

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED  
JUNE 30, 2022  
INCLUDING REPORTS ON FEDERAL AWARDS  
AND EXTRACLASSROOM ACTIVITY FUNDS

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
JUNE 30, 2022  
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## INDEPENDENT AUDITOR'S REPORT

To the President and Members  
of the Board of Education of  
Minisink Valley Central School District  
Slate Hill, New York 10973

### **Report on the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of Minisink Valley Central School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund, of Minisink Valley Central School District as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Minisink Valley Central School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matter***

As discussed in Note 3 to the financial statements, management has adopted Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to that matter.

#### ***Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Minisink Valley Central School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Minisink Valley Central School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Minisink Valley Central School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and required supplementary information pages 4 through 15 and 67 through 71 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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

## Minisink Valley Central School District

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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Minisink Valley Central School District's basic financial statements. The supplemental schedules on pages 72 through 74 were required by the New York State Education Department and 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, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 supplemental schedules on pages 72-74 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.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2022 on our consideration of Minisink Valley Central School 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 or on 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 Minisink Valley Central School District's internal control over financial reporting and compliance.



Montgomery, New York  
October 15, 2022

# MINISINK VALLEY CENTRAL SCHOOL DISTRICT

## Management Discussion and Analysis

### Introductory Section

The following is a discussion and analysis of Minisink Valley Central School District's financial performance for the year ended June 30, 2022. This section is a summary of Minisink Valley Central 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. This section is only an introduction and should be read in conjunction with the District's financial statements, which immediately follow this section.

### Overview of the Financial Statements

This annual report consists of three parts: MD&A (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-wide* financial statements that provide both *short-term* and *long-term* information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the district-wide statements. The fund financial statements concentrate on the District's most significant funds with all other non-major funds listed in total in one column.
- The *governmental funds statements* indicates how basic services such as regular and special education were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year.

The following table summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of MD&A highlights the structure and contents of each of the statements.

## MINISINK VALLEY CENTRAL SCHOOL DISTRICT

### **Management Discussion and Analysis (Continued)**

#### **Overview of the Financial Statements (Continued)**

| Major Features of the District-Wide and Fund Financial Statements                                |  |  |
|--|--|--|
|  | District-Wide  | Governmental Funds   |
| Scope  | Entire District  | The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance   |
| Required financial statements  | <ul style="list-style-type: none"><li>• Statement of Net Position</li><li>• Statement of Activities</li></ul>                                    | <ul style="list-style-type: none"><li>• Balance Sheet</li><li>• Statement of Revenues, Expenditures, and Changes in Fund Balances</li></ul>  |
| Accounting basis and measurement focus   | Accrual accounting and economic resources focus  | Modified accrual accounting and current financial focus  |
| Type of asset/deferred outflows of resources/liability/deferred inflows of resources information | All assets, deferred outflows of resources, liabilities, and deferred inflows of resources, both financial and capital, short-term and long-term | Generally, assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due or available during the year or soon thereafter; no capital assets or long-term liabilities included |
| Type of inflow/out flow information  | All revenues and expenses during year, regardless of when cash is received or paid   | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable  |

#### **District-Wide Financial Statements**

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets and liabilities. 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 statements report the District's net position and how they have changed. Net position, the difference between the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the district-wide financial statements, the District's activities are shown as *Governmental activities*: Most of the 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.

## **MINISINK VALLEY CENTRAL SCHOOL DISTRICT**

### **Management Discussion and Analysis (Continued)**

#### **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and to manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as Federal grants).

All of the District's funds are governmental funds. The governmental funds include all of the District's basic services. Governmental funds 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 you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.



**MINISINK VALLEY CENTRAL SCHOOL DISTRICT**  
**Management Discussion and Analysis**  
**(Continued)**

**Financial Analysis of the District as a Whole**

For the year ending June 30, 2022. The District's net position at June 30, 2022 is (75,380,440). This is an increase of \$6,220,941, from last year's net position as restated. The following table provides a summary of the District's net position:

Summary of Net Position

|                                  | School District Activities |                           |              |          |
|----------------------------------|----------------------------|---------------------------|--------------|----------|
|                                  | June 30, 2022              | Restated<br>June 30, 2021 | \$ Change    | % Change |
| Current Assets                   | \$ 46,230,485              | \$ 43,924,950             | \$ 2,305,535 | 5.25%    |
| Non-Current Assets               | 127,724,703                | 92,337,834                | 35,386,869   | 38.32%   |
| Total Assets                     | 173,955,188                | 136,262,784               | 37,692,404   | 40.82%   |
| Deferred Outflows of Resources   | 57,823,083                 | 57,578,756                | 244,327      | 0.42%    |
| Current Liabilities              | 40,099,527                 | 39,212,424                | 887,103      | 2.26%    |
| Long-Term Liabilities            | 204,067,849                | 201,489,456               | 2,578,393    | 1.28%    |
| Total Liabilities                | 244,167,376                | 240,701,880               | 3,465,496    | 1.44%    |
| Deferred Inflows of Resources    | 62,991,335                 | 34,741,041                | 28,250,294   | 81.32%   |
| Net Position:                    |                            |                           |              |          |
| Net Investment in Capital Assets | 28,109,484                 | 29,492,184                | (1,382,700)  | -4.69%   |
| Restricted                       | 17,934,846                 | 18,143,916                | (209,070)    | -1.15%   |
| Unrestricted                     | (121,424,770)              | (129,237,481)             | 7,812,711    | 6.05%    |
| Total Net Position               | \$ (75,380,440)            | \$ (81,601,381)           | \$ 6,220,941 | 7.62%    |

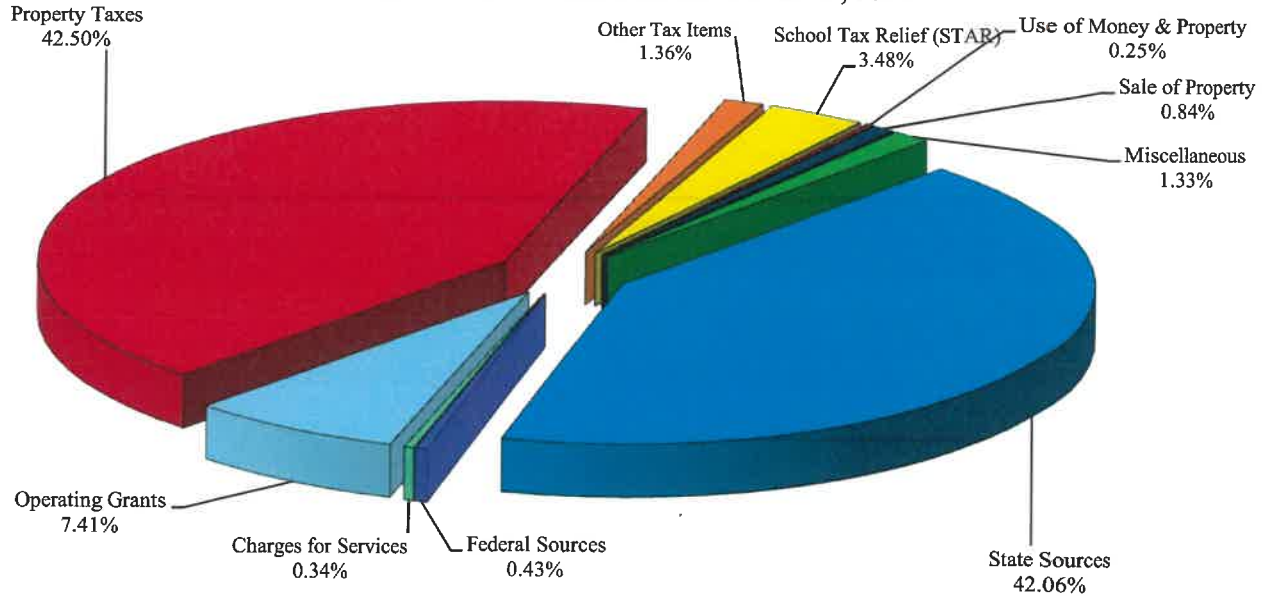
The following table and supporting graphs provides a summary of revenues, expenses and changes in net position for the years ended June 30, 2022 and 2021:

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
STATEMENT OF ACTIVITIES  
SUMMARY OF CHANGES IN NET POSITION

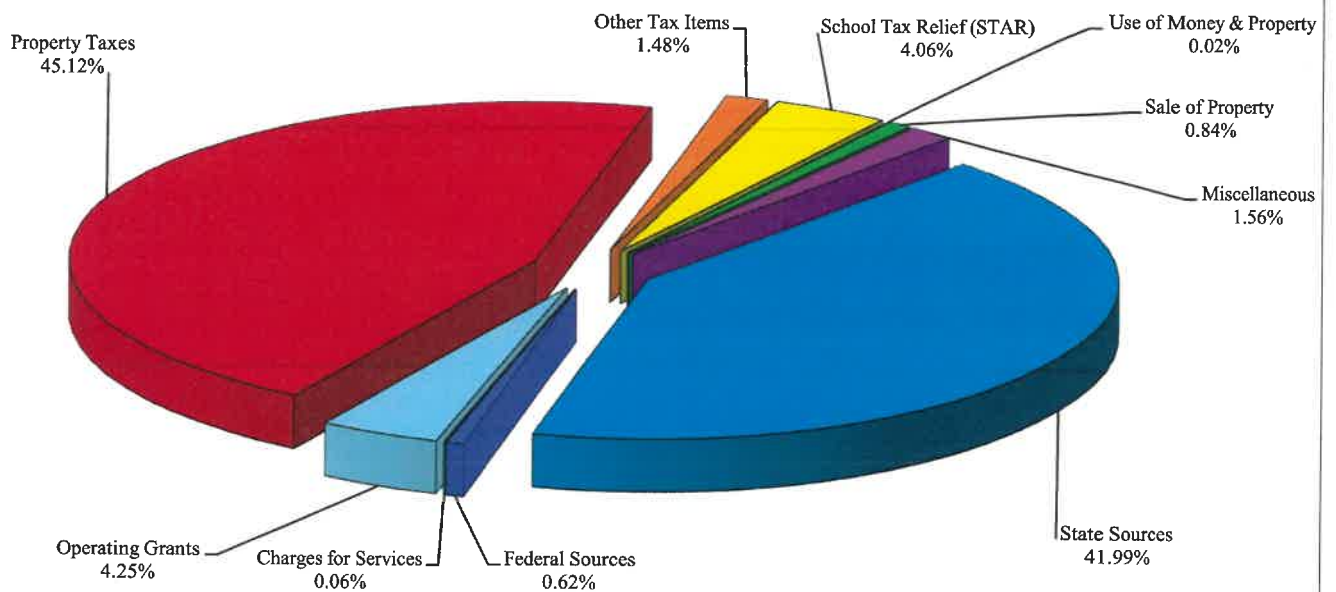
|                               | <u>JUNE 30, 2022</u> | <u>%</u>       | <u>JUNE 30, 2021</u>  | <u>%</u>       | <u>\$ Change</u>     | <u>% Change</u> |
|-------------------------------|----------------------|----------------|-----------------------|----------------|----------------------|-----------------|
| <u>REVENUES</u>               |                      |                |                       |                |                      |                 |
| PROGRAM REVENUES:             |                      |                |                       |                |                      |                 |
| Charges for Services          | \$ 359,720           | 0.34%          | \$ 55,826             | 0.06%          | \$ 303,894           | 544.36%         |
| Operating Grants              | 7,933,380            | 7.41%          | 4,151,089             | 4.25%          | 3,782,291            | 91.12%          |
| GENERAL REVENUES:             |                      |                |                       |                |                      |                 |
| Property Taxes                | 45,475,166           | 42.50%         | 44,066,853            | 45.12%         | 1,408,313            | 3.20%           |
| Other Tax Items               | 1,456,877            | 1.36%          | 1,448,330             | 1.48%          | 8,547                | 0.59%           |
| School Tax Relief (STAR)      | 3,721,390            | 3.48%          | 3,966,515             | 4.06%          | (245,125)            | -6.18%          |
| Use of Money & Property       | 262,883              | 0.25%          | 16,541                | 0.02%          | 246,342              | 1489.28%        |
| Sale of Property              | 897,945              | 0.84%          | 822,623               | 0.84%          | 75,322               | 9.16%           |
| Miscellaneous                 | 1,428,394            | 1.33%          | 1,524,135             | 1.56%          | (95,741)             | -6.28%          |
| State Sources                 | 44,998,054           | 42.06%         | 41,003,800            | 41.99%         | 3,994,254            | 9.74%           |
| Federal Sources               | 463,431              | 0.43%          | 602,203               | 0.62%          | (138,772)            | -23.04%         |
| TOTAL REVENUES                | <u>106,997,240</u>   | <u>100.00%</u> | <u>97,657,915</u>     | <u>100.00%</u> | <u>9,339,325</u>     | <u>9.56%</u>    |
| <u>EXPENSES</u>               |                      |                |                       |                |                      |                 |
| General Support               | 8,050,813            | 7.99%          | 7,490,908             | 7.36%          | \$ 559,905           | 7.47%           |
| Instruction                   | 56,939,135           | 56.51%         | 53,962,235            | 53.04%         | 2,976,900            | 5.52%           |
| Pupil Transportation          | 5,233,606            | 5.19%          | 4,261,954             | 4.19%          | 971,652              | 22.80%          |
| Community Services            | 220,270              | 0.22%          | 156,508               | 0.15%          | 63,762               | 40.74%          |
| Employee Benefits             | 22,134,975           | 21.96%         | 28,159,482            | 27.67%         | (6,024,507)          | -21.39%         |
| Debt Service Interest         | 1,671,829            | 1.66%          | 1,796,697             | 1.77%          | (124,868)            | -6.95%          |
| Depreciation and Amortization | 4,991,947            | 4.95%          | 5,081,252             | 4.99%          | (89,305)             | -1.76%          |
| School Lunch Program          | 1,533,723            | 1.52%          | 845,821               | 0.83%          | 687,902              | 81.33%          |
| TOTAL EXPENSES                | <u>100,776,298</u>   | <u>100.00%</u> | <u>101,754,857</u>    | <u>100.00%</u> | <u>(978,559)</u>     | <u>-0.96%</u>   |
| CHANGE IN NET POSITION        | <u>\$ 6,220,942</u>  |                | <u>\$ (4,096,942)</u> |                | <u>\$ 10,317,884</u> |                 |

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK

**SOURCES OF REVENUES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

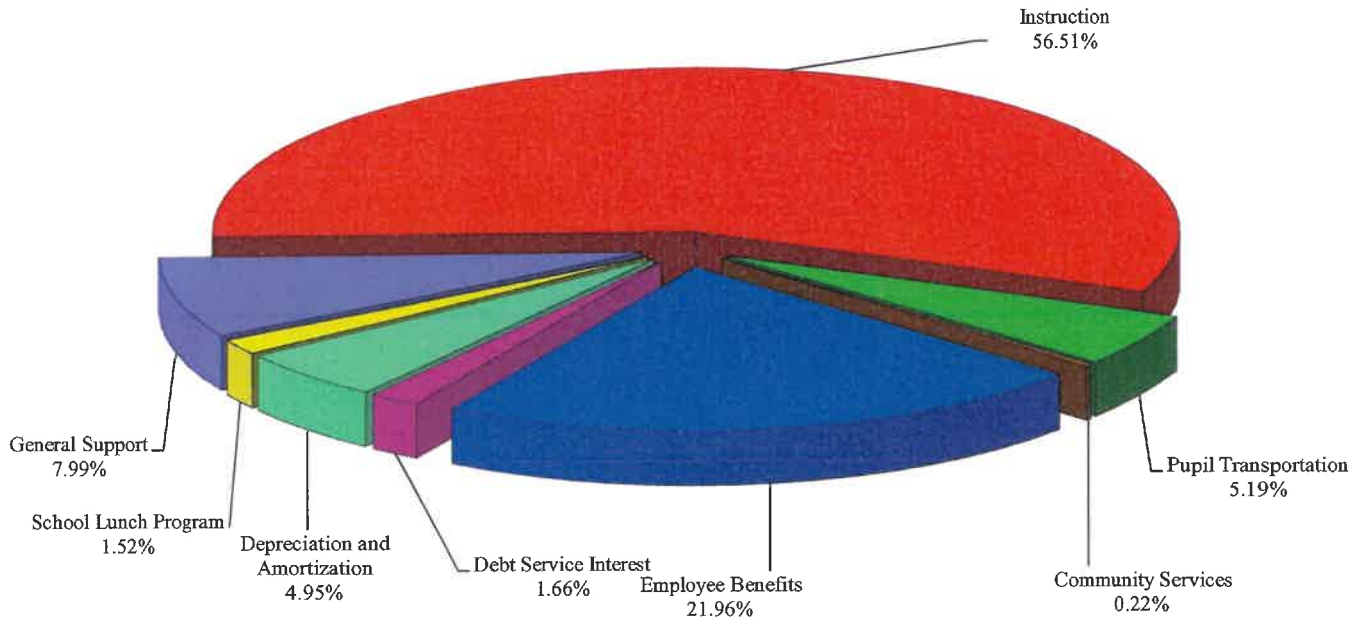


**SOURCES OF REVENUES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

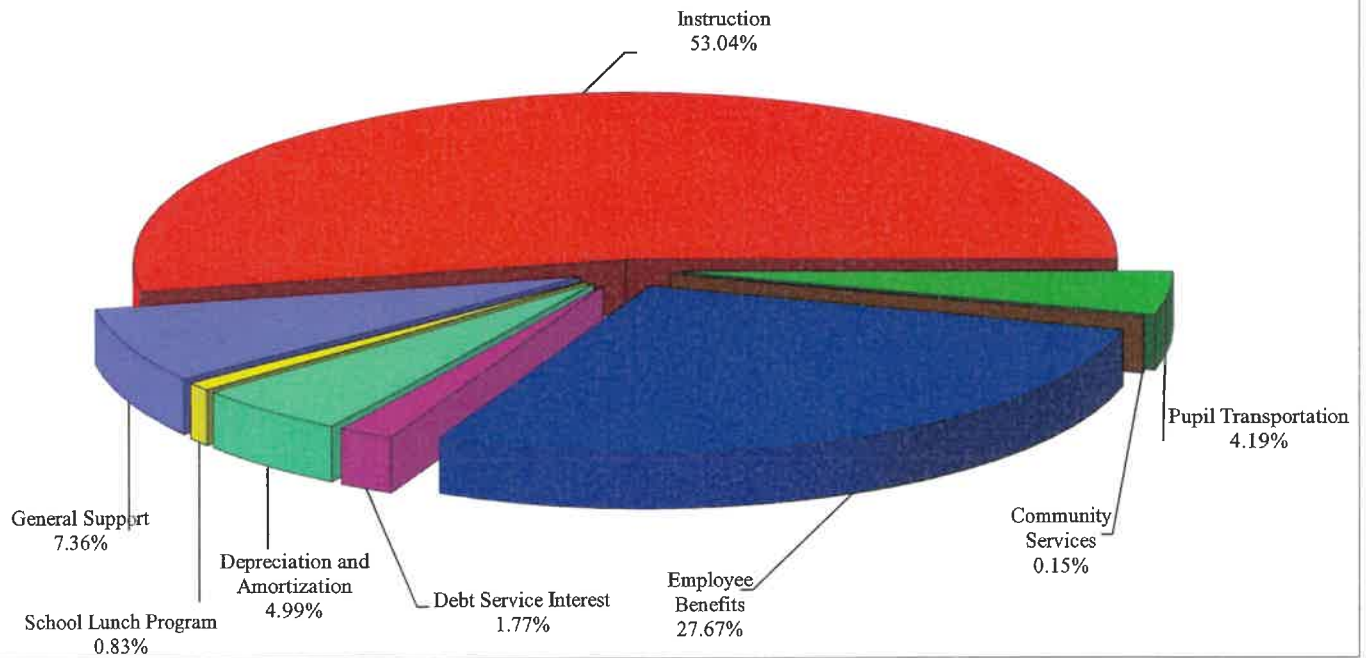


MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK

**EXPENSES FOR THE FISCAL YEAR ENDED JUNE 30, 2022**



**EXPENSES FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

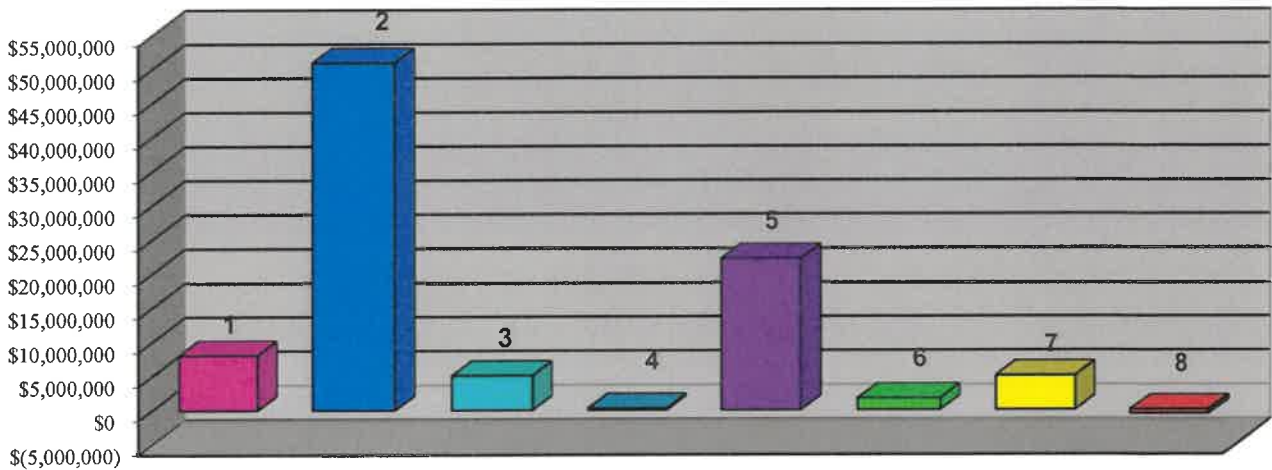


MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
STATEMENT OF ACTIVITIES  
NET COSTS

