u>	<u>735,550</u>	<u>735,550</u>
Total revenues and other sources	<u>\$ 32,889,210</u>	<u>\$ 33,282,138</u>	<u>\$ 33,509,077</u>	<u>\$ 226,939</u>

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Required Supplementary Information (Unaudited)

Schedule of Revenue, Expenditures, and Change in Fund Balance - Budget and Actual - General Fund (Continued)

For the year ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Final Budget Variance with Budgetary Actual</u>
EXPENDITURES					
GENERAL SUPPORT:					
Board of education	\$ 33,076	\$ 33,076	\$ 13,865	\$ -	\$ 19,211
Central administration	206,690	210,850	201,302	26	9,522
Finance	645,659	611,222	508,903	25,004	77,315
Staff	205,660	207,200	117,783	-	89,417
Central services	2,069,004	2,283,483	1,964,850	38,692	279,941
Special items	674,418	674,418	664,642	-	9,776
	<u>3,834,507</u>	<u>4,020,249</u>	<u>3,471,345</u>	<u>63,722</u>	<u>485,182</u>
INSTRUCTION:					
Instruction, administration, and improvement	1,208,891	1,236,876	960,165	-	276,711
Teaching - Regular school	6,705,233	6,734,457	6,051,882	38,085	644,490
Programs for children with handicapping conditions	5,442,258	5,392,258	4,655,319	47,349	689,590
Occupational education	787,280	787,280	767,960	-	19,320
Teaching - Special school	751,466	751,466	714,719	-	36,747
Instructional media	848,668	1,172,936	887,228	160,481	125,227
Pupil services	1,106,377	1,106,854	693,339	1,571	411,944
	<u>16,850,173</u>	<u>17,182,127</u>	<u>14,730,612</u>	<u>247,486</u>	<u>2,204,029</u>
Pupil transportation	2,166,199	2,169,781	1,480,843	-	688,938
Employee benefits	7,483,348	7,461,066	6,817,305	-	643,761
Debt service - principal	2,305,830	1,980,419	1,980,000	-	419
Debt service - interest	526,228	526,228	521,701	-	4,527
	<u>33,166,285</u>	<u>33,339,870</u>	<u>29,001,806</u>	<u>311,208</u>	<u>4,026,856</u>
OTHER FINANCING USES					
Transfers to other funds	-	325,411	442,673	-	(117,262)
	<u>33,166,285</u>	<u>33,665,281</u>	<u>29,444,479</u>	<u>311,208</u>	<u>3,909,594</u>
NET CHANGE IN FUND BALANCES	<u>\$ (277,075)</u>	<u>\$ (383,143)</u>	4,064,598	<u>\$ (311,208)</u>	<u>\$ 4,136,533</u>
FUND BALANCE - beginning of year			<u>22,664,891</u>		
FUND BALANCE - end of year			<u>\$ 26,729,489</u>		

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

**Required Supplementary Information (Unaudited)
Schedule of Changes in Total OPEB Liability and Related Ratios
For the year ended June 30, 2021**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total OPEB Liability										
Service cost	\$ 2,427,640	\$ 1,537,387	\$ 1,485,895	\$ 1,365,889						
Interest	1,320,453	1,474,877	1,410,327	1,025,925						
Differences between expected and actual experience	6,866,386	-	2,050,586	-						
Changes in assumptions	10,352,007	-	780,972	-						
Plan change	(50,600)	-	-	-						
Benefit payments	(1,321,036)	(1,053,626)	(1,017,996)	(865,569)						
Total change in total OPEB liability	19,594,850	1,958,638	4,709,784	1,526,245						
Total OPEB liability - beginning	44,624,805	42,666,167	37,956,383	36,430,138						
Total OPEB liability - ending	\$ 64,219,655	\$ 44,624,805	\$ 42,666,167	\$ 37,956,383						
Covered-employee payroll	11,593,441	10,824,611	10,612,364	11,622,396						
Total OPEB liability as a percentage of covered-employee payroll	553.9%	412.3%	402.0%	326.6%						

Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.

