

ROOSEVELT UNION FREE SCHOOL DISTRICT

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION WITH
INDEPENDENT AUDITORS' REPORTS

June 30, 2021

ROOSEVELT UNION FREE SCHOOL DISTRICT
TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis (MD&A)	4
Financial Statements:	
Statement of Net Position	18
Statement of Activities	19
Balance Sheet – Governmental Funds	20
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	21
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	22
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	23
Notes to Financial Statements	24
Required Supplementary Information other than MD&A:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	54
Schedule of the District's Proportionate Share of the Net Pension Asset/(Liability)	56
Schedule of District Pension Contributions	57
Schedule of Changes in the District's Total OPEB Liability and Related Ratios	58
Other Supplementary Information:	
Schedules of Change from Adopted Budget to Final Budget and the Real Property Tax Limit – General Fund	59
Schedule of Project Expenditures and Financing Resources – Capital Projects Fund	60
Schedule of Net Investment in Capital Assets	61

INDEPENDENT AUDITORS' REPORT

The Board of Education
Roosevelt Union Free School District:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Roosevelt Union Free School District (the District), as of and for the year ended June 30, 2021, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

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

Other Matters

As discussed in note 2 to the financial statements, the District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84 - "Fiduciary Activities," during the year ended June 30, 2021. As discussed in note 10 to the financial statements, the District restated net position to correct dates that certain assets were placed in service. Our opinions are not modified with respect to these matters.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 17 and the additional information on pages 54 through 58 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 other supplementary information is 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 9, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
November 9, 2021

ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

The Roosevelt Union Free School District's discussion and analysis of the financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2021 in comparison with the year ended June 30, 2020, with emphasis on the current year. This should be read in conjunction with the financial statements and notes to financial statements, which immediately follow this section.

1. FINANCIAL HIGHLIGHTS

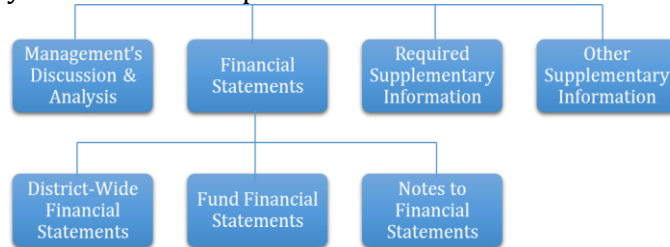
Key financial highlights for fiscal year 2021 are as follows:

- The District's fund balance and total net position at June 30, 2020 were restated and increased by \$61,820, which is due to the required implementation of GASB Statement No. 84, *Fiduciary Activities*, during the 2021 fiscal year. Net investment in capital assets was also restated and decreased by \$7,313,699 to correct the depreciation start date of certain assets.
- The District's total net position, as reflected in the district-wide financial statements, decreased by \$13,665,736 or 69.13% to a deficit balance of \$33,433,505. This was due to an excess of expenses over revenues using the economic resources measurement focus and the accrual basis of accounting.
- The District's expenses for the year, as reflected in the district-wide financial statements, totaled \$120,137,459. Of this amount, \$7,157,759 was offset by program charges for services and operating grants and contributions. General revenues of \$99,313,964 amount to 93.28% of total revenues.
- The District's general fund fund balance, as reflected in the fund financial statements was \$27,447,329 at June 30, 2021. This balance represents a \$1,494,645 decrease (5.16%) from the prior year due to an excess of expenditures and other financing uses over revenues, using the current financial resources measurement focus and the modified accrual basis of accounting, as follows:
 - Nonspendable fund balance decreased by \$13,415, which represents the change in prepaids.
 - Restricted fund balances increased by \$4,059,110 due to funding of reserves and interest allocated to the reserves, offset by the use of reserves.
 - Assigned fund balance decreased \$1,925,367, as the District eliminated the fund balance appropriated to fund the 2022 budget and decreased year end encumbrances.
 - Unassigned fund balance decreased by \$3,614,973 to \$4,409,872.
- On May 18, 2021, the proposed 2021-2022 budget in the amount of \$110,981,941 was approved by District voters. On July 21, 2020, the Board adopted a resolution to increase the property tax levy \$150,000 to \$23,448,002. The 2021-2022 property tax levy of \$23,448,002 did not change from the 2020-2021 year and is lower than the 1.82% tax levy limit increase allowed by state law.
- The District was awarded funding under the Coronavirus Relief and Economic Security (CARES) Act through the Elementary and Secondary School Emergency Relief (ESSER) program and the Governor's Emergency Education Relief (GEER) program in the amount of \$873,548. The District applied for additional funding in the amount of \$3,653,938 allocated under the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, which awards were granted in August 2021.

ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

2. OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – management’s discussion and analysis (MD&A), the financial statements, required supplementary information, and other supplementary information. The financial statements consist of district-wide financial statements, fund financial statements, and notes to financial statements. A graphic display of the relationship of these statements follows:



A. District-Wide Financial Statements

The district-wide financial statements present the governmental activities of the District and are organized to provide an understanding of the fiscal performance of the District as a whole in a manner similar to a private sector business. There are two district-wide financial statements - the Statement of Net Position and the Statement of Activities. These statements provide both an aggregate and long-term view of the District’s finances.

These statements utilize the economic resources measurement focus and the accrual basis of accounting. This basis of accounting recognizes the financial effects of events when they occur, without regard to the timing of cash flows related to the events.

The Statement of Net Position

The Statement of Net Position presents information on all of the District’s assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. To assess the overall health of the District, one needs to consider additional nonfinancial factors such as changes in the District’s property tax base and the condition of the District’s school buildings and other facilities.