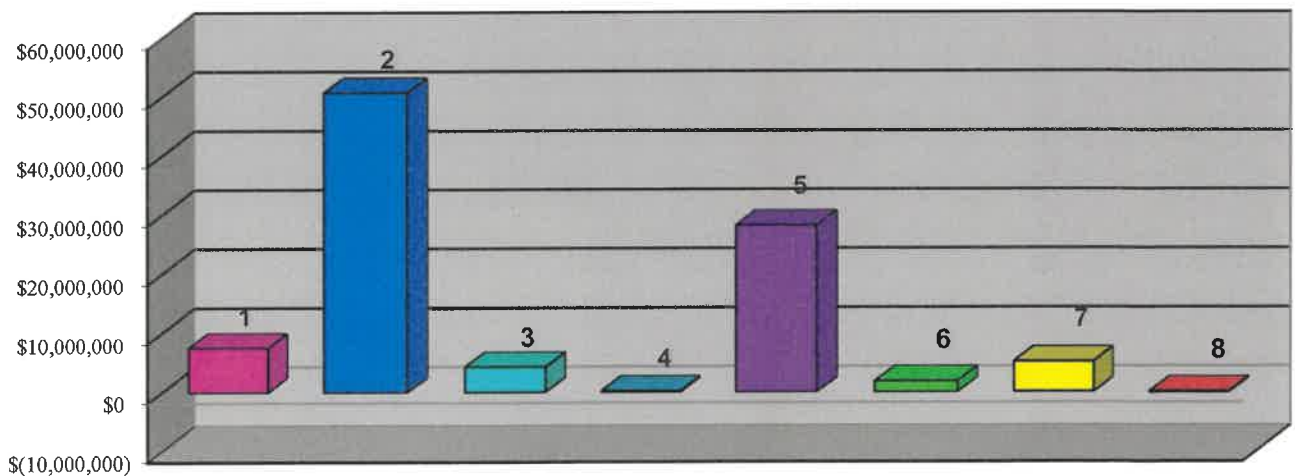
The following information is provided to disclose the net cost of governmental activities:

|                         |   | TOTAL COST<br>OF SERVICES<br>2021-2022 | NET COST<br>OF SERVICES<br>2021-2022 | TOTAL COST<br>OF SERVICES<br>2020-2021 | NET COST<br>OF SERVICES<br>2020-2021 |
|-------------------------|---|--|--------------------------------------|--|--------------------------------------|
| General Support         | 1 | \$ 8,050,813                           | \$ 8,050,813                         | \$ 7,490,908                           | \$ 7,490,908                         |
| Instruction             | 2 | 56,939,135                             | 50,930,416                           | 53,962,235                             | 50,699,577                           |
| Pupil Transportation    | 3 | 5,233,606                              | 5,063,970                            | 4,261,954                              | 4,249,465                            |
| Community Services      | 4 | 220,270                                | 220,270                              | 156,508                                | 156,508                              |
| Employee Benefits       | 5 | 22,134,975                             | 22,134,975                           | 28,159,482                             | 28,159,482                           |
| Debt Service - Interest | 6 | 1,671,829                              | 1,671,829                            | 1,796,697                              | 1,796,697                            |
| Depreciation            | 7 | 4,991,947                              | 4,991,947                            | 5,081,252                              | 5,081,252                            |
| School Lunch Program    | 8 | 1,533,723                              | (581,022)                            | 845,821                                | (85,947)                             |
|                         |   | <u>\$ 100,776,298</u>                  | <u>\$ 92,483,198</u>                 | <u>\$ 101,754,857</u>                  | <u>\$ 97,547,942</u>                 |

**NET COSTS 2021-2022**



**NET COSTS 2020-2021**



# MINISINK VALLEY CENTRAL SCHOOL DISTRICT

## **Management Discussion and Analysis (Continued)**

### **Financial Analysis of the District's Funds**

As discussed, the District's governmental funds are reported in the fund statements with a modified accrual basis that uses a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financial requirements. The major governmental funds of the District consist of the General Fund, Special Aid Fund, School Lunch Fund, Debt Service Fund and Capital Projects Fund. The total fund balances allocated between non-spendable, restricted, assigned, and unassigned fund balance for each of these funds is as follows:

|                  | June 30, 2022    |                      |                     |                        |                      |
|------------------|------------------|----------------------|---------------------|------------------------|----------------------|
|                  | Nonspendable     | Restricted           | Assigned            | Unassigned             | Total                |
| General          | \$ 0             | \$ 17,314,171        | \$ 5,768,449        | \$ 4,232,934           | \$ 27,315,554        |
| Special Aid      | 0                | 4                    | 0                   | 0                      | 4                    |
| School Lunch     | 39,839           | 1,749,023            | 0                   | 0                      | 1,788,862            |
| Miscellaneous    |                  |                      |                     |                        |                      |
| Special Revenue  | 0                | 486,652              | 0                   | 0                      | 486,652              |
| Capital Projects | 0                | 0                    | 0                   | (19,775,407)           | (19,775,407)         |
| Debt Service     | 0                | 1,603,936            | 0                   | 0                      | 1,603,936            |
|                  | <u>\$ 39,839</u> | <u>\$ 21,153,786</u> | <u>\$ 5,768,449</u> | <u>\$ (15,542,473)</u> | <u>\$ 11,419,601</u> |

|                  | June 30, 2021    |                      |                     |                        |                     |
|------------------|------------------|----------------------|---------------------|------------------------|---------------------|
|                  | Nonspendable     | Restricted           | Assigned            | Unassigned             | Total               |
| General          | \$ 0             | 13,706,735           | \$ 7,315,063        | \$ 4,090,008           | \$ 25,111,806       |
| Special Aid      | 0                | 4                    | 0                   | 0                      | 4                   |
| School Lunch     | 45,124           | 1,211,459            | 0                   | 0                      | 1,256,583           |
| Miscellaneous    |                  |                      |                     |                        |                     |
| Special Revenue  | 0                | 479,070              | 0                   | 0                      | 479,070             |
| Capital Projects | 0                | 0                    | 0                   | (17,529,821)           | (17,529,821)        |
| Debt Service     | 0                | 676,370              | 0                   | 0                      | 676,370             |
|                  | <u>\$ 45,124</u> | <u>\$ 16,073,638</u> | <u>\$ 7,315,063</u> | <u>\$ (13,439,813)</u> | <u>\$ 9,994,012</u> |

### General Fund Budgetary Highlights

In assessing the overall operations of the General Fund for the year ended June 30, 2022, revenue and other sources of \$96,446,318, exceeded expenditures and other uses of \$94,242,569, by \$2,203,749. Revenues for the school year increased by \$2,777,164 over the prior year. Expenditures and uses decreased by \$812,181.

Due to revenue limitations caused by the tax cap and flat or modest state aid increases in foundation aid, the district continues to explore options to contain expenses while maximizing all sources of revenue. The district's self-funded health insurance plan experienced an increase in expenditures of \$267,425 or 2.91%. The district saw a modest increase in monthly claims throughout 2021-2022 as a result of more participation as Covid-19 restrictions were loosened. Despite declining enrollment, the district's special education classification rate has been constant and/or increasing. The special education program expenses increased \$225,955 or 1.32%. The increase in expenditures was due to an increase in services provided compared to the prior year.

## MINISINK VALLEY CENTRAL SCHOOL DISTRICT

### **Management Discussion and Analysis (Continued)**

#### General Fund Budgetary Highlights (Continued)

In reviewing the actual results of operations for the General Fund for the year ended June 30, 2022 as compared to the adjusted budget, revenues were greater than the budget by \$384,209 (.40%) and the unencumbered expenditures were \$8,390,729 (8.11%) under budget. For the prior year ended June 30, 2021, revenues were less than the budget by \$173,416 (.18%) and the unencumbered expenditures were \$9,489,768 (9%) under budget.

Unclassified revenues and refunds for prior year expenses were over budget \$434,965 (51.2%) due in large part to BOCES rental income and prior year surplus. State Aid was \$1,051,304 (2.4%) under budget due to lower than anticipated transportation aid, excess cost aid, and tuition aids. Insurance recoveries / compensation for loss were \$696,580 (464.39%) over budget due to health insurance recoveries and stop loss insurance recovery revenue.

The District appropriated \$6,439,748 of fund balance to reduce the 2021-2022 tax levy as compared to \$6,153,988 for the prior year. Appropriation of fund balance continues to be managed to ensure that funds are available to meet the program and operational needs of the district while adhering to property tax cap guidelines in order to avoid significant tax increases in the future.

For fiscal year 2022-2023, the District has appropriated \$5,339,333 of fund balance to reduce the tax levy.

Factors that continue to affect the budget process are as follows:

- New York State Property Tax Cap formula restrictions limiting tax revenues during challenging economic times
- Uncertainty regarding state aid funding and foundation aid revenues due to statewide budget constraints
- Uncertainty regarding state aid due to holdbacks that may or may not be paid in full or become future fiscal period payments.
- Costs of employee benefits for pensions and healthcare due to stock market volatility, increasing medical and prescription drug costs
- Increasing special education program and tuition costs required to meet federal and state legislative mandates.

Management believes that the budget adopted for 2022-2023 is reasonably adaptable to any adverse changes that may arise based on the above factors.

The New York State Legislature enacted legislation, Chapter 97 of the Laws of 2011 that establishes a “property tax cap” on the amount that a school district’s property tax levy can increase each year. This legislation specifies that property taxes levied by a school district generally cannot increase by more than two percent, or the rate of inflation, whichever is less. The law does allow school districts to levy an additional amount for certain excludable expenditures. School districts can adopt a tax levy that exceeds the statutory limit, if the budget that is presented to the public is approved by sixty percent of the votes cast. The legislation took effect beginning with the 2012-2013 school year.

#### Other Fund Highlights

The Special Aid Fund - for the year ended June 30, 2022, an interfund transfer from the General Fund to the Special Aid Fund in the amount of \$275,815 was made to provide funds for the required 20% local match for the Summer Handicapped Program. Fund balance at year end was \$4.

# MINISINK VALLEY CENTRAL SCHOOL DISTRICT

## **Management Discussion and Analysis (Continued)**

### Other Fund Highlights (Continued)

The School Lunch Fund had revenue that exceeded expenditures by \$532,278. Fund balance increased to \$1,256,583. The district participated in the SSO food program with the USDA to provide free meals to all children 18 year of age younger. Meals were provided to students free of charge on site, this program resulted in a significant increase in school lunch participation. The district also experienced increased revenues due to additional Covid-19 funding through the participation of programs not typically available to the district, which yielded greater reimbursements than typical. Meals are no longer free for all students in the 2022-2023 school year. The district anticipates decreased participation and increased unpaid balances in the 2022-2023 school year. The district will continue to look at equipment replacement as needed, in all the buildings, for food service.

Debt Service Fund ended the year with a fund balance of \$1,603,936. This fund balance will be appropriated in future years to offset principal and interest payments.

The Capital Fund ended the year with a deficit fund balance of (\$19,775,407). This deficit will be eliminated as projects are completed and permanent financing is obtained.

### Capital Asset and Debt Administration

#### Capital Assets

The District's investment in capital assets, net of accumulated depreciation and amortization as of June 30, 2022 and 2021, was \$92,523,505 and \$92,337,834 respectively. The total increase in this net investment was .20% for the District as a whole (see schedule below). The District expended \$5,246,509 to acquire and construct capital assets during the fiscal year ended June 30, 2022. Assets retired from service had a net basis of \$49,980 and depreciation expense for the fiscal year was \$4,991,947. Amortization was \$190,606.

#### CAPITAL ASSETS

##### Net of Accumulated Depreciation and Amortization

|                                | <u>School District Activities</u> |                      |                 |
|--------------------------------|-----------------------------------|----------------------|-----------------|
|                                | <u>June 30, 2022</u>              | <u>June 30, 2021</u> | <u>% Change</u> |
| <u>Non-Depreciable Assets:</u> |                                   |                      |                 |
| Land                           | \$ 879,619                        | \$ 879,619           | 0.00%           |
| Construction in Progress       | 19,824,503                        | 16,322,428           | 21.46%          |
| <u>Depreciable Assets:</u>     |                                   |                      |                 |
| Building and Improvements      | 66,137,569                        | 70,196,322           | -5.78%          |
| Furniture and Equipment        | 1,283,949                         | 1,415,539            | -9.30%          |
| Vehicles                       | 4,142,483                         | 3,249,633            | 27.48%          |
| <u>Amortizable Assets:</u>     |                                   |                      |                 |
| Furniture and Equipment        | 255,382                           | 274,293              | -6.89%          |
| TOTALS                         | <u>\$ 92,523,505</u>              | <u>\$ 92,337,834</u> | 0.20%           |



## MINISINK VALLEY CENTRAL SCHOOL DISTRICT

### **Management Discussion and Analysis (Continued)**

#### Long-Term Debt

At the end of the fiscal year, the District had total bonded debt outstanding of \$33,715,000. This amount is backed by the full faith and credit of the Minisink Valley Central School District with debt service fully funded by voter approved property taxes. Activity in bonded debt outstanding during the fiscal year was as follows:

| <u>Beginning Balance</u> | <u>Issued</u> | <u>Paid</u>  | <u>Ending Balance</u> |
|--------------------------|---------------|--------------|-----------------------|
| \$ 38,085,000            | \$ 0          | \$ 4,370,000 | \$ 33,715,000         |

Long-term debt also includes unamortized bond premiums of \$3,017,857 related to various serial bonds used for advanced refunding. The premiums are being amortized over the lives of the bonds which mature between 2025 and 2037.

#### Bond Ratings

S & P Global Ratings, a business unit of Standard & Poor's Financial Services, LLC ("S & P") has assigned a rating of "AA" with a stable outlook to the District's outstanding bonds. This rating reflects only the view of the rating agency assigning such rating and an explanation of the significance of such rating should be obtained from Standard & Poor's Credit Market Services. There can be no assurance that such rating will not be lowered or withdrawn, if in the judgment of S & P, circumstances so warrant. Any change or withdrawal of such rating may have an adverse effect on the market price of the Notes.

#### Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Patrick Witherow, Assistant Superintendent for Business, at the District's business office located at Route 6, Slate Hill, New York 10973.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
STATEMENT OF NET POSITION  
GOVERNMENTAL ACTIVITIES  
JUNE 30, 2022

ASSETS

|   |                    |
|---|--------------------|
| Unrestricted Cash                       | \$ 22,348,964      |
| Restricted Cash                         | 17,934,846         |
| State & Federal Aid Receivable          | 5,464,875          |
| Other Receivables, Net                  | 315,512            |
| Lease Receivable, Net                   | 126,450            |
| Inventories                             | 39,839             |
| Net Pension Asset - Proportionate Share | 35,201,198         |
| Right to Use Assets, Net                | 255,382            |
| Non-Depreciable Assets                  | 20,704,122         |
| Depreciable Capital Assets, Net         | 71,564,001         |
| <b>TOTAL ASSETS</b>                     | <b>173,955,189</b> |

DEFERRED OUTFLOWS OF RESOURCES

|   |                   |
|---|-------------------|
| Deferred Amounts on Refunding               | 1,769,206         |
| Pensions                                    | 23,871,414        |
| Other Postemployment Benefits               | 32,182,463        |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b> | <b>57,823,083</b> |

LIABILITIES

|   |                    |
|---|--------------------|
| Accounts Payable  | 1,753,923          |
| Accrued Liabilities   | 302,425            |
| Due to Other Governments  | 201,485            |
| Due to Teachers' Retirement System                              | 3,497,968          |
| Due to Employees' Retirement System                             | 298,709            |
| Other Liabilities   | 598,145            |
| Bond Anticipation Notes   | 28,102,875         |
| Overpayments and Collections in Advance                         | 24,018             |
| Long-term Liabilities:  |                    |
| Due and Payable Within One Year:                                |                    |
| Bonds Payable (Includes Deferred Refunding Premium \$427,694)   | 4,972,694          |
| Installment Purchase Debt                                       | 334,119            |
| Lease Liability   | 13,167             |
| Due and Payable In More Than One Year:                          |                    |
| Bonds Payable (Includes Deferred Refunding Premium \$2,590,163) | 31,760,163         |
| Installment Purchase Debt                                       | 719,731            |
| Lease Liability   | 25,229             |
| Compensated Absences  | 1,360,436          |
| Other Postemployment Benefits                                   | 169,367,840        |
| Judgments and Claims  | 834,450            |
| <b>TOTAL LIABILITIES</b>  | <b>244,167,377</b> |

DEFERRED INFLOWS OF RESOURCES

|  |                   |
|--|-------------------|
| Deferred Lease Revenues                    | 125,328           |
| Pensions                                   | 45,674,399        |
| Other Postemployment Benefits              | 17,191,608        |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b> | <b>62,991,335</b> |

NET POSITION

|                                  |                        |
|----------------------------------|------------------------|
| Net Investment in Capital Assets | 28,109,484             |
| Restricted                       | 17,934,846             |
| Unrestricted                     | (121,424,770)          |
| <b>TOTAL NET POSITION</b>        | <b>\$ (75,380,440)</b> |

See notes to financial statement.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
STATEMENT OF ACTIVITIES  
GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022

| FUNCTIONS & PROGRAMS                                | EXPENSES                | PROGRAM REVENUES           |                     | NET (EXPENSE)<br>REVENUE &<br>CHANGES IN<br>NET POSITION |
|---|-------------------------|----------------------------|---------------------|--|
|   |                         | CHARGES<br>FOR<br>SERVICES | OPERATING<br>GRANTS |  |
| General Support                                     | \$ (10,629,289)         | \$ 0                       | \$ 0                | \$ (10,629,289)  |
| Instruction   | (79,056,673)            | 150,462                    | 5,858,257           | (73,047,954)   |
| Pupil Transportation                                | (7,626,101)             | 0                          | 169,636             | (7,456,465)  |
| Community Services                                  | (220,270)               | 0                          | 0                   | (220,270)  |
| Debt Service - Interest                             | (1,671,829)             | 0                          | 0                   | (1,671,829)  |
| School Lunch Program                                | (1,572,136)             | 209,258                    | 1,905,487           | 542,609  |
| <b>TOTAL FUNCTIONS<br/>&amp; PROGRAMS</b>           | <b>\$ (100,776,298)</b> | <b>\$ 359,720</b>          | <b>\$ 7,933,380</b> | <b>(92,483,198)</b>                                      |
| <b>GENERAL REVENUES</b>                             |                         |                            |                     |  |
| Real Property Taxes                                 |                         |                            |                     | 45,475,166   |
| Other Tax Items                                     |                         |                            |                     | 5,178,267  |
| Use of Money & Property                             |                         |                            |                     | 262,883  |
| Sale of Property & Compensation for Loss            |                         |                            |                     | 897,945  |
| Miscellaneous                                       |                         |                            |                     | 1,428,394  |
| State Sources                                       |                         |                            |                     | 44,998,054   |
| Federal Sources                                     |                         |                            |                     | 463,431  |
| <b>TOTAL GENERAL REVENUES</b>                       |                         |                            |                     | <b>98,704,140</b>  |
| <b>CHANGE IN NET POSITION</b>                       |                         |                            |                     | <b>6,220,942</b>   |
| <b>NET POSITION, BEGINNING OF YEAR, AS RESTATED</b> |                         |                            |                     | <b>(81,601,381)</b>                                      |
| <b>NET POSITION, END OF YEAR</b>                    |                         |                            |                     | <b>\$ (75,380,439)</b>                                   |

See notes to financial statement.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2022

|   | GENERAL              | SPECIAL<br>AID      | SCHOOL<br>LUNCH     | MISCELLANEOUS<br>SPECIAL<br>REVENUE | CAPITAL<br>PROJECTS | DEBT<br>SERVICE     | TOTAL<br>GOVERNMENTAL<br>FUNDS |
|---|----------------------|---------------------|---------------------|-------------------------------------|---------------------|---------------------|--------------------------------|
| <b>ASSETS</b>   |                      |                     |                     |                                     |                     |                     |                                |
| Unrestricted Cash   | \$ 13,322,672        | \$ 25               | \$ 1,205,809        | \$                                  | \$ 7,820,458        | \$                  | \$ 22,348,964                  |
| Restricted Cash   | 15,843,076           | 0                   | 0                   | 488,144                             | 0                   | 1,603,626           | 17,934,846                     |
| State & Federal Aid Receivable  | 2,366,393            | 2,733,572           | 364,910             | 0                                   | 0                   | 0                   | 5,464,875                      |
| Due from Other Funds  | 2,247,884            | 0                   | 409,135             | 0                                   | 636,333             | 310                 | 3,293,662                      |
| Other Receivables, Net  | 315,284              | 0                   | 0                   | 0                                   | 0                   | 0                   | 315,284                        |
| Lease Receivable, Net   | 126,450              | 0                   | 0                   | 0                                   | 0                   | 0                   | 126,450                        |
| Inventories   | 0                    | 0                   | 39,839              | 0                                   | 0                   | 0                   | 39,839                         |
| <b>TOTAL ASSETS</b>   | <b>\$ 34,221,759</b> | <b>\$ 2,733,597</b> | <b>\$ 2,019,693</b> | <b>\$ 488,144</b>                   | <b>\$ 8,456,791</b> | <b>\$ 1,603,936</b> | <b>\$ 49,523,920</b>           |
| <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; FUND BALANCES</b>       |                      |                     |                     |                                     |                     |                     |                                |
| <b>LIABILITIES</b>  |                      |                     |                     |                                     |                     |                     |                                |
| Accounts Payable  | \$ 1,430,565         | \$ 0                | \$ 194,345          | \$                                  | \$ 129,013          | \$                  | \$ 1,753,923                   |
| Accrued Liabilities   | 150,777              | 1,019               | 0                   | 0                                   | 0                   | 0                   | 151,796                        |
| Due to Other Governments  | 199,946              | 0                   | 46                  | 1,493                               | 0                   | 0                   | 201,485                        |
| Due to Other Funds  | 1,045,468            | 2,247,884           | 0                   | 0                                   | 310                 | 0                   | 3,293,662                      |
| Due to Teachers' Retirement System  | 3,497,968            | 0                   | 0                   | 0                                   | 0                   | 0                   | 3,497,968                      |
| Due to Employees' Retirement System   | 298,709              | 0                   | 0                   | 0                                   | 0                   | 0                   | 298,709                        |
| Other Liabilities   | 77,014               | 484,690             | 36,441              | 0                                   | 0                   | 0                   | 598,145                        |
| Bond Anticipation Notes   | 0                    | 0                   | 0                   | 0                                   | 28,102,875          | 0                   | 28,102,875                     |
| Overpayments and Collections in Advance                                     | 24,018               | 0                   | 0                   | 0                                   | 0                   | 0                   | 24,018                         |
| <b>TOTAL LIABILITIES</b>  | <b>6,724,465</b>     | <b>2,733,593</b>    | <b>230,832</b>      | <b>1,493</b>                        | <b>28,232,198</b>   | <b>0</b>            | <b>37,922,581</b>              |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |                      |                     |                     |                                     |                     |                     |                                |
| Deferred Revenue  | 56,411               | 0                   | 0                   | 0                                   | 0                   | 0                   | 56,411                         |
| Deferred Lease Revenue  | 125,328              | 0                   | 0                   | 0                                   | 0                   | 0                   | 125,328                        |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>                                  | <b>181,739</b>       | <b>0</b>            | <b>0</b>            | <b>0</b>                            | <b>0</b>            | <b>0</b>            | <b>181,739</b>                 |
| <b>FUND BALANCES</b>  |                      |                     |                     |                                     |                     |                     |                                |
| Fund Balance:   |                      |                     |                     |                                     |                     |                     |                                |
| Nonspendable  | 0                    | 0                   | 39,839              | 0                                   | 0                   | 0                   | 39,839                         |
| Restricted  | 17,314,171           | 4                   | 1,749,022           | 486,651                             | 0                   | 1,603,936           | 21,153,784                     |
| Assigned  | 5,768,449            | 0                   | 0                   | 0                                   | 0                   | 0                   | 5,768,449                      |
| Unassigned  | 4,232,935            | 0                   | 0                   | 0                                   | (19,775,407)        | 0                   | (15,542,472)                   |
| <b>TOTAL FUND BALANCES</b>  | <b>27,315,555</b>    | <b>4</b>            | <b>1,788,861</b>    | <b>486,651</b>                      | <b>(19,775,407)</b> | <b>1,603,936</b>    | <b>11,419,600</b>              |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; FUND BALANCES</b> | <b>\$ 34,221,759</b> | <b>\$ 2,733,597</b> | <b>\$ 2,019,693</b> | <b>\$ 488,144</b>                   | <b>\$ 8,456,791</b> | <b>\$ 1,603,936</b> | <b>\$ 49,523,920</b>           |

