

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT

SINGLE AUDIT REPORTING PACKAGE

**AS REQUIRED BY THE UNIFORM GUIDANCE AND
2 CFR section 200.512(c)**

June 30, 2022

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
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INDEPENDENT AUDITOR'S REPORT

Board of Education
Jamesville-DeWitt Central School District
Dewitt, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jamesville-DeWitt Central School District (the 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Jamesville-DeWitt Central School District as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year 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 (GAAS) 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 Jamesville-DeWitt 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.

Responsibilities of Management for Financial Statements

Jamesville-DeWitt Central School District's 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, and 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.

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 Jamesville-DeWitt 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 GAAS 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 GAAS, 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 Jamesville-DeWitt 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 Jamesville-DeWitt 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 (MD&A)*, *schedule of changes in the District's OPEB liability and related ratios*, *schedule of revenues, expenditures and changes in fund balance – budget (non-GAAP basis) and actual – general fund*, *schedule of district contributions and schedule of district's proportionate share of net pension asset (liability)* on pages 4-14, and 52-55, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide

any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Jamesville-DeWitt Central School District's basic financial statements. The *schedule of change from adopted to final budget and the real property tax limit, the schedule of project expenditures – capital projects fund and net investment in capital assets and the schedule of expenditures of federal awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* on pages 56-58 and page 64, respectively, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The *schedule of change from adopted budget to final budget and the real property tax limit, schedule of project expenditures – capital projects fund, net investment in capital assets and the schedule of expenditures of federal awards* are 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *schedule of change from adopted budget to final budget and the real property tax limit, schedule of project expenditures – capital projects fund, net investment in capital assets 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 November 7, 2022 on our consideration of Jamesville-DeWitt 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Syracuse, New York
November 7, 2022

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2022

The following is a discussion and analysis of the District's financial performance for the fiscal year ended June 30, 2022. This section is a summary of the District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the government-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.

Financial Highlights

- The District's government-wide net position increased by \$3,640,309 due to fluctuations in assumptions and rates used to calculate other post-employment benefit and pension liabilities.
- General fund revenues of \$59,905,060 exceeded expenses and other financing uses of \$58,662,747, by \$1,242,313.

As indicated below, there has been consistent enrollment over the last several years. We expect revenue to be greater than expense.

School Year	Enrollment
2008-2009	2,891
2009-2010	2,906
2010-2011	2,875
2011-2012	2,839
2012-2013	2,871
2013-2014	2,892
2014-2015	2,930
2015-2016	2,941
2016-2017	2,892
2017-2018	2,802
2018-2019	2,687
2019-2020	2,701
2020-2021	2,608
2021-2022	2,557

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Financial Highlights (continued)

The Jamesville-Dewitt Central School District is an average wealth district that receives about 25% of its revenue in the form of state aid. Below is a detail of the District's budget, state aid and required levy to meet the budget.

Year	Voter Approved Budget	State Aid	Levy
2008-2009	\$ 45,719,387	\$ 12,096,187	\$ 31,350,000
2009-2010	47,065,212	12,394,744	31,945,165
2010-2011	47,395,914	11,229,863	32,746,051
2011-2012	47,366,845	9,803,937	33,914,477
2012-2013	47,847,195	10,618,768	35,007,068
2013-2014	49,636,676	11,309,213	36,034,150
2014-2015	51,069,349	11,605,223	36,806,764
2015-2016	52,532,262	12,054,420	37,855,945
2016-2017	53,641,746	12,916,449	37,856,528
2017-2018	54,632,366	13,250,829	38,607,433
2018-2019	56,269,994	14,127,097	39,450,433
2019-2020	57,711,751	14,060,239	40,841,885
2020-2021	58,640,975	14,054,592	42,226,394
2021-2022	60,179,653	15,659,868	42,178,539

A steady growth in the tax base coupled with controlled spending has resulted in reasonable tax rate increases.

Year	Amount	Tax Rate
	Tax Rate Per Thousand	Increase (Decrease)
2008-2009	\$ 20.27	-0.6%
2009-2010	\$ 20.44	0.8%
2010-2011	\$ 20.74	1.5%
2011-2012	\$ 21.38	3.0%
2012-2013	\$ 21.95	2.7%
2013-2014	\$ 22.49	2.5%
2014-2015	\$ 22.86	2.1%
2015-2016	\$ 23.37	2.9%
2016-2017	\$ 23.03	0.0%
2017-2018	\$ 23.49	1.98%
2018-2019	\$ 23.71	0.94%
2019-2020	\$ 23.90	0.80%
2020-2021	\$ 24.04	0.59%
2021-2022	\$ 23.53	-2.12%

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Overview of the Financial Statements

This annual report consists of four parts: MD&A (this section), the basic financial statements, required supplementary information, and other supplementary information. The basic financial statements include two sets 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.
- The *governmental funds statements* tell 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.

Figure A-1 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.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Figure A-1 Major Features of the District-Wide and Fund Financial Statements

	District-Wide	Fund Financial Statements Governmental Funds
Scope	Entire District	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance. Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities monies but maintains administrative control over the funds.
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities • Reconciliation of governmental funds revenues, expenditures and changes in fund balances to the Statement of activities • Reconciliation of governmental funds balance sheet to the Statement of net position. 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balances
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

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2022

District-Wide Financial Statements

The district-wide financial 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 financial statements report the District's net position and how they have changed. Net position – the difference between the District's assets and liabilities – are 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.

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. Generally, the District is required by New York State General Municipal Law (para. 36) to follow the system of accounts formulated and prescribed by the New York State Comptroller.
- 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).

The District has one kind of fund:

- **Governmental Funds:** Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps 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 in the notes to the financial statements explains the relationship (or differences) between them.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Financial Analysis of the District as a Whole

Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the District's governmental activities.

The District's combined net position increased by \$3,640,309 from a year ago – decreasing from \$(74,550,388) to \$(70,910,079) as a result of fluctuations in assumptions relating to pension and other postemployment benefit liabilities and new financing obligations to fund capital projects.

Table 1 - Net Position

	Governmental Activities		Percent Change
	2022	2021	2021-2022
Current and other assets	\$ 21,206,808	\$ 19,687,577	7.7%
Capital assets	84,810,972	66,375,725	27.8%
Net pension asset	24,611,632	-	100.0%
Total assets	<u>130,629,412</u>	<u>86,063,302</u>	<u>51.8%</u>
Deferred outflows of resources	<u>43,889,502</u>	<u>50,419,943</u>	<u>-13.0%</u>
Total assets and deferred outflows	<u>\$ 174,518,914</u>	<u>\$ 136,483,245</u>	<u>27.9%</u>
Long-term liabilities	\$ 134,634,991	\$ 147,530,175	-8.7%
Current portion of long-term liabilities	37,105,268	37,165,842	-0.2%
Net pension liability	-	3,653,469	-100.0%
Other liabilities	5,263,845	4,401,892	19.6%
Total liabilities	<u>177,004,104</u>	<u>192,751,378</u>	<u>-8.2%</u>
Deferred inflows of resources	<u>68,424,889</u>	<u>18,282,255</u>	<u>274.3%</u>
Net position			
Investment in capital assets	84,810,972	66,375,725	27.8%
Related debt	(40,033,234)	(25,177,180)	59.0%
Restricted	15,324,733	10,675,195	43.6%
Unrestricted	(131,012,550)	(126,424,128)	3.6%
Total net position (deficit)	<u>\$ (70,910,079)</u>	<u>\$ (74,550,388)</u>	<u>-4.9%</u>

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Financial Analysis of the District as a Whole (continued)

Table 2 - Changes in Net Position

	Governmental Activities		Percent Change 2021-2022
	2022	2021	
REVENUES			
Program revenues:			
Charges for services	\$ 818,838	\$ 514,077	59.3%
Operating grants and contributions	5,010,751	1,852,381	170.5%
General revenues:			
Property taxes and other tax items	42,322,598	42,246,732	0.2%
State sources	15,408,577	14,012,522	10.0%
Federal sources	614,363	355,342	72.9%
Sale of property and insurance recoveries	31,526	9,082	247.1%
Other general revenues	910,525	1,048,567	-13.2%
Total revenues	<u>65,117,178</u>	<u>60,038,703</u>	8.5%
PROGRAM EXPENSES			
General support	10,655,156	13,808,978	-22.8%
Instruction	45,347,982	51,971,706	-12.7%
Transportation	4,513,744	4,348,633	3.8%
Debt service - interest	574,668	725,232	-20.8%
School lunch program	385,319	238,993	61.2%
Total expenses	<u>61,476,869</u>	<u>71,093,542</u>	-13.5%
Increase (decrease) in net position	<u>\$ 3,640,309</u>	<u>\$ (11,054,839)</u>	-132.9%

In Table 2, the District's total revenues increased by \$5,078,475, and the total cost of all programs and services decreased by \$9,616,673. Some of the variances causing these fluctuations are described below:

Instruction expenses decreased \$6,623,724 and general support expenses increased \$3,153,822 due to an increase in ERS and TRS net pension expenses and fluctuation of assumptions used to calculate other postemployment benefit costs.

The District also received an increase in operating grants of \$3,158,370.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Financial Analysis of the District as a Whole (continued)

Table 3 presents the cost of each of the District's largest programs as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3 - Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2022	2021	2022	2021
General support	\$ 10,655,156	\$ 13,808,978	\$ 10,005,564	\$ 13,313,705
Instruction	45,347,982	51,971,706	41,515,559	50,504,567
Pupil transportation	4,513,744	4,348,633	4,513,744	4,348,633
Debt service - interest	574,668	725,232	574,668	725,232
School food service	385,319	238,993	(962,255)	(165,053)
Total	\$ 61,476,869	\$ 71,093,542	\$ 55,647,280	\$ 68,727,084

The District's Funds

As the District completed the year, its governmental funds (as presented in the balance sheet on page 17 reported a combined fund balance of (\$5,057,037), which is a decrease from last year's total of \$10,285,685. This decrease is attributable to the district recognizing a loss of \$17,788,224 in the Capital Fund as a result of capital outlay expenses for voter approved projects that have not yet been funded by serial bonds.

General Fund Budgetary Highlights

Budget transfers made at the end of each year to balance the budget fall into two categories:

1. Unforeseeable under-budgeting in a given category; when transfers into a category are necessary, the situation is addressed in the following year's budget development process.
2. Occasional use of encumbering subsequent year expense in order to maintain a level amount of carryover encumbrances from the previous year.