Notes to schedule:

Changes of assumptions. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following reflects the discount rate used each period:

Discount rate	2.16%	3.50%	3.50%	2.80%
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Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.

Plan assets. No assets are accumulated in a trust that meets all of the criteria of GASB No. 75, paragraph 4, to pay benefits.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

**Required Supplementary Information (Unaudited)
Schedule of Proportionate Share of Net Pension Liability (Asset)
For the year ended June 30, 2021**

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Proportion of the net pension liability (asset)	0.0105033%	0.0107862%	0.0105748%	0.0106401%	0.0105225%	0.0112814%	0.0100000%			
Proportionate share of the net pension liability (asset)	\$ 10	\$ 2,856	\$ 749	\$ 343	\$ 989	\$ 1,811	\$ 387			
Covered-employee payroll	\$ 3,504	\$ 3,383	\$ 3,421	\$ 3,521	\$ 3,319	\$ 3,262	\$ 3,021			
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.29%	84.42%	21.89%	9.74%	29.80%	55.52%	12.81%			
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.30%	98.20%	94.70%	90.70%	97.90%			

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PLAN	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Proportion of the net pension liability (asset)	0.0548540%	0.0548460%	0.0579280%	0.0560780%	0.0566550%	0.0611360%	0.0604970%			
Proportionate share of the net pension liability (asset)	\$ 1,516	\$ (1,425)	\$ (1,047)	\$ (429)	\$ 607	\$ (6,350)	\$ (6,739)			
Covered-employee payroll	\$ 9,471	\$ 9,319	\$ 9,155	\$ 9,712	\$ 8,950	\$ 9,456	\$ 9,929			
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	16.01%	-15.29%	-11.44%	-4.42%	6.78%	-67.15%	-67.87%			
Plan fiduciary net position as a percentage of the total pension liability	97.76%	102.17%	101.53%	100.70%	99.01%	110.50%	111.50%			

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

**Required Supplementary Information (Unaudited)
Schedule of Contributions - Pension Plans
For the year ended June 30, 2021**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN										
Contractually required contribution	\$ 481	\$ 470	\$ 448	\$ 477	\$ 450	\$ 497	\$ 578			
Contributions in relation to the contractually required	481	470	448	477	450	497	578			
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Covered-employee payroll	\$ 3,504	\$ 3,383	\$ 3,421	\$ 3,521	\$ 3,319	\$ 3,262	\$ 3,021			
Contributions as a percentage of covered-employee payroll	13.74%	13.88%	13.10%	13.55%	13.56%	15.24%	19.13%			
								Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.		
NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PLAN										
Contractually required contribution	\$ 898	\$ 825	\$ 925	\$ 1,042	\$ 1,159	\$ 1,610	\$ 1,506			
Contributions in relation to the contractually required	898	825	925	1,042	1,159	1,610	1,506			
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Covered-employee payroll	\$ 9,471	\$ 9,319	\$ 9,155	\$ 9,712	\$ 8,950	\$ 9,456	\$ 9,929			
Contributions as a percentage of covered-employee payroll	9.48%	8.85%	10.10%	10.73%	12.95%	17.03%	15.17%			
								Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.		