See notes to financial statement.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT

SLATE HILL, NEW YORK

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION  
JUNE 30, 2022

|  | TOTAL<br>GOVERNMENTAL<br>FUNDS | LONG-TERM<br>ASSETS &<br>LIABILITIES | RECLASSIFICATIONS<br>& ELIMINATIONS | STATEMENT OF<br>NET POSITION |
|--|--------------------------------|--------------------------------------|-------------------------------------|------------------------------|
| <b>ASSETS</b>  |                                |                                      |                                     |                              |
| Unrestricted Cash  | \$ 22,348,964                  | \$ 0                                 | \$ 0                                | \$ 22,348,964                |
| Restricted Cash  | 17,934,846                     | 0                                    | 0                                   | 17,934,846                   |
| State & Federal Aid Receivable   | 5,464,875                      | 0                                    | 0                                   | 5,464,875                    |
| Due from Other Funds   | 3,293,662                      | 0                                    | (3,293,662)                         | 0                            |
| Other Receivables, Net   | 315,284                        | 228                                  | 0                                   | 315,512                      |
| Lease Receivable, Net  | 126,450                        | 0                                    | 0                                   | 126,450                      |
| Inventories  | 39,839                         | 0                                    | 0                                   | 39,839                       |
| Net Pension Asset - Proportionate Share  | 0                              | 35,201,198                           | 0                                   | 35,201,198                   |
| Right to Use Assets, Net   | 0                              | 255,382                              | 0                                   | 255,382                      |
| Non-Depreciable Assets   | 0                              | 20,704,122                           | 0                                   | 20,704,122                   |
| Depreciable Capital Assets, Net  | 0                              | 71,564,001                           | 0                                   | 71,564,001                   |
| <b>TOTAL ASSETS</b>  | <b>49,523,920</b>              | <b>127,724,931</b>                   | <b>(3,293,662)</b>                  | <b>173,955,189</b>           |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>  |                                |                                      |                                     |                              |
| Deferred Amounts on Refunding  | 0                              | 1,769,206                            | 0                                   | 1,769,206                    |
| Pensions   | 0                              | 23,871,414                           | 0                                   | 23,871,414                   |
| Other Postemployment Benefits  | 0                              | 32,182,463                           | 0                                   | 32,182,463                   |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>  | <b>0</b>                       | <b>57,823,083</b>                    | <b>0</b>                            | <b>57,823,083</b>            |
| <b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>                                 | <b>\$ 49,523,920</b>           | <b>\$ 185,548,014</b>                | <b>\$ (3,293,662)</b>               | <b>\$ 231,778,272</b>        |
| <b>LIABILITIES</b>   |                                |                                      |                                     |                              |
| Accounts Payable   | \$ 1,753,923                   | \$ 0                                 | \$ 0                                | \$ 1,753,923                 |
| Accrued Liabilities  | 151,796                        | 150,629                              | 0                                   | 302,425                      |
| Due to Other Governments   | 201,485                        | 0                                    | 0                                   | 201,485                      |
| Due to Other Funds   | 3,293,662                      | 0                                    | (3,293,662)                         | 0                            |
| Due to Teachers' Retirement System   | 3,497,968                      | 0                                    | 0                                   | 3,497,968                    |
| Due to Employees' Retirement System  | 298,709                        | 0                                    | 0                                   | 298,709                      |
| Other Liabilities  | 598,145                        | 0                                    | 0                                   | 598,145                      |
| Bond Anticipation Notes  | 28,102,875                     | 0                                    | 0                                   | 28,102,875                   |
| Overpayments and Collections in Advance  | 24,018                         | 0                                    | 0                                   | 24,018                       |
| Bonds Payable  | 0                              | 36,732,857                           | 0                                   | 36,732,857                   |
| Installment Purchase Debt  | 0                              | 1,053,850                            | 0                                   | 1,053,850                    |
| Lease Liability  | 0                              | 38,396                               | 0                                   | 38,396                       |
| Compensated Absences   | 0                              | 1,360,436                            | 0                                   | 1,360,436                    |
| Other Postemployment Benefits  | 0                              | 169,367,840                          | 0                                   | 169,367,840                  |
| Judgments and Claims   | 0                              | 834,450                              | 0                                   | 834,450                      |
| <b>TOTAL LIABILITIES</b>   | <b>37,922,581</b>              | <b>209,538,458</b>                   | <b>(3,293,662)</b>                  | <b>244,167,377</b>           |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                                |                                      |                                     |                              |
| Deferred Revenues  | 56,411                         | (56,411)                             | 0                                   | 0                            |
| Deferred Lease Revenue   | 125,328                        | 0                                    | 0                                   | 125,328                      |
| Pensions   | 0                              | 45,674,399                           | 0                                   | 45,674,399                   |
| Other Postemployment Benefits  | 0                              | 17,191,608                           | 0                                   | 17,191,608                   |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>   | <b>181,739</b>                 | <b>62,809,596</b>                    | <b>0</b>                            | <b>62,991,335</b>            |
| <b>FUND BALANCES / NET POSITION</b>  | <b>11,419,600</b>              | <b>(86,800,040)</b>                  | <b>0</b>                            | <b>(75,380,440)</b>          |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; FUND BALANCES/NET POSITION</b> | <b>\$ 49,523,920</b>           | <b>\$ 185,548,014</b>                | <b>\$ (3,293,662)</b>               | <b>\$ 231,778,272</b>        |

See notes to financial statement.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022

|  | GENERAL              | SPECIAL<br>AID   | SCHOOL<br>LUNCH     | MISCELLANEOUS<br>SPECIAL REVENUE | CAPITAL<br>PROJECTS    | DEBT<br>SERVICE     | TOTAL<br>GOVERNMENTAL<br>FUNDS |
|--|----------------------|------------------|---------------------|----------------------------------|------------------------|---------------------|--------------------------------|
| <b>REVENUES</b>  |                      |                  |                     |                                  |                        |                     |                                |
| Real Property Taxes                                      | \$ 45,475,166        | \$ 0             | \$ 0                | \$ 0                             | \$ 0                   | \$ 0                | \$ 45,475,166                  |
| Other Tax Items  | 5,178,267            | 0                | 0                   | 0                                | 0                      | 0                   | 5,178,267                      |
| Charges for Services                                     | 94,051               | 0                | 0                   | 0                                | 0                      | 0                   | 94,051                         |
| Use of Money & Property                                  | 258,064              | 0                | 1,256               | 647                              | 0                      | 2,688               | 262,655                        |
| Sale of Property & Compensation for Loss                 | 947,925              | 0                | 0                   | 0                                | 0                      | 0                   | 947,925                        |
| Miscellaneous  | 841,947              | 0                | 273                 | 283,217                          | 0                      | 0                   | 1,125,437                      |
| State Sources  | 42,712,772           | 1,492,722        | 30,189              | 0                                | 2,910,094              | 0                   | 47,145,777                     |
| Federal Sources  | 463,431              | 3,910,359        | 1,875,298           | 0                                | 0                      | 0                   | 6,249,088                      |
| Sales  | 0                    | 0                | 208,985             | 0                                | 0                      | 0                   | 208,985                        |
| <b>TOTAL REVENUES</b>                                    | <b>95,971,623</b>    | <b>5,403,081</b> | <b>2,116,001</b>    | <b>283,864</b>                   | <b>2,910,094</b>       | <b>2,688</b>        | <b>106,687,351</b>             |
| <b>EXPENDITURES</b>                                      |                      |                  |                     |                                  |                        |                     |                                |
| General Support  | 8,041,758            | 62,859           | 0                   | 0                                | 0                      | 0                   | 8,104,617                      |
| Instruction  | 51,905,453           | 4,863,394        | 0                   | 276,283                          | 0                      | 0                   | 57,045,130                     |
| Pupil Transportation                                     | 5,021,561            | 212,045          | 0                   | 0                                | 0                      | 0                   | 5,233,606                      |
| Community Services                                       | 220,270              | 0                | 0                   | 0                                | 0                      | 0                   | 220,270                        |
| Employee Benefits  | 20,934,943           | 540,598          | 0                   | 0                                | 0                      | 0                   | 21,475,541                     |
| Debt Service:  |                      |                  |                     |                                  |                        |                     |                                |
| Principal  | 5,787,235            | 0                | 0                   | 0                                | 0                      | 0                   | 5,787,235                      |
| Interest   | 1,880,839            | 0                | 0                   | 0                                | 0                      | 0                   | 1,880,839                      |
| Cost of Sales  | 0                    | 0                | 1,533,723           | 0                                | 0                      | 0                   | 1,533,723                      |
| Capital Outlay   | 174,695              | 0                | 0                   | 0                                | 5,192,705              | 0                   | 5,367,400                      |
| <b>TOTAL EXPENDITURES</b>                                | <b>93,966,754</b>    | <b>5,678,896</b> | <b>1,533,723</b>    | <b>276,283</b>                   | <b>5,192,705</b>       | <b>0</b>            | <b>106,648,361</b>             |
| <b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>    | <b>2,004,869</b>     | <b>(275,815)</b> | <b>582,278</b>      | <b>7,581</b>                     | <b>(2,282,611)</b>     | <b>2,688</b>        | <b>38,990</b>                  |
| <b>OTHER SOURCES &amp; USES</b>                          |                      |                  |                     |                                  |                        |                     |                                |
| Bond Anticipation Notes Paid from Current Appropriations | 0                    | 0                | 0                   | 0                                | 908,673                | 0                   | 908,673                        |
| Premium on Obligation                                    | 0                    | 0                | 0                   | 0                                | 0                      | 303,230             | 303,230                        |
| Leases   | 174,695              | 0                | 0                   | 0                                | 0                      | 0                   | 174,695                        |
| Operating Transfers In                                   | 300,000              | 275,815          | 0                   | 0                                | 0                      | 736,934             | 1,312,749                      |
| Operating Transfers (Out)                                | (275,815)            | 0                | (50,000)            | 0                                | (871,648)              | (115,286)           | (1,312,749)                    |
| <b>TOTAL OTHER SOURCES &amp; USES</b>                    | <b>198,880</b>       | <b>275,815</b>   | <b>(50,000)</b>     | <b>0</b>                         | <b>37,025</b>          | <b>924,878</b>      | <b>1,386,598</b>               |
| <b>NET CHANGES IN FUND BALANCES</b>                      | <b>2,203,749</b>     | <b>0</b>         | <b>532,278</b>      | <b>7,581</b>                     | <b>(2,245,586)</b>     | <b>927,566</b>      | <b>1,425,588</b>               |
| <b>FUND BALANCES, BEGINNING OF YEAR</b>                  | <b>25,111,806</b>    | <b>4</b>         | <b>1,256,583</b>    | <b>479,070</b>                   | <b>(17,529,821)</b>    | <b>676,370</b>      | <b>9,994,012</b>               |
| <b>FUND BALANCES, END OF YEAR</b>                        | <b>\$ 27,315,555</b> | <b>\$ 4</b>      | <b>\$ 1,788,861</b> | <b>\$ 486,651</b>                | <b>\$ (19,775,407)</b> | <b>\$ 1,603,936</b> | <b>\$ 11,419,600</b>           |

See notes to financial statement.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022

|  | TOTAL<br>GOVERNMENTAL<br>FUNDS | LONG-TERM<br>REVENUE &<br>EXPENSES | CAPITAL<br>RELATED<br>ITEMS | LONG-TERM<br>DEBT<br>TRANSACTIONS | RECLASSIFICATIONS<br>& ELIMINATIONS | STATEMENT OF<br>ACTIVITIES |
|--|--------------------------------|------------------------------------|-----------------------------|-----------------------------------|-------------------------------------|----------------------------|
| <b>REVENUES</b>  |                                |                                    |                             |                                   |                                     |                            |
| Real Property Taxes                                      | \$ 45,475,166                  | \$ 0                               | 0                           | 0                                 | \$ 0                                | \$ 45,475,166              |
| Other Tax Items  | 5,178,267                      | 0                                  | 0                           | 0                                 | 0                                   | 5,178,267                  |
| Charges for Services                                     | 94,051                         | 56,411                             | 0                           | 0                                 | 0                                   | 150,462                    |
| Use of Money & Property                                  | 262,655                        | 228                                | 0                           | 0                                 | 0                                   | 262,883                    |
| Sale of Property & Compensation for Loss                 | 947,925                        | 0                                  | (49,980)                    | 0                                 | 0                                   | 897,945                    |
| Miscellaneous  | 1,125,437                      | 0                                  | 0                           | 0                                 | 0                                   | 1,125,437                  |
| State Sources  | 47,145,777                     | 0                                  | 0                           | 0                                 | 0                                   | 47,145,777                 |
| Federal Sources  | 6,249,088                      | 0                                  | 0                           | 0                                 | 0                                   | 6,249,088                  |
| Sales  | 208,985                        | 0                                  | 0                           | 0                                 | 0                                   | 208,985                    |
| <b>TOTAL REVENUES</b>                                    | <b>106,687,351</b>             | <b>56,639</b>                      | <b>(49,980)</b>             | <b>0</b>                          | <b>0</b>                            | <b>106,694,010</b>         |
| <b>EXPENDITURES</b>                                      |                                |                                    |                             |                                   |                                     |                            |
| General Support  | 8,104,617                      | 0                                  | (24,162)                    | 0                                 | 2,548,834                           | 10,629,289                 |
| Instruction  | 57,045,130                     | (299,601)                          | 4,370,928                   | 0                                 | 17,940,216                          | 79,056,673                 |
| Pupil Transportation                                     | 5,233,606                      | 0                                  | 746,570                     | 0                                 | 1,645,925                           | 7,626,101                  |
| Community Services                                       | 220,270                        | 0                                  | 0                           | 0                                 | 0                                   | 220,270                    |
| Employee Benefits  | 21,475,541                     | 659,434                            | 0                           | 0                                 | (22,134,975)                        | 0                          |
| Debt Service:  |                                |                                    |                             |                                   |                                     |                            |
| Principal  | 5,787,235                      | 0                                  | 0                           | (4,878,562)                       | (908,673)                           | 0                          |
| Interest   | 1,880,839                      | (15,113)                           | 0                           | (193,897)                         | 0                                   | 1,671,829                  |
| Cost of Sales  | 1,533,723                      | 0                                  | 38,413                      | 0                                 | 0                                   | 1,572,136                  |
| Capital Outlay   | 5,367,400                      | 0                                  | (5,192,705)                 | 0                                 | (174,695)                           | 0                          |
| <b>TOTAL EXPENDITURES</b>                                | <b>106,648,361</b>             | <b>344,720</b>                     | <b>(60,956)</b>             | <b>(5,072,459)</b>                | <b>(1,083,368)</b>                  | <b>100,776,298</b>         |
| <b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>    | <b>38,990</b>                  | <b>(288,081)</b>                   | <b>10,976</b>               | <b>5,072,459</b>                  | <b>1,083,368</b>                    | <b>5,917,712</b>           |
| <b>OTHER SOURCES &amp; USES</b>                          |                                |                                    |                             |                                   |                                     |                            |
| Bond Anticipation Notes Paid from Current Appropriations | 908,673                        | 0                                  | 0                           | 0                                 | (908,673)                           | 0                          |
| Premium on Obligation                                    | 303,230                        | 0                                  | 0                           | 0                                 | 0                                   | 303,230                    |
| Leases   | 174,695                        | 0                                  | 0                           | 0                                 | (174,695)                           | 0                          |
| Operating Transfers In                                   | 1,312,749                      | 0                                  | 0                           | 0                                 | (1,312,749)                         | 0                          |
| Operating Transfers (Out)                                | (1,312,749)                    | 0                                  | 0                           | 0                                 | 1,312,749                           | 0                          |
| <b>TOTAL OTHER SOURCES &amp; USES</b>                    | <b>1,386,598</b>               | <b>0</b>                           | <b>0</b>                    | <b>0</b>                          | <b>(1,083,368)</b>                  | <b>303,230</b>             |
| <b>NET CHANGE FOR THE YEAR</b>                           | <b>\$ 1,425,588</b>            | <b>\$ (288,081)</b>                | <b>\$ 10,976</b>            | <b>\$ 5,072,459</b>               | <b>\$ 0</b>                         | <b>\$ 6,220,942</b>        |

See notes to financial statement.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES.

The financial statements of Minisink Valley Central School District (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. Significant accounting principles and policies utilized by the District are described below:

A. Reporting Entity

Minisink Valley Central School District is governed by the laws of New York State. The District is an independent entity governed by an elected Board of Education consisting of 9 members. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for, and controls all activities related to public school education within the District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

The reporting entity of the District is based upon criteria set forth by GASB Statement 14, *The Financial Reporting Entity*, as amended by GASB Statement 39, *Component Units*. The financial reporting entity consists of the primary government, 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 financial statements present the activities of the District. The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District's reporting entity is based on several criteria including legal standing, fiscal dependency and financial accountability. Based on the application of these criteria, the following is a brief description of certain entities included in the District's reporting entity.

1. Extraclassroom Activity Funds

The Extraclassroom Activity Funds of the District represent funds of the students of the District. The Board of Education exercises general oversight and administrative involvement over these funds. The Extraclassroom Activity Funds have designated student management that is overseen by faculty advisors. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds have been included in this report. The District accounts for extraclassroom activities in its Miscellaneous Special Revenue Fund.

B. Joint Venture

The District is one of the component districts in the Orange/Ulster Board of Cooperative Education Services (BOCES). BOCES is a 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.



MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

B. Joint Venture (Continued)

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.

A BOCES' budget is comprised of separate budgets for administrative, program and capital costs. Each component 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 districts pay tuition or a service fee for programs in which its students participate.

During the year, the District was billed \$13,249,933 for BOCES administrative and program costs. The District's share of BOCES aid amounted to \$2,073,367. Financial Statements for BOCES are available from the BOCES administrative office located at 53 Gibson Road, Goshen, NY 10924.

C. Basis of Presentation

1. 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. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, State aid, intergovernmental revenues, and other exchange and non-exchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The Statement of Net Position presents the financial position of the District at year end. The Statement of Activities presents a comparison between program expenses and revenues 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 in those areas. Program revenues include 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. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. Funds Statements

The fund statements provide information about the District's governmental funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

C. Basis of Presentation (Continued)

2. Funds Statements (Continued)

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.

Special Revenue Funds: These funds account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds include the following:

Special Aid Fund: This fund accounts for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties.

School Lunch Fund: This fund is used to account for the school lunch operations. The school lunch operation is supported by federal and state grants and charges participants for its services.

Miscellaneous Special Revenue Fund: This fund is used to account for other proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes and the specific revenue sources continue to make up a substantial portion of the inflows reported in the fund. Revenue reported in this fund includes gifts and donations that are restricted for scholarships and revenue generated by students through extraclassroom activities that are restricted for extraclassroom activities. Other resources, such as investment earnings and transfers, may also be reported in the fund.

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

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.

D. Measurement Focus and Basis of Accounting

Accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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.

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.

E. Property Taxes

Real property taxes are levied annually by the Board of Education no later than September 1<sup>st</sup> and became a lien on August 16, 2021. Taxes were collected during the period September 1, 2021 through October 31, 2021.

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

F. Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net position are 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.

G. 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 expenditure and revenues to provide financing or other services.

In the district-wide statements, eliminations have been made for all interfund receivables and payables between the funds. The governmental funds report all interfund transactions as originally recorded.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

G. Interfund Transactions (Continued)

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.

Refer to Note 12 for a detailed disclosure by individual fund for interfund receivables, payables, expenditures and revenues activity.

H. Estimates

The preparation of 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 reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities and useful lives of long-lived assets.

I. Cash and Investments

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 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 United States and its agencies and obligations of the State and its municipalities and Districts.

J. 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.

K. Lease Receivable

Leases receivable are recorded at net present value of the lease, with a corresponding deferred inflow of resources.