The Statement of Activities

The Statement of Activities presents information showing the change in net position during the fiscal year. All changes in net position are recorded at the time the underlying financial event occurs. Revenues are recognized in the period when they are earned and expenses are recognized in the period when the liability is incurred. Therefore, revenues and expenses are reported in the statement for some items that will result in cash flow in future fiscal periods.

B. Fund Financial Statements

The fund financial statements provide more detailed information about the District’s funds, not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District also uses fund accounting to ensure compliance with finance-related legal requirements. The funds of the District are reported in the governmental funds.

ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Governmental Funds

These statements utilize the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting recognizes revenues in the period when they become measurable and available. It recognizes expenditures in the period when the District incurs the liability, except for certain expenditures such as debt service on general long-term indebtedness, compensated absences, pension costs and other postemployment benefits, which are recognized as expenditures to the extent the related liabilities mature each period.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the district-wide financial statements. However, the governmental fund financial statements focus on shorter-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year for spending in future years. Consequently, the governmental fund statements provide a detailed short-term view of the District's operations and the services it provides.

Because the focus of governmental funds is narrower than that of district-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the district-wide financial statements. By doing so, the reader may better understand the long-term impact of the District's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds: general fund, special aid fund, school food service fund, debt service fund, capital projects fund, extraclassroom activities fund and scholarships fund; each of which is considered to be a major fund and is presented separately in the fund financial statements.

3. FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

A. Net Position

Certain balances at June 30, 2020 were adjusted as a result of the implementation of GASB Statement No. 84, *Fiduciary Activities*, which required the District to record activities in the Governmental Funds that had previously been recorded in the Fiduciary Funds. Consequently, the District now includes the agency fund activities in the general fund, and the extraclassroom activities and scholarships funds as separate governmental funds. The changes resulted in an increase in total net position. The June 30, 2020 accumulated depreciation balance for buildings and improvements was increased by \$7,313,699. The District corrected the dates that certain assets were placed in to service. The changes resulted in an increase of \$7,251,879 in total net position (deficit). The following is a summary of these changes:

	As Restated 2020	As Reported 2020	Increase (Decrease)
Current and Other Assets	\$ 44,662,589	\$ 44,471,508	\$ 191,081
Capital Assets, Net	195,499,204	202,812,903	(7,313,699)
Current and Other Liabilities	9,500,182	9,370,921	129,261
Net Investment in Capital Assets	65,735,942	73,049,641	(7,313,699)
Restricted Net Position	21,058,942	21,044,667	14,275
Unrestricted Net Position (Deficit)	(106,562,653)	(106,610,198)	47,545
Total Net Position (Deficit)	(19,767,769)	(12,515,890)	(7,251,879)

ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The District's total net position decreased by \$13,665,736 between fiscal year 2021 and 2020. The decrease is due to expenses in excess of revenues using the economic resources measurement focus and the accrual basis of accounting. A summary of the District's Statement of Net Position follows:

	2021	As Restated 2020	Increase (Decrease)	Percentage Change
Asset				
Current and Other Assets	\$ 44,251,580	\$ 44,662,589	\$ (411,009)	(0.92)%
Capital Assets, Net	189,605,504	195,499,204	(5,893,700)	(3.01)%
Net Pension Asset - Proportionate Share		5,228,576	(5,228,576)	(100.00)%
Total Assets	<u>233,857,084</u>	<u>245,390,369</u>	<u>(11,533,285)</u>	(4.70)%
Deferred Outflows of Resources	<u>64,760,783</u>	<u>61,628,372</u>	<u>3,132,411</u>	5.08 %
Liabilities				
Current and Other Liabilities	11,074,124	9,500,182	1,573,942	16.57 %
Long-Term Liabilities	128,548,567	139,120,757	(10,572,190)	(7.60)%
Net Pension Liabilities - Proportionate Share	5,451,644	4,818,296	633,348	13.14 %
Total OPEB Liability	<u>157,510,410</u>	<u>140,930,942</u>	<u>16,579,468</u>	11.76 %
Total Liabilities	<u>302,584,745</u>	<u>294,370,177</u>	<u>8,214,568</u>	2.79 %
Deferred Inflows of Resources	<u>29,466,627</u>	<u>32,416,333</u>	<u>(2,949,706)</u>	(9.10)%
Net Position (Deficit)				
Net Investment in Capital Assets	69,963,579	65,735,942	4,227,637	6.43 %
Restricted	25,145,215	21,058,942	4,086,273	19.40 %
Unrestricted (deficit)	<u>(128,542,299)</u>	<u>(106,562,653)</u>	<u>(21,979,646)</u>	(20.63)%
Total Net Position (Deficit)	<u>\$ (33,433,505)</u>	<u>\$ (19,767,769)</u>	<u>\$ (13,665,736)</u>	(69.13)%

The decrease in current and other assets is primarily related to a decrease in amounts due from state and federal, offset by an increase in cash.

The decrease in capital assets, net is due to current year depreciation expenses in excess of capital asset additions. The accompanying Notes to Financial Statements, Note 10 "Capital Assets and Restatement of Net Position", provides additional information.

Net pension asset – proportionate share represents the District's share of the New York State Teachers' Retirement System's collective net pension asset, at the measurement date of the respective year. In the current year, the District's proportionate share shifted from an asset to a liability. The accompanying Notes to Financial Statements, Note 14 "Pension Plans – New York State" provides additional information.