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Supplementary Information

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2021

	<u>School Lunch</u>	<u>Extraclassroom Activities</u>	<u>Scholarship</u>	<u>Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS:					
Cash and cash equivalents - unrestricted	\$ 365,985	\$ -	\$ -	\$ 50,807	\$ 416,792
Cash and cash equivalents - restricted	-	97,724	41,062	1,881,983	2,020,769
Due from other governments	79,042	-	-	-	79,042
Inventories	<u>35,834</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,834</u>
TOTAL ASSETS	<u>\$ 480,861</u>	<u>\$ 97,724</u>	<u>\$ 41,062</u>	<u>\$ 1,932,790</u>	<u>\$ 2,552,437</u>
LIABILITIES:					
Accounts payable	\$ 75,874	\$ -	\$ -	\$ -	\$ 75,874
Accrued liabilities	5,828	-	-	-	5,828
Due to other funds	21,264	-	-	-	21,264
Due to other governments	<u>40,518</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,518</u>
TOTAL LIABILITIES	<u>143,484</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>143,484</u>
FUND BALANCE:					
Nonspendable	<u>35,834</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,834</u>
Restricted:					
Debt service	-	-	-	1,881,983	1,881,983
Other	<u>301,543</u>	<u>97,724</u>	<u>41,062</u>	<u>-</u>	<u>440,329</u>
Total restricted fund balance	<u>301,543</u>	<u>97,724</u>	<u>41,062</u>	<u>1,881,983</u>	<u>2,322,312</u>
Assigned:					
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,807</u>	<u>50,807</u>
Total assigned fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,807</u>	<u>50,807</u>
TOTAL FUND BALANCE	<u>337,377</u>	<u>97,724</u>	<u>41,062</u>	<u>1,932,790</u>	<u>2,408,953</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 480,861</u>	<u>\$ 97,724</u>	<u>\$ 41,062</u>	<u>\$ 1,932,790</u>	<u>\$ 2,552,437</u>

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL

Supplementary Information

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds

For the year ended June 30, 2021

	School Lunch	Extraclassroom Activities	Scholarship	Debt Service	Total Nonmajor Governmental Funds
REVENUE:					
Sales	\$ 3,097	\$ -	\$ -	\$ -	\$ 3,097
Use of money and property	160	-	15	1,442	1,617
Miscellaneous	-	58,787	11,038	-	69,825
State sources	12,093	-	-	-	12,093
Federal sources	377,733	-	-	-	377,733
Total revenue	<u>393,083</u>	<u>58,787</u>	<u>11,053</u>	<u>1,442</u>	<u>464,365</u>
EXPENDITURES:					
General support	272,662	-	-	-	272,662
Employee benefits	96,152	-	-	-	96,152
Cost of sales	183,118	-	-	-	183,118
Other expenditures	-	50,199	6,325	-	56,524
Total expenditures	<u>551,932</u>	<u>50,199</u>	<u>6,325</u>	<u>-</u>	<u>608,456</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>(158,849)</u>	<u>8,588</u>	<u>4,728</u>	<u>1,442</u>	<u>(144,091)</u>
OTHER SOURCES AND (USES):					
Operating transfers in	-	-	-	74,955	74,955
Total other sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>74,955</u>	<u>74,955</u>
CHANGE IN FUND BALANCE	<u>(158,849)</u>	<u>8,588</u>	<u>4,728</u>	<u>76,397</u>	<u>(69,136)</u>
FUND BALANCE - beginning of year, as previously reported	496,226	-	-	1,856,393	2,352,619
RESTATEMENT (Note 14)	-	89,136	36,334	-	125,470
FUND BALANCE - beginning of year, as restated	<u>496,226</u>	<u>89,136</u>	<u>36,334</u>	<u>1,856,393</u>	<u>2,478,089</u>
FUND BALANCE - end of year	<u>\$ 337,377</u>	<u>\$ 97,724</u>	<u>\$ 41,062</u>	<u>\$ 1,932,790</u>	<u>\$ 2,408,953</u>

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Other Information (Unaudited)

**Schedule of Change from Original Budget to Revised Budget and Real Property Tax Limit - General Fund
For the year ended June 30, 2021**

CHANGE FROM ADOPTED BUDGET TO REVISED BUDGET

Adopted budget		\$ 33,166,285
Add: Prior year's encumbrances		<u>106,068</u>
Original budget		33,272,353
Budget revision		<u>392,928</u>
Final budget		<u><u>\$ 33,665,281</u></u>