With these adjustments, the actual charges to appropriations (expenditures) were \$1,310,558 below the final budget amounts. Resources available for appropriation were also \$832,728 below the final budgeted amount.

The District's original general fund budget of \$60,179,653 reported differs from the general fund's revised budget of \$61,499,618 reported in the budgetary comparison schedule on page 56. This is principally because the original budget excludes roll forward encumbrances left over from the prior year.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Capital Asset and Debt Administration

Capital Assets

At the end of 2022, the District had \$84,810,972 invested in a broad range of capital assets, including equipment and buildings (see Table 4 below). This amount represents a net increase (including additions, deductions and accumulated depreciation) of approximately \$18,435,247 over last year. Any deductions are a result of depreciation or disposal and any additions are a result of capital outlay expenditures.

Table 4 - Capital Assets at Year End (Net of Depreciation)

	Governmental Activities		Percent Change 2021-2022
	2022	2021	
Land	\$ 648,500	\$ 648,500	0.0%
Construction in progress	22,631,748	2,542,044	790.3%
Buildings and improvements	149,812,564	149,698,424	0.1%
Equipment	9,484,684	9,505,243	-0.2%
Less: accumulated depreciation	(97,766,524)	(96,018,486)	1.8%
Total	<u>\$ 84,810,972</u>	<u>\$ 66,375,725</u>	27.8%

Debt

At year end, the District had approximately \$19 million in bonds, notes, and other debt outstanding compared to approximately \$20.2 million last year, a decrease of 5.7% as shown in Table 5.

Table 5 - Outstanding Debt at Year End

	Total School District		Percent Change 2021-2022
	2022	2021	
General obligation bonds (financed with property taxes)	<u>\$ 19,033,234</u>	<u>\$ 20,177,180</u>	-5.7%

The state limits the amount of general obligation debt that districts can issue to 10% of the assessed value of all taxable property within the District's geographic limits. The District's outstanding general obligation debt of \$19 million is significantly below the state-imposed debt limit.

More detailed information about the District's long-term liabilities is presented in Note 7 to the financial statements

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Economic Factors and Next Year's Budgets and Rates

First and foremost, Jamesville-DeWitt is a high achieving district supported by a community with high expectations for our students. The economic environment calls for even more vigilance on monitoring and controlling expenditures. The political environment is one in which every government entity is being asked/forced to do more with fewer resources. We are also in an era of significant educational reform in New York State which has been placed on an accelerated time schedule. These conflicting factors have made budgetary decisions far more complex.

BUDGET DEVELOPMENT

A proposed \$63.7 million 2022-23 school budget that maintains and enhances existing student programming and supports the District's four strategic plan priorities of culture of wellness; curriculum and programs; diversity, equity and inclusion; and family and community engagement.

The adopted New York state budget includes an increase of about \$2.6 million in state aid for the District compared to the Governor's Executive Budget Proposal that was released in January and that the district had been basing its budget development on.

With the additional state aid, the District is proposing to increase spending on curriculum resources, staff professional development, student support and technology resources for students and staff members. Highlights include the following:

- Purchasing a new grades K-6 English language arts program, including hiring additional staff to be trained in the new program so they can support existing staff in its implementation.
- Continuation of the district's diversity, equity and inclusion work with the Metro Center for Innovation and Equity.
- Academic support to extend learning based on needs resulting from the pandemic.
- Acquiring more laptops as the district moves to a 1:1 technology program and funding for an additional technology staff position to support staff and students.
- Increasing a part-time maintenance position to full-time and increasing departmental funding so the district could tackle some much needed facility work.

The Numbers

The District's \$63,733,991 budget proposal would increase spending by 5.91%, or \$3,554,338, compared to the 2021-22 school year. Funding would come from four areas: state aid (\$18,233,015), the tax levy (\$43,271,142), designated reserves (\$796,619) and other revenue (\$1,433,215) from such items as sales tax and interest income.

The tax levy is the total amount of money collected from property owners in the District, to support the budget. The proposed tax levy is at the District's limit, or cap, which is a increase of 2.59% compared to the current school year's tax levy, which means the District would collect from property owners a total of \$1,092,603 more than in the current year. Town of DeWitt property owners within the district, who make up the majority of the District's tax base, will see their 2022 tax rate decrease 8.57% from \$23.53 per \$1,000 of assessed value to \$21.51 per \$1,000 of assessed value. The decrease is a result of reassessments, and a change in the equalization rate.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Economic Factors and Next Year's Budgets and Rates (continued)

Capital Project Update

In December 2019, District residents approved the \$33 million project that includes work across the District. The bulk of the 18-month project will be focused on J-D Middle School, the District's only middle school. Much of the building is original construction from when the school was built in 1967. This project that will improve energy efficiencies, modernize instructional spaces and improve health and security measures. This will allow our middle school's physical space to match our instructional objectives.

The middle school upgrades include energy efficient lighting and windows throughout the building. Classrooms will be gutted and updated, and the building's classroom layout will be reconfigured to group like areas together, such as the technology classrooms.

Bathrooms will be updated, and moveable walls will be installed in some areas so the spaces can be changed to accommodate small and large groups. Student locker rooms and the library media center will be renovated and updated, the pool will receive a small mechanical upgrade and some solar panels will be installed on the roof. Work completed during the summer included a major renovation to the middle school bus loop that has resulted in significantly more parking for after-school and evening events. The interior work is scheduled to be completed around December 2022.

Energy Efficiency Projects

In 2019, voters also approved the District entering into an Energy Performance Contract with Day Automation to further reduce the district's energy consumption and realize savings on utility bills. Energy performance contracting is a financing technique that uses cost savings from reduced energy consumption to repay the cost of installing energy conservation measures. Energy efficiency improvements that are part of this project include lighting, controls and boilers.

Parking Added by Athletic Fields

In addition to projects inside the schools, site work took place at the District's Lyndon Fields and on the road leading to the district's bus garage, which is on the J-D High School campus. Both projects will increase existing parking for district athletic fields. At Lyndon Fields, the parking lot will accommodate an additional 70 parking spaces. Work is expected to be complete by the end of September. The fields are used by several district athletic teams as well as recreation leagues.

The driveway off of Edinger Drive that leads to the District's bus garage has been widened to accommodate two lanes of bus traffic as well as 30 new parking spaces along the side closest to the athletic fields. There were no designated parking spots along the drive, and during athletic events and the afternoon school bus runs the roadway was difficult for bus drivers to maneuver. That project should also be done in September.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, 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 the District Business Office at 315-445-8209.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Statement of Net Position
June 30, 2022

ASSETS	
Cash	
Unrestricted	\$ 1,472,353
Restricted	15,324,733
Receivables	
Due from other governments	4,368,357
Accounts receivable	15,684
Inventories	25,681
Capital assets, net	84,810,972
Net pension asset- proportionate share	24,611,632
Total assets	130,629,412
DEFERRED OUTFLOWS OF RESOURCES	
Other postemployment benefits	28,020,060
Pensions	15,869,442
Total deferred outflows of resources	43,889,502
Total assets and deferred outflows of resources	\$ 174,518,914
LIABILITIES	
Payables	
Accounts payable	\$ 514,105
Accrued liabilities	1,978,868
Due to other governments	2,891
Due to teachers' retirement system	2,568,409
Due to employees' retirement system	199,572
Long-term liabilities	
Due and payable within one year:	
Bond anticipation note payable	21,000,000
Accrued interest payable	110,824
Bonds payable	2,504,851
Workers compensation liability	638,541
Other postemployment benefits payable	12,851,052
Due and payable after one year:	
Bonds payable	16,528,383
Other postemployment benefits payable	118,106,608
Total liabilities	177,004,104
DEFERRED INFLOWS OF RESOURCES	
Other postemployment benefits	38,215,870
Pensions	30,209,019
Total deferred inflow of resources	68,424,889
NET POSITION	
Net investment in capital assets	44,777,738
Restricted	15,324,733
Unrestricted deficit	(131,012,550)
Total net position	(70,910,079)
Total liabilities, deferred inflows of resources and net position	\$ 174,518,914

The accompanying notes are an integral part of these financial statements.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Statement of Activities and Changes in Net Position
For the Year Ended June 30, 2022

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in net position
		Charges for Services	Operating Grants	
FUNCTIONS/PROGRAMS				
General support	\$ (10,655,156)	\$ 649,592	\$ -	\$ (10,005,564)
Instruction	(45,347,982)	-	3,832,423	(41,515,559)
Pupil transportation	(4,513,744)	-	-	(4,513,744)
Debt service - interest	(574,668)	-	-	(574,668)
School food service program	(385,319)	169,246	1,178,328	962,255
Total functions and programs	<u>\$ (61,476,869)</u>	<u>\$ 818,838</u>	<u>\$ 5,010,751</u>	<u>(55,647,280)</u>
GENERAL REVENUES				
Real property taxes				42,204,058
Non-property taxes				118,536
Use of money and property				27,970
Sale of property and compensation for loss				31,526
Miscellaneous				882,559
State sources				15,408,577
Medicaid reimbursement				614,363
Total general revenues				<u>59,287,589</u>
Change in net position				3,640,309
Net position - beginning of year				<u>(74,550,388)</u>
Net position - end of year				<u>\$ (70,910,079)</u>

The accompanying notes are an integral part of these financial statements.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Balance Sheet - Governmental Funds
June 30, 2022