Deferred outflows of resources represents contributions to the pension plans subsequent to the measurement dates and actuarial adjustments of the pension and OPEB plans that will be amortized in future years, and the amount of deferred charges from the bond refunding that is being amortized over the remaining term of the bonds.

ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The increase in current and other liabilities is primarily due to increases in accounts payable, accrued liabilities, and the amount due to the Teachers' Retirement System.

The decrease in long-term liabilities is due to principal payments on debt.

Net pension liabilities – proportionate share represents the District's share of the New York State and Local Employees' Retirement System's collective net pension liability, at the measurement date of the respective year. The District's share of the New York State Teachers' Retirement System collective net pension liability is also included in the current year balance. The accompanying Notes to Financial Statements, Note 14 "Pension Plans – New York State" provides additional information.

Total other postemployment benefits (OPEB) liability increased, based on the actuarial valuation of the plan. The accompanying Notes to Financial Statements, Note 16 "Postemployment Healthcare Benefits", provides additional information.

Deferred inflows of resources represents actuarial adjustments of the pension and OPEB plans that will be amortized in future years.

The net investment in capital assets is the investment in capital assets at cost, net of accumulated depreciation and related outstanding debt. The accompanying Other Supplementary Information, Schedule of Net Investment in Capital Assets provides additional information.

The restricted amount relates to the District's reserves. This number increased over the prior year as new monies allocated to the reserves exceeded the use of reserves.

The unrestricted deficit amount relates to the balance of the District's net position. This balance does not include the District's reserves, which are classified as restricted. Additionally, certain unfunded liabilities will have the effect of reducing the District's unrestricted net position. One such unfunded liability is the total OPEB liability. In accordance with state guidelines, the District is only permitted to fund OPEB on a "pay as you go" basis, and is not permitted to accumulate funds for the OPEB liability.

B. Changes in Net Position

The June 30, 2020 revenues and expenses were increased, resulting from the implementation of GASB Statement No. 84, *Fiduciary Activities*, as follows:

	As Restated 2020	As Reported 2020	Increase (Decrease)
Charges for Services	\$ 259,934	\$ 183,202	\$ 76,732
Operating Grants & Contributions	7,050,008	7,044,508	5,500
Instruction Expenses	90,013,162	89,937,766	75,396

ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The results of operations as a whole are reported in the Statement of Activities in a programmatic format. In the accompanying financial statements STAR (school tax relief) revenue is included in the other tax items line. However, in this MD&A, STAR revenue has been combined with property taxes. A summary of this statement for the years ended June 30, 2021 and 2020 is as follows:

	<u>2021</u>	<u>As Restated 2020</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Revenues				
Program Revenues				
Charges for Services	\$ 80,578	\$ 259,934	\$ (179,356)	(69.00)%
Operating Grants & Contributions	7,077,181	7,050,008	27,173	0.39 %
General Revenues				
Property Taxes & STAR	23,460,328	22,800,201	660,127	2.90 %
State Sources	75,013,386	78,402,813	(3,389,427)	(4.32)%
Other	840,250	1,957,148	(1,116,898)	(57.07)%
Total Revenues	<u>106,471,723</u>	<u>110,470,104</u>	<u>(3,998,381)</u>	(3.62)%
Expenses				
General Support	14,346,926	12,799,406	1,547,520	12.09 %
Instruction	94,776,214	90,013,162	4,763,052	5.29 %
Pupil Transportation	4,516,933	3,810,587	706,346	18.54 %
Debt Service - Interest	4,329,059	4,648,275	(319,216)	(6.87)%
Food Service Program	2,168,327	2,282,787	(114,460)	(5.01)%
Total Expenses	<u>120,137,459</u>	<u>113,554,217</u>	<u>6,583,242</u>	5.80 %
Change in Net Position	<u>\$ (13,665,736)</u>	<u>\$ (3,084,113)</u>	<u>\$ (10,581,623)</u>	343.10 %

The District's net position decreased by \$13,665,736 and \$3,084,113 for the years ended June 30, 2021 and 2020, respectively.

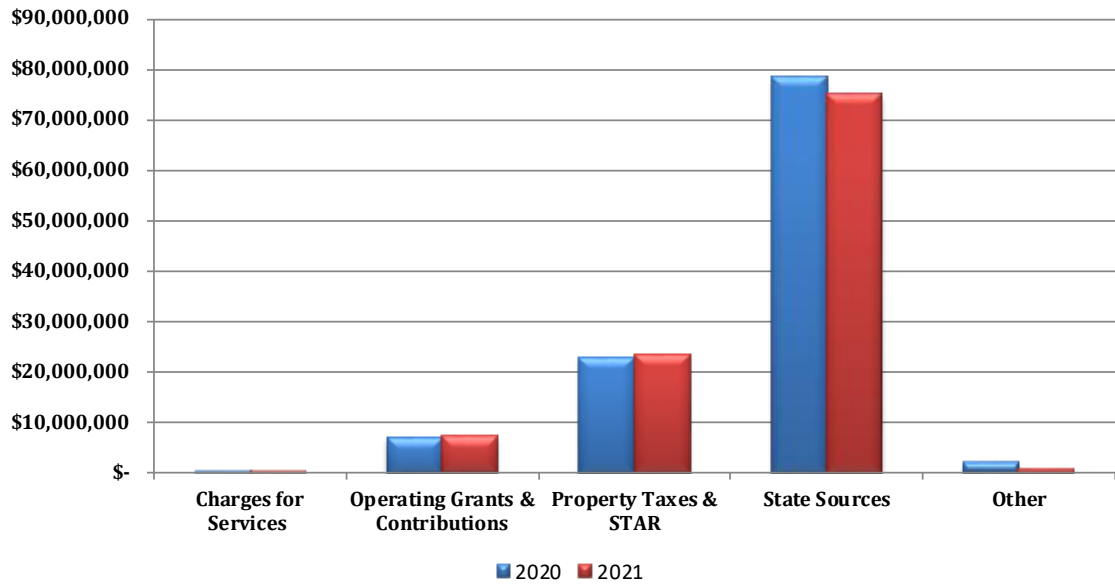
The District's revenues decreased by \$3,998,381 or 3.62%. This decrease was primarily in state sources, due to the District receiving less in basic state aid than it had in the prior year.