L. Inventories and Prepaid Items

Inventories of food in the School Lunch Fund are 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 inventoriable

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

L. Inventories and Prepaid Items (Continued)

items in other funds are recorded as expenditures at the time of purchase, and are considered immaterial in amount.

Prepaid items represent payments made by the District for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the district-wide and fund financial statements. These items are reported as assets on the statement of net position or balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

M. Capital Assets

Capital assets are reported at cost for acquisitions. Donated assets are reported at estimated fair market value at the time received.

Land and Construction in Progress are not depreciated. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the District-wide statements are as follows:

|                            | <u>Capitalization<br/>Threshold</u> | <u>Depreciation<br/>Method</u> | <u>Estimated<br/>Useful Life</u> |
|----------------------------|-------------------------------------|--------------------------------|----------------------------------|
| Land Improvements          | \$ 5,000                            | Straight Line                  | 40 years                         |
| Buildings and Improvements | 5,000                               | Straight Line                  | 40 years                         |
| Furniture and Equipment    | 5,000                               | Straight Line                  | 5 - 20 years                     |
| Vehicles                   | 5,000                               | Straight Line                  | 8 years                          |

The board approved an increase in the capitalization thresholds from \$1,000 to \$5,000 effective July 1, 2012. Assets capitalized prior to July 1, 2012 will continue to be depreciated over their remaining estimated useful lives.

N. Right to Use Asset

A right of use asset is a lessee's right to use an asset over the life of the lease. Right to use assets are reported at present value.

O. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This 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 (expense/expenditure) until then. The district has three items that qualify for reporting in this category.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

O. Deferred Outflows and Inflows of Resources (Continued)

The first is deferred amounts on refunding in the Statement of Net Position as deferred outflows of resources. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second deferred outflow is related to pensions reported in the Statement of Net Position. For additional information on the deferred outflows related to pensions, see Note 11. The third deferred outflow is related to other postemployment retirement benefits reported in the Statement of Net Position. For additional information on the deferred outflows related to other postemployment retirement benefits, see Note 13.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category. The District reports a deferred inflow of resources related to pensions in the Statement of Net Position. For additional information on the deferred inflows related to pensions, see Note 11. The District also reports deferred inflow of resources in the Statement of Net Position related to other postemployment retirement benefits. For additional information on the deferred inflows related to other postemployment retirement benefits, see Note 13. The third deferred inflow relates to Leases Receivable which are reported in the governmental funds and the Statement of Net Position.

P Unearned Revenue

The District reports unearned revenues on its Statement of Net Position and its Balance Sheet. On the Statement of Net Position, unearned revenues arise when resources are received by the District before it has legal claim to them, as when grant monies are received prior to incurrence of qualifying expenditures. In subsequent periods, when the District has legal claim to resources, the liability for unearned revenue is removed and revenue is recognized.

Q. Vested Employee Benefits

1. Compensated Absences

Compensated absences consist of unpaid accumulated annual sick leave, vacation, and sabbatical or personal 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 in varying time periods.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

Q. Vested Employee Benefits (Continued)

Consistent with GASB Statement 16, *Accounting for Compensated Absences*, the liability has been calculated using the vesting/termination method and an accrual for that liability is included in the district-wide statements. The compensated absences liability is calculated on the pay rates in effect at year-end.

2. Other Benefits

Eligible 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 postemployment 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. The cost of providing post-retirement benefits is shared between the District and the retired employee based on the contract in place at the employees' retirement date. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

R. Short-Term Debt

The District may issue Revenue Anticipation Notes (RAN) and Tax Anticipation Notes (TAN), 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 RAN's and TAN's represent a liability that will be extinguished by the use of expendable, available resources of the fund.

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 there is an insufficient or no provision 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 may issue Bond Anticipation Notes (BAN), 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 BAN's issued for capital purposes are converted to long-term financing within five years after the original issue date.

The District may issue deficiency notes up to an amount not to exceed 5% of the amount of that same year's annual budget in any fund or funds arising from revenue being less than the amount budgeted for that year. The deficiency notes may mature no later than the close of the year following the year in which they were issued. However, they may mature no later than the close of the second year after the fiscal year in which they were issued, if the notes were authorized and issued after the adoption of the budget for the year following the year in which they were issued.

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NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

S. 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 funds 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 are 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.

T. Equity Classifications

1. District-wide Statements

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 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 do not met the definition of the above two classifications and are deemed to be available for general use by the District.

2. Funds Statements

In the governmental fund statements, there are five classifications of fund balance:

Non-spendable – Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Non-spendable fund balance includes the inventory recorded in the School Lunch Fund of \$39,839.

Restricted – Includes amounts with constraints placed on the use of resources either (a) externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. All encumbrances of funds other than the General fund are classified as restricted fund balance. The District has established the following restricted fund balances:



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JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

T. Equity Classifications (Continued)

2. Funds Statements (Continued)

Capital Reserve

Capital Reserve (Education Law §3651) is 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. Expenditure may be made from the reserve only for a specific purpose further authorized by the voters. The form for the 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. This reserve is accounted for in the General Fund.

Workers' Compensation Reserve

Workers' Compensation Reserve (GML §6-j) is 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. The reserve is accounted for in the General Fund.

Unemployment Insurance Reserve

According to General Municipal Law §6-m, must be used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the employer 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 tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the General Fund.

Property Loss Reserve and Liability Reserve

Property Loss Reserve and Liability Reserve (Education Law §1709(8) (c)) are used to pay for property loss and liability claims incurred. Separate funds for property loss and liability claims are required, and these reserves may not in total exceed 3% of the annual budget or \$15,000, whichever is greater. This type of reserve fund may be utilized only by school districts, except city school districts with a population greater than 125,000. These reserves are accounted for in the General Fund.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
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NOTES TO FINANCIAL STATEMENTS  
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NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

T. Equity Classifications (Continued)

2. Funds Statements (Continued)

Insurance Reserve

According to General Municipal Law §6-n §3653, must be used for expenditures for any loss, claim, action or judgement for which the school district is authorized to purchase or maintain insurance. 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. The reserve is accounted for in the General Fund.

Tax Certiorari Reserve

According to Education Law §3651.1-a, must be used to establish a reserve fund for tax certiorari and to expend from the fund without voter approval. The monies held in the reserve shall not exceed the amount that might reasonably be deemed necessary to meet anticipated judgments and claims arising out of tax certiorari proceedings. Any resources deposited to the reserve which are not expended for tax certiorari proceedings in the year such monies are deposited must be returned to the General Fund on or before the first day of the fourth fiscal year after deposit of these monies. The reserve is accounted for in the General Fund.

Employee Benefit Accrual Reserve

According to General Municipal Law §6-p, must be used for payment of accrued employee benefit due 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. The reserve is accounted for in the General Fund.

Retirement Contribution Reserve

According to General Municipal Law §6-r, must be used for financing retirement contributions. The reserve must be accounted separate and apart from all other funds and a detailed report of operations and condition of the fund must be provided to the Board. The reserve is accounted for in the General Fund.

Teachers Retirement Contribution Reserve

According to amendments to General Municipal Law §6-r, this reserve must be used to finance retirement contributions to the New York State Teachers Retirement System ("TRS") and/or offset all or some of the amount deducted from the moneys apportioned to the District from the state under Education Law § 521. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board. This reserve is accounted for in the General Fund. The amount of moneys contributed to the TRS sub-fund annually cannot exceed 2% of the total covered salaries paid during the previous fiscal year with the total amount funded not to exceed 10% of the total covered salaries of all paid during the previous fiscal year.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

T. Equity Classifications (Continued)

2. Fund Statements (Continued)

Reserve for Debt Service

Mandatory Reserve for Debt Service (GML §6-1) is used to establish a reserve 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 sale. The funding of the reserve is from the proceeds of the sale of District property or capital improvement. The reserve is accounted for in the Debt Service Fund.

Restricted fund balance at June 30, 2022 consisted of:

General Fund:

|   |                      |
|---|----------------------|
| Capital Reserve                             | \$ 2,833,596         |
| Workers' Compensation Reserve               | 500,055              |
| Unemployment Insurance Reserve              | 465,162              |
| Property Loss Reserve and Liability Reserve | 119,710              |
| Insurance Reserve                           | 8,196,002            |
| Tax Certiorari Reserve                      | 993,452              |
| Employee Benefit Accrued Liability Reserve  | 1,529,815            |
| Retirement Contribution Reserve             | 1,552,266            |
| TRS Retirement Contribution Reserve         | <u>1,124,113</u>     |
|   | 17,314,171           |
| Special Aid Fund                            | 4                    |
| School Lunch Fund                           | 1,749,022            |
| Miscellaneous Special Revenues:             |                      |
| Scholarships                                | 300,768              |
| Extraclassroom Activity                     | 185,884              |
| Debt Service Fund                           | <u>1,603,936</u>     |
| Total Restricted Fund Balance               | <u>\$ 21,153,785</u> |

Committed – Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the school districts highest level of decision making authority, i.e., the Board of Education. The School District has no committed fund balances as of June 30, 2022.

Assigned – Includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The purpose of the constraint must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balance also includes an amount appropriated to partially fund the subsequent year's budget, as well as encumbrances not classified as restricted at the end of the fiscal year.

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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

T. Equity Classifications (Continued)

2. Funds Statements (Continued)

Unassigned – Includes fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, negative unassigned fund balance is reported.

Order of Use of Fund Balance:

The District's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. For all funds, nonspendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the general fund are classified as restricted fund balance. In the general fund, committed and fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignment of fund balance cannot cause a negative unassigned fund balance.

Limitation on Unexpended Surplus Funds:

NYS Real Property Law §1318 limits the amount of the unexpended surplus funds a school district can retain to no more than 4% of the School District's General Fund budget for the ensuing fiscal year. Nonspendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances are also excluded from the 4% limitation.

U. New Accounting Standards

The District has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At June 30, 2022, the District implemented the following new standards issued by GASB:

- GASB Statement 87, *Leases*, effective for the year ending June 30, 2022.
- GASB Statement 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for the year ending June 30, 2022.
- GASB Statement 92, *Omnibus 2020*, effective for the year ending June 30, 2022.
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, effective for the year ending June 30, 2022.

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SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

U. New Accounting Standards (Continued)

GASB has issued Statement 87, *Leases*, which will increase the usefulness of government's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were not classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use and underlying asset. Under, this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The District has implemented Statement 87 as required.

GASB has issued Statement 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which will improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities. The District has implemented Statement 89 as required.

GASB has issued Statement 92, *Omnibus 2020*, which will enhance comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics. The District has implemented Statement 92 as required.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, which will result in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans. The District has implemented Statement 97 as required.

V. Future Changes in Accounting Standards

GASB has issued Statement 91, *Conduit Debt Obligations*, which will provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2023 financial statements.

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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

V. Future Changes in Accounting Standards (Continued)

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which will improve financial reporting by establishing the definitions of public-public partnership arrangements (PPPs) and availability payment arrangements (APAs) and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. This Statement will enhance the decision usefulness of a government's financial statements by requiring governments to report assets and liabilities related to PPPs consistently and disclose important information about PPP transactions. The required disclosures will allow users to understand the scale and important aspects of a government's PPPs and evaluate a government's future obligations and assets resulting from PPPs. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2023 financial statements.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which will improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2023 financial statements.

GASB has issued Statement 98, *The Annual Comprehensive Financial Report*, this Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2023 financial statements.

GASB has issued Statement 99, *Omnibus 2022*, the objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2023 and/or 2024 financial statements, as applicable.

GASB has issued Statement 100, *Accounting Changes and Error Corrections-An Amendment of GASB Statement No. 62*, the primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
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NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

V. Future Changes in Accounting Standards (Continued)

assessing accountability. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2024 financial statements.

GASB has issued Statement 101, *Compensated Absences*, the objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2025 financial statements.

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS.

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources focus of the governmental funds.

A. Total Fund Balances of Governmental Funds vs. Net Position of Governmental Activities:

Total fund balances of the District's governmental funds differ from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets.

1. The costs of building and acquiring capital assets (land, buildings and equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the Balance Sheet. However, the Statement of Net Position includes those capital assets among the assets of the District as a whole, with their original costs capitalized and depreciation expensed annually over their useful lives. The balances at June 30, 2022 were as follows:

|                                 |                      |
|---------------------------------|----------------------|
| Original Cost of Capital Assets | \$ 180,632,073       |
| Accumulated Depreciation        | <u>(88,363,950)</u>  |
|                                 | <u>\$ 92,268,123</u> |

2. The costs of right to use assets (building and equipment) financed from governmental funds are reported as expenditures building and acquiring capital assets (land, buildings and equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the Balance Sheet. However, the Statement of Net Position includes those right to use assets among the assets of the District as a whole, with the present value capitalized and amortization is expensed annually over their period of use. The balances at June 30, 2022 were as follows:

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS. (Continued)

A. Total Fund Balances of Governmental Funds vs. Net Position of Governmental Activities: (Continued)

|                                      |                   |
|--------------------------------------|-------------------|
| Original Cost of Right to Use Assets | \$ 448,988        |
| Accumulated Amortization             | <u>(193,606)</u>  |
|                                      | <u>\$ 255,382</u> |

3. In a debt refunding, the difference between the reacquisition price and the net carrying amount of the old bonds is recorded as the deferred amount on refunding and included as a deferred outflow of resources in the Statement of Net Position. However, this amount is not included on the Balance Sheet as it was recorded as an expenditure when it was due, and thus required the use of current financial resources. The balances at June 30, 2022 were as follows:

|                              |                     |
|------------------------------|---------------------|
| Deferred Amount on Refunding | <u>\$ 1,769,206</u> |
|------------------------------|---------------------|

4. In the Statement of Net Position, a liability is recognized for the District's proportionate share of the net pension liability attributable to each defined benefit pension plan in which the District participates. A net pension liability is measured as the proportionate share of the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service (proportionate share of total pension liability), net of the proportionate share of that pension plan's fiduciary net position. If a pension plan's fiduciary net position exceeds its total pension liability, the District's proportionate share of the pension plan's net pension asset is recognized.

Also, deferred outflows and inflows of resources related to pensions primarily result from contributions subsequent to the measurement date, as well as changes in the components of the net pension liability or asset. However, none of these amounts are included on the Balance Sheet as they are only recognized to the extent the pension liability is normally expected to be liquidated with expendable available financial resources. The balances at June 30, 2022 were as follows:

|   |                      |
|---|----------------------|
| Net Pension Asset - Proportionate Share   | \$ 35,201,198        |
| Deferred Outflows of Resources - Pensions | 23,871,414           |
| Deferred Inflows of Resources - Pensions  | <u>(45,674,399)</u>  |
|   | <u>\$ 13,398,213</u> |

5. Interest is accrued in the Statement of Net Position, regardless of when it is due. This liability does not appear on the Balance Sheet because interest is expended when it is due, and thus requires the use of current financial resources. This liability at June 30, 2022 was as follows:

|                  |                   |
|------------------|-------------------|
| Accrued Interest | <u>\$ 150,629</u> |
|------------------|-------------------|



MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS. (Continued)

A. Total Fund Balances of Governmental Funds vs. Net Position of Governmental Activities: (Continued)

6. Long-term liabilities and related deferred inflows and outflows are reported in the Statement of Net Position, but not in the Balance Sheet, because the liabilities are not due and payable in the current period. The balance at June 30, 2022 was as follows:

|                                       |                       |
|---------------------------------------|-----------------------|
| Bonds Payable (Including Deferred)    | \$ 36,732,857         |
| Installment Purchase Debt             | 1,053,850             |
| Compensated Absences                  | 1,360,436             |
| Judgments and Claims                  | 834,450               |
| Other Postemployment Benefits         | 169,367,840           |
| Lease Liability                       | 38,396                |
| Deferred Outflows of Resources - OPEB | (32,182,463)          |
| Deferred Inflows of Resources - OPEB  | 17,191,608            |
|                                       | <u>\$ 194,396,974</u> |

7. Interest receivable is accrued in the Statement of Net Position. This asset does not appear on the Balance Sheet because interest is recorded when received. The balance at June 30, 2022 was as follows:

|                     |               |
|---------------------|---------------|
| Interest Receivable | <u>\$ 228</u> |
|---------------------|---------------|

8. Deferred revenues are reported in the Balance Sheet for items that are not recognized in revenue in the current year however, the amount is not included in the Statement of Net Position. The balance at June 30, 2022 was as follows:

|                  |                  |
|------------------|------------------|
| Deferred Revenue | <u>\$ 56,411</u> |
|------------------|------------------|

B. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of five broad categories. The amounts shown below represent:

1. Long-Term Revenue Differences

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS. (Continued)

B. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities: (Continued)

2. Capital Related Differences

Capital related differences include the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the Statement of Activities, and the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the Statement of Activities.

3. Long-Term Debt Transaction Differences

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

4. Pension Plan Transaction Differences

Pension plan transaction differences occur as a result of changes in the District's proportion of the collective net pension asset/liability and differences between the District's contributions and its proportionate share of the total contributions to the pension systems.

5. Other Postemployment Benefit (OPEB) Related Differences

OPEB differences occur as a result of changes in the District's total OPEB liability and differences between the District's contributions and OPEB expense.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS. (Continued)

B. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities:  
(Continued)

Explanation of Differences between Statement of Revenues, Expenditures  
and the Change in Fund Balance and the Statement of Activities

Total Revenues and Other Funding Sources

|   |                       |
|---|-----------------------|
| Total revenues and other funding sources reported in governmental funds<br>(Schedule 5)   | 108,073,949           |
| Because some revenue will not be collected for several months after the District's<br>year-end, they are not considered as "available" revenues in the governmental<br>funds. However, they are considered to be earned in the Statement of Activities. | 56,411                |
| Interet earned on Leases is considered earned in the Statement of Activities.   | 228                   |
| Loss on retirement of fixed assets is recognized in the entity wide statements<br>under full accrual accounting, whereas it is not in the governmental funds.   | (49,980)              |
| Revenue from Leases that are financed is recognized in the governmental funds,<br>but is recorded as a liability in the Statement of Net Position and does not affect<br>the Statement of Activities and Changes in Net Position.                       | (174,695)             |
| Repayment of BANs is reported as revenue in the governmental funds, but<br>is recorded as a liability in the Statement of Net Position and does not affect<br>the Statement of Activities and Changes in Net Position.                                  | (908,673)             |
| Total revenues in the Statement of Activities ( Schedule 2)   | <u>\$ 106,997,240</u> |

Total Expenditures & Other Uses/Expenses

|  |                |
|--|----------------|
| Total expenditures and other uses reported in governmental funds (Schedule 5)  | \$ 106,648,361 |
| When the purchase or construction of capital assets is financed through governmental<br>funds, the resources expended for those assets are reported as expenditures in the<br>years they are incurred. However, in the Statement of Activities, the cost of those<br>assets is allocated over their estimated useful lives and reported as depreciation<br>expense. This is the amount by which capital expenditures of \$5,246,509 was more<br>than depreciation of \$4,991,947, in the current year. | (254,562)      |
| When the lease of right of use assets are financed through governmental funds,<br>the resources expended for those assets are reported as expenditures in the year paid.<br>However, in the Statement of Activities, the present value of those assets is allocated<br>over the period of use and reported as amortization expense. This is the amount by<br>which amortization of \$193,606 was greater than the present value the right of use<br>asset of \$174,695 purchased in the current year.  | 18,911         |

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B. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities: (Continued)

Total Expenditures & Other Uses/Expenses (Continued)

|  |                       |
|--|-----------------------|
| In the Statement of Activities, certain operating expenses (compensated absences and special termination benefits) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amount actually paid). The amount by which compensated absences paid were more than the amount earned during the year was \$299,601. Judgments and claims paid exceeded the claims incurred in the amount of \$313,431 during the year.  | 13,830                |
| In the Statement of Activities, the expense for other postemployment benefits (OPEB) includes changes in the OPEB liability such as service cost, interest cost and changes in benefit terms, as well as amortization of deferred outflows of resources and deferred inflows of resources related to OPEB. However, in the governmental funds, OPEB expenditures are measured by the amount of financial resources used (essentially the amount actually paid). This is the amount by which the OPEB expense in the Statement of Activities exceeded the amount of financial resources used during the year.   | 6,670,763             |
| In the Statement of Activities pension expense related to the ERS and TRS defined benefit pension plans is measured as the change in the District's proportionate shares of the net pension assets and liabilities as of the measurement dates for each plan. In the governmental funds, however, these expenditures are recognized equal to the total of (1) amounts paid by the employer to the pension plan and (2) the change between the beginning and ending balances of amounts normally expected to be liquidated with expendable available financial resources. This is the amount by which pension expense was less than the amount of financial resources expended during the year. | (6,324,760)           |
| Interest payable is recognized as an accrued liability in the entity wide statements under full accrual accounting whereas it is not under the governmental fund statements. This is the amount by which interest payable last year exceeded the interest payable this year.   | (15,113)              |
| Premiums and discounts on long-term debt issuances and deferred amounts from debt refundings are recognized in the year in which the transactions occur in the governmental fund statements. These amounts are amortized in the Statement of Activities. This is the amount that was amortized during the year.  | (193,897)             |
| Repayment of BANs is an expenditure in the governmental funds, but reduces liabilities in the Statement of Net Assets, and does not affect the Statement of Activities.  | (908,673)             |
| Payment of lease principal is an expenditure in the governmental funds, but does reduce liabilities in the Statement of Net Position, and does not affect the Statement of Activities.   | (190,512)             |
| Repayment of bond and installment debt principal is an expenditure in the governmental funds, but reduces liabilities in the Statement of Net Assets and does not affect the Statement of Activities.  | (4,688,050)           |
| Total expenses in the Statement of Activities (Schedule 2)   | <u>\$ 100,776,298</u> |

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
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NOTE 3. CHANGE IN ACCOUNTING PRINCIPLES.

For the year ended June 30, 2022, the District implemented GASB Statement No. 87, *Leases*. The implementation of the statement establishes criteria for identifying lease activities for accounting and financial reporting purposes. See note 19 for the financial statement impact of the implementation of the statement.

NOTE 4. STEWARDSHIP AND COMPLIANCE.