	Major Funds		Non-Major Funds			Total
	General	Capital Projects	Special Aid	School Food Service	Scholarships	Governmental Funds
ASSETS						
Cash						
Unrestricted	\$ 689,192	\$ -	\$ -	\$ 783,161	\$ -	\$ 1,472,353
Restricted	9,722,339	5,204,882	308,344	-	89,168	15,324,733
Receivables						
Due from other funds	7,982,979	-	4,455	39,939	-	8,027,373
Due from other governments	1,421,939	-	2,712,386	234,032	-	4,368,357
Other	15,684	-	-	-	-	15,684
Inventories	-	-	-	25,681	-	25,681
Total assets	<u>\$ 19,832,133</u>	<u>\$ 5,204,882</u>	<u>\$ 3,025,185</u>	<u>\$ 1,082,813</u>	<u>\$ 89,168</u>	<u>\$ 29,234,181</u>
LIABILITIES						
Accounts payable	\$ 482,832	\$ -	\$ 420	\$ 30,853	\$ -	\$ 514,105
Accrued liabilities	1,948,270	-	-	30,598	-	1,978,868
Due to other funds	4,455	5,000,000	3,022,918	-	-	8,027,373
Due to teachers' retirement system	2,568,409	-	-	-	-	2,568,409
Due to employees' retirement system	199,572	-	-	-	-	199,572
Bond anticipation note payable	-	21,000,000	-	-	-	21,000,000
Due to other governments	-	-	1,847	1,044	-	2,891
Total liabilities	<u>5,203,538</u>	<u>26,000,000</u>	<u>3,025,185</u>	<u>62,495</u>	<u>-</u>	<u>34,291,218</u>
FUND BALANCES						
Non-spendable:						
Reserved for inventory	-	-	-	25,681	-	25,681
Restricted for:						
Reserved for tax certiorari	2,809,274	-	-	-	-	2,809,274
Reserved for debt service	500,000	-	-	-	-	500,000
Reserved for employee benefits	1,649,586	-	-	-	-	1,649,586
Reserved for capital projects	1,000,000	-	-	-	-	1,000,000
Reserved for teacher retirement contributions	1,051,459	-	-	-	-	1,051,459
Reserved for insurance	1,912,020	-	-	-	-	1,912,020
Reserved for turf field	800,000	-	-	-	-	800,000
Reserved for scholarships	-	-	-	-	89,168	89,168
Committed to:						
Committed fund balance	169,181	-	-	-	-	169,181
Assigned to:						
Assigned appropriated fund balance	796,620	-	-	-	-	796,620
Assigned unappropriated fund balance	1,404,583	(20,795,118)	-	994,637	-	(18,395,898)
Unassigned:						
Unassigned fund balance	2,535,872	-	-	-	-	2,535,872
Total fund balances	<u>14,628,595</u>	<u>(20,795,118)</u>	<u>-</u>	<u>1,020,318</u>	<u>89,168</u>	<u>(5,057,037)</u>
Total liabilities and fund balances	<u>\$ 19,832,133</u>	<u>\$ 5,204,882</u>	<u>\$ 3,025,185</u>	<u>\$ 1,082,813</u>	<u>\$ 89,168</u>	<u>\$ 29,234,181</u>

The accompanying notes are an integral part of these financial statements.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Reconciliation of Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2022

	Total Governmental Funds	Long-term Assets, Liabilities	Reclassifications and Eliminations	Statement of Net Assets Totals
ASSETS				
Cash				
Unrestricted	\$ 1,472,353	\$ -	\$ -	\$ 1,472,353
Restricted	15,324,733	-	-	15,324,733
Receivables				
Due from other funds	8,027,373	-	(8,027,373)	-
Due from other governments	4,368,357	-	-	4,368,357
Other	15,684	-	-	15,684
Inventories	25,681	-	-	25,681
Capital assets, net	-	84,810,972	-	84,810,972
Net pension asset- proportionate share	-	24,611,632	-	24,611,632
Total assets	<u>29,234,181</u>	<u>109,422,604</u>	<u>(8,027,373)</u>	<u>130,629,412</u>
DEFERRED OUTFLOWS OF RESOURCES				
Other postemployment benefits	-	28,020,060	-	28,020,060
Pensions	-	15,869,442	-	15,869,442
Total deferred outflows of resources	-	43,889,502	-	43,889,502
	<u>\$ 29,234,181</u>	<u>\$ 153,312,106</u>	<u>\$ (8,027,373)</u>	<u>\$ 174,518,914</u>
LIABILITIES				
Payables				
Accounts payable	\$ 514,105	\$ -	\$ -	\$ 514,105
Accrued liabilities	1,978,868	-	-	1,978,868
Due to other funds	8,027,373	-	(8,027,373)	-
Due to other governments	2,891	-	-	2,891
Due to employees' retirement system	199,572	-	-	199,572
Due to teachers' retirement system	2,568,409	-	-	2,568,409
Long-term debt-due within one year:				
Bond anticipation note payable	21,000,000	-	-	21,000,000
Accrued interest payable	-	110,824	-	110,824
Bonds payable	-	2,504,851	-	2,504,851
Other postemployment benefits payable	-	12,851,052	-	12,851,052
Long-term debt-due in more than one year:				
Bonds payable, net	-	16,528,383	-	16,528,383
Workers compensation liability	-	638,541	-	638,541
Other postemployment benefits payable	-	118,106,608	-	118,106,608
Total liabilities	<u>34,291,218</u>	<u>150,740,259</u>	<u>(8,027,373)</u>	<u>177,004,104</u>
DEFERRED INFLOWS OF RESOURCES				
Other postemployment benefits	-	38,215,870	-	38,215,870
Pensions	-	30,209,019	-	30,209,019
Total deferred inflows of resources	-	68,424,889	-	68,424,889
FUND BALANCE/NET POSITION				
Total fund balance/net position	<u>(5,057,037)</u>	<u>(65,853,042)</u>	<u>-</u>	<u>(70,910,079)</u>
	<u>\$ 29,234,181</u>	<u>\$ 153,312,106</u>	<u>\$ (8,027,373)</u>	<u>\$ 174,518,914</u>

The accompanying notes are an integral part of these financial statements.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2022

	Major Funds		Non-Major Funds			Total
	General	Capital Projects	Special Aid	School Food Service	Scholarships	Governmental Funds
REVENUES						
Real property taxes	\$ 42,204,058	\$ -	\$ -	\$ -	\$ -	\$ 42,204,058
Non-property taxes	118,536	-	-	-	-	118,536
Charges for services	649,592	-	-	-	-	649,592
Use of money and property	27,970	-	-	-	-	27,970
Sale of property and compensation for loss	47,630	-	-	-	-	47,630
Miscellaneous	834,334	-	-	-	48,225	882,559
State sources	15,408,577	-	111,899	20,625	-	15,541,101
Federal sources	614,363	-	3,720,524	1,157,703	-	5,492,590
Sales - school food service	-	-	-	169,246	-	169,246
Total revenues	<u>59,905,060</u>	<u>-</u>	<u>3,832,423</u>	<u>1,347,574</u>	<u>48,225</u>	<u>65,133,282</u>
EXPENDITURES						
General support	5,570,156	-	-	49,789	19,650	5,639,595
Instruction	29,889,237	-	3,246,776	-	-	33,136,013
Pupil transportation	2,114,719	-	-	-	-	2,114,719
Employee benefits	16,432,144	-	-	129,103	-	16,561,247
Debt service						
Principal	2,973,918	-	-	-	-	2,973,918
Interest	593,654	-	-	-	-	593,654
Cost of sales	-	-	-	379,068	-	379,068
Capital outlay	204,410	20,117,705	585,647	-	-	20,907,762
Total expenditures	<u>57,778,238</u>	<u>20,117,705</u>	<u>3,832,423</u>	<u>557,960</u>	<u>19,650</u>	<u>82,305,976</u>
Excess of revenues over expenditures	<u>2,126,822</u>	<u>(20,117,705)</u>	<u>-</u>	<u>789,614</u>	<u>28,575</u>	<u>(17,172,694)</u>
OTHER FINANCING SOURCES AND (USES)						
Proceeds from debt	-	1,603,657	-	-	-	1,603,657
Premium on obligations	-	226,315	-	-	-	226,315
Interfund transfers	(884,509)	499,509	-	385,000	-	-
Total other sources (uses)	<u>(884,509)</u>	<u>2,329,481</u>	<u>-</u>	<u>385,000</u>	<u>-</u>	<u>1,829,972</u>
Excess (deficiency) of revenues and other sources over expenditures and other (uses)	<u>1,242,313</u>	<u>(17,788,224)</u>	<u>-</u>	<u>1,174,614</u>	<u>28,575</u>	<u>(15,342,722)</u>
Fund balances - beginning of year	<u>13,386,282</u>	<u>(3,006,894)</u>	<u>-</u>	<u>(154,296)</u>	<u>60,593</u>	<u>10,285,685</u>
Fund balances - end of year	<u>\$ 14,628,595</u>	<u>\$ (20,795,118)</u>	<u>\$ -</u>	<u>\$ 1,020,318</u>	<u>\$ 89,168</u>	<u>\$ (5,057,037)</u>

The accompanying notes are an integral part of these financial statements.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Reconciliation of Governmental Funds Revenues, Expenditures, and Changes in
Fund Balance to the Statement of Activities
For the Year Ended June 30, 2022

	Total Governmental Funds	Capital Related Items	Long-term Debt Transactions	Statement of Activities Totals
REVENUES				
Real property taxes	\$ 42,204,058	\$ -	\$ -	\$ 42,204,058
Non-property taxes	118,536	-	-	118,536
Charges for services	649,592	-	-	649,592
Use of money and property	27,970	-	-	27,970
Sale of property and compensation for loss	47,630	(16,104)	-	31,526
Miscellaneous	882,559	-	-	882,559
State sources	15,541,101	-	-	15,541,101
Federal sources	5,492,590	-	-	5,492,590
Sales - school food service	169,246	-	-	169,246
Total revenues	<u>65,133,282</u>	<u>(16,104)</u>	<u>-</u>	<u>65,117,178</u>
EXPENDITURES/EXPENSES				
General support	5,639,595	1,551,353	3,464,208	10,655,156
Instruction	33,136,013	435,377	11,776,592	45,347,982
Pupil transportation	2,114,719	463,430	1,935,595	4,513,744
Employee benefits	16,561,247	-	(16,561,247)	-
Debt service:				
Principal	2,973,918	-	(2,973,918)	-
Interest	593,654	-	(18,986)	574,668
Cost of sales	379,068	6,251	-	385,319
Capital outlay	20,907,762	(20,907,762)	-	-
Total expenditures/expenses	<u>82,305,976</u>	<u>(18,451,351)</u>	<u>(2,377,756)</u>	<u>61,476,869</u>
Excess (deficiency) of revenues over expenditures/expenses	<u>(17,172,694)</u>	<u>18,435,247</u>	<u>2,377,756</u>	<u>3,640,309</u>
OTHER SOURCES AND USES				
Proceeds from debt	1,603,657	-	(1,603,657)	-
BANs redeemed from appropriations	226,315	-	(226,315)	-
Transfers to other funds				
Net change for the year	<u>\$ (15,342,722)</u>	<u>\$ 18,435,247</u>	<u>\$ 547,784</u>	<u>\$ 3,640,309</u>

The accompanying notes are an integral part of these financial statements.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies

The financial statements of the Jamesville-Dewitt 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 used by the District are described below:

A) Reporting entity:

The District is governed by the laws of New York State. The District is an independent entity governed by an elected Board of Education consisting of nine 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 the authority to make decisions, the 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 and its component unit(s) and other organizational entities determined to be includable in the District’s financial reporting entity. 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.

i) 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 of these funds. The Extraclassroom Activity Funds are independent of the District with respect to its financial transactions and the designation of student management. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be found at the District’s business office. The District accounts for assets held for various student organizations in the general fund.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

B) Joint venture:

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

The participation in OCMBOCES is accounted for as a joint venture by the District since it has both an ongoing financial interest and an ongoing financial responsibility to OCMBOCES. The District has an ongoing financial interest since OCMBOCES pays surpluses to the component districts on an annual basis, although the District has no equity interest in OCMBOCES. The District does not control the financial or operating policies of OCMBOCES; however, it has an ongoing financial responsibility since the continued existence of OCMBOCES depends on continued funding from the participating school districts.