The District's total expenses for the year increased by \$6,583,242 or 5.80%. The increase in expenses is primarily due to an increase in instruction, due to the impact of the net change in other postemployment benefits costs allocated.

As indicated on the graphs that follow, state sources and real property taxes and STAR are the largest components of revenues recognized (i.e., 92.5% and 91.6% of the total for the years 2021 and 2020, respectively). Instruction expenses is the largest category of expenses incurred (i.e., 78.9% and 79.2% of the total for the years 2021 and 2020, respectively).

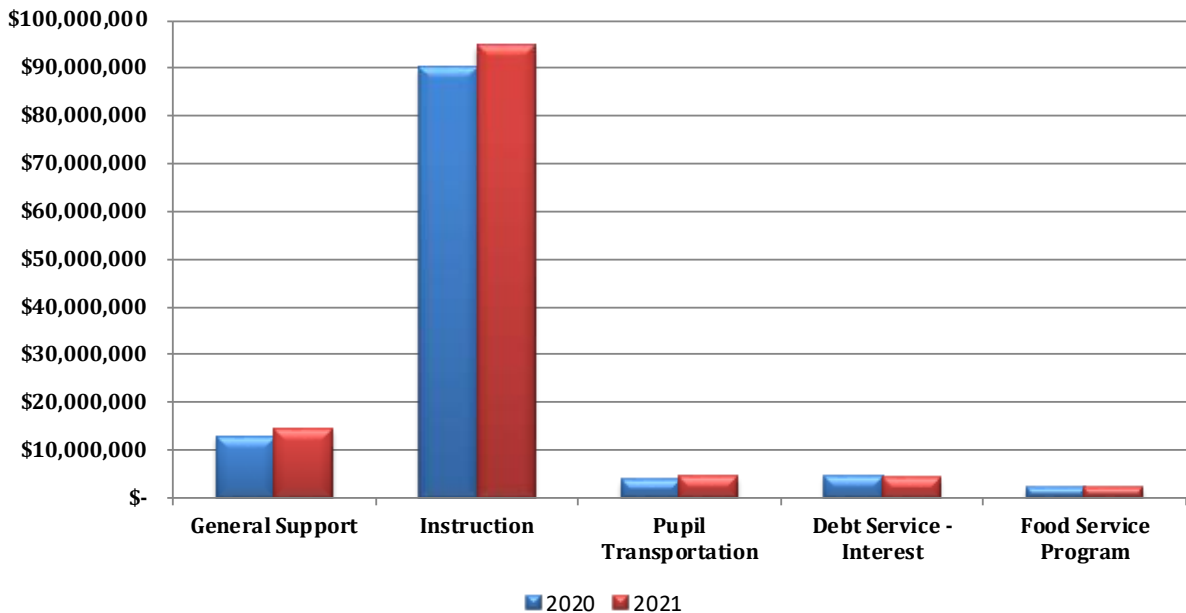
ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

A graphic display of the distribution of revenues for the two years follows:



	Charges for Services	Operating Grants & Contributions	Property Taxes & STAR	State Sources	Other
2020	0.2%	6.4%	20.6%	71.0%	1.8%
2021	0.1%	6.6%	22.0%	70.5%	0.8%

A graphic display of the distribution of expenses for the two years follows:



	General Support	Instruction	Pupil Transportation	Debt Service - Interest	Food Service Program
2020	11.3%	79.2%	3.4%	4.1%	2.0%
2021	11.9%	78.9%	3.8%	3.6%	1.8%

ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

4. FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At June 30, 2021, the District's governmental funds reported a combined fund balance of \$34,687,643, which is a decrease of \$1,601,665, compared to the prior year. The decrease is due to an excess of expenditures and other financing uses over revenues and other financing sources using the current financial resources measurement focus and the modified accrual basis of accounting. The June 30, 2020 amounts were restated to include the extraclassroom activities and scholarships funds, as a result of the implementation of GASB Statement No. 84. A summary of the change in the components of fund balance by fund is as follows:

	2021	As Restated 2020	Increase (Decrease)	Percentage Change
General Fund				
Nonspendable: Prepays	\$ 442,160	\$ 455,575	\$ (13,415)	(2.94)%
Restricted:				
Workers' compensation	1,811,401	1,763,232	48,169	2.73 %
Unemployment insurance	1,074,936	1,065,811	9,125	0.86 %
Retirement contribution				
Teachers' retirement system	1,250,344	650,266	600,078	92.28 %
Employees' retirement system	3,069,161	3,068,854	307	0.01 %
Employee benefit accrued liability	4,119,379	3,718,935	400,444	10.77 %
Capital	9,129,856	6,629,065	2,500,791	37.72 %
Repairs	2,141,375	1,641,179	500,196	30.48 %
Assigned:				
Appropriated fund balance		1,600,000	(1,600,000)	(100.00)%
Designated for special program	28,584	28,584	-	0.00 %
Unappropriated fund balance	261	325,628	(325,367)	(99.92)%
Unassigned: Fund balance	4,409,872	8,024,845	(3,614,973)	(45.05)%
	<u>27,477,329</u>	<u>28,971,974</u>	<u>(1,494,645)</u>	<u>(5.16)%</u>
School Food Service Fund				
Nonspendable: Inventory	13,670	22,701	(9,031)	(39.78)%
Assigned: Unappropriated fund balance	2,464,544	2,495,057	(30,513)	(1.22)%
	<u>2,478,214</u>	<u>2,517,758</u>	<u>(39,544)</u>	<u>(1.57)%</u>
Debt Service Fund				
Restricted: Debt service	1,846,146	1,824,743	21,403	1.17 %
Capital Projects Fund				
Restricted:				
Capital	682,582	682,582	-	0.00 %
Unspent bond proceeds	1,939,127	2,025,597	(86,470)	(4.27)%
Assigned: Unappropriated fund balance	204,834	204,834	-	0.00 %
	<u>2,826,543</u>	<u>2,913,013</u>	<u>(86,470)</u>	<u>(2.97)%</u>
Extraclassroom Activities Fund				
Assigned: Unappropriated fund balance	39,376	47,545	(8,169)	(17.18)%
Scholarships Fund				
Restricted: Scholarships	20,035	14,275	5,760	40.35 %
Total Fund Balance	<u>\$ 34,687,643</u>	<u>\$ 36,289,308</u>	<u>\$ (1,601,665)</u>	<u>(4.41)%</u>

ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

A. General Fund

The net change in the general fund – fund balance is a decrease of \$1,494,645, compared to an increase of \$6,736,329 in 2020. This resulted from expenditures and other financing uses in excess of revenues. Revenues decreased by \$2,507,696 or 2.43%, primarily due to the District receiving less in state aid based on lower basic formula aid and lottery aid, compared to the prior year.

Expenditures and other financing uses increased by \$5,723,278 or 5.94%. The increase is primarily due to increases in central services (\$1,408,607) and programs for students with disabilities (\$2,967,180). The increase in central services is mainly due to the increase of costs of maintain the District's builds in accordance with COVID-19 safety guidelines, while the increase in programs for students with disabilities is principally due to the increase in instructional salaries, based in the hiring of additional teachers to accommodate the return to in-person learning.

The following is a summary of the District's general fund restricted fund balance activity:

	Balance @ June 30, 2020	Use of Reserves	Interest	Funding	Balance @ June 30, 2021
Workers' compensation	\$ 1,763,232	\$ (350,000)	\$ 169	\$ 398,000	\$ 1,811,401
Unemployment insurance	1,065,811	(20,000)	125	29,000	1,074,936
Retirement contribution					
TRS	650,266		78	600,000	1,250,344
ERS	3,068,854	(500,000)	307	500,000	3,069,161
EBALR	3,718,935		444	400,000	4,119,379
Capital	6,629,065		791	2,500,000	9,129,856
Repairs	1,641,179		196	500,000	2,141,375
	<u>\$ 18,537,342</u>	<u>\$ (870,000)</u>	<u>\$ 2,110</u>	<u>\$ 4,927,000</u>	<u>\$ 22,596,452</u>

Additional detail regarding capital reserves can be found in Note 19 "Restricted for Capital Reserve."

B. School Food Service Fund

The net change in the school food service fund – fund balance is a decrease of \$39,544, which was the operating loss of the food service program.

C. Debt Service Fund

The net change in the debt service fund – fund balance is an increase of \$21,403. The increase is due to an operating transfer in of \$14,822,537 from the general fund, plus interest of \$21,771, in excess of expenditures.

D. Capital Projects Fund

The capital projects fund - fund balance decreased by \$86,470 as compared to the prior year, as work continued on the capital bond projects.

ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The following is a summary of the District's capital projects fund restricted fund balance activity:

	Balance @ June 30, 2020	Use of Reserves	Funding	Balance @ June 30, 2021
Capital improvements	\$ 637,192	\$	\$	\$ 637,192
Technology	45,390			45,390
	<u>\$ 682,582</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 682,582</u>

E. Extraclassroom Activities Fund

The net change in the extraclassroom activities fund – fund balance is a decrease of \$8,169. Extracurricular activities exceeded fundraising for the year.

F. Scholarships Fund

The net change in the scholarships fund – fund balance is an increase of \$5,760, as donations exceeded scholarships awarded during the year.

5. GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2020-2021 Budget

The District's general fund adopted budget for the year ended June 30, 2021 was \$106,869,229. This amount was increased by encumbrances carried forward from the prior year in the amount of \$325,628 for a total final budget of \$107,194,857.

The final budget was funded through a combination of estimated revenues and appropriated fund balance. The majority of this funding source was \$80,120,127 in estimated state aid.

B. Change in General Fund's Unassigned Fund Balance (Budget to Actual)

The general fund's unassigned fund balance is the component of total fund balance that is the residual of current and prior years' excess revenues over expenditures, net of transfers to reserves, appropriations to fund the subsequent year's budget, encumbrances and amounts classified as nonspendable. The change in this balance demonstrated through a comparison of the actual revenues and expenditures for the year compared to budget follows:

Opening, Unassigned Fund Balance	\$ 8,024,845
Revenues Under Budget	(3,881,826)
Expenditures and Encumbrances Under Budget	5,182,548
Net Change in Nonspendable Fund Balance	13,415
Allocation to Reserves	(4,929,110)
Closing, Unassigned Fund Balance	<u>\$ 4,409,872</u>

ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Opening, Unassigned Fund Balance

The \$8,024,845 shown in the table is the portion of the District's June 30, 2020 fund balance that was retained as unassigned.