A. Budgets

The District administration prepares a proposed budget for approval by the Board of Education for governmental funds for which legal (appropriated) budgets are adopted:

The voters of the District approved the proposed appropriation budget for the General Fund.

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 Board of Education 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 restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted.

Budgets are adopted annually on a basis consistent with GAAP. 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 year ended June 30, 2022.

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.

B. Encumbrances

Encumbrance accounting is used for budget 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 reservations 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.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
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NOTE 5. CASH.-CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE, FOREIGN CURRENCY RISKS AND INVESTMENT POOL

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.

The District's aggregate bank balances (disclosed in the financial statements), included balances not covered by depository insurance at year-end, collateralized as follows:

|  |               |
|--|---------------|
| Uncollateralized   | \$ 0          |
| Collateralized with securities held by the pledging financial institution,<br>or its trust department or agent, but not in the District's name | \$ 33,249,100 |

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes \$17,934,847 within the governmental funds.

The District does not typically purchase investments for a long enough duration to cause it to believe that it is exposed to any material interest rate risk. The District also does not purchase investments denominated in a foreign currency, and is not exposed to foreign currency risk.

The District participates in a multi-municipal cooperative investment pool agreements pursuant to New York State General Municipal Law Article 5-G, §119-O, whereby it holds a portion of the investments in cooperation with other participants. The investments are highly liquid and are considered to be cash equivalents.

Total investments of the New York Liquid Asset Fund cooperative as of year-end are \$534,631,412, which consisted of \$265,100,000 in Repurchase Agreements, \$171,432,733 in Bank Products, \$97,894,448 in, U.S. Treasury/Agency Securities and \$204,231 in cash and equivalents all with various interest rate and due dates.

The following amounts invested in this cooperative are included as unrestricted and restricted cash:

|              |                     |                        |
|--------------|---------------------|------------------------|
| <u>Fund</u>  | <u>Bank Balance</u> | <u>Carrying Amount</u> |
| General Fund | \$8,170,542         | \$8,170,542            |

The above amounts represent the cost of the investment pool shares, and are considered to approximate market value. The investment pool is categorically exempt from the New York State collateral requirements. Additional information concerning the cooperative is presented in the annual report of New York Liquid Asset Fund.

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NOTE 6. CAPITAL ASSETS.

Capital asset balances and activity for the year ended June 30, 2022, were as follows:

| <u>Governmental activities:</u>       | <u>Beginning<br/>Balance</u> | <u>Additions</u> | <u>Retirements/<br/>Reclassifications</u> | <u>Ending<br/>Balance</u> |
|---------------------------------------|------------------------------|------------------|---|---------------------------|
| Capital assets not being depreciated: |                              |                  |   |                           |
| Land                                  | \$ 879,619                   | \$ 0             | \$ 0                                      | \$ 879,619                |
| Construction in Progress              | 16,322,428                   | 3,502,075        | 0   | 19,824,503                |
| Total Nondepreciable Assets           | 17,202,047                   | 3,502,075        | 0   | 20,704,122                |
| Capital assets being depreciated:     |                              |                  |   |                           |
| Buildings and Improvements            | 137,792,410                  | 0                | 0   | 137,792,410               |
| Furniture and Equipment               | 11,078,042                   | 57,029           | (39,895)                                  | 11,095,176                |
| Vehicles                              | 10,311,418                   | 1,687,405        | (958,458)                                 | 11,040,365                |
| Total Depreciable Assets              | 159,181,870                  | 1,744,434        | (998,353)                                 | 159,927,951               |
| Less: Accumulated Depreciation        | (84,320,376)                 | (4,991,947)      | 948,373                                   | (88,363,950)              |
| Capital Assets, Net                   | \$ 92,063,541                | \$ 254,562       | \$ (49,980)                               | \$ 92,268,123             |

Depreciation expense was charged to governmental functions as follows:

|                    |                     |
|--------------------|---------------------|
| General Support    | \$ 29,642           |
| Instruction        | 4,177,322           |
| Transportation     | 746,570             |
| Cost of Sales      | 38,413              |
| Total Depreciation | <u>\$ 4,991,947</u> |

NOTE 7. RIGHT TO USE ASSETS.

Right to use asset balances and activity for the year ended June 30, 2022, were as follows:

| <u>Governmental activities</u>             | <u>Beginning<br/>Balance</u> | <u>Additions</u>   | <u>Retirements/<br/>Reclassifications</u> | <u>Ending<br/>Balance</u> |
|--|------------------------------|--------------------|---|---------------------------|
| Right to use assets that are<br>amortized: |                              |                    |   |                           |
| Equipment                                  | \$ 224,813                   | \$ 174,695         | \$ 0                                      | \$ 399,508                |
| Building                                   | 49,480                       |                    |   | 49,480                    |
| Less: Accumulated Amortization             | 0                            | (193,606)          | 0   | (193,606)                 |
| Right To Use Assets, Net                   | <u>\$ 274,293</u>            | <u>\$ (18,911)</u> | <u>\$ 0</u>                               | <u>\$ 255,382</u>         |

Amortization expense was charged to the governmental functions as follows:

|                    |                   |
|--------------------|-------------------|
| Instruction        | <u>\$ 193,606</u> |
| Total Amortization | <u>\$ 193,606</u> |

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
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NOTE 8. LEASES.

District as Lessor.

The District is reporting Leases Receivable of \$126,450 at June 30, 2022. For the fiscal year, the District reported Lease revenue of \$108,403 and interest revenue of \$3,779 related to the lease payments received. A schedule of maturity is as follows:

| <u>For the Year Ended June 30,</u> | <u>Leases Receivable</u> |                 |
|------------------------------------|--------------------------|-----------------|
|                                    | <u>Principal</u>         | <u>Interest</u> |
| 2023                               | \$ 110,336               | \$ 1,845        |
| 2024                               | 5,256                    | 306             |
| 2025                               | 5,370                    | 191             |
| 2026                               | 5,488                    | 74              |
| 2027                               | 0                        | 0               |
| Total                              | <u>\$ 126,450</u>        | <u>\$ 2,416</u> |

District as Lessee

A summary of the lease agreements in place as of June 30, 2022 are as follows:

| <u>Description</u>             | <u>Payment Terms</u> | <u>Payment Amount</u> | <u>Interest Rate</u> | <u>Total Lease Liability</u> | <u>Balance June 30, 2022</u> |
|--------------------------------|----------------------|-----------------------|----------------------|------------------------------|------------------------------|
| Pitney Bowes                   | 15 Months            | \$ 319                | 2.16%                | \$ 4,732                     | \$ 955                       |
| Installment Purchase Agreement | I Year               | 175,009               | 2.16%                | 174,695                      | -                            |
| Bus Garage                     | 48 months            | 1,075                 | 2.16%                | 49,480                       | 37,440                       |
|                                |                      |                       |                      |                              | <u>\$ 38,395</u>             |

Annual requirements to amortize long-term obligations and related interest are as follows:

| <u>For the Year Ended June 30,</u> | <u>Leases Payable</u> |                 |
|------------------------------------|-----------------------|-----------------|
|                                    | <u>Principal</u>      | <u>Interest</u> |
| 2023                               | \$ 13,167             | \$ 691          |
| 2024                               | 12,478                | 422             |
| 2025                               | 12,750                | 150             |
| Total                              | <u>\$ 38,395</u>      | <u>\$ 1,263</u> |



MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
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NOTE 9. SHORT-TERM DEBT.

Transactions in short-term debt for the year are summarized below:

|     |           | Stated<br>Interest<br>Rate | Beginning<br>Balance | Issued              | Paid/<br>Redeemed | Ending<br>Balance<br>June 30, 2021 |
|-----|-----------|----------------------------|----------------------|---------------------|-------------------|------------------------------------|
| BAN | 6/25/2023 | 1.25%                      | <u>\$ 28,011,547</u> | <u>\$ 1,000,000</u> | <u>\$ 908,672</u> | <u>\$ 28,102,875</u>               |

Interest on short-term debt for the year was composed of:

|  |                   |
|--|-------------------|
| Interest Paid                              | \$ 321,875        |
| Less: Interest Accrued in the Prior Year   | (5,836)           |
| Plus: Interest Accrued in the Current Year | <u>15,065</u>     |
| Interest Expense                           | <u>\$ 331,104</u> |

NOTE 10. LONG-TERM LIABILITIES.

Long-term liability balances and activity for the year are summarized below:

|  | Beginning<br>Balance  | Issued               | Paid/<br>Redeemed    | Ending<br>Balance     | Amounts<br>Due Within<br>One Year |
|--|-----------------------|----------------------|----------------------|-----------------------|-----------------------------------|
| Governmental Activities:                       |                       |                      |                      |                       |                                   |
| Bonds and Notes Payable:                       |                       |                      |                      |                       |                                   |
| Bonds Payable                                  | \$ 38,085,000         | \$ 0                 | \$ 4,370,000         | \$ 33,715,000         | \$ 4,545,000                      |
| Deferred Premium on Refunding                  | 3,445,551             | 0                    | 427,694              | 3,017,857             | 427,694                           |
| Total Bonds Payable                            | 41,530,551            | 0                    | 4,797,694            | 36,732,857            | 4,972,694                         |
| Installment Purchase Debt                      | 1,371,900             | 0                    | 318,050              | 1,053,850             | 334,119                           |
| Total Bonds and Notes Payable                  | 42,902,451            | 0                    | 5,115,744            | 37,786,707            | 5,306,813                         |
| Other Liabilities:                             |                       |                      |                      |                       |                                   |
| Compensated Absences                           | 1,660,037             | 0                    | 299,601              | 1,360,436             | 0                                 |
| Other Postemployment Benefit                   | 156,232,987           | 10,035,292           | (3,099,561)          | 169,367,840           | 0                                 |
| Judgments and Claims                           | 521,019               | 12,524,849           | 12,211,418           | 834,450               | 0                                 |
| Lease Liability                                | 54,212                | 174,696              | 190,512              | 38,396                | 13,167                            |
| Net Pension Liability -<br>Proportionate Share | 5,234,494             | (698,839)            | 4,535,655            | 0                     | 0                                 |
| Total Other Liabilities                        | 163,702,749           | 22,035,998           | 14,137,625           | 171,601,122           | 13,167                            |
| Total Long-Term Liabilities                    | <u>\$ 206,605,200</u> | <u>\$ 22,035,998</u> | <u>\$ 19,253,369</u> | <u>\$ 209,387,829</u> | <u>\$ 5,319,980</u>               |

The General Fund has typically been used to liquidate long-term liabilities such as compensated absences.

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NOTE 10. LONG-TERM LIABILITIES. (Continued)

Existing serial bond and note obligations are as follows:

| <u>Description of Issue</u> | <u>Issue Date</u> | <u>Final Maturity</u> | <u>Interest Rate</u> | <u>Balance</u>       |
|-----------------------------|-------------------|-----------------------|----------------------|----------------------|
| Refunding Series 2013       | 2013              | 2024                  | 2.00% - 5.00%        | \$ 2,825,000         |
| Refunding Series 2015       | 2015              | 2037                  | 1.00% - 5.00%        | 25,140,000           |
| Refunding Series 2016       | 2016              | 2025                  | 2.00% - 4.00%        | 5,750,000            |
|                             |                   |                       |                      | <u>33,715,000</u>    |
| Installment Purchase Debt   |                   |                       |                      | <u>1,053,850</u>     |
| Total Debt                  |                   |                       |                      | <u>\$ 34,768,850</u> |

The following is a summary of maturing debt service requirements:

| <u>For the Year Ended June 30,</u> | <u>Serial Bonds</u>  |                     | <u>Installment Purchase Debt</u> |                  |
|------------------------------------|----------------------|---------------------|----------------------------------|------------------|
|                                    | <u>Principal</u>     | <u>Interest</u>     | <u>Principal</u>                 | <u>Interest</u>  |
| 2023                               | \$ 4,545,000         | \$ 1,276,050        | \$ 334,119                       | \$ 48,470        |
| 2024                               | 4,715,000            | 1,093,350           | 350,999                          | 31,590           |
| 2025                               | 3,415,000            | 889,100             | 368,732                          | 13,856           |
| 2026                               | 1,495,000            | 742,425             | 0                                | 0                |
| 2027                               | 1,570,000            | 665,800             | 0                                | 0                |
| 2028 - 2032                        | 8,975,000            | 2,207,925           | 0                                | 0                |
| 2033 - 2037                        | 9,000,000            | 659,856             | 0                                | 0                |
| TOTAL                              | <u>\$ 33,715,000</u> | <u>\$ 7,534,506</u> | <u>\$ 1,053,850</u>              | <u>\$ 93,916</u> |

Interest on long-term debt for the year was composed of:

|   |                     |
|---|---------------------|
| Interest paid   | \$ 1,558,964        |
| Less: Interest accrued in the prior year                          | (159,906)           |
| Less: Amortization of premium and deferred amount -bond refunding | (193,897)           |
| Plus: Interest accrued in the current year                        | 135,495             |
| Total interest expense  | <u>\$ 1,340,656</u> |

NOTE 11. PENSION PLANS.

Employees' Retirement System Plan Description

The District participates in the New York State and Local Employees' Retirement System (ERS). ERS and the New York State and Local Police and Fire Retirement System (PFRS) are collectively referred to as New York State and Local Retirement System (the ERS System). These are cost-sharing multiple-employer defined benefit retirement systems. The net position of the ERS System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in fiduciary net position allocated to the ERS System. The Comptroller of the State of

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NOTE 11. PENSION PLANS. (Continued)

New York serves as the trustee of the Fund and is the administrative head of the ERS System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. Thomas P. DiNapoli has served as Comptroller since February 7, 2007. In November, 2018, he was elected for a new term commencing January 1, 2019. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public 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. Separately issued financial statements for the System can be accessed on the Comptroller's website at [www.osc.state.ny.us/retire/about\\_us/financial\\_statements\\_index.php](http://www.osc.state.ny.us/retire/about_us/financial_statements_index.php).

Teachers' Retirement System Plan Description

The New York State Teachers Retirement System (the TRS System) was created and exists pursuant to Article 11 of the New York State Education Law. The System is the administrator of a cost-sharing, multiple-employer public employee retirement system (PERS), administered by a 10-member Board to provide pension and ancillary benefits to teachers employed by participating employers in the State of New York, excluding New York City. For additional Plan information please refer to the NYSTRS Comprehensive Annual Financial Report which can be found on the Systems website located at [www.nystrs.org](http://www.nystrs.org).

ERS Benefits Provided

The ERS System provides retirement benefits as well as death and disability benefits.

*Tiers 1 and 2*

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

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NOTE 11 .PENSION PLANS. (Continued)

ERS Benefits Provided (Continued)

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after June 17, 1971, each year of final average salary is limited to no more than 20 percent of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent of the average of the previous two years.

*Tiers 3, 4, and 5*

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have 10 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with 10 or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 3, 4 and 5 members, each year of final average salary is limited to no more than 10 percent of the average of the previous two years.

*Tier 6*

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have 10 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63 for ERS members and 62 for PFRS members.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75 percent of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied for each year of service over 20 years. Tier 6 members with 10 or more years of service can retire as early as age 55 with reduced benefits.

Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10 percent of the average of the previous four years.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
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NOTE 11. PENSION PLANS. (Continued)

ERS Benefits Provided (Continued)

*Special Plans*

The 25-Year Plans allow a retirement after 25 years of service with a benefit of one-half of final average salary, and the 20-Year Plans allow a retirement after 20 years of service with a benefit of one-half of final average salary. These plans are available to certain PFRS members, sheriffs, and correction officers.

*Disability Retirement Benefits*

Disability retirement benefits are available to ERS and PFRS members unable to perform their job duties because of permanent physical or mental incapacity. There are three general types of disability benefits: ordinary, performance of duty, and accidental disability benefits. Eligibility, benefit amounts, and other rules such as any offsets or other benefits depend on a members tier, years of service, and plan.

*Ordinary Death Benefits*

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

*Post-Retirement Benefit Increases*

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for 10 years; (iii) all disability pensioners, regardless of age, who have been retired for five years; (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

TRS Benefits Provided

The benefits provided to members of the TRS System are established by New York State and may be amended only by the Legislature with the Governor's approval. Benefit provisions vary depending on date of membership and are subdivided into the following six classes:

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NOTES TO FINANCIAL STATEMENTS  
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NOTE 11. PENSION PLANS. (Continued)

TRS Benefits Provided (Continued)

*Tier 1*

Members who last joined prior to July 1, 1973 are covered by the provisions of Article 11 of the Education Law.

*Tier 2*

Members who last joined on or after July 1, 1973 and prior to July 27, 1976 are covered by the provisions of Article 11 of the Education Law and Article 11 of the Retirement and Social Security Law (RSSL).

*Tier 3*

Members who last joined on or after July 27, 1976 and prior to September 1, 1983 are covered by the provisions of Article 14 and Article 15 of the RSSL.

*Tier 4*

Members who last joined on or after September 1, 1983 and prior to January 1, 2010 are covered by the provisions of Article 15 of the RSSL.

*Tier 5*

Members who joined on or after January 1, 2010 and prior to April 1, 2012 are covered by the provisions of Article 15 of the RSSL.

*Tier 6*

Members who joined on or after April 1, 2012 are covered by the provisions of Article 15 of the RSSL.

*Service Retirements*

Tier 1 members are eligible, beginning at age 55, for a service retirement allowance of approximately 2% per year of credit service times final average salary.

Under Article 19 of the RSSL, eligible Tiers 1 and 2 members can receive additional service credit of one-twelfth of a year for each year of retirement credit as of the date of retirement or death up to a maximum of two additional years.

Tiers 2 through 5 are eligible for the same but with the following limitations: (1) Tiers 2 through 4 members receive an unreduced benefit for retirement at age 62 or retirement at ages 55 through 61 with 30 years of service or a reduced benefit for retirement at ages 55 through 61 with less than 30 years of service. (2) Tier 5 members receive an unreduced benefit for retirement at age 62 or retirement at ages 57 through 61 with 30 years of service. They receive a reduced benefit for retirement at ages 55 and 56 regardless of service credit, or ages 57 through 61 with less than 30 years of service.

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NOTE 11. PENSION PLANS. (Continued)

TRS Benefits Provided (Continued)

Tier 6 members are eligible for a service retirement allowance of 1.75% per year of credited service years of service plus 2% per year for years of service in excess of 20 years times final average salary. Tier 6 members receive an unreduced benefit for retirement at age 63. They receive a reduced benefit at ages 55 through 62 regardless of service credit.

*Vested Benefits*

Retirement benefits after 5 years of credited service except for Tiers 5 and 6 where 10 years of credited service are required. Benefits are payable at age 55 or greater with the limitations noted for service requirements above.

*Disability Benefits*

Members are eligible for disability retirement benefits after 10 years of credited New York State service except for Tiers 3 where disability retirement is permissible after 5 years credited New York State service pursuant to the provision of Article 14 of the RSSL. The Tier 3 benefit is integrated with Social Security.

*Death Benefits*

Death benefits are paid to the beneficiary of active members who die in service. The benefit is based on final salary and the number of years of credited service.

*Prior Service*

After 2 years of membership, members of all tiers may claim and receive credit for prior New York State public or teaching service. Only Tiers 1 and 2 members may, under certain conditions, claim out of state service.

*Tier Reinstatement*

In accordance with Chapter 640 of the Laws of 1998, any active member who had a prior membership may elect to be reinstated to their original date and Tier of membership.

*Permanent Cost of Living Adjustment (COLA)*

Section 532-a of the Education Law provides a permanent cost-of-living benefit to both current and future retired members. This benefit will be paid commencing September of each year to retired members who have attained age 62 and have been retired for 5 years or attained age 55 and have been retired for 10 years. Disability retirees must have been retired for 5 years, regardless of age, to be eligible. The annual COLA percentage is equal to 50% of the increase in the consumer price index not to exceed 3% nor be lower than 1%. It is applied to the first eighteen thousand dollars of the annual benefit. The applicable percentage payable beginning September 2019 is 1.0%.

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NOTE 11 PENSION PLANS. (Continued)

TRS Benefits Provided (Continued)

Members who retired prior to July 1, 1970 are eligible for a minimum benefit of seventeen thousand five hundred dollars for 35 years of credited full-time New York State service. Certain members who retire pursuant to the provisions of Article 14 of the RSSL are eligible for automatic cost-of-living supplementation based on the increase in the consumer price index with a maximum per annum increase of 3%.

Contributions

The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 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 who generally contribute 3 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education Law.

Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

| <u>Year</u> | <u>NYSTRS</u> | <u>NYSERS</u> |
|-------------|---------------|---------------|
| 2021 - 2022 | \$ 3,183,142  | \$ 1,398,242  |
| 2020 - 2021 | 3,036,515     | 1,455,448     |
| 2019 - 2020 | 2,831,895     | 1,438,421     |

The District chose to prepay the required contributions to ERS by December 15th each year and received a discount.

ERS has provided additional disclosures through entities that elected to participate in Chapter 260, 57 and 105.

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

At June 30, 2022, the District reported the following asset/(liability) for its proportionate share of the net pension liability/(asset) for each of the Systems. The net pension asset/(liability) was measured as of March 31, 2022, for ERS and June 30, 2021 for TRS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. District's proportion of the net pension asset/(liability) was based on a projection of the District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS Systems in reports provided to the District.

At March 31, 2022, the District's proportion of the NYSERS net pension asset/(liability) was 0.0316229%, which was an increase of .0002763% from its proportion measured as of March 31, 2021.



MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
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NOTE 11. PENSION PLANS. (Continued)

Pension Assets, Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At June 30, 2021, the District's proportion of the NYSTRS net pension asset/(liability) was 0.188217%, which was a decrease of 0.0000850% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District's recognized pension expense of \$216,512 for ERS and the actuarial value (\$1,956,240) for TRS. At June 30, 2022, the District's reported deferred outflows of resources and deferred inflows of resources related to pensions for the following sources:

|  | Deferred Outflows<br>or Resources |                      |                      | Deferred Inflows<br>or Resources |                      |                      |
|--|-----------------------------------|----------------------|----------------------|----------------------------------|----------------------|----------------------|
|  | ERS                               | TRS                  | Total                | ERS                              | TRS                  | Total                |
| Differences between expected and actual experience   | \$ 195,769                        | \$ 4,495,791         | \$ 4,691,560         | \$ 253,923                       | \$ 169,455           | \$ 423,378           |
| Changes of Assumptions   | 4,314,145                         | 10,728,136           | 15,042,281           | 72,797                           | 1,899,795            | 1,972,592            |
| Net difference between projected and actual earnings on pension plan investments                                   | 0                                 | 0                    | 0                    | 8,464,930                        | 34,136,182           | 42,601,112           |
| Changes in proportion and difference between the District's contributions and proportionate share of contributions | 272,025                           | 380,065              | 652,090              | 200,015                          | 477,302              | 677,317              |
| District's contributions subsequent to the measurement date  | 298,709                           | 3,186,774            | 3,485,483            | 0                                | 0                    | 0                    |
| Total  | <u>\$ 5,080,648</u>               | <u>\$ 18,790,766</u> | <u>\$ 23,871,414</u> | <u>\$ 8,991,665</u>              | <u>\$ 36,682,734</u> | <u>\$ 45,674,399</u> |

District contributions subsequent to the measurement date which will be recognized as a reduction of 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:

| Year Ended: | ERS       | TRS          |
|-------------|-----------|--------------|
| 2022        | \$ 0      | \$ 4,295,656 |
| 2023        | 606,116   | 5,022,239    |
| 2024        | 931,304   | 6,278,221    |
| 2025        | 2,228,943 | 8,193,845    |
| 2026        | 443,363   | (1,616,969)  |
| Thereafter  | 0         | (1,094,250)  |

Actuarial Assumptions

The total ERS pension liability at March 31, 2022 was determined by using an actuarial valuation as of April 1, 2021, with update procedures used to roll forward the total pension liability to March 31, 2022.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
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NOTE 11. PENSION PLANS. (Continued)

Actuarial Assumptions (Continued)

The total TRS pension liability at June 30, 2021 was determined by using an actuarial valuation as of June 30, 2020, with update procedures used to roll forward the total pension liability to June 30, 2021. These actuarial valuations used the following actuarial assumptions.

|  | ERS  | TRS  |         |      |   |       |    |       |    |       |    |       |
|--|--|--|---------|------|---|-------|----|-------|----|-------|----|-------|
| Measurement Date                               | March 31, 2022   | June 30, 2021  |         |      |   |       |    |       |    |       |    |       |
| Inflation Rate                                 | 2.7%   | 1.95% - 5.18%  |         |      |   |       |    |       |    |       |    |       |
| Projected Salary Increases                     | 4.4%   | Rates of increase differ based on service. They have been calculated based upon recent NYSTRS member experience.   |         |      |   |       |    |       |    |       |    |       |
|  |  | <table><tr><th>Service</th><th>Rate</th></tr><tr><td>5</td><td>5.18%</td></tr><tr><td>15</td><td>3.64%</td></tr><tr><td>25</td><td>2.50%</td></tr><tr><td>35</td><td>1.95%</td></tr></table> | Service | Rate | 5 | 5.18% | 15 | 3.64% | 25 | 2.50% | 35 | 1.95% |
| Service  | Rate   |  |         |      |   |       |    |       |    |       |    |       |
| 5  | 5.18%  |  |         |      |   |       |    |       |    |       |    |       |
| 15   | 3.64%  |  |         |      |   |       |    |       |    |       |    |       |
| 25   | 2.50%  |  |         |      |   |       |    |       |    |       |    |       |
| 35   | 1.95%  |  |         |      |   |       |    |       |    |       |    |       |
| Cost of Living Adjustments                     | 1.4%   | 1.3%, compounded annually  |         |      |   |       |    |       |    |       |    |       |
| Investment Rate of Return, Including Inflation | 5.90%, compounded annually, net of pension plan investment expense, including inflation.             | 6.95%, compounded annually, net of pension plan investment expense, including inflation.   |         |      |   |       |    |       |    |       |    |       |
| Decrement Tables                               | Based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020 | Based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020.  |         |      |   |       |    |       |    |       |    |       |
| Mortality Improvement                          | Society of Actuaries<br>Scale MP-2020  | Society of Actuaries<br>Scale MP-2020  |         |      |   |       |    |       |    |       |    |       |

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 each the target asset allocation percentage and by adding expected inflation.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 11. PENSION PLANS. (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments for TRS 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 expected 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.

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

| Measurement Date          | ERS            |              | Measurement Date       | TRS           |                 |
|---------------------------|----------------|--------------|------------------------|---------------|-----------------|
|                           | March 31, 2022 |              |                        | June 30, 2021 |                 |
|                           | Target         | expected     |                        | Target        | Long-term       |
|                           | Allocation     | real rate of |                        | Allocation    | expected real   |
|                           |                | return       |                        |               | rate of return* |
| <u>Asset Class:</u>       |                |              | <u>Asset Class:</u>    |               |                 |
| Domestic Equity           | 32%            | 3.30%        | Domestic Equities      | 33%           | 6.80%           |
| International Equity      | 15%            | 5.85%        | International Equities | 16%           | 7.60%           |
| Private Equity            | 10%            | 6.50%        | Global Equities        | 4%            | 7.10%           |
| Real Estate               | 9%             | 5.00%        | Real Estate Equities   | 11%           | 6.50%           |
| Opportunist/ARS Portfolio | 3%             | 4.10%        | Private Equities       | 8%            | 10.00%          |
| Credit                    | 4%             | 3.78%        | Domestic Fixed Income  | 16%           | 1.30%           |
| Real Assets               | 3%             | 5.80%        | Global Bonds           | 2%            | 0.80%           |
| Fixed Income              | 23%            | 0.00%        | High-yield Bonds       | 1%            | 5.90%           |
| Cash                      | 1%             | -0.01%       | Private Debt           | 1%            | 3.30%           |
|                           |                |              | Real Estate Debt       | 7%            | 3.80%           |
|                           |                |              | Cash Equivalents       | 1%            | -0.02%          |
| Total                     | 100%           |              | Total                  | 100%          |                 |

The real rate of return is net of the long-term inflation assumption of 2.00%.

\* Real rates of return are net of a long-term inflation assumption of 2.2%.

Discount Rate

The discount rate used to calculate the total pension liability was 5.90% for ERS and 6.95% for TRS. 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 System'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.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 11. PENSION PLANS. (Continued)

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 ERS and TRS net pension liability calculated using the discount rates referred to above, as well as what the District's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate referred to above:

| ERS  | 1%<br>Decrease<br>4.90% | Current<br>Discount Rate<br>5.90% | 1%<br>Increase<br>6.90% |
|--|-------------------------|-----------------------------------|-------------------------|
| Employer's Proportionate Share<br>of the Net Pension Asset/(Liability) | \$ (6,653,870)          | \$ 2,585,042                      | \$ 10,312,946           |
| TRS  | 1%<br>Decrease<br>5.95% | Current<br>Discount Rate<br>6.95% | 1%<br>Increase<br>7.95% |
| Employer's Proportionate Share<br>of the Net Pension Asset/(Liability) | 3,422,590               | 32,616,156                        | 57,151,230              |

Pension plan fiduciary net position

The components of the current-year net pension liability of the employers as of the measurement dates indicated below were as follows:

|   | (Dollars in Thousands) |                      |
|---|------------------------|----------------------|
| Measurement Date  | ERS<br>March 31, 2022  | TRS<br>June 30, 2021 |
| Employers' total pension asset/(liability)                                      | \$ (223,874,888)       | \$ (130,819,415)     |
| Plan net position   | 232,049,473            | 148,148,457          |
| Employer's net pension asset/(liability)  | <u>\$ 8,174,585</u>    | <u>\$ 17,329,042</u> |
| Ratio of plan net position to the<br>employers' total pension asset/(liability) | 103.65%                | 113.25%              |

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31<sup>st</sup>. Accrued retirement contributions as of June 30, 2022 represent the projected employer contributions for the period of April 1, 2022 through June 30, 2022 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2022 amounted to \$298,709 of employer contributions. Employee contributions are remitted monthly.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2022 are paid to the System in September, October and November 2022 through state aid intercept. Accrued retirement contributions as of June 30, 2022 based on TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS system. Accrued retirement contributions as of June 30, 2022 amounted to \$3,497,968.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
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NOTES TO FINANCIAL STATEMENTS  
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NOTE 12. INTERFUND BALANCES AND ACTIVITY.

Interfund balances and activity for the year ended June 30, 2022, were as follows:

|                   | Interfund           |                     | Interfund           |                     |
|-------------------|---------------------|---------------------|---------------------|---------------------|
|                   | Receivable          | Payable             | Revenues            | Expenditures        |
| General Fund      | \$ 2,247,884        | \$ 1,045,468        | \$ 300,000          | \$ 275,815          |
| Special Aid Fund  | 0                   | 2,247,884           | 275,815             | 0                   |
| School Lunch Fund | 409,135             | 0                   | 0                   | 50,000              |
| Capital Fund      | 636,333             | 310                 | 0                   | 871,648             |
| Debt Service Fund | 310                 | 0                   | 736,934             | 115,286             |
| Totals            | <u>\$ 3,293,662</u> | <u>\$ 3,293,662</u> | <u>\$ 1,312,749</u> | <u>\$ 1,312,749</u> |

Interfund receivables and payables 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.

The District typically transfers from the General Fund to the Special Aid Fund to fund the portion of the Summer Handicapped Program not funded by aid from New York State.

NOTE 13. OTHER POSTEMPLOYMENT BENEFITS.

General Information about the OPEB Plan

**Plan Description** – The District’s defined benefit OPEB plan (“the District’s OPEB plan”), provides OPEB for eligible retired employees, their spouses and their dependent children. The District’s OPEB plan is a single-employer defined benefit OPEB plan administered by the District based on employment contracts. As these employment contracts are renegotiated, eligibility and benefits may change over time. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

**Benefits Provided** – The District’s OPEB plan subsidizes the cost of healthcare to eligible retired employees, their spouses and their dependent children. Minimum eligibility requirements for postemployment benefits are as follows:

- Employees are eligible for postretirement benefits if he/she has met the following requirements:
  - Administrators                      Age 55 with 5 Years of Service
  - Cabinet                                Age 55 with 5 Years of Service
  - CSEA                                    Age 55 with 20 Years of Service
  - Teachers                                Age 55 with 10 Years of Service
- The School District reimburses a portion of the cost of Medicare Part B premiums to both retirees and covered spouses that retire prior to 9/1/2019. As a result of the district establishing its own viable self-funded insurance plan, only district employees (not spouses) will be reimbursed a portion of the Medicare Part B premiums for those retiring after 9/1/19. Surviving spouses are not eligible for Medicare Part B Reimbursement.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
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NOTE 13. OTHER POSTEMPLOYMENT BENEFITS. (Continued)

- The Medicare part B reimbursement was frozen at \$104.90/ month for all retirees effective September 2016.

Retirees and Spouses are required to make a contribution towards the cost of coverage based upon their cost sharing agreement with the District. Current retirees were supplied with their specific cost sharing arrangement in the data provided by the District. Future retirees are assumed to receive the following cost sharing arrangements.

| Employment Unit               | Yrs. Of Svc | District Retirement Contribution % for |          |        |
|-------------------------------|-------------|--|----------|--------|
|                               |             | Individual                             | 2 Person | Family |
| Administrators/Cabinet        |             |  |          |        |
| (Terminated 7/1/18 - 6/30/19) | 5 - 9       | 85%                                    | 70%      | 70%    |
|                               | 10+         | 90%                                    | 75%      | 75%    |
| (Terminated 7/1/19 - 6/30/20) | 5 - 9       | 80%                                    | 70%      | 70%    |
|                               | 10+         | 85%                                    | 75%      | 75%    |
| (Terminated 7/1/20 - 6/30/21) | 5 - 9       | 75%                                    | 70%      | 70%    |
|                               | 10+         | 80%                                    | 75%      | 75%    |
| (Terminated Post 7/1/21 )     | 5 - 9       | 70%                                    | 70%      | 70%    |
|                               | 10+         | 75%                                    | 75%      | 75%    |
| CSEA                          | 20+         | 90%                                    | 75%      | 65%    |
| MVTA                          |             |  |          |        |
| (Terminated 7/1/18 - 6/30/19) | 10 - 14     | 80%                                    | N/A      | 65%    |
|                               | 15 - 19     | 85%                                    | N/A      | 70%    |
|                               | 20+         | 90%                                    | N/A      | 75%    |
| (Terminated 7/1/19 - 6/30/20) | 10 - 14     | 75%                                    | N/A      | 65%    |
|                               | 15 - 19     | 80%                                    | N/A      | 70%    |
|                               | 20+         | 85%                                    | N/A      | 75%    |
| (Terminated Post 7/1/20 )     | 10 - 14     | 70%                                    | N/A      | 65%    |
|                               | 15 - 19     | 75%                                    | N/A      | 70%    |
|                               | 20+         | 80%                                    | N/A      | 75%    |

The cost sharing arrangements above are for future retirees. Current retirees may have a different arrangement based on when they retired.

Upon the death of the retiree, surviving spouses will contribute 100% of the cost of the blended premium.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
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JUNE 30, 2022

NOTE 13. OTHER POSTEMPLOYMENT BENEFITS. (Continued)

Employees Covered by Benefit Terms – At July 1, 2020, the actuarial valuation date, the following employees were covered by the benefit terms:

|  |            |
|--|------------|
| Inactive employees or beneficiaries currently receiving benefit payments | 423        |
| Active employees   | <u>500</u> |
| Total Employees Covered by Benefit Terms                                 | <u>923</u> |

Total OPEB Liability

The District's total OPEB liability of \$169,367,840 was measured as of June 30, 2020, and was determined by an actuarial valuation as of July 1, 2020 with update procedures used to roll forward the actuarial accrued liability to June 30, 2021.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|  |   |
|--|---|
| Discount Rate                                    | 2.16%   |
| Healthcare Cost Trend Rates                      | Pre-65: 7.35% for 2021, decreasing to an ultimate rate of 4.50% for 2029 and later years<br><br>Post-65: 8.24% for 2021, decreasing to an ultimate rate of 4.50% for 2029 and later years |
| Current Retirees' Share of Benefit Related Costs | Retirees pay 0% - 30% of the cost of single coverage and 25% - 60% for the spouse/family based on years of service with the District. Surviving spouse pays 100% of the Premium cost.     |

The discount rate was based on a review of the yield derived from the Bond Buyer 20 General Obligation Bond Index closest to the measurement date.

Mortality rates were based on the PUB-2010 Headcount Weighted Mortality Table projected generationally with adjustments for mortality improvements based on the SOA Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study included in the valuation reports for ERS and TRS which are used to estimate the rate of retirement from the active plan and is based on age and gender.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
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NOTE 13. OTHER POSTEMPLOYMENT BENEFITS. (Continued)

Total OPEB Liability (Continued)

Changes in the Total OPEB Liability

|  |                       |
|--|-----------------------|
| Balance at June 30, 2021                           | <u>\$ 156,232,987</u> |
| <u>Changes for the Year:</u>                       |                       |
| Service cost                                       | 6,468,196             |
| Interest   | 3,567,096             |
| Differences between expected and actual experience | (605,489)             |
| Changes in assumptions or other inputs             | 6,307,472             |
| Benefit payments                                   | <u>(2,602,422)</u>    |
| Net Changes  | <u>13,134,853</u>     |
| Balance at June 30, 2022                           | <u>\$ 169,367,840</u> |

Changes of benefit terms reflect the following changes:

- The discount rate was updated from 2.21% to 2.16% to be consistent with GASB 75 requirements and is based on the Bond Buyer 20 GO Bond Index.
- The ERS Retirement, Termination and Disability Rates were updated to reflect the recent ERS experience study.
- Mortality improvement scale has been updated from MP 2020 to MP 2021
- Health care cost trends were revised.
- The impact of the excise tax has been eliminated.

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 1 percentage point lower or 1 percentage point higher than the current discount rate:

|                      | 1%<br>Decrease<br>(1.16%) | Current<br>Discount Rate<br>(2.16%) | 1%<br>Increase<br>(3.16%) |
|----------------------|---------------------------|-------------------------------------|---------------------------|
| Total OPEB Liability | \$ 201,716,745            | \$ 169,367,840                      | \$ 143,794,422            |

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 rate:

|                      | 1%<br>Decrease | Current Health Care<br>Cost Trend Rates | 1%<br>Increase |
|----------------------|----------------|---|----------------|
| Total OPEB Liability | \$ 141,004,997 | \$ 169,367,840                          | \$ 203,822,434 |



MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 13. OTHER POSTEMPLOYMENT BENEFITS. (Continued)

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

For the year ended June 30, 2022, the District recognized OPEB expense of \$9,612,920. At June 30, 2022, the District reported the following deferred outflows of resources and deferred inflows of resources related to OPEB.

|   | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|---|-----------------------------------|----------------------------------|
| Difference between actual and expected experience           | \$ 3,355,739                      | \$ 2,012,350                     |
| Changes of assumptions or other inputs                      | 25,884,567                        | 15,179,258                       |
| District's contributions subsequent to the measurement date | 2,942,157                         | 0                                |
| Total   | <u>\$ 32,182,463</u>              | <u>\$ 17,191,608</u>             |

District contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the fiscal year ended June 30, 2023. Other 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 30,</u> | <u>Amount</u> |
|------------------------------------|---------------|
| 2023                               | \$ (422,372)  |
| 2024                               | (422,372)     |
| 2025                               | 832,102       |
| 2026                               | 3,586,455     |
| 2027                               | 4,812,030     |
| Thereafter                         | 3,662,855     |

NOTE 14. RISK MANAGEMENT.

General Information

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 two years.

Workers' Compensation

The District participates in the Orange/Ulster School District Workers Compensation Plan. The plan is a non-risk-retained public entity risk pool for its employee health and accident insurance coverage. The pool is operated for the benefit of 20 individual governmental units located within the pool's geographic area, and is considered a self-sustaining risk pool that will provide coverage for its members up to \$500,000 per insured event. The pool obtains independent coverage for insured events in excess of the \$500,000 limit, and the District has essentially transferred all related risk to the pool.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 14. RISK MANAGEMENT. (Continued)

Self-Funded Medical and Prescription Plan

The District self-insures for medical and prescription health insurance benefits for all eligible staff and retirees. The benefit administrators are responsible for the approval, processing and payment of claims which are funded by the District. Empire Blue Cross, Inc. is the third-party claims administrator for the District's health plan. EmpiRx is the third-party claims administrator for the District's prescription plan. The cost of medical and prescription claims are paid out of employee and employer contributions. The District pays the medical claims and related administrative fees on a weekly basis to Empire. The District pays prescription claims and related administrative fees on a bi-weekly basis to EmpiRx. Health claims reported and unreported claims which were incurred on or before year end, but which were not paid by the District as of that date in the amount of \$581,457 have been recorded as provided by Empire. Prescription claims incurred prior to June 30, 2022, and paid in subsequently in the amount of \$243,000 have been recorded as provided by EmpiRx.

To provide claims protection for unanticipated large claims, the District has purchased both aggregate and specific stop loss coverage from Empire Blue Cross Insurance Company. The aggregate insurance provides full coverage for aggregate claims in excess of 125% of expected claims. The specific stop loss insurance assumes the risk for claims on any individual in excess of \$250,000 paid during the plan year. The plan recovered reimbursements from the stop loss policy for 2021-2022, in the amount of \$320,456.

Self-Funded Dental and Vision Plan

The District is self-insured for dental and vision benefits for active and retired support staff and administrators. (The teachers' union maintains their own Benefit Trust Fund for dental and vision benefits for active employees.) The benefit administrators are responsible for the approval, processing and payment of claims which are funded by the District. Delta Dental of New York is the third party claims administrator for the District's dental plan. Empire Blue View, Inc. is the third party claims administrator for the District's vision plan. The claims for dental and vision care are paid out of employee, retiree and employer contributions. The District pays the dental claims and related administrative fees on a weekly basis by transferring funds to Delta Dental.

At June 30, 2022, the district estimated its Dental claims liability to be \$9,993, which represents reported and unreported claims which were incurred on or before year end, but which were not paid by the District as of that date.

The District has not purchased stop loss insurance on the self-funded dental or vision plans as they both have a limited potential liability that does not represent a significant portion of the overall health insurance costs. The District's liability is limited to the annual dental maximum per covered individual, which is \$1,500 for active employees and \$1,000 for retirees for the year ended June 30, 2022. The vision benefits are limited to an annual plan maximum of approximately \$250 per covered individual.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 14. RISK MANAGEMENT. (Continued)

Claims Activity Health Insurance, Prescriptions and Dental/Vision for the fiscal year is summarized below:

|      | Claims and<br>Changes In<br>Estimates | Claims<br>Payments | Balances at<br>End of Year |
|------|---------------------------------------|--------------------|----------------------------|
| 2022 | \$ 13,045,868                         | \$ 12,211,418      | \$ 834,450                 |

Incurred but not reported for fiscal year end June 30:

|      |            |
|------|------------|
| 2022 | \$ 834,450 |
|------|------------|

NOTE 15. COMMITMENTS AND CONTINGENCIES.

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.

There are currently pending certiorari proceedings, the results of which could require the payment of future tax refunds by the School District if existing assessments rolls are modified based on the outcome of the litigation proceedings. However, the amount of these possible refunds cannot be determined at the present time. Any payments resulting from adverse decisions in excess of the Tax Certiorari Reserve will be funded in the year the payment is made.

NOTE 16. ENCUMBRANCES.

Encumbrances represent contracts, purchase orders, payroll commitments, tax payables, or legal penalties that are chargeable to an account. They cease to be encumbrances when paid or when the actual liability amount is determined and recorded as an expenditure. Encumbrances of appropriations of budgets for the year ended June 30, 2022 have been included in the assigned fund balances of the following fund as of June 30, 2022:

|                    |                   |
|--------------------|-------------------|
| General Fund       | \$ 429,116        |
| Total Encumbrances | <u>\$ 429,116</u> |

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 17. TAX ABATEMENT.