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 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 invoiced \$4,581,842 for OCMBOCES administrative and program costs. The District's share of BOCES aid amounted to \$1,536,119.

Financial statements for the OCMBOCES are available from the OCMBOCES administrative office. As of June 30, 2021 (the most recent available audited financial statements), OCMBOCES has a total net position (deficit) of \$(189,459,762).

C) Basis of presentation:

i) District-wide statements:

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

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

The Statement of Activities presents a comparison between direct expenses and program 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. 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.

ii) Fund financial statements:

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

The District reports the following major governmental funds:

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

Special revenue funds: These funds account for the proceeds of specific revenue sources such as federal and state grants that are legally restricted to expenditures for specified purposes, child nutrition and school store operations or other activities whose funds are restricted as to use. These legal restrictions may be imposed by either governments that provide the funds, or by outside parties. Special revenue funds include the following:

Special aid fund: Used to account for special operating projects or programs supported in whole, or in part, with federal funds or state or local grants.

School lunch fund: Used to account for transactions of the lunch and breakfast programs.

Scholarships fund: Used to account for trust arrangements in which principal and income benefit individuals, private organizations or other governments.

Capital projects fund: These funds are used to account for the financial resources used for acquisition, construction, or major repair of capital facilities.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

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 and 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. Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, State Aid, 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 state aid is recognized in the fiscal year it is appropriated by the state. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental 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. Each school district should adopt an availability period for all revenues, except real property taxes, which must have a 60 day availability period.

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 1st and become a lien on October 31st. Taxes were collected during the period September 1, 2021 to October 31, 2021.

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

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.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

G) Interfund transactions:

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

In the district-wide statements, the amounts reported on the Statement of Net Position for interfund receivables and payables represents amounts due between different fund types. Eliminations have been made for all interfund receivables and payables between the funds.

The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables may be netted on the accompanying governmental funds balance sheet when it is the District's practice to settle these amounts at a net balance based upon the right of legal offset. Refer to Note 8 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, post-employment benefit and pension liabilities, potential contingent liabilities and useful lives of long-lived assets.

I) Cash and cash equivalents:

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

J) Accounts receivable:

Receivables are shown net of an allowance for uncollectible accounts, when applicable. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

K) 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 inventory 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. A reserve for these non-liquid assets (inventories and prepaid items) has been identified as not available for other subsequent expenditures.

L) Capital assets:

Capital assets acquisitions are reported at actual cost subsequent to June 30, 2002. For assets acquired prior to June 30, 2002, estimated historical costs, based on an appraisal conducted by independent third party professionals were used. Donated assets are reported at estimated fair market value at the time received. Land and Construction in Process 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 Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings	\$50,000	Straight Line	50 yrs
Building improvements	50,000	Straight Line	50 yrs
Site improvements	25,000	Straight Line	15-25 yrs
Furniture and equipment	1,000	Straight Line	5-15 yrs

M) Deferred revenues:

The District reports unearned revenues on its Statement of Net Position and its Balance Sheet. On the Statement of Net Position, unearned revenue arises 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 the resources, the liability for unearned revenue is removed and recognized.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

N) Deferred outflows and inflows of resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows and inflows 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 government has four items that qualify for reporting in this category. First is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge 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 item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The third item is District contributions to the pension systems (TRS and ERS Systems) subsequent to the measurement date. The fourth item relates to OPEB reporting in the district-wide Statement of Net Position. This represents the effect of the net change in the actual and expected experience.

In addition to liabilities, the statement of net position will sometimes report 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 four items that qualify for reporting in this category. First arises only under a modified accrual basis of accounting and is reported as unavailable revenue – property taxes. The second item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability (ERS System) and difference during the measurement periods between the District's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The third item is revenues from grants received that have met all other eligibility requirements except those related to time restrictions. The fourth item is related to OPEB reported in the district-wide Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs.

O) Pension obligations

New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement System (TRS) (the Systems).

Plan descriptions and benefits provided

Teachers' Retirement System (TRS): The District participates in the New York State Teachers' Retirement System (TRS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits, as well as, death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. The System is governed by a 10-member Board of Trustees. System benefits are established under New York State Law.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

O) Pension obligations (continued)

Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. 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 Statute. The New York State TRS issues a publicly available financial report that contains financial statements and required supplementary information for the System. The report and additional information may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSTRS Comprehensive Annual Financial report which can be found on the System's website at www.nystrs.org.

Employees' Retirement System (ERS): The District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits, as well as, death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (NYSRSSL). 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. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

The Systems are noncontributory except for employees who joined 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 3.0 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 scale. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education law.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

O) Pension obligations (continued)

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

	NYSTRS	NYSERS
2021-2022	\$ 2,543,616	\$ 813,578
2020-2021	2,324,031	792,385
2019-2020	1,981,049	737,171

The District contributions made to the Systems were equal to 100 percent of the contributions required for each year. ERS has provided additional disclosures through entities that elected to participate in Chapter 260, 57, and 105.

Pension Liabilities, Pension Expense (Credit), 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 asset / (liability) 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. The 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.

	ERS	TRS
Actuarial valuation date	4/1/2021	6/30/2020
Net pension asset/ (liability)	\$ 1,169,160	\$ 23,442,472
District's portion of the Plan's total net pension asset/ (liability)	0.0143024%	0.135279%

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

O) Pension obligations (continued)

For the year ended June 30, 2022, the District recognized its proportionate share of pension expense of \$231,512 for ERS and actuarial value of \$1,332,653 for TRS. At June 30, 2022, the District's reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred outflow of resources		Deferred inflow of resources	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience	\$ 88,542	\$ 3,231,296	\$ 114,844	\$ 121,794
Changes of assumption	1,951,198	7,710,719	32,924	1,365,455
Net difference between projected and actual earnings on pension plan investments	-	-	3,828,511	24,534,972
Changes in proportion and differences between the District's contributions and proportionate share of contributions	441,846	121,810	51,605	158,914
District's contribution subsequent to the measurement date	-	2,324,031	-	-
Total	\$ 2,481,586	\$ 13,387,856	\$ 4,027,884	\$ 26,181,135

District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/ (liability) in the year ended March 31, 2023 for ERS and June 30, 2022 for TRS. 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	\$ -	\$ (3,014,843)
2023	(154,744)	(3,540,803)
2024	(318,840)	(4,484,549)
2025	(918,417)	(5,932,336)
2026	(154,298)	1,089,506
Thereafter	-	765,715
	\$ (1,546,299)	\$ (15,117,310)

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

O) Pension obligations (continued)

Actuarial assumptions

The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension asset/(liability) to the measurement date. The actuarial valuation used the following actuarial assumptions:

	ERS	TRS
Measurement date	March 31, 2022	June 30, 2021
Actuarial valuation date	April 1, 2021	June 30, 2020
Interest rate	5.90%	6.95%
Salary scale	4.4% - 6.2%	1.95% - 5.18%
Decrement tables	April 1, 2015- March 31, 2020 System's Experience	July 1, 2015- June 30, 2020 System's Experience
Inflation rate	2.50%	2.40%

For TRS, annuitant mortality rates are based on July 1, 2015 – June 30, 2020 System’s experience with adjustments for mortality improvements based on the Society of Actuaries’ Scale AA. For ERS, annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System’s experience with adjustments for mortality improvements based on the Society of Actuaries’ Scale MP-2020. For TRS, the actuarial assumptions used in the June 30, 2020 valuation are based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2020. For ERS, the actuarial assumptions used in the April 1, 2021 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020.

The long term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to 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.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

O) Pension obligations (continued)

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 returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

	ERS		TRS	
	Target Allocation	Long-term expected Real rate of return	Target Allocation	Long-term expected Real rate of return
	2022	2022	2021	2021
Domestic equity	32%	3.30%	33%	6.80%
International equity	15%	5.85%	16%	7.60%
Real estate	9%	5.00%	11%	6.50%
Private equities	10%	6.50%	8%	10.00%
Domestic fixed income securities	0%	0.00%	16%	1.30%
Global fixed income securities	0%	0.00%	2%	0.80%
Credit	4%	3.78%	0%	0.00%
High-yield fixed income securities	23%	0.00%	1%	3.80%
Private debt	0%	0.00%	1%	5.90%
Real estate debt	0%	0.00%	7%	3.30%
Opportunistic portfolio	3%	4.10%	0%	0.00%
Cash	1%	-1.00%	1%	-0.20%
Global equities	0%	0.00%	4%	7.10%
Real assets	3%	5.80%	0%	0.00%
	100%		100%	

The real rate of return is net of the long-term inflation assumption of 2.5% for ERS and 2.4% for TRS.

*Excludes equity-oriented long-only funds. For investment management purposes, these funds are included in domestic equity and international equity.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

O) Pension obligations (continued)

Discount Rate: The discount rate used to calculate the total pension asset/ (liability) was 5.90% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes the 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 determined. 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 asset/ (liability).

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

The following presents the District's proportionate share of the net pension asset/(liability) as of June 30, 2022 calculated using the discount rate of 5.90% for ERS and 6.95% for TRS, 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 (4.90% for ERS and 5.95% for TRS) or 1-percentage point higher (6.90% for ERS and 7.95% for TRS) than the current rate:

ERS	1% Decrease <u>(4.90%)</u>	Current Assumption <u>(5.90%)</u>	1% Increase <u>(6.90%)</u>
Employer's proportionate share of the net pension asset (liability)	<u>\$ (3,009,406)</u>	<u>\$ 1,169,160</u>	<u>\$ 4,664,330</u>
TRS	1% Decrease <u>(6.95%)</u>	Current Assumption <u>(6.95%)</u>	1% Increase <u>(7.95%)</u>
Employer's proportionate share of the net pension asset (liability)	<u>\$ 2,459,946</u>	<u>\$ 23,442,472</u>	<u>\$ 41,076,762</u>

Changes of assumptions

Changes of assumptions about future economic or demographic factors or other inputs are amortized over a closed period equal to the average of the expected service lives of all employees that are provided with pension benefits.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

O) Pension obligations (continued)

Collective pension expense includes certain current period changes in the collective net pension asset/(liability), projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The collective pension expense for the year ended June 30, 2022 is \$369,723,000 for ERS and \$(992,980,782) for TRS.