Revenues Under Budget

The 2020-2021 final budget for revenues was \$104,399,229. Actual revenues recognized for the year were \$100,517,403. The amount of actual revenues below budgeted revenues was \$3,881,826, which contributes directly to the change to the general fund unassigned fund balance from June 30, 2020 to June 30, 2021. The accompanying Required Supplementary Information, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund, provides additional information.

Expenditures and Encumbrances Under Budget

The 2020-2021 final budget for expenditures and other financing uses was \$107,194,857. Actual expenditures and other financing uses as of June 30, 2021 were \$102,012,048 and outstanding encumbrances were \$261. Combined, the expenditures plus encumbrances for 2020-2021 were \$102,012,309. The final budget variance was \$5,182,548 which contributes to the change to the general fund unassigned fund balance from June 30, 2020 to June 30, 2021. The accompanying Required Supplementary Information, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund, provides additional information.

Net Change in Nonspendable Fund Balance

The District consistently prepays the interest on the 2014E DASNY bond due in July. The resulting balance sheet asset (prepaids) cannot be spent because it is not in spendable form, meaning it will not be converted to cash. Accordingly, an equal amount of fund balance is classified as nonspendable. The decrease in nonspendable fund balance increases unassigned fund balance.

Allocation to Reserves

Monies transferred into authorized reserves do not affect the total fund balance unless, and until these monies are actually expended. The transfers do, however, reduce the District's discretion regarding the use of these transferred monies, and thus, reduce the unassigned fund balance by the amount of the transfers. The table in §4.A. of this Management's Discussion and Analysis details the allocation of interest earnings and funding transfers to the reserves.

Closing, Unassigned Fund Balance

Based upon the summary changes shown in the previous table, the unassigned fund balance at June 30, 2021 was \$4,409,872. This is a decrease of \$3,614,973 compared to the unassigned balance as of June 30, 2020. This amount equals 4.00% of the 2021-2022 budget and is equivalent to the 4.00% statutory limit.

ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

6. CAPITAL ASSETS, DEBT ADMINISTRATION AND OTHER LONG-TERM LIABILITIES

A. Capital Assets

At June 30, 2021, the District had invested in a broad range of capital assets, as indicated in the following table. The net decrease in capital assets is due to depreciation expense of \$5,740,170 and construction in progress write-offs of \$305,784, in excess of capital additions of \$152,254 recorded for the year ended June 30, 2021. A summary of the District's capital assets, net of accumulated depreciation at June 30, 2021 and 2020 is as follows:

	2021	As Restated 2020	Increase (Decrease)
Land	\$ 650,000	\$ 650,000	\$ -
Construction in progress		2,325,113	(2,325,113)
Buildings and improvements	186,184,848	189,341,917	(3,157,069)
Site improvements	1,175,145	1,248,903	(73,758)
Furniture and equipment	1,561,525	1,888,942	(327,417)
Vehicles	33,986	44,329	(10,343)
Capital assets, net	<u>\$ 189,605,504</u>	<u>\$ 195,499,204</u>	<u>\$ (5,893,700)</u>

The June 30, 2020 balances for buildings and improvements, and site improvements have been restated to correct the classification of a capitalized asset. The June 30, 2020 accumulated depreciation for buildings and improvements was increased by \$7,313,699. The District corrected the dates that certain assets were placed into service.

B. Debt Administration

At June 30, 2021, the District had total bonds payable of \$116,525,000. The bonds were issued for school building improvements and the refunding of bonds originally issued for building improvements. A summary of the outstanding debt at June 30, 2021 and 2020 is as follows:

Issue Date	Interest Rate	2021	2020	Increase (Decrease)
12/23/2004	0.00%	\$	\$ 150,000	\$ (150,000)
12/11/2012	1.25-4.125%	2,460,000	2,820,000	(360,000)
8/13/2013	0.60-4.00%	29,640,000	34,505,000	(4,865,000)
10/8/2014	1.00-3.00%	30,295,000	31,775,000	(1,480,000)
11/3/2016	3.00-5.00%	54,130,000	56,625,000	(2,495,000)
		<u>\$ 116,525,000</u>	<u>\$ 125,875,000</u>	<u>\$ (9,350,000)</u>

The District has applied for and received a building aid exclusion certificate in the amount of \$103,917,453 from the Commissioner of Education, and, therefore, may exclude such amount from its total indebtedness for purposes of calculating its constitutional debt limit. The District's total outstanding indebtedness, net of the building aid exclusion, currently does not exceed its debt limit of \$115,037,500, which is 10% of the full valuation of the taxable real property within the District.

ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The District's latest enhanced, long-term credit rating from Moody's Investors Service, Inc. is Aa3. The District's outstanding serial bonds, net at June 30, 2021 are approximately 13.63% of the District's debt limit.