The Orange County Industrial Development Agency ("the IDA") entered into property tax abatement agreements that reduced the District's gross tax revenues. Generally, property tax abatement agreements are entered into by the IDA under New York Real Property Tax Law, Section 412-a and General Municipal Law, Section 874 in order to induce businesses to acquire, renovate, construct and upgrade certain real property within Orange County. For a qualified and approved project, the IDA takes title or a leasehold interest in the property thereby technically making the property exempt from all real property taxes. However, the IDA requires the execution of a Payment in Lieu of Taxes (PILOT) Agreement with the company which requires the company to pay a reduced portion of the current real property taxes, including land and special district taxes, to the County, Town/Village and School District in which it is located and a graduated percentage of taxes upon the improvements constructed on the property.

For the fiscal year ended June 30, 2022, the District abated property taxes totaling \$2,605,390 under these property tax abatement agreements and received payments in lieu of tax (PILOT) in the amount of \$1,361,022.

NOTE 18. SUBSEQUENT EVENTS.

The District has evaluated subsequent events through October 15, 2022 the date that the financial statements were available to be issued. No significant subsequent events have been identified that would require adjustment of or disclosure in the accompanying financial statements.

NOTE 19. RESTATEMENT OF NET POSITION.

For the fiscal year ended June 30, 2022, the District implemented GASB Statement 87, *Leases*. GASB Statement 87, *Leases* establishes criteria for recognition of certain leased assets and liabilities that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provision of the contract.

The implementation of this statement has resulted in changing the presentation of Lessee and Lessor transactions in the financial statements. Under this Statement, lessee transactions will now recognize a lease liability and an intangible right-to-use lease asset and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Right to use lease assets are amortized over the lease term.

Governmental Activities

|   |                               |
|---|-------------------------------|
| Net Position, Beginning of Year, as Previously Reported:                        | \$ (81,821,462)               |
| Plus : Change in Accounting Principle, Right to Use Assets, Net - June 30, 2021 | 274,293.00                    |
| Less: Change in Accounting Principle, Lease Liability - June 30, 2021           | <u>(54,212)</u>               |
| Net Position, Beginning of Year, as Restated:                                   | <u><u>\$ (81,601,381)</u></u> |

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS  
FOR THE YEAR ENDED JUNE 30, 2022

|  | <u>06/30/22</u>       | <u>06/30/21</u>       | <u>06/30/20</u>       | <u>06/30/19</u>       | <u>06/30/18</u>       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <u>Total OPEB Liability</u>                                      |                       |                       |                       |                       |                       |
| Service cost   | \$ 6,468,196          | \$ 4,749,279          | \$ 4,127,088          | \$ 4,795,821          | \$ 5,849,078          |
| Interest   | 3,567,096             | 4,451,803             | 4,382,110             | 5,384,085             | 4,701,558             |
| Changes of benefit terms   | 0                     | 0                     | 0                     | (24,077,442)          | 0                     |
| Differences between expected and actual experience               | (605,489)             | 4,441,662             | 103,413               | (3,157,237)           | 0                     |
| Changes in assumptions or other inputs                           | 6,307,472             | 21,758,975            | 6,994,568             | (16,734,976)          | (21,554,166)          |
| Benefit payments   | <u>(2,602,422)</u>    | <u>(2,481,475)</u>    | <u>(2,774,019)</u>    | <u>(2,633,396)</u>    | <u>(2,406,293)</u>    |
| Net change in total OPEB liability                               | 13,134,853            | 32,920,244            | 12,833,160            | (36,423,145)          | (13,409,823)          |
| Total OPEB liability-beginning                                   | <u>156,232,987</u>    | <u>123,312,743</u>    | <u>110,479,583</u>    | <u>146,902,728</u>    | <u>160,312,551</u>    |
| Total OPEB liability-ending                                      | <u>\$ 169,367,840</u> | <u>\$ 156,232,987</u> | <u>\$ 123,312,743</u> | <u>\$ 110,479,583</u> | <u>\$ 146,902,728</u> |
| Covered-employee payroll   | \$ 42,171,216         | \$ 39,183,327         | \$ 41,139,248         | \$ 38,749,014         | \$ 39,497,431         |
| Total OPEB liability as a percentage of covered-employee payroll | 401.62%               | 398.72%               | 299.74%               | 285.12%               | 371.93%               |

Notes to Schedule:

*Changes of assumptions.* Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

|          |       |
|----------|-------|
| 06/30/22 | 2.16% |
| 06/30/21 | 2.21% |
| 06/30/20 | 3.51% |
| 06/30/19 | 3.87% |
| 06/30/18 | 3.58% |

Underlying claims were updated to reflect the most recent claims experience for the 6/30/19 period.

For the 6/30/22 period, the mortality improvement scale has been updated from the MP-20 to MP-2021

For the 6/30/21 period, the mortality improvement scale has been updated from the MP-2018 to MP-2020

For the 6/30/19 period, the mortality assumption was updated from the RP-2014 Combined Healthy Generational Mortality Table with projection scale MP-2016 from the Central Year to the PUB-2010 Headcount Weighted Mortality Table with projection scale MP-2018 varying based on Bargaining Unit Classification.

For the 6/30/18 period, the salary scale was updated to service-based tables from ERS and TRS.

For the 6/30/18 period, health care cost trends rates were updated based on national average information from a variety of sources, including S&P Healthcare Economic Index, NHCE data, plan renewal data, and vendor Rx reports, with adjustments based on provisions of the benefits sponsored by the Minisink Valley Central School District.

\* GASB 75 requires that the past 10 years of information be presented. However, until a full 10 year trend is compiled, information is presented for those years which information is available. Data will be accumulated over time and presented according to GASB 75.

See paragraph on supplementary schedules included in auditor's report.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT

SLATE HILL, NEW YORK

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2022

|   | ORIGINAL<br>BUDGET | FINAL<br>BUDGET | CURRENT<br>YEAR'S<br>REVENUES | OVER (UNDER)<br>REVISED BUDGET |
|---|--------------------|-----------------|-------------------------------|--------------------------------|
| <u>REVENUES</u>                               |                    |                 |                               |                                |
| LOCAL SOURCES:                                |                    |                 |                               |                                |
| Real Property Taxes                           | \$ 45,491,438      | \$ 45,491,438   | \$ 45,475,166                 | \$ (16,272)                    |
| Other Tax Items                               | 5,177,163          | 5,177,163       | 5,178,267                     | 1,104                          |
| Charges for Services                          | 57,000             | 57,000          | 94,051                        | 37,051                         |
| Use of Money & Property                       | 30,000             | 30,000          | 258,064                       | 228,064                        |
| Sale of Property & Compensation for Loss      | 156,000            | 156,000         | 947,925                       | 791,925                        |
| Miscellaneous                                 | 621,000            | 872,688         | 841,947                       | (30,741)                       |
| STATE SOURCES                                 | 43,977,820         | 43,977,820      | 42,712,772                    | (1,265,048)                    |
| FEDERAL SOURCES                               | 0                  | 0               | 463,431                       | 463,431                        |
| OTHER SOURCES:                                |                    |                 |                               |                                |
| Leases  | 0                  | 0               | 174,695                       | 174,695                        |
| Operating Transfers In                        | 300,000            | 300,000         | 300,000                       | 0                              |
| TOTAL REVENUES                                | 95,810,421         | 96,062,109      | \$ 96,446,318                 | \$ 384,209                     |
| APPROPRIATED FUND BALANCE                     | 7,315,063          | 7,430,063       |                               |                                |
| TOTAL REVENUES &<br>APPROPRIATED FUND BALANCE | \$ 103,125,484     | \$ 103,492,172  |                               |                                |

See paragraph on supplementary schedules included in auditor's report.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2022

|  | ORIGINAL<br>BUDGET    | FINAL<br>BUDGET       | CURRENT<br>YEAR'S<br>EXPENDITURES | ENCUMBRANCES      | UNENCUMBERED<br>BALANCE |
|--|-----------------------|-----------------------|-----------------------------------|-------------------|-------------------------|
| <b>EXPENDITURES</b>  |                       |                       |                                   |                   |                         |
| <b>GENERAL SUPPORT:</b>  |                       |                       |                                   |                   |                         |
| Board of Education   | \$ 72,400             | \$ 93,918             | \$ 72,241                         | \$ 350            | \$ 21,327               |
| Central Administration   | 634,066               | 678,435               | 671,791                           | 0                 | 6,644                   |
| Finance  | 747,271               | 797,238               | 767,300                           | 70                | 29,868                  |
| Staff  | 621,111               | 616,423               | 545,856                           | 18,373            | 52,194                  |
| Central Services   | 5,386,750             | 5,402,458             | 4,871,818                         | 81,364            | 449,276                 |
| Special Items  | 1,239,930             | 1,224,996             | 1,112,752                         | 0                 | 112,244                 |
| <b>INSTRUCTIONAL:</b>  |                       |                       |                                   |                   |                         |
| Instruction, Administration & Improvement  | 2,658,609             | 2,651,523             | 2,609,249                         | 135               | 42,139                  |
| Teaching - Regular School  | 24,649,222            | 25,076,943            | 24,043,433                        | 52,943            | 980,567                 |
| Programs for Children with Handicapping Conditions                               | 20,155,486            | 19,636,296            | 17,297,149                        | 133,360           | 2,205,787               |
| Occupational Education   | 2,559,082             | 2,662,614             | 2,627,939                         | 0                 | 34,675                  |
| Teaching - Special Schools   | 776,224               | 776,224               | 607,578                           | 0                 | 168,646                 |
| Instructional Media  | 1,619,362             | 1,926,035             | 1,422,403                         | 18,833            | 484,799                 |
| Pupil Services   | 3,493,038             | 3,644,311             | 3,297,702                         | 9,745             | 336,864                 |
| Capital Outlay   | 0                     | 0                     | 174,695                           | 0                 | (174,695)               |
| PUPIL TRANSPORTATION   | 5,337,116             | 5,436,386             | 5,021,561                         | 1,846             | 412,979                 |
| COMMUNITY SERVICES   | 243,600               | 243,600               | 220,270                           | 0                 | 23,330                  |
| EMPLOYEE BENEFITS  | 24,982,880            | 24,697,285            | 20,934,943                        | 112,097           | 3,650,245               |
| <b>DEBT SERVICE:</b>   |                       |                       |                                   |                   |                         |
| Debt Service - Principal   | 5,596,723             | 5,596,723             | 5,787,235                         | 0                 | (190,512)               |
| Debt Service - Interest  | 2,063,364             | 2,041,514             | 1,880,839                         | 0                 | 160,675                 |
| <b>TOTAL EXPENDITURES</b>  | <b>102,836,234</b>    | <b>103,202,922</b>    | <b>93,966,754</b>                 | <b>429,116</b>    | <b>8,807,052</b>        |
| <b>OTHER USES:</b>   |                       |                       |                                   |                   |                         |
| Operating Transfers Out  | 289,250               | 289,250               | 275,815                           | 0                 | 13,435                  |
| <b>TOTAL EXPENDITURES &amp; OTHER USES</b>                                       | <b>\$ 103,125,484</b> | <b>\$ 103,492,172</b> | <b>\$ 94,242,569</b>              | <b>\$ 429,116</b> | <b>\$ 8,820,487</b>     |
| <b>EXCESS OF EXPENDITURES AND OTHER USES<br/>OVER REVENUES AND OTHER SOURCES</b> |                       |                       | <b>\$ 2,203,749</b>               |                   |                         |

See paragraph on supplementary schedules included in auditor's report.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2022

|  | NYSERS Pension Plan<br>Last 10 Fiscal Years* |              |                |                |                |                |                |                |                |  |
|--|--|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--|
|  | 3/31/2022                                    | 3/31/2021    | 3/31/2020      | 3/31/2019      | 3/31/2018      | 3/31/2017      | 3/31/2016      | 3/31/2015      | 3/31/2014      |  |
| District's proportion of the net pension asset/(liability)   | 0.0316229%                                   | 0.0313466%   | 0.0342779%     | 0.0323099%     | 0.0324686%     | 0.0298419%     | 0.0289498%     | 0.0304224%     | 0.0304224%     |  |
| District's proportionate share of the net pension asset/(liability)  | \$ 2,585,042                                 | \$ (31,213)  | \$ (9,076,986) | \$ (2,289,253) | \$ (1,047,908) | \$ (2,804,013) | \$ (4,646,522) | \$ (1,027,743) | \$ (1,374,745) |  |
| District's covered-employee payroll  | \$ 9,529,628                                 | \$ 9,937,736 | \$ 9,373,351   | \$ 10,428,582  | \$ 9,630,182   | \$ 9,277,692   | \$ 8,556,497   | \$ 7,905,074   | \$ 8,298,551   |  |
| District's proportionate share of the net pension asset/(liability)<br>as a percentage of its covered-employee payroll | 27.13%                                       | -0.31%       | -96.84%        | -21.95%        | -10.88%        | -30.22%        | -54.30%        | -13.00%        | -16.57%        |  |
| Plan fiduciary net position as a percentage of<br>the total pension liability  | 103.65%                                      | 99.95%       | 86.39%         | 98.24%         | 94.70%         | 90.68%         | 97.95%         | 97.15%         | 97.15%         |  |

|  | NYSTRS Pension Plan<br>Last 10 Fiscal Years* |                |               |               |               |                |               |               |               |  |
|--|--|----------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|--|
|  | 6/30/2021                                    | 6/30/2020      | 6/30/2019     | 6/30/2018     | 6/30/2017     | 6/30/2016      | 6/30/2015     | 6/30/2014     | 6/30/2013     |  |
| District's proportion of the net pension asset/(liability)   | 0.188217%                                    | 0.188302%      | 0.197373%     | 0.193628%     | 0.186197%     | 0.183725%      | 0.182369%     | 0.179922%     | 0.176529%     |  |
| District's proportionate share of the net pension asset/(liability)  | \$ 32,616,156                                | \$ (5,203,281) | \$ 5,127,757  | \$ 3,501,313  | \$ 1,415,286  | \$ (1,967,771) | \$ 18,942,345 | \$ 20,042,154 | \$ 1,162,006  |  |
| District's covered-employee payroll  | \$ 32,518,106                                | \$ 31,952,855  | \$ 31,765,898 | \$ 31,539,906 | \$ 29,520,317 | \$ 28,350,603  | \$ 27,394,324 | \$ 26,577,235 | \$ 26,116,313 |  |
| District's proportionate share of the net pension asset/(liability)<br>as a percentage of its covered-employee payroll | 100.30%                                      | -16.28%        | 16.14%        | 11.10%        | 4.79%         | -6.94%         | 69.15%        | 75.41%        | 4.45%         |  |
| Plan fiduciary net position as a percentage of<br>the total pension liability  | 113.65%                                      | 102.17%        | 101.53%       | 100.66%       | 99.01%        | 110.46%        | 111.48%       | 100.70%       | 100.70%       |  |

\* GASB 68 requires that the past 10 years of information be presented. However, until a full 10 year trend is compiled, information is presented for those years for which information is available.

See paragraph on supplementary schedules included in auditor's report.



MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
FOR THE YEAR ENDED JUNE 30, 2022

NYSEKRS Pension Plan  
Last 10 Fiscal Years\*

|  | 3/31/2022    | 3/31/2021    | 3/31/2020    | 3/31/2019     | 3/31/2018    | 3/31/2017    | 3/31/2016    | 3/31/2015    | 3/31/2014    |
|--|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|
| Contractually required contribution                                  |              |              |              |               |              |              |              |              |              |
| Contributions in relation to the contractually required contribution | \$ 1,491,162 | \$ 1,467,326 | \$ 1,404,297 | \$ 1,390,053  | \$ 1,379,410 | \$ 1,309,599 | \$ 1,346,651 | \$ 1,627,679 | \$ 1,346,651 |
| Contribution deficiency (excess)                                     | 1,491,162    | 1,467,326    | 1,404,297    | 1,390,053     | 1,379,410    | 1,309,599    | 1,346,651    | 1,627,679    | 1,346,651    |
| Covered Employee Payroll   | \$ 0         | \$ 0         | \$ 0         | \$ 0          | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         |
| Contributions as a percentage of its covered-employee payroll        | \$ 9,529,628 | \$ 9,937,736 | \$ 9,373,351 | \$ 10,428,582 | \$ 9,630,182 | \$ 9,277,692 | \$ 8,556,497 | \$ 7,905,074 | \$ 8,298,551 |
|  | 15.65%       | 14.77%       | 14.98%       | 13.33%        | 14.32%       | 14.12%       | 15.74%       | 20.59%       | 16.23%       |

NYSTRS Pension Plan  
Last 10 Fiscal Years\*

|  | 6/30/2021     | 6/30/2020     | 6/30/2019     | 6/30/2018     | 6/30/2017     | 6/30/2016     | 6/30/2015     | 6/30/2014     | 6/30/2013     |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Contractually required contribution                                  |               |               |               |               |               |               |               |               |               |
| Contributions in relation to the contractually required contribution | \$ 3,186,775  | \$ 3,251,200  | \$ 3,498,729  | \$ 3,090,911  | \$ 3,458,122  | \$ 3,759,290  | \$ 4,802,225  | \$ 4,318,801  | \$ 3,061,543  |
| Contribution deficiency (excess)                                     | 3,186,775     | 3,251,200     | 3,498,729     | 3,090,911     | 3,458,122     | 3,759,290     | 4,802,225     | 4,318,801     | 3,061,543     |
| Covered Employee Payroll   | \$ 0          | \$ 0          | \$ 0          | \$ 0          | \$ 0          | \$ 0          | \$ 0          | \$ 0          | \$ 0          |
| Contributions as a percentage of its covered-employee payroll        | \$ 32,518,106 | \$ 31,952,855 | \$ 31,765,898 | \$ 31,539,906 | \$ 29,520,317 | \$ 28,350,603 | \$ 27,394,324 | \$ 26,577,235 | \$ 26,116,313 |
|  | 9.80%         | 10.17%        | 11.01%        | 9.80%         | 11.71%        | 13.26%        | 17.53%        | 16.25%        | 11.72%        |

\* GASB 68 requires that the past 10 years of information be presented. However, until a full 10 year trend is compiled, information is presented for those years for which information is available.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET AND  
THE REAL PROPERTY TAX LIMIT  
FOR THE YEAR ENDED JUNE 30, 2022

CHANGE FROM ADOPTED TO FINAL BUDGET

|                              |                              |
|------------------------------|------------------------------|
| ADOPTED BUDGET               | \$ 102,250,169               |
| ADDITIONS:                   |                              |
| Encumbrances from Prior Year | <u>875,315</u>               |
| ORIGINAL BUDGET              | 103,125,484                  |
| BUDGET REVISIONS:            |                              |
| Donations                    | 2,000                        |
| Emergency Connectivity Funds | 249,688                      |
| Retiree Payouts              | <u>115,000</u>               |
| FINAL BUDGET                 | <u><u>\$ 103,492,172</u></u> |

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

|   |                            |
|---|----------------------------|
| 2022-2023 Voter-approved expenditure budget maximum allowed<br>(4% of 2022-2023 budget \$105,823,385) | <u><u>\$ 4,232,935</u></u> |
| General Fund - Fund Balance Subject to Section 1318 of Real Property Tax Law                          |                            |
| Unrestricted Fund Balance:  |                            |
| Assigned Fund Balance   | \$ 5,768,449               |
| Unassigned Fund Balance   | <u>4,232,935</u>           |
| Total Unrestricted Fund Balance   | <u><u>10,001,384</u></u>   |
| Less:   |                            |
| Appropriated Fund Balance   | 5,339,333                  |
| Encumbrances Included in Committed and Assigned Fund Balance  | <u>429,116</u>             |
| Total Adjustments   | <u><u>5,768,449</u></u>    |
| General Fund - Fund Balance Subject to Section 1318 of Real Property Tax Law                          | <u><u>\$ 4,232,935</u></u> |
| Actual Percentage   | 4.00%                      |

See paragraph on supplementary schedules included in auditor's report.