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2021-22 voter-approved expenditure budget	\$ 33,166,285	
Maximum allowed (4% of 2021-22 budget)		\$ 1,326,651
General Fund Fund Balance Subject to Section 1318 of		
Total fund balance:	<u>\$ 26,729,489</u>	
Less:		
Restricted fund balance	\$ 25,091,635	
Assigned fund balance:		
Appropriated fund balance	-	
Encumbrances included in committed and assigned	<u>311,208</u>	
Total adjustments	<u>\$ 25,402,843</u>	
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		<u><u>\$ 1,326,646</u></u>
Actual percentage		4.00%

*Per Office of the State Comptroller's "Fund Balance Reporting and Governmental Fund Type Definitions", Updated April 2011 (Originally Issued November 2010), the portion of [General Fund] fund balance subject to Section 1318 of the Real Property Tax Law is: unrestricted fund balance (i.e., the total of the committed, assigned, and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Other Information (Unaudited)

Schedule of Project Expenditures - Capital Projects Fund

For the year ended June 30, 2021

PROJECT TITLE / SED PROJECT NUMBER	Expenditures				
	Original Budget	Revised Budget	Prior Years	Current Year	Total
Buses 2021	\$ 325,830	\$ 325,830	\$ -	\$ 325,411	\$ 325,411
Buses 2020	275,000	275,000	271,869	-	271,869
Buses 2019	465,000	465,000	427,430	-	427,430
Renovation Phase I & II	4,000,000	4,000,000	3,331,037	-	3,331,037
Smart School Bonds	2,067,182	2,067,182	702,253	-	702,253
Security Safety Improvement	2,000,000	2,000,000	1,533,287	117,262	1,650,549
	<u>\$ 9,133,012</u>	<u>\$ 9,133,012</u>	<u>\$ 6,265,876</u>	<u>\$ 442,673</u>	<u>\$ 6,708,549</u>

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Other Information (Unaudited)

Schedule of Project Expenditures - Capital Projects Fund (Continued)

For the year ended June 30, 2021

Available Balance	Methods of Financing					Fund Balance June 30, 2021
	Proceeds of Obligations	State Aid	Local Sources	Transfers	Total	
\$ 419	\$ -	\$ -	\$ -	\$ 325,411	\$ 325,411	\$ -
3,131	275,000	-	-	(3,131)	271,869	-
37,570	465,000	-	25	(37,595)	427,430	-
668,963	-	-	4,000,000	(668,963)	3,331,037	-
1,364,929	-	702,499	-	(246)	702,253	-
<u>349,451</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,650,549</u>	<u>1,650,549</u>	<u>-</u>
<u>\$ 2,424,463</u>	<u>\$ 740,000</u>	<u>\$ 702,499</u>	<u>\$ 4,000,025</u>	<u>\$ 1,266,025</u>	<u>\$ 6,708,549</u>	<u>\$ -</u>

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL

Other Information (Unaudited)
Schedule of Net Investment in Capital Assets
June 30, 2021

Capital assets, net	\$ 46,715,259
Deduct:	
Short-term portion of bonds payable	2,065,000
Long-term portion of bonds payable	<u>7,550,000</u>
	<u>9,615,000</u>
Net investment in capital assets	<u>\$ 37,100,259</u>

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

September 23, 2021

To the Board of Education of
Altmar-Parish-Williamstown Central School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Altmar-Parish-Williamstown Central School District (District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated September 23, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

September 23, 2021

To the Board of Education of
Altmar-Parish-Williamstown Central School District

Report on Compliance for Each Major Federal Program

We have audited the Altmar-Parish-Williamstown Central School District's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Opinion on Each Major Federal Program

In our opinion, the District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