Payables to the pension plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of June 30, 2022 represent the projected employer contribution 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 \$199,572.

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 a state aid intercept. Accrued retirement contributions as of June 30, 2022 represent employee and employer contributions for the fiscal year ended June 30, 2022 based on paid 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 \$2,568,409.

P) Vested employee benefits:

Compensated absences consist of unpaid accumulated annual sick leave, vacation, and sabbatical time. Sick leave eligibility and accumulation is specified in negotiated labor contracts, and in individual employment contracts. Upon retirement, resignation or death, employees may contractually receive a payment based on unused accumulated sick leave. District employees are granted vacation in varying amounts, based primarily on length of service and service position. Some earned benefits may be forfeited if not taken within varying time periods. Consistent with GASB Statement 16, *Accounting for Compensated Absences*, the liability has been calculated using the vesting/termination method and an accrual for the liability is included in the district-wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year-end. In the fund statements only, the amount of matured liabilities is accrued within the General Fund based upon expendable and available financial resources. These amounts are expensed on a pay-as-you-go basis.

Q) Other benefits:

District employees participate in the New York State Employees' Retirement System and the New York State Teachers' Retirement System. In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provision of various employment contracts in effect at the time of retirement.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

Q) Other benefits (continued):

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. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as expenditure. District employees may choose to participate in the District's elective deferred compensation plans established under Internal Revenue Code Sections 403(b) and 457.

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 RANs and TANs 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. Such notes may be classified as part of the General Long-Term debt Account Group when (1) the intention is to refinance the debt on a long-term basis and (2) the intention can be substantiated through a post balance-sheet issuance of long-term debt or by an acceptable financing agreement. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date.

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 represent the District's future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the Statement of Net Position.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

T) Equity classifications:

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

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

Restricted net position – reports net position when constraints placed on the assets 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 meet the definition of the above two classifications and are deemed to be available for general use by the District.

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

Non-spendable fund balance – Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Non-spendable fund balance includes the inventory recorded in the School Food Service Fund of \$25,681.

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

Capital (turf field)

According to Education Law §3651, must be used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of the reserve, the ultimate amount, its probable term and the source of the funds. 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.

Debt service

According to General Municipal Law §6-l, the Mandatory Reserve for Debt Service must be established for the purpose of retiring the outstanding obligations upon the sale of District property or capital improvement that was financed by obligations that remain outstanding at the time of sale. The funding of the reserve is from the proceeds of the sale of District property or capital improvement. This reserve is accounted for in the General Fund.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

T) Equity classifications (continued):

Insurance

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

Tax certiorari

According to Education Law §3651.1-a, the Tax Certiorari Reserve 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, which 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. This reserve is accounted for in the General Fund.

Employee benefit accrued liability

According to General Municipal Law §6-p, the Reserve for Employee Benefit Accrued Liability must be used for the 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. This reserve is accounted for in the General Fund.

Retirement contributions reserve

According to General Municipal Law §6-r, all expenditures made from retirement contributions reserve fund must be used for financing retirement contributions to the New York State and Local Employees' Retirement System. This reserve is established by Board resolution and is funded by budgetary appropriation and such other reserves and funds that may be legally appropriated. The reserve must be accounted for separate 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. Effective April 1, 2019, a Board may adopt a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law §6-r.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

T) Equity classifications (continued):

Restricted fund balance includes the following:

General fund:	
Debt service	\$ 500,000
Employee benefit accrued liability	1,649,586
Insurance	1,912,020
Teacher retirement contributions	1,051,459
Turf field	800,000
Capital projects	1,000,000
Tax certiorari	<u>2,809,274</u>
Total restricted funds	<u>\$ 9,722,339</u>
Scholarships fund	<u>\$ 89,168</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 committed fund balance of \$169,181 as of June 30, 2022 related to the Extraclassroom activities fund.

Assigned – Includes amounts that are constrained by the school 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 amounts appropriated to partially fund the subsequent year's budget, as well as encumbrances not classified as restricted at the end of the fiscal year. Encumbrances reported in the General Fund amounted to \$1,404,583. Appropriated fund balance in the General Fund amounted to \$796,620. The School Lunch Fund also reports assigned unappropriated fund balance of \$994,637. As of June 30, 2022, the District's General Fund encumbrances were classified as follows:

General support	\$ 446,577
Instruction	888,998
Pupil transportation	<u>69,008</u>
	<u>\$ 1,404,583</u>

Unassigned – Includes all other General Fund net position that do not meet the definition of the above four classifications and are deemed to be available for general use by the School District and could report a surplus or deficit. In funds other than the general fund, the unassigned classification is used to report a deficit fund balance resulting from overspending for specific purposes for which had been restricted or assigned. NYS Real Property Tax Law 1318 limits the amount of unexpended surplus funds a school district can retain to no more than 4% of the School District's budget for the General Fund for the ensuing fiscal year. Non-spendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances are also excluded from the 4% limitation.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

T) Equity classifications (continued):

Net Position Flow Assumption: Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the district-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

Fund Balance Flow Assumption: Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

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 use purposes are determined. Any remaining fund balance amounts for funds other than General Fund are classified as restricted fund balance. In the general fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

U) Implementation of 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 No. 87: Leases Effective for the year ending June 30, 2022
- GASB Statement No. 89: Accounting for Interest Cost Incurred Before the End of a Construction Period Effective for the year ending June 30, 2022
- GASB Statement No. 92, Omnibus 2020, effective for the year ending June 30, 2022.
- GASB Statement No. 93, Replacement of Interbank Offered Rates, effective for the year ending June 30, 2021 (paragraphs 11b, 13, and 14 are 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 (the requirements in paragraph 4, as they apply to defined contribution pension plans, defined contribution OPEB plans and other employee benefit plans, and paragraph 5 were effective as of June 2020).

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of accounting policies (continued)

V) Future changes in accounting standards

- GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, effective for the year ending June 30, 2023.
- GASB has issued Statement No. 91, Conduit Debt Obligations, effective for the year ending June 30, 2023.
- GASB Statement No. 96 - Subscription-Based Information Technology Arrangements, effective for the year ending June 30, 2023.

The District will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

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, as applied to the reporting of capital assets and long-term liabilities, including pensions and other post-employment benefits. This reconciliation is performed on page 18.

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. This reconciliation is performed on page 20. The amounts represent:

i) 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.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 2 – Explanation of certain differences between governmental fund statements and district-wide statements (continued)

ii) 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.

iii) 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.

iv) Pension differences:

Pension 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.

v) OPEB 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.

Note 3 – Stewardship, compliance and accountability

The District administration prepares a proposed budget for approval by the Board of Education, which in turn is either approved or disapproved by eligible voters in the school district. 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 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. No supplemental appropriations occurred during the year.

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.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 3 – Stewardship, compliance and accountability (continued)

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.

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.

The Capital projects Fund had a deficit fund balance of \$20,795,118. The District is currently working on obtaining financing for a voter approved capital project. When long-term financing is obtained, the District will recognize the appropriate amount of revenue for this financing which will fund the current deficit balance.

Note 4 – Cash (and cash equivalents)

Total financial institution bank balances at year-end, per the bank, were \$18,605,953. These deposits are insured or collateralized with securities held by the financial institution in the District's name. 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 \$9,722,339 restricted for various fund balance reserves in the general fund, \$5,204,882 restricted for the voter approved capital project in the capital projects fund, \$308,344 restricted for federal and state grants in the special aid fund and \$89,168 restricted for scholarships within the scholarships fund.

Deposits are valued at cost or cost plus interest and are categorized as either (1) insured, or for which the securities are held by the District's agent in the District's name, (2) collateralized, and for which the securities are held by the pledging financial institution's trust department or agent in the District's name, or (3) uncollateralized. At June 30, 2022 all deposits were fully insured and collateralized by the District's agent in the District's name.

The District follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with Federal, State and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Business Administrator of the District. Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 4 – Cash (and cash equivalents) (continued)

The District’s policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The District’s investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts.
- Certificates of deposit.
- Obligations of the United States Treasury and United States agencies.
- Obligations of New York State and its localities.

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the District’s investment and deposit policy, all deposits of the District including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits. The District restricts the securities to the following eligible items:

- Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies.
- Obligations issued or fully insured or guaranteed by New York State and its localities.
- Obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organizations.

Note 5 – Capital assets

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

	Beginning Balance	Additions	Retirements/ Reclassifications	Ending Balance
Governmental activities:				
Capital assets that are not depreciated:				
Land	\$ 648,500	\$ -	\$ -	\$ 648,500
Construction in progress	2,542,044	22,631,748	(2,542,044)	22,631,748
Total non-depreciable historical cost	<u>3,190,544</u>	<u>22,631,748</u>	<u>(2,542,044)</u>	<u>23,280,248</u>
Capital assets that are depreciated:				
Buildings	149,698,424	114,140	-	149,812,564
Vehicles	6,261,807	499,509	(647,967)	6,113,349
Furniture and equipment	3,243,436	204,409	(76,510)	3,371,335
Total depreciable historical cost	<u>159,203,667</u>	<u>818,058</u>	<u>(724,477)</u>	<u>159,297,248</u>
Less accumulated depreciation:				
Buildings	(89,719,289)	(1,793,674)	-	(91,512,963)
Vehicles	(3,856,860)	(503,170)	642,855	(3,717,175)
Furniture and equipment	(2,442,337)	(159,567)	65,518	(2,536,386)
Total accumulated depreciation	<u>(96,018,486)</u>	<u>(2,456,411)</u>	<u>708,373</u>	<u>(97,766,524)</u>
Total historical cost, net	<u>\$ 66,375,725</u>	<u>\$ 20,993,395</u>	<u>\$ (2,558,148)</u>	<u>\$ 84,810,972</u>
Depreciation expense was charged to governmental functions as follows:				
General support		\$ 1,551,353		
Instruction		435,377		
Transportation		463,430		
Cost of sales		6,251		
		<u>\$ 2,456,411</u>		

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 6 – Short-term debt

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

	<u>Maturity</u>	<u>Interest Rate</u>	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
BAN	7/15/2022	1.25%	\$ -	21,000,000	-	\$ 21,000,000

Interest of approximately \$263,000 has been accrued in the general fund on this BAN as of June 30, 2022.