C. Other Long-Term Liabilities

Included in the District's long-term liabilities are the estimated amounts due for compensated absences, which are based on employment contracts, and net pension liabilities – proportionate share and total other postemployment benefits liability, which are based on actuarial valuations. A summary of the outstanding other long-term liabilities at June 30, 2021 and 2020 is as follows:

	2021	2020	Increase (Decrease)
Compensated absences payable	\$ 4,277,623	\$ 4,253,977	\$ 23,646
Net pension liabilities - proportionate share	5,451,644	4,818,296	633,348
Total OPEB liability	157,510,410	140,930,942	16,579,468
	\$ 167,239,677	\$ 150,003,215	\$ 17,236,462

7. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

A. Subsequent Year's Budget

The general fund budget, the only fund with a legally adopted budget, as approved by the voters on May 18, 2021, for the year ending June 30, 2022, is \$110,981,941. This is an increase of \$4,112,712 or 3.85% over the previous year's budget. The increase is principally in the instructional program (\$3,711,700) area of the budget. Of the \$3,711,700 increase, \$491,000 relates to benefits and \$400,000 is related to transportation.

The District budgeted revenues other than property taxes and STAR at a \$6,582,712 increase over the prior year's estimate, which is principally due to an estimated increase in state aid. Appropriated fund balance decreased \$1,600,000 and appropriated reserves decreased \$870,000, as the District elected not to appropriate fund balance or reserves for the subsequent year. The property tax levy of \$23,448,002 is the same as the 2020-2021 tax levy.

B. Future Budgets

The property tax cap, uncertainty in state aid and federal funding, as well as the continuing effect of the COVID-19 pandemic, will impact the District's future budgets.

C. Tax Cap

New York State law limits the increase in the property tax levy of school districts to the lesser of 2% or the rate of inflation. There are additional statutory adjustments in the law. School districts may override the tax levy limit by presenting to the voters a budget that requires a tax levy that exceeds the statutory limit. However, that budget must be approved by 60% of the votes cast. Based on the law, the District's tax levy cap for 2021-2022 is 1.82%. The District's 2021-2022 property tax levy did not increase, was less than the tax cap and did not require an override vote.

ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

8. CONTACTING THE DISTRICT

This financial report is designed to provide the reader with a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Requests for additional information can be directed to:

Dr. Deborah L. Wortham
Superintendent of Schools
Roosevelt Union Free School District
240 Denton Place
Roosevelt, New York 11575

ROOSEVELT UNION FREE SCHOOL DISTRICT
Statement of Net Position
June 30, 2021

ASSETS

Cash	
Unrestricted	\$ 9,046,831
Restricted	27,084,342
Receivables	
Accounts receivable	336,156
Due from state and federal	5,881,878
Due from other governments	1,446,543
Prepays	442,160
Inventories	13,670
Capital assets not being depreciated	650,000
Capital assets being depreciated, net of accumulated depreciation	<u>188,955,504</u>
Total Assets	<u>233,857,084</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred charges on advance refunding, net	1,799,842
Pensions	22,984,099
Other postemployment benefits	<u>39,976,842</u>
Total Deferred Outflows of Resources	<u>64,760,783</u>

LIABILITIES

Payables	
Accounts payable	3,529,454
Accrued liabilities	3,036,195
Due to other governments	3,110
Due to teachers' retirement system	3,705,147
Due to employees' retirement system	269,452
Compensated absences payable	148,477
Other liabilities	107,993
Unearned credits	
Collections in advance	274,296
Long-term liabilities	
Due and payable within one year	
Bonds payable	9,755,000
Bond premium	1,142,697
Compensated absences payable	427,033
Due and payable after one year	
Bonds payable	106,770,000
Bond premium	6,603,247
Compensated absences payable	3,850,590
Net pension liabilities - proportionate share	5,451,644
Total other postemployment benefits liability	<u>157,510,410</u>
Total Liabilities	<u>302,584,745</u>

DEFERRED INFLOWS OF RESOURCES

Pensions	8,631,952
Other postemployment benefits	<u>20,834,675</u>
Total Deferred Inflows of Resources	<u>29,466,627</u>

NET POSITION (DEFICIT)

Net investment in capital assets	<u>69,963,579</u>
Restricted	
Workers' compensation	1,811,401
Unemployment insurance	1,074,936
Retirement contribution	
Teachers' retirement system	1,250,344
Employees' retirement system	3,069,161
Employee benefit accrued liability	4,119,379
Capital	9,812,438
Repairs	2,141,375
Debt service	1,846,146
Scholarships	20,035
	<u>25,145,215</u>
Unrestricted (deficit)	<u>(128,542,299)</u>
Total Net Position (Deficit)	<u>\$ (33,433,505)</u>

See Notes to Financial Statements

ROOSEVELT UNION FREE SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2021

		Program Revenues		Net (Expense)
Expenses	Charges for Services	Operating Grants & Contributions	Revenue and Changes in Net Position	
FUNCTIONS/PROGRAMS				
General support	\$ 14,346,926	\$	\$	\$ (14,346,926)
Instruction	94,776,214	75,538	4,995,321	(89,705,355)
Pupil transportation	4,516,933			(4,516,933)
Debt service - interest	4,329,059			(4,329,059)
Food service program	2,168,327	5,040	2,081,860	(81,427)
Total Functions and Programs	\$ 120,137,459	\$ 80,578	\$ 7,077,181	(112,979,700)
GENERAL REVENUES				
Real property taxes				20,927,698
Other tax items				2,652,823
Use of money and property				24,864
Miscellaneous				584,141
State sources				75,013,386
Medicaid reimbursement				111,052
Total General Revenues				99,313,964
Change in Net Position				(13,665,736)
Total Net Position (Deficit) - Beginning of Year, as Restated				(19,767,769)
Total Net Position (Deficit) - End of Year				\$ (33,433,505)

ROOSEVELT UNION FREE SCHOOL DISTRICT
Balance Sheet - Governmental Funds
June 30, 2021