## MINISINK VALLEY CENTRAL SCHOOL DISTRICT

## SLATE HILL, NEW YORK

## SCHEDULE OF CAPITAL PROJECTS FUND - PROJECT EXPENDITURES AND FINANCING RESOURCES

FOR THE YEAR ENDED JUNE 30, 2022

|  | EXPENDITURES TO DATE      |                          |                |                 | METHODS OF FINANCING |                       |                       | FUND<br>BALANCE<br>JUNE 30, 2022 |              |                  |                 |                 |
|--|---------------------------|--------------------------|----------------|-----------------|----------------------|-----------------------|-----------------------|----------------------------------|--------------|------------------|-----------------|-----------------|
|  | ORIGINAL<br>APPROPRIATION | REVISED<br>APPROPRIATION | PRIOR<br>YEARS | CURRENT<br>YEAR | TOTAL                | UNEXPENDED<br>BALANCE | PROCEEDS<br>FROM DEBT |                                  | STATE<br>AID | LOCAL<br>SOURCES |                 |                 |
|  | \$                        | \$                       | \$             | \$              | \$                   | \$                    | \$                    | \$                               | \$           | \$               | \$              | \$              |
| Handicapped Renovations                      | 25,000                    | 9,490                    | 0              | 9,490           | 9,490                | 0                     | 0                     | 0                                | 9,490        | 0                | 0               | 0               |
| Asbestos Project                             | 400,000                   | 400,000                  | 0              | 0               | 0                    | 400,000               | 0                     | 0                                | 0            | 0                | 0               | 0               |
| Storage Building                             | 27,000                    | 54,000                   | 37,228         | 16,772          | 54,000               | 0                     | 0                     | 0                                | 0            | 54,000           | 0               | 0               |
| Otisville Plumbing                           | 125,000                   | 125,000                  | 105,775        | 19,225          | 125,000              | 0                     | 0                     | 0                                | 0            | 125,000          | 0               | 0               |
| Plumbing/Boiler - Otisville                  | 60,000                    | 60,000                   | 0              | 60,000          | 60,000               | 0                     | 0                     | 0                                | 0            | 60,000           | 0               | 0               |
| Addition to Storage Building/Maintenance Eq. | 10,000                    | 10,000                   | 8,954          | 1,046           | 10,000               | 0                     | 0                     | 0                                | 0            | 10,000           | 0               | 0               |
| Upgrade Existing Tennis Courts               | 30,000                    | 30,000                   | 0              | 30,000          | 30,000               | 0                     | 0                     | 0                                | 0            | 30,000           | 0               | 0               |
| Auditorium and Access Road                   | 916,340                   | 916,340                  | 912,783        | 3,557           | 916,340              | 0                     | 916,340               | 0                                | 0            | 0                | 916,340         | 0               |
| High School Sewer Shed Roof                  | 52,844                    | 52,844                   | 33,328         | 19,516          | 52,844               | 0                     | 0                     | 0                                | 0            | 52,844           | 0               | 0               |
| Health & Safety Improvements - H.S.          | 221,660                   | 221,660                  | 186,757        | 34,903          | 221,660              | 0                     | 0                     | 0                                | 0            | 221,660          | 0               | 0               |
| Bus Garage Reconstruction                    | 54,286                    | 54,286                   | 51,608         | 2,678           | 54,286               | 0                     | 0                     | 0                                | 0            | 54,286           | 0               | 0               |
| Gym Door Partition                           | 33,600                    | 0                        | 33,600         | (33,600)        | 0                    | 0                     | 0                     | 0                                | 0            | 0                | 0               | 0               |
| Bus Purchase                                 | 385,000                   | 385,000                  | 381,940        | 3,060           | 385,000              | 0                     | 0                     | 0                                | 0            | 385,000          | 0               | 0               |
| Elementary - Intermediate School Alterations | 1,950,000                 | 1,950,000                | 1,945,719      | 4,281           | 1,950,000            | 0                     | 1,950,000             | 0                                | 0            | 0                | 1,950,000       | 0               |
| New Otisville School                         | 37,625,000                | 37,625,000               | 37,623,026     | 1,974           | 37,625,000           | 0                     | 37,625,000            | 0                                | 0            | 0                | 37,625,000      | 0               |
| Pole Barn                                    | 235,050                   | 235,050                  | 230,263        | 4,787           | 235,050              | 0                     | 0                     | 0                                | 0            | 235,050          | 0               | 0               |
| Condition Survey                             | 90,000                    | 90,000                   | 92,863         | (2,863)         | 90,000               | 0                     | 0                     | 0                                | 0            | 90,000           | 0               | 0               |
| Condition Survey 2015-2016                   | 0                         | 0                        | 33,858         | (33,858)        | 0                    | 0                     | 0                     | 0                                | 0            | 0                | 0               | 0               |
| \$19.7M Authorization                        | 20,150,000                | 19,650,000               | 18,976,052     | 723,948         | 19,700,000           | (50,000)              | 19,700,000            | 0                                | 0            | 0                | 19,700,000      | 0               |
| 2008 \$26.2M Authorization                   | 38,422,342                | 32,240,891               | 29,949,428     | 0               | 29,949,428           | 2,291,463             | 23,900,000            | 1,328,008                        | 2,487,045    | 27,715,053       | (2,234,375)     | (2,234,375)     |
| 2017 \$36.9M Authorization                   | 23,802,612                | 1,428,250                | 17,341,660     | 1,183,448       | 18,525,108           | (17,096,858)          | 0                     | 0                                | 2,719,667    | 2,719,667        | (15,805,441)    | (15,805,441)    |
| Smart School Bond                            | 3,117,700                 | 3,284,403                | 968,253        | 2,321,851       | 3,290,104            | (5,701)               | 0                     | 3,284,403                        | 0            | 3,284,403        | 0               | (5,701)         |
| Buses - 2015                                 | 1,543,397                 | 1,543,397                | 1,539,519      | 6,731           | 1,546,250            | (2,853)               | 0                     | 0                                | 1,546,250    | 1,546,250        | 0               | 0               |
| Buses - 2018                                 | 954,539                   | 954,539                  | 952,971        | 0               | 952,971              | 1,568                 | 0                     | 0                                | 572,722      | 572,722          | (380,249)       | (380,249)       |
| Buses - 2022                                 | 1,688,823                 | 1,688,823                | 0              | 1,687,405       | 1,687,405            | 1,418                 | 0                     | 0                                | 337,764      | 337,764          | (1,349,641)     | (1,349,641)     |
|  | \$ 131,920,193            | \$ 103,008,973           | \$ 111,405,585 | \$ 6,064,351    | \$ 117,469,936       | \$ (14,460,963)       | \$ 84,091,340         | \$ 4,612,411                     | \$ 8,990,778 | \$ 97,694,529    | \$ (19,775,407) | \$ (19,775,407) |

See paragraph on supplementary schedules included in auditor's report.

SUPPLEMENTAL SCHEDULE #7

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NET INVESTMENT IN CAPITAL ASSETS  
FOR THE YEAR ENDED JUNE 30, 2022

|  |                   |                      |
|--|-------------------|----------------------|
| CAPITAL ASSETS, NET                    |                   | \$ 92,268,123        |
| RIGHT TO USE ASSET, NET                |                   | 255,382              |
| ADDITIONS:                             |                   |                      |
| Deferred Amount on Refunding           |                   | 1,769,206            |
|  |                   | <u>94,037,329</u>    |
| DEDUCTIONS                             |                   |                      |
| Bond Anticipation Note                 | \$ 28,102,875     |                      |
| Short-term Portion of Bonds Payable    | 4,972,694         |                      |
| Long-term Portion of Bonds Payable     | 31,760,163        |                      |
| Short-term Portion of Installment Debt | 334,119           |                      |
| Long-term Portion of Installment Debt  | 719,731           |                      |
| Short - term Portion of Lease Payable  | 13,167            |                      |
| Long - term Portion of Lease Payable   | 25,229            |                      |
| Total Related Debt                     | <u>65,927,978</u> |                      |
| Less: Unspent BAN Proceeds             | <u>(133)</u>      |                      |
| Related Debt                           |                   | <u>(65,927,845)</u>  |
| NET INVESTMENT IN CAPITAL ASSETS       |                   | <u>\$ 28,109,484</u> |

See paragraph on supplementary schedules included in auditor's report.



**Nugent & Haeussler, P.C.**  
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the President and Members  
of the Board of Education of  
Minisink Valley Central School District  
Slate Hill, New York 10973

Peter J. Bullis, CPA, FACFEI, DABFA  
Norman M. Sassi, CPA  
Christopher E. Melley, CPA  
Gary C. Theodore, CPA  
Julia R. Fraino, CPA  
William T. Trainor, CPA  
Mark M. Levy, CPA, CFP  
Thomas R. Busse, Jr., CPA  
Brent T. Napoleon, CPA  
Jennifer L. Capicchioni, CPA  
Patrick M. Bullis, CPA  
Justin B. Wood, CPA

Richard P. Capicchioni, CPA  
Walter J. Jung, CPA  
Jennifer A. Traverse, CPA

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 and each major fund of Minisink Valley Central School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Minisink Valley Central School District's basic financial statements and have issued our report thereon dated October 15, 2022.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Minisink Valley Central School District's internal control over financial reporting (internal control) to determine the 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 Minisink Valley Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Minisink Valley Central School 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.

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 considered 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 Minisink Valley Central School District's financial statements are free of 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 determination of financial statement amounts. 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.

A handwritten signature in blue ink that reads "Nugent & Haussler, P.C.".

Montgomery, New York  
October 15, 2022



# Nugent & Haeussler, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

ESTABLISHED 1925

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

To the President and Members  
of the Board of Education of  
Minisink Valley Central School District  
Slate Hill, New York 10973

Peter J. Bullis, CPA, FAFCEI, DABFA  
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### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited Minisink Valley Central School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Minisink Valley Central School District's major federal programs for the year ended June 30, 2022. Minisink Valley Central School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Minisink Valley Central School 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, 2022.

#### ***Basis for Opinion on Each Major Federal Program***

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Minisink Valley Central School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Minisink Valley Central School District's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Minisink Valley Central School District's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Minisink Valley Central School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Minisink Valley Central School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Minisink Valley Central School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Minisink Valley Central School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Minisink Valley Central School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

A handwritten signature in blue ink that reads "Nugent & Haussler, P.C.".

Montgomery, New York  
October 15, 2022

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2022

| <u>FEDERAL GRANTOR/PASS-THROUGH<br/>GRANTOR/PROGRAM OR CLUSTER TITLE</u>                | <u>FEDERAL<br/>ASSISTANCE<br/>LISTING</u> | <u>PASS-THROUGH<br/>ENTITY<br/>IDENTIFYING<br/>NUMBER</u> | <u>SUBRECIPIENT<br/>AWARDS</u> | <u>EXPENDITURES</u> |
|---|---|---|--------------------------------|---------------------|
| <u>U.S. DEPARTMENT OF AGRICULTURE</u>   |   |   |                                |                     |
| Passed-through NYS Education Department:  |   |   |                                |                     |
| Child Nutrition Cluster:  |   |   |                                |                     |
| Non-Cash Assistance (food distribution)   |   |   |                                |                     |
| National School Lunch Program   | 10.555                                    | N/A   |                                | \$ 101,303          |
| Cash Assistance   |   |   |                                |                     |
| National School Breakfast Program   | 10.553                                    | N/A   |                                | 245,268             |
| National School Lunch Program   | 10.555                                    | N/A   |                                | 1,526,323           |
| Cash Assistance Subtotal  |   |   |                                | 1,771,591           |
| Total Child Nutrition Cluster   |   |   |                                | 1,872,894           |
| Pandemic EBT Administrative Cost Grant  | 10.649                                    | N/A   |                                | 2,404               |
| TOTAL U.S. DEPT. OF AGRICULTURE, CHILD NUTRITION CLUSTER                                |   |   |                                | 1,875,298           |
| <u>U.S. DEPARTMENT OF EDUCATION</u>   |   |   |                                |                     |
| Passed-through NYS Education Department:  |   |   |                                |                     |
| Special Education Cluster (IDEA):   |   |   |                                |                     |
| IDEA - Part B, Section 611  | 84.027                                    | 0032-22-0686  | \$ 83,097                      | 824,200             |
| IDEA - Part B, Section 619  | 84.173                                    | 0033-22-0686  | 12,682                         | 27,590              |
| Total Special Education Cluster   |   |   | \$ 95,779                      | 851,790             |
| Title I Grant to Local Education Agencies   | 84.010                                    | 0021-22-2260  |                                | 657,550             |
| Title II, Improving Teacher Quality State Grants  | 84.367                                    | 0147-21-2260  |                                | 126,547             |
| Title IV - Student Support & Academic Achievement (SSAE)                                | 84.424                                    | 0204-22-2260  |                                | 27,717              |
| Education Stabilization Fund  |   |   |                                | 811,814             |
| Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA) - GEER II | 84.425C                                   | 5896-21-2260  |                                | 62,275              |
| Coronavirus Response and Relief Supplemental Appropriation Act, 2021 (CRRSA) - ESSER II | 84.425D                                   | 5891-21-2260  |                                | 185,244             |
| American Rescue Plan - (ARP) - ESSER 3  | 84.425U                                   | 5880-21-2260  |                                | 1,460,172           |
| American Rescue Plan - (ARP) - ESSER - SLR Summer Enrichment                            | 84.425U                                   | 5882-21-2260  |                                | 186,420             |
| American Rescue Plan - (ARP) ESSER - SLR Learning Loss                                  | 84.425U                                   | 5884-21-2260  |                                | 352,644             |
| Total Education Stabilization Fund  |   |   |                                | 2,246,755           |
| TOTAL U.S. DEPARTMENT OF EDUCATION  |   |   |                                | 3,910,359           |
| <u>FEDERAL COMMUNICATIONS COMMISSION</u>  |   |   |                                |                     |
| Emergency Connectivity Fund   | 32.009                                    | N/A   |                                | 249,688             |
| TOTAL FEDERAL COMMUNICATIONS COMMISSION   |   |   |                                | 249,688             |
| TOTAL EXPENDITURES OF FEDERAL AWARDS  |   |   |                                | \$ 6,035,345        |

The accompanying notes are an integral part of the schedule.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1. BASIS OF PRESENTATION.

The accompanying schedule of expenditures of federal awards presents the activity of federal award programs administered by the District, which is described in Note 1 to the District's accompanying financial statements, using the modified accrual basis of accounting. Federal awards that are included in the schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies. The information 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. Because the schedule of expenditures of federal awards presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, change in net assets, or cash flows of the District.

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. The District's policy is not to charge federal award programs with indirect costs.

Matching costs (the District's share of certain program costs) are not included in the reported expenditures.

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program.

The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system.

NOTE 2. NON-CASH ASSISTANCE.

The District is the recipient of a federal award program that does not result in cash receipts or disbursements. The District was granted \$101,303 of commodities under the Commodity Supplemental Food Program (Federal Assistance Listing Number 10.555).

NOTE 3. OTHER DISCLOSURES.

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value, and is covered by the District's casualty insurance policies.

There were no loans or loan guarantees outstanding at year-end.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of Auditor's Opinion Issued: Unmodified

Internal Control over Financial Reporting:

Material weakness(es) identified? \_\_\_\_\_ Yes X No

Significant deficiencies identified that are  
not considered to be material weaknesses \_\_\_\_\_ Yes X None Reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes X No

FEDERAL AWARDS

Internal Control over Major Programs:

Material weakness(es) identified? \_\_\_\_\_ Yes X No

Significant deficiencies identified that are  
not considered to be material weaknesses \_\_\_\_\_ Yes X None Reported

Type of Auditor's Opinion Issued on Compliance for  
Major Programs: Unmodified

Any audit findings disclosed that are required to be reported  
in accordance with Section 2 CFR-20.516(a) ? \_\_\_\_\_ Yes X No

IDENTIFICATION OF MAJOR PROGRAMS:

| <u>ASSISTANCE LISTING NUMBER</u> | <u>NAME OF FEDERAL PROGRAM OR CLUSTER</u> |
|----------------------------------|---|
| 84.027, 84.173                   | Special Education Cluster                 |
| 84.425                           | Education Stabilization Funds             |

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000.00

Auditee qualified as low-risk auditee? X Yes \_\_\_\_\_ No

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements as required to be reported in accordance with the Uniform Guidance.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

A. Significant Deficiencies in Internal Control

There were no findings relating to the major federal awards as required to be reported in accordance with Section 2 CFR-20.516(a).

B. Compliance Findings

There were no findings relating to the major federal awards as required to be reported in accordance with Section 2 CFR-20.516(a).



# Nugent & Haeussler, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

ESTABLISHED 1925

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## INDEPENDENT AUDITOR'S REPORT

To the President and Members  
of the Board of Education of the  
Minisink Valley Central School District  
Slate Hill, New York

### **Opinion**

We have audited the accompanying financial statements of the extraclassroom activities funds of Minisink Valley Central School District, which comprise the statement of assets, liabilities, and fund balance-cash basis as of June 30, 2022 and the related statement of receipts and disbursements-cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund balance of the extraclassroom activities funds of Minisink Valley Central School District as of June 30, 2022, and its receipts and disbursements-cash basis for the year then ended, in accordance with the cash basis of accounting as described in Note 1.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Minisink Valley Central School District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Minisink Valley Central School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Minisink Valley Central School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Montgomery, New York  
October 15, 2022

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
EXTRACLASSROOM ACTIVITY FUND  
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - CASH BASIS  
JUNE 30, 2022

ASSETS

|                  |                   |
|------------------|-------------------|
| Cash in Checking | <u>\$ 187,377</u> |
|------------------|-------------------|

LIABILITIES AND FUND BALANCE

|                   |          |
|-------------------|----------|
| Sales Tax Payable | \$ 1,493 |
|-------------------|----------|

|                                       |              |                   |
|---------------------------------------|--------------|-------------------|
| Fund Balance, Beginning of Year       | \$ 178,080   |                   |
| Excess of Receipts over Disbursements | <u>7,804</u> |                   |
| Fund Balance, End of Year             |              | <u>185,884</u>    |
| TOTAL LIABILITIES AND FUND BALANCE    |              | <u>\$ 187,377</u> |

See notes to financial statement.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
EXTRACLASSROOM ACTIVITY FUND  
STATEMENT OF RECEIPTS & DISBURSEMENTS - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

| HIGH SCHOOL                | CASH<br>BALANCE<br>JUNE 30, 2021 | RECEIPTS          | DISBURSEMENTS     | CASH<br>BALANCE<br>JUNE 30, 2022 |
|----------------------------|----------------------------------|-------------------|-------------------|----------------------------------|
| Senior Class               | \$ 5,463                         | \$ 34,182         | \$ 37,804         | \$ 1,841                         |
| Junior Class               | 2,389                            | 24,872            | 25,151            | 2,110                            |
| Sophomore Class            | 1,175                            | 0                 | 1,120             | 55                               |
| Freshman Class             | 54                               | 0                 | 54                | 0                                |
| Girl's Basketball          | 2,361                            | 2,047             | 1,490             | 2,918                            |
| Girl's Softball            | 8,694                            | 11,679            | 8,724             | 11,649                           |
| Choir Club                 | 4,960                            | 1,707             | 3,789             | 2,878                            |
| Wrestling Club             | 1,933                            | 6,175             | 4,723             | 3,385                            |
| Boy's Basketball           | 5,000                            | 2,489             | 3,060             | 4,429                            |
| Drama Club                 | 8,937                            | 36,953            | 27,591            | 18,299                           |
| Tech Club                  | 2,661                            | 1,334             | 1,352             | 2,643                            |
| Study Buddies              | 31                               | 0                 | 0                 | 31                               |
| Football Club              | 2,805                            | 0                 | 1,556             | 1,249                            |
| National Honor Society     | 2,003                            | 2,126             | 2,594             | 1,535                            |
| SADD Club                  | 547                              | 0                 | 0                 | 547                              |
| Boy's Soccer Club          | 1,178                            | 0                 | 0                 | 1,178                            |
| Student Council - HS       | 5,754                            | 314               | 278               | 5,790                            |
| Track Club                 | 0                                | 4,961             | 4,429             | 532                              |
| Varsity Club               | 1,375                            | 0                 | 0                 | 1,375                            |
| Girl's Volleyball          | 2,095                            | 0                 | 0                 | 2,095                            |
| Yearbook Club              | 29,581                           | 11,350            | 7,572             | 33,359                           |
| Art-Museum Club            | 1,349                            | 1,420             | 1,560             | 1,209                            |
| School Store               | 9,834                            | 3,018             | 6,349             | 6,503                            |
| FBLA Club                  | 6,932                            | 11,274            | 15,792            | 2,414                            |
| JROTC                      | 6,276                            | 4,559             | 5,468             | 5,367                            |
| CAP                        | 10,360                           | 1,033             | 2,159             | 9,234                            |
| Girl's Swim Club           | 2,010                            | 4,139             | 2,156             | 3,993                            |
| Boy's Swim Club            | 82                               | 400               | 260               | 222                              |
| Boy's & Girl's Tennis Club | 152                              | 0                 | 0                 | 152                              |
| Cheerleading Club          | 6,527                            | 33,732            | 30,726            | 9,533                            |
| Boy's Baseball Club        | 1,774                            | 13,755            | 13,127            | 2,402                            |
| Band Club HS               | 7,003                            | 4,240             | 2,545             | 8,698                            |
|                            | <u>\$ 141,295</u>                | <u>\$ 217,759</u> | <u>\$ 211,429</u> | <u>\$ 147,625</u>                |

See notes to financial statement.



MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
EXTRACLASROOM ACTIVITY FUND  
STATEMENT OF RECEIPTS & DISBURSEMENTS - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

| <u>MIDDLE &amp;<br/>INTERMEDIATE SCHOOLS</u> | <u>CASH<br/>BALANCE<br/>JUNE 30, 2021</u> | <u>RECEIPTS</u>   | <u>DISBURSEMENTS</u> | <u>CASH<br/>BALANCE<br/>JUNE 30, 2022</u> |
|--|---|-------------------|----------------------|---|
| Band Club                                    | \$ 4,877                                  | \$ 16,506         | \$ 14,766            | \$ 6,617                                  |
| SADD Club                                    | 0   | 0                 | 0                    | 0   |
| Chorus                                       | 1,981                                     | 1,846             | 1,053                | 2,774                                     |
| Student Government - MS                      | 5,800                                     | 21,292            | 19,644               | 7,448                                     |
| Tech Crew                                    | 137                                       | 0                 | 0                    | 137                                       |
| Yearbook Club                                | 6,056                                     | 1,199             | 2,396                | 4,859                                     |
| Math Counts                                  | 186                                       | 0                 | 0                    | 186                                       |
| Drama Club                                   | 17,019                                    | 16,482            | 18,609               | 14,892                                    |
| Technology Club                              | 88  | 1,339             | 667                  | 760                                       |
| Pet Club                                     | 11  | 1,147             | 1,029                | 129                                       |
| Builders Club                                | 202                                       | 719               | 856                  | 65  |
| Ukulele Club                                 | 76  | 0                 | 0                    | 76  |
| Chess Club                                   | 316                                       | 0                 | 0                    | 316                                       |
| Robotics Club                                | 36  | 0                 | 36                   | 0   |
|  | <u>\$ 36,785</u>                          | <u>\$ 60,530</u>  | <u>\$ 59,056</u>     | <u>\$ 38,259</u>                          |
| Total Extraclassroom<br>Activity Funds       | <u>\$ 178,080</u>                         | <u>\$ 278,289</u> | <u>\$ 270,485</u>    | <u>\$ 185,884</u>                         |

See notes to financial statement.

MINISINK VALLEY CENTRAL SCHOOL DISTRICT  
SLATE HILL, NEW YORK  
EXTRACLASSROOM ACTIVITY FUNDS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

- (a) The transactions of the Extraclassroom Activity Funds are considered part of the reporting entity of Minisink Valley Central School District. We have included the Extraclassroom Activity Fund balances within the Miscellaneous Special Revenue Fund of the financial statements. The separate audit report of the Extraclassroom Activity Funds is required due to the fact that the transactions of this fund are controlled by student management.
- (b) The books and records of Minisink Valley Central School District's Extraclassroom Activity Funds are maintained on the cash basis of accounting. Under this basis of accounting, revenues are recognized when cash is received and expenditures recognized when cash is disbursed.
- (c) The Extraclassroom Activity Funds are used to record the activity of all student-related activities within the District. These funds are under the control of an appointed central treasurer who maintains cash receipts and cash disbursement books. All receipts are collected by the student activity treasurer and disbursements must be approved by the student management.