Note 7– Long-term obligations

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Further, the unmatured principal of general long-term debt does not require current appropriation and expenditure of governmental fund financial resources.

Serial Bonds

The School District borrows money in order to acquire land or equipment, construct buildings, or make improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government. The provisions will be in the General Fund’s future budgets for capital indebtedness.

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

	<u>Balance at June 30, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2022</u>	<u>Amounts Due Within One Year</u>
Bonds payable:					
Serial bonds	\$ 20,177,180	\$ 1,603,657	\$ (2,747,603)	\$ 19,033,234	\$ 2,504,851
Net bonds payable	<u>\$ 20,177,180</u>	<u>\$ 1,603,657</u>	<u>\$ (2,747,603)</u>	<u>\$ 19,033,234</u>	<u>\$ 2,504,851</u>
Other postemployment benefits payable	\$ 158,525,793	\$ 9,856,227	\$ (37,424,360)	\$ 130,957,660	\$ 12,851,052
Workers compensation	863,234	-	(224,693)	638,541	638,541
Net pension liability	3,653,469	-	(3,653,469)	-	-
Compensated absences	451,607	-	(63,199)	388,408	388,408
Total	<u>\$ 163,494,103</u>	<u>\$ 9,856,227</u>	<u>\$ (41,365,721)</u>	<u>\$ 131,984,609</u>	<u>\$ 13,878,001</u>

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

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 7— Long-term obligations (continued)

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

Interest paid	\$ 593,654
Less interest accrued in the prior year	(129,810)
Plus interest accrued in the current year	<u>110,824</u>
	<u>\$ 574,668</u>

The following is a schedule of bonds outstanding at June 30, 2022:

	Date of Original Issue	Original Amount	Maturity Date	Interest Rate	Balance June 30, 2022
2016 Serial Bond	7/21/2016	\$ 2,368,987	6/15/2031	1.00%-2.00%	\$ 1,520,000
Energy Performance Lease	3/18/2022	1,603,657	5/18/2037	2.20%	1,603,657
2013 Refunding Serial Bond	3/6/2013	6,360,000	9/1/2023	1.00%-2.00%	920,000
2020 Refunding Serial Bond	5/12/2020	6,170,000	7/15/2026	3.00%-4.00%	4,345,000
2020 Refunding Serial Bond-Premium	5/12/2020	502,483	7/15/2026	3.00%-4.00%	358,917
2020 Series A	6/17/2020	10,195,000	6/15/2034	5.00%	8,585,000
2020 Series A-Premium	6/17/2020	1,962,300	6/15/2034	5.00%	<u>1,700,660</u>
					<u>\$ 19,033,234</u>

The following is a summary of the maturity of long-term indebtedness:

	Principal	Premium	Interest	Total
Fiscal year ended June 30,				
2023	\$ 2,302,248	\$ 202,603	\$ 665,760	\$ 3,170,611
2024	2,011,060	202,603	582,716	2,796,379
2025	1,603,185	202,603	515,041	2,320,829
2026	1,680,357	202,603	449,569	2,332,529
2027	1,742,577	202,603	380,899	2,326,079
2028-2032	4,862,943	654,100	1,234,536	6,751,579
2033-2037	<u>2,771,288</u>	<u>392,461</u>	<u>234,839</u>	<u>3,398,588</u>
	<u>\$ 16,973,658</u>	<u>\$ 2,059,576</u>	<u>\$ 4,063,360</u>	<u>\$ 23,096,594</u>

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 8 – Interfund balances and activity

Interfund transactions and balances are as follows:

	Receivable	Payable	Revenues	Expenditures
General fund	\$ 7,982,979	\$ 4,455	\$ -	\$ 499,509
Special aid fund	4,455	3,022,918	-	-
School food service	39,939	-	-	-
Capital projects fund	-	5,000,000	499,509	-
	\$ 8,027,373	\$ 8,027,373	\$ 499,509	\$ 499,509

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. During 2021-2022 the General Fund transferred \$499,509 to the Capital Projects Fund for various capital projects.

Note 9 – Pension plans

General Information

The District participates in the New York State Employees' Retirement System (NYSERS) and the New York State Teachers' Retirement System (NYSTRS). These are cost-sharing multiple employer public employee retirement systems. The Systems offer a wide range of plans and benefits, which are related to years of service and final average salary, vesting of retirement benefits, death, and disability. See Note 1 for further plan details.

Note 10 – Unrestricted net position

Unrestricted net position in the general fund consist of the following at June 30, 2022:

Designated for subsequent year's expenditures	\$ 796,620
Reserve for encumbrances	1,404,583
Unassigned	2,535,872
Total unrestricted net position	\$ 4,737,075

Note 11 – Post-employment benefits obligation payable:

Plan description- The District administers a defined benefit OPEB plan that provides OPEB for all permanent full-time general employees of the District. The plan is a single-employer defined benefit OPEB plan (the Plan) administered by Article 11 of the State Compiled Statutes which grants the authority to establish and amend benefit terms and financing requirements to the District's Board., subject to applicable collective bargaining and employment agreements, and Board of Education policy. The plan does not issue a separate financial report sine there are no assets legally segregated for the sole purpose of paying benefits under the Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 11 – Post-employment benefits obligation payable (continued)

Funding policy- The obligation of the Plan members and employers are established by action of the District pursuant to applicable collective bargaining and other employment agreements. Employees contribute varying percentages of the premiums, depending on when retired and their applicable agreement. Employees are required to reach age 55 and have 3 to 15 years of service to qualify for other post-employment benefits. The District currently funds the Plan to satisfy current obligations on a pay-as-you-go basis. During the year ended June 30, 2022, approximately \$4,330,000 was paid on behalf of 327 retirees.

Benefits provided- The District provides for continuation of medical and/or Medicare Part B benefits for certain retirees and their spouses. The benefit terms are dependent on which contract each employee falls under, retirees and their spouses receive benefits for the lifetime of the retired employee. The specifics of each contract are on file at the District offices and are available upon request.

Employees covered by benefit terms – At June 30, 2022 the following employees were covered by the benefit terms:

Retirees and survivors	468
Active employees	420
	888

The District's total OPEB liability of \$130,957,660 was measured as of June 30, 2022; the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2021.

Actuarial assumptions and other inputs- The total OPEB liability as of June 30, 2022 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60% (Based on CPI)
Salary Increases	Varied by years of service and retirement system
Discount Rate	3.54% (Bond Buyer GO 20-Bond Municipal Bond Index)
Healthcare Cost Trend Rates	5.3% to 4.1% over 55 years

The Discount rate was based on the published Bond Buyer Weekly 20-Bond GO Index. Mortality rates were based on RPH-2014 Mortality Table, as appropriate, with adjustments for mortality improvements based on the Scale AA.

Retirement participation rate assumed that 85% of eligible Teachers and Instructional Administrators and 75% of participants other than Teachers and Instructional Administrators will elect medical coverage at retirement age, and 48% of active member's spouses will elect medical coverage. Additionally, a tiered approach based on age and years of service was used to determine retirement rate assumption.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 11 – Post-employment benefits obligation payable: (continued)

Termination rates are based on tables used by the New York State Teachers' Retirement System and the New York State and Local Retirement System for female employees. Rates are tiered based on the percentage of employees who will terminate employment at any given age each year, for reasons other than death or retirement.

Changes in the District's net OPEB liability were as follows:

Balance at June 30, 2021	\$ 158,525,793
<u>Changes for the Year</u>	
Service cost	6,335,168
Interest	3,521,059
Changes of benefit terms	-
Effect of demographic gains or losses	-
Effect of assumptions changes or inputs	(33,706,515)
Benefit payments	(3,717,845)
Net changes	(27,568,133)
Balance at June 30, 2022	\$ 130,957,660

Changes in assumptions and other inputs reflect a change in the discount rate from 2.16% in 2021 to 3.54% in 2022.

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 (2.54%) or 1 percentage point higher (4.54%) than the current discount rate.

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB liability	\$154,270,654	\$130,957,660	\$112,373,176

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend 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 healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB liability	\$108,276,438	\$130,957,660	\$160,581,551

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 11 – Post-employment benefits obligation payable: (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 \$8,904,870. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 610,458	\$ (5,471,959)
Changes of assumptions or other inputs	27,409,602	(32,743,911)
	\$ 28,020,060	\$ (38,215,870)

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

Year Ended June 30,	Amount
2023	\$ (951,357)
2024	(951,357)
2025	(951,356)
2026	(2,000,662)
2027	(3,736,003)
Thereafter	(1,605,075)
	\$ (10,195,810)

Note 12 – Risk management

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.

The District incurs costs related to an employee health insurance plan (plan). The plan objectives are to formulate, develop and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program. Districts joining the plan must remain a member for a minimum of five years; a member may withdraw from the plan after that time by providing written intent to withdraw on or before January 1st of the commencement of the school year for which the withdrawal is intended to be effective. In the event of a withdrawal, the consortium may determine any sums which are due and owed to the plan or participant. The Cooperative Health Insurance Fund of Central New York consortium has thirty (30) members with each bearing a pro-rata share of the plan's assets and claims liabilities. Plan members are subject to a pro-rata supplemental assessment in the event of deficiencies.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 12 – Risk management (continued)

If the plan's assets were to be exhausted, members would be responsible for the plan's liabilities. The plan uses reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability of the plan as direct insurer of the risks reinsured. All plan cash accounts are collateralized by securities held by the financial institution where deposits are made. The plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount.

Such claims are based on the ultimate cost of the claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported. Adjustments to claim liabilities are charged or credited to expense in the periods in which they are made. The District incurred premiums totaling approximately \$10,143,000 for the current year. Payments of claims and claim adjustment expenses are pooled for the group and each member's premiums are adjusted accordingly.

The District incurs costs related to an employee workers' compensation plan. The plan objectives are to formulate, develop and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program. Districts joining the plan must remain a member for a minimum of two years; a member may withdraw from the plan after that time by submitting a thirty days written notice. The Onondaga Cortland Madison Workers' Compensation Consortium includes thirty-one (31) members with each bearing a pro-rata share of the plan's assets and claims liabilities. Plan members are subject to a supplemental assessment in the event of deficiencies. If the plan's assets were to be exhausted, members would be responsible for the plan's liabilities. The plan uses a reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability of the plan as direct insurer of the risks reinsured. The plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount.