	General	Special Aid	School Food Service	Debt Service	Capital Projects	Extraclassroom Activities	Scholarships	Total Governmental Funds
ASSETS								
Cash								
Unrestricted	\$ 568,154	\$ 5,735,042	\$ 2,345,568	\$	\$ 359,251	\$ 38,816	\$	\$ 9,046,831
Restricted	22,500,990			1,941,608	2,621,709		20,035	27,084,342
Receivables								
Accounts receivable	57,366	278,790						336,156
Due from other funds	10,290,260	758,057	150,120	13,319	3,789	560		11,216,105
Due from state and federal	1,554,656	3,894,512	432,710					5,881,878
Due from other governments	1,401,141			45,402				1,446,543
Prepays	442,160							442,160
Inventories			13,670					13,670
Total Assets	<u>\$ 36,814,727</u>	<u>\$ 10,666,401</u>	<u>\$ 2,942,068</u>	<u>\$ 2,000,329</u>	<u>\$ 2,984,749</u>	<u>\$ 39,376</u>	<u>\$ 20,035</u>	<u>\$ 55,467,685</u>
LIABILITIES								
Payables								
Accounts payable	\$ 2,833,314	\$ 364,672	\$ 186,581	\$	\$ 144,887	\$	\$	\$ 3,529,454
Accrued liabilities	1,326,370	11,819	2,937					1,341,126
Due to other funds	762,406	10,015,614	270,583	154,183	13,319			11,216,105
Due to other governments	2,558		552					3,110
Due to teachers' retirement system	3,705,147							3,705,147
Due to employees' retirement system	269,452							269,452
Compensated absences payable	148,477							148,477
Other liabilities	107,993							107,993
Unearned credits								
Collections in advance		274,296						274,296
Total Liabilities	<u>9,155,717</u>	<u>10,666,401</u>	<u>460,653</u>	<u>154,183</u>	<u>158,206</u>	<u>-</u>	<u>-</u>	<u>20,595,160</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenues	<u>181,681</u>		<u>3,201</u>					<u>184,882</u>
FUND BALANCES								
Nonspendable:								
Prepays	442,160							442,160
Inventories			13,670					13,670
Restricted:								
Workers' compensation	1,811,401							1,811,401
Unemployment insurance	1,074,936							1,074,936
Retirement contribution								
Teachers' retirement system	1,250,344							1,250,344
Employees' retirement system	3,069,161							3,069,161
Employee benefit accrued liability	4,119,379							4,119,379
Capital	9,129,856				682,582			9,812,438
Repairs	2,141,375							2,141,375
Debt				1,846,146				1,846,146
Unspent bond proceeds					1,939,127			1,939,127
Scholarships							20,035	20,035
Assigned:								
Designated for special programs	28,584							28,584
Unappropriated fund balance	261		2,464,544		204,834	39,376		2,709,015
Unassigned: Fund balance	<u>4,409,872</u>							<u>4,409,872</u>
Total Fund Balances	<u>27,477,329</u>	<u>-</u>	<u>2,478,214</u>	<u>1,846,146</u>	<u>2,826,543</u>	<u>39,376</u>	<u>20,035</u>	<u>34,687,643</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 36,814,727</u>	<u>\$ 10,666,401</u>	<u>\$ 2,942,068</u>	<u>\$ 2,000,329</u>	<u>\$ 2,984,749</u>	<u>\$ 39,376</u>	<u>\$ 20,035</u>	<u>\$ 55,467,685</u>

ROOSEVELT UNION FREE SCHOOL DISTRICT
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position

June 30, 2021

Total Governmental Fund Balances \$ 34,687,643

Amounts reported for governmental activities in the Statement of Net Position are different because:

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

Original cost of capital assets	\$ 267,381,281	
Less: Accumulated depreciation	<u>(77,775,777)</u>	
		189,605,504

Proportionate share of long-term liabilities, as well as deferred outflows and inflows associated with participation in the state retirement systems are not current financial resources or liabilities and are not reported in the funds.

Deferred outflows of resources	22,984,099	
Net pension liability - teachers' retirement system	(5,433,697)	
Net pension liability - employees' retirement system	(17,947)	
Deferred inflows of resources	<u>(8,631,952)</u>	
		8,900,503

Deferred charges on advance refunding of bonds are not reported on the Balance Sheet, but are reflected on the Statement of Net Position and amortized over the life of the related bonds.

Deferred charges on advance refunding		
Less: accumulated amortization	<u>1,799,842</u>	
		1,799,842

Total other postemployment benefits liability and deferred outflows and inflows related to providing benefits in retirement are not current financial resources or liabilities and are not reported in the funds.

Deferred outflows of resources	39,976,842	
Total other postemployment benefits liability	(157,510,410)	
Deferred inflows of resources	<u>(20,834,675)</u>	
		(138,368,243)

Some of the District's revenues will be collected after the year end, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the governmental funds, but are not deferred on the Statement of Net Position.

184,882

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year end consist of:

Accrued interest on bonds payable	(1,695,069)	
Bonds payable	(116,525,000)	
Bond premium	(7,745,944)	
Compensated absences payable	<u>(4,277,623)</u>	
		<u>(130,243,636)</u>

Total Net Position (Deficit)		<u>\$ (33,433,505)</u>
------------------------------	--	------------------------

ROOSEVELT UNION FREE SCHOOL DISTRICT
Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2021

	General	Special Aid	School Food Service	Debt Service	Capital Projects	Extraclassroom Activities	Scholarships	Total Governmental Funds
REVENUES								
Real property taxes	\$ 20,927,698	\$	\$	\$	\$	\$	\$	\$ 20,