**Schedule of Expenditures of Federal Awards
For the year ended June 30, 2021**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing	Pass-Through Entity Identification Number	Expenditures
<u>U.S. Department of Agriculture</u>			
Passed-through New York State Dept. of Education:			
Child Nutrition Cluster:			
National School Lunch Program (Noncash food donations)	10.555	N/A	\$ 30,863
Summer Food Service Program	10.559	N/A	<u>346,869</u>
Total Child Nutrition Cluster			<u>377,732</u>
Total U.S. Department of Agriculture			<u>377,732</u>
<u>U.S. Department of Education</u>			
Passed-through New York State Dept. of Education:			
Special Education Cluster (IDEA):			
Special Education - Grants to States (IDEA, Part B)	84.027	0032-21-0710	355,283
Special Education - Preschool Grants (IDEA, Preschool)	84.173	0033-21-0710	<u>15,721</u>
Total Special Education Cluster			<u>371,004</u>
Education Stabilization Fund:			
COVID-19: Elementary and Secondary School	84.425D	5895-21-2330	56,134
COVID-19: Governor's Emergency Education Relief	84.425C	5890-21-2330	<u>335,183</u>
Total Education Stabilization Fund			<u>391,317</u>
Other Programs:			
Title 1 Grants to Local Educational Agencies	84.010	0021-21-2330	<u>384,009</u>
Title IIA, Supporting Effective Instructional State Grants	84.367	0147-20-2330	3,796
Title IIA, Supporting Effective Instructional State Grants	84.367	0147-21-2330	<u>51,194</u>
Total Title IIA, Supporting Effective Instructional State Grants			<u>54,990</u>
Title IV, Rural Education, SSAE Allocation	84.403	0204-20-2330	5,153
Title IV, Rural Education, SSAE Allocation	84.403	0204-21-2330	<u>35,332</u>
Total Title IV, Rural Education, SSAE Allocation			<u>40,485</u>
Title V, Rural Education	84.358	0006-21-2330	<u>16,800</u>
Total Other Programs			<u>496,284</u>
Total U.S. Department of Education			<u>1,258,605</u>
Total expenditures of federal awards			<u>\$ 1,636,337</u>

The accompanying notes are an integral part of this schedule.

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

Notes to Schedule of Expenditures of Federal Awards

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal grant activity of the Altmar-Parish-Williamstown Central School District (the District), under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or the respective changes in financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are presented in conformity with accounting principles generally accepted in the United States and the amounts presented are derived from the District's general ledger. Federal expenditures are recorded when an allowable cost is incurred under the applicable program and is due and payable.

3. PASS-THROUGH PROGRAMS

Where the District receives funds from a government entity other than the federal government (pass-through), the funds are accumulated based upon the Assistance Listing (AL) number advised by the pass-through grantor.

Identifying numbers, other than the Assistance Listings, which may be assigned by pass-through grantors are not maintained in the District's financial management system. The District has identified certain pass-through identifying numbers and included them in the Schedule, as available.

4. INDIRECT COSTS

Indirect costs are not included in the reported expenditures as they are not included in the federal funding for each program. The District has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

5. MATCHING COSTS

Matching costs, i.e., the District's or State's share of certain program costs, are not included in the reported expenditures.

6. NON-MONETARY FEDERAL PROGRAM

The District is the recipient of a federal financial award program that does not result in cash receipts or disbursements termed a "non-monetary" program. During the year ended June 30, 2021, the District received food commodities, the fair value of which amounted to \$30,863, is presented in the Schedule as National School Lunch Program (Division of Donated Foods, AL#10.555).

ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

**Schedule of Findings and Questioned Costs
For the year ended June 30, 2021**

Part I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the District's financial statements are prepared in accordance with

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

Yes No

Significant deficiencies identified?

Yes None reported

Noncompliance material to financial statements noted?

Yes None reported

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

Yes No

Significant deficiencies identified?

Yes None reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, 2 CFR Section 200.516(a)?

Yes No

The dollar threshold to distinguish Types A and B programs was \$750,000.

The major federal program of the District for the year ended June 30, 2021 was as follows:

U.S. Department of Agriculture

Child Nutrition Cluster

National School Lunch Program (10.555)

Summer Food Service Program (10.559)

The District was considered a low-risk auditee for the year ended June 30, 2021.

Part II – Financial Statement Findings

None reported.

Part III – Federal Award Findings and Questioned Costs

None reported.