Such claims are based on the ultimate cost of the claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported. Adjustments to claim liabilities are charged or credited to expense in the periods in which they are made. The District incurred premiums totaling approximately \$330,000 for the current year. Payments of claims and claim adjustment expenses are pooled for the group and each member's premiums are adjusted accordingly. The District's share of the workers compensation liability was \$638,541 at June 30, 2022.

Note 13 – 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 audits, the District's administration believes disallowances, if any, will be immaterial.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 13 – Commitments and contingencies (continued)

New York State Education Law requires that most capital projects require approval by the New York Office of Facilities Planning. New York State provides building aid for certain type of capital projects undertaken by school districts. Building aid is subject to numerous reporting requirements. The failure to adhere to these reporting requirements could lead to the refund of building aid already received and the loss of future aid on these particular capital projects. Building aid represents a significant source of financing for the Districts' financing of such projects and any loss or refund of building aid could have a significant impact on these financial statements.

Several tax certiorari actions are pending against the District for reductions in the assessment value of various properties. Management believes that the likelihood of a reduction is probable. The District plans on funding any settlements from the Tax Certiorari Reserve, and appropriating funds in the future as appropriate.

Note 14 – Donor-restricted endowments

The District administers endowment funds, which are restricted by the donor for the purposes of student scholarships. The District authorizes expenditures from donor-restricted endowments in compliance with the wishes expressed by the donor, which varies among the unique endowments administered by the District. These scholarships are held in a special revenue fund, Scholarships Fund, in accordance with GASB 84.

Note 15 – Subsequent events

Management has evaluated subsequent events through November 7, 2022, which is the date the financial statements were available to be issued. On July 14, 2022, the District issued a bond anticipation note of \$35,425,000 at 3.75% interest, due on July 15, 2022. The bond anticipation note was issued to fund the ongoing \$33,000,000 voter approved Facilities Improvement Project in the Capital Fund.

Jamesville-Dewitt Central School District
 Required Supplementary Information
 Schedule of Changes in the District's Total OPEB Liability and Related Ratios
 For the Year Ended June 30, 2022

SS1 Measurement Date	2022		2021		2020		2019		2018	
	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018	
Total OPEB Liability	\$ 130,957,660	\$ 158,525,793	\$ 141,254,616	\$ 111,786,144	\$ 115,835,659					
Service Cost	6,335,168	5,253,429	3,792,894	4,264,705	4,049,605					
Interest	3,521,059	3,198,740	3,989,579	3,557,476	3,417,371					
Changes in benefit terms	-	-	-	-	-					
Differences between expected and actual experience in the measurement of the total OPEB liability	-	(7,597,207)	-	1,424,406	(204,910)					
Changes in assumptions or other inputs	(33,706,515)	19,973,026	24,895,735	(10,237,820)	-					
Benefit payments	(3,717,845)	(3,556,811)	(3,209,736)	(3,058,282)	(2,559,454)					
Net change in total OPEB liability	(27,568,133)	17,271,177	29,468,472	(4,049,515)	4,702,612					
Total OPEB liability- beginning	158,525,793	141,254,616	111,786,144	115,835,659	111,133,047					
Total OPEB liability- ending	\$ 130,957,660	\$ 158,525,793	\$ 141,254,616	\$ 111,786,144	\$ 115,835,659					
Covered payroll	\$ 24,747,667	\$ 24,747,667	\$ 23,010,814	\$ 23,010,814	\$ 26,597,993					
Total OPEB liability as a percentage of covered payroll	529%	641%	614%	486%	436%					

Note:

The District does not have assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other than Pensions to pay OPEB benefits. The District currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

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

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) And Actual - General Fund
For the Year Ended June 30, 2022

SS2

	Original Budget	Final Budget	Actual (Budgetary Basis)	Year-end Encumbrances	Final Budget Variance With Budgetary Actual and Encumbrances
REVENUES					
Local sources					
Real property taxes	\$ 42,178,539	\$ 42,178,539	\$ 42,204,058		\$ 25,519
Non-property taxes	62,000	62,000	118,536		56,536
Charges for services	773,727	773,727	649,592		(124,135)
Use of money and property	70,600	70,600	27,970		(42,630)
Sale of property and compensation for loss	-	-	47,630		47,630
Miscellaneous	272,500	272,500	834,334		561,834
Total local sources	<u>43,357,366</u>	<u>43,357,366</u>	<u>43,882,120</u>		<u>524,754</u>
State sources	15,709,868	15,709,868	15,408,577		(301,291)
Federal sources	215,800	215,800	614,363		398,563
Total revenues	<u>59,283,034</u>	<u>59,283,034</u>	<u>59,905,060</u>		<u>622,026</u>
OTHER FINANCING SOURCES					
Transfers from other funds	896,619	896,619	-		(896,619)
Total revenues and other financing sources	<u>\$ 60,179,653</u>	<u>\$ 60,179,653</u>	<u>\$ 59,905,060</u>		<u>\$ (274,593)</u>
EXPENDITURES					
General support					
Board of education	\$ 25,700	\$ 16,307	\$ 24,661	\$ -	\$ (8,354)
Central administration	258,899	268,782	273,145	-	(4,363)
Finance	428,406	434,791	429,972	4,056	763
Staff	428,313	384,242	384,912	-	(670)
Central services	4,550,813	5,135,574	3,800,433	442,521	892,620
Special items	457,068	457,068	657,033	-	(199,965)
Total general support	<u>6,149,199</u>	<u>6,696,764</u>	<u>5,570,156</u>	<u>446,577</u>	<u>680,031</u>
Instruction					
Instruction, administration and improvement	2,144,189	2,365,295	2,211,619	214,246	(60,570)
Teaching - regular school	16,817,879	16,856,319	16,571,795	585,514	(300,990)
Programs for children with handicapping conditions	6,396,403	6,096,941	5,805,781	5,518	285,642
Occupational education	273,000	243,000	263,719	-	(20,719)
Teaching - special school	66,000	66,260	82,216	-	(15,956)
Instructional media	1,889,955	2,292,711	1,603,309	80,365	609,037
Pupil services	3,620,819	3,734,653	3,350,798	3,355	380,500
Total instruction	<u>31,208,245</u>	<u>31,655,179</u>	<u>29,889,237</u>	<u>888,998</u>	<u>876,944</u>
Pupil transportation	2,407,103	2,872,811	2,319,129	69,008	484,674
Employee benefits	16,965,034	16,824,792	16,432,144	-	392,648
Debt service	3,350,072	3,350,072	3,567,572	-	(217,500)
Total expenditures	<u>60,079,653</u>	<u>61,399,618</u>	<u>57,778,238</u>	<u>1,404,583</u>	<u>2,216,797</u>
OTHER FINANCING USES					
Transfers to other funds	100,000	100,000	884,509	-	984,509
Total expenditures and other uses	<u>\$ 60,179,653</u>	<u>\$ 61,499,618</u>	<u>58,662,747</u>	<u>\$ 1,404,583</u>	<u>\$ 3,201,306</u>
Net change in fund balances			1,242,313		
Fund balance - beginning			<u>13,386,282</u>		
Fund balance - ending			<u>\$ 14,628,595</u>		

Note To Required Supplementary Information

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

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

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Schedule of District Contributions
For the Year Ended June 30, 2022

553

Teachers' Retirement System

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 2,543,616	\$ 2,324,031	\$ 2,324,031	\$ 2,328,651	\$ 2,092,667	\$ 2,480,290	\$ 2,780,893	\$ 3,569,579
Contributions in relation to the contractually required contribution	2,543,616	2,324,031	2,324,031	2,328,651	2,092,667	2,480,290	2,780,893	3,569,579
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 25,955,265	\$ 24,386,474	\$ 26,230,598	\$ 23,761,745	\$ 21,353,745	\$ 21,162,844	\$ 20,972,044	\$ 20,351,078
Contributions as a percentage of covered payroll	10%	10%	9%	10%	10%	12%	13%	18%

Employees' Retirement System

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 813,578	\$ 792,385	\$ 792,385	\$ 745,049	\$ 719,803	\$ 711,397	\$ 827,788	\$ 711,397
Contributions in relation to the contractually required contribution	813,578	792,385	792,385	745,049	719,803	711,397	827,788	711,397
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 5,239,692	\$ 5,279,068	\$ 5,165,710	\$ 4,806,828	\$ 4,886,579	\$ 4,560,534	\$ 4,479,642	\$ 4,479,642
Contributions as a percentage of covered payroll	16%	15%	15%	15%	15%	16%	18%	16%

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

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
 Schedule of District's Proportionate Share of the Net Pension Asset (Liability)
 For the Year Ended June 30, 2022

SS4

	<i>Teachers' Retirement System</i>							
	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension asset (liability)	0.135279%	0.131734%	0.131366%	0.131094%	0.133216%	0.135917%	0.135445%	0.133651%
District's proportionate share of the net pension asset (liability)	\$ 23,442,472	\$ (3,640,173)	\$ 3,412,886	\$ 2,370,526	\$ 1,012,575	\$ (1,456,843)	\$ 16,849,483	\$ 18,454,524
District's covered payroll	\$ 25,955,265	\$ 24,386,474	\$ 26,230,598	\$ 23,761,745	\$ 21,353,745	\$ 21,162,844	\$ 20,972,044	\$ 20,351,078
District's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	90%	-15%	13%	10%	5%	-7%	80%	91%
Plan fiduciary net position as a percentage of the total pension asset (liability)	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%
	<i>Employees' Retirement System</i>							
District's proportion of the net pension asset (liability)	0.0143024%	0.0133529%	0.0140592%	0.0141214%	0.0143309%	0.0142113%	0.0152811%	0.0151300%
District's proportionate share of the net pension asset (liability)	\$ 1,169,160	\$ (13,296)	\$ (3,722,967)	\$ (1,000,546)	\$ (462,521)	\$ (1,335,324)	\$ (2,452,652)	\$ (511,154)
District's covered payroll	\$ 5,239,692	\$ 5,279,068	\$ 5,165,710	\$ 4,806,828	\$ 4,886,579	\$ 4,560,534	\$ 4,479,642	\$ 4,479,642
District's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	22%	0%	72%	21%	9%	29%	55%	11%
Plan fiduciary net position as a percentage of the total pension asset (liability)	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

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

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Supplementary Information
Schedules of Change from Adopted Budget to Final Budget
and the Real Property Tax Limit
For the Year Ended June 30, 2022

SS5

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted budget		\$ 60,179,653
Add: Prior year's encumbrances		<u>1,319,964</u>
Original budget		61,499,617
Budget revision:		<u>-</u>
Final budget		<u>\$ 61,499,617</u>

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2022-23 voter-approved expenditure budget maximum allowed (4% of 2021-22 budget)		\$ 63,733,991
General fund balance subject to Section 1318 of Real Property Tax Law*:		
Unrestricted fund balance:		
Assigned fund balance	2,201,203	
Unassigned fund balance	<u>2,535,872</u>	
Total unrestricted fund balance		<u>4,737,075</u>
Less:		
Appropriated fund balance	796,620	
Encumbrances included in committed and assigned fund balance	<u>1,404,583</u>	
Total adjustments		<u>2,201,203</u>
General fund balance subject to Section 1318 of Real Property Tax Law		<u>\$ 2,535,872</u>
Actual percentage		3.98%

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

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

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
 Supplementary Information
 Schedule of Project Expenditures - Capital Projects Fund
 For the Year Ended June 30, 2022

PROJECT TITLE	Original Appropriation	Revised Appropriation	Prior Years	Expenditures			Unexpended Balance	Proceeds of Obligations	Methods of Financing			Fund Balance June 30, 2022
				Current Year	Transfers	Total			State Aid	Local Sources	Total	
Facilities improvement project	\$ 12,100,000	\$ 12,100,000	\$ 21,784,333	\$ -	\$ -	\$ 21,784,333	\$ (9,684,333)	\$ 21,802,300	\$ -	\$ -	\$ 21,802,300	\$ 17,967
Buses	499,952	499,952	-	499,509	-	499,509	443	-	-	499,509	499,509	-
High school doors	112,787	112,787	-	3,075	-	3,075	109,712	-	-	-	-	(3,075)
High school doors	99,500	99,500	112,787	-	-	112,787	(13,287)	-	-	-	-	(112,787)
High school doors	-	100,000	132,312	-	-	132,312	(32,312)	-	-	-	-	(132,312)
Facilities improvement project	33,000,000	33,000,000	2,542,044	15,813,544	-	18,355,588	14,644,412	-	-	226,315	226,315	(18,129,273)
Energy performance lease	4,573,657	4,573,657	-	3,612,370	-	3,612,370	961,287	-	-	1,603,657	1,603,657	(2,008,713)
Smart schools bond act	36,150	36,150	-	58,141	-	58,141	(21,991)	-	-	-	-	(58,141)
High school emergency kitchen project	-	-	-	20,001	-	20,001	(20,001)	-	-	-	-	(20,001)
Capital outlay	100,000	100,000	-	-	-	-	-	-	-	-	-	-
Emergency boiler repair	139,000	139,000	134,848	15,497	-	150,345	4,432	-	-	-	-	(95,568)
Emergency roof replacement	87,000	120,010	102,870	-	-	102,870	(11,345)	-	-	-	-	(150,345)
	\$ 50,748,046	\$ 50,881,056	\$ 24,809,194	\$ 20,117,705	\$ -	\$ 44,926,899	\$ 5,954,157	\$ 23,405,957	\$ -	\$ 725,824	\$ 24,131,781	\$ (20,795,118)

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

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Supplementary Information
Net Investment in Capital Assets
For the Year Ended June 30, 2022

SS7

Capital assets, net		\$ 84,810,972
Deduct:		
Bond anticipation note payable	(21,000,000)	
Short-term portion of bonds payable	(2,504,851)	
Long-term portion of bonds payable	<u>(16,528,383)</u>	
Total bonds payable		<u>(40,033,234)</u>
Net investment in capital assets		<u>\$ 44,777,738</u>

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

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

INDEPENDENT AUDITOR'S REPORT

Board of Education
Jamesville-DeWitt Central School District
DeWitt, New York

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jamesville-DeWitt Central School District (the District) as of and for the year June 30, 2022, and the related notes to the financial statements, which collectively comprise Jamesville-DeWitt Central School District's basic financial statements and have issued our report thereon dated November 7, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Jamesville-DeWitt Central School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jamesville-DeWitt Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Jamesville-DeWitt 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a material

weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jamesville-DeWitt 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of Jamesville-DeWitt Central School District in a separate letter dated November 7, 2022.

Jamesville-DeWitt Central School District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Jamesville-DeWitt Central School District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Restriction on Use

This report is intended solely for the information and use of the Board of Education, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Syracuse, New York
November 7, 2022

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH UNIFORM GUIDANCE**

INDEPENDENT AUDITOR'S REPORT

Board of Education
Jamesville-DeWitt Central School District
DeWitt, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Jamesville-DeWitt Central School District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Jamesville-DeWitt Central School District's major federal programs for the year ended June 30, 2022. Jamesville-DeWitt 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, Jamesville-DeWitt Central School District complied, in all material respects, with the 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Jamesville-DeWitt 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 Jamesville-DeWitt 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 Jamesville-DeWitt 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 Jamesville-DeWitt 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 GAAS, *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 Jamesville-DeWitt Central School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Jamesville-DeWitt 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 Jamesville-DeWitt 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 Jamesville-DeWitt 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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a material weakness.

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 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.

Government Auditing Standards requires the auditor to perform limited procedures on Jamesville-DeWitt Central School District's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Jamesville-DeWitt Central School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Restricted Use

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.

Syracuse, New York
November 7, 2022

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

	<u>Federal CFDA Number</u>	<u>Pass- Through Number</u>	<u>Passed Through to Subrecipients</u>	<u>Current Year Expenditures</u>
U.S. Department of Education:				
Passed-Through New York State Department of Education (Grantor's No. 420411060000)				
<u>Special Education Cluster:</u>				
Special Education - Grants to States	84.027	0032210641		\$ 791,487
Special Education - Grants to States- American Rescue Plan	84.027X	5532220641		163,901
Special Education - Preschool Grants	84.173A	0033210641		15,432
Special Education - Preschool Grants- American Rescue Plan	84.173X	5533220641		14,475
Total Special Education Cluster				985,295
Improving Teacher Quality State Grants	84.367	0147222100		36,184
Improving Teacher Quality State Grants	84.367	0147212100		40,324
Student Support and Academic Enrichment Program	84.424	0204222100		19,143
Student Support and Academic Enrichment Program	84.424	0204212100		18,139
English Language Acquisition Grants (Title III, A)	84.365A	0293222100		3,125
Title I Grants to Local Educational Agencies	84.010A	0021222100		411,083
Title I Grants to Local Educational Agencies	84.010A	0021212100		8,103
<u>Education Stabilization Funds:</u>				
Coronavirus Response and Relief Act Elementary and Secondary Emergency Relief (ESSER) 2	84.425D	5891212100		1,405,020
American Rescue Plan (ARP) Elementary and Secondary Emergency Relief (ESSER) 3	84.425U	5880212100		580,259
American Rescue Plan (ARP) Universal Pre-Kindergarten	84.425U	5870229150		237,600
Governor's Emergency Education Relief (GEER) Fund	84.425C	5895212100		40,816
Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	5896212100		240,833
Governor's Emergency Education Relief (GEER) Fund 2	84.425C	5896212100		233,728
Total Education Stabilization Funds				2,738,256
Total U.S. Department of Education				4,259,652
U.S. Department of Agriculture:				
Passed-Through New York State Department of Education (Grantor's No. 420411060000)				
<u>Child Nutrition Cluster:</u>				
School Breakfast Program	10.553			162,230
National School Lunch Program	10.555			939,683
National School Lunch Program - Commodities	10.555			52,785
Total Child Nutrition Cluster				1,154,698
Pandemic EBT Grant	10.649			3,005
Total U.S. Department of Agriculture				1,157,703
Total Expenditures of Federal Awards				\$ 5,417,355

The accompanying notes are an integral part of this schedule.

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards presents the activity of federal award programs administered by the Jamesville-Dewitt Central School 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 in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) 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. CFDA numbers and pass-through numbers are provided, when available.

2. Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards is a summary of the activity of Jamesville-Dewitt Central School District's federal award programs and presents transactions that are included in the financial statements of the District presented on the modified accrual basis of accounting, as required by accounting principles generally accepted in the United States of America. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

Indirect costs are included in the reported expenditures to the extent they are included in the federal financial reports used as the source for the data provided. Jamesville-Dewitt Central School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

4. Food Distribution

The District is the recipient of a federal award program that does not result in cash receipts or disbursements. The District was granted approximately \$52,800 of commodities under the National School Lunch Program (CFDA 10.555).

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the year ended June 30, 2022

I. Summary of Audit Results

Financial Statements

Type of auditor's report issued:

unmodified

Internal control over financial reporting:

Material weakness(es) identified?

 X Yes No

Significant deficiency(ies) identified that are not considered to be a material weakness?

 Yes X None reported

Noncompliance material to the financial statements noted?

 Yes X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

 Yes X No

Significant deficiency(ies) identified that are not considered to be a material weakness?

 Yes X None reported

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

unmodified

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

 Yes X No

Identification of major programs:

Name of Federal Program or Cluster

CFDA Number(s)

Education Stabilization Funds

84.425C, 84.425D, 84.425U

Child Nutrition Cluster

10.553, 10.555

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?

 Yes X No

JAMESVILLE-DEWITT CENTRAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the year ended June 30, 2022

II. Financial Statement Findings

2022-001 Oversight of Cash Disbursement Process

Criteria: Standards for Internal Control in New York State Government (March 2016) issued by the New York State Comptroller are expected to be adhered to by all governmental agencies in New York State, including school districts. The standards are based on the framework developed by COSO, the Internal Control-integrated framework (the Framework). Principle 3 of the framework states that management establishes, with board oversight, structures, reporting lines, and appropriate authorities and responsibilities in the pursuit of objectives.

Condition: Throughout 2021-2022 the District inadvertently remitted 29 duplicate checks to vendors approximating \$30,800.

Cause: Invoices were entered into the District's financial software using extra characters such as dashes, periods or zeros allowing the invoices to be processed twice. The District's claims audit process and standard review procedures did not include steps to identify the duplication.

Effect: The District duplicated payments to vendors of approximately \$30,800 throughout the 2021-2022 school year.

Recommendation: We recommend the District review and enhance its current policies and procedures surrounding the cash disbursement process, including training for personnel and claims auditor to strengthen internal controls over disbursements.

III. Federal Award Findings and Questioned Costs

None reported.

IV. Prior Year Findings

None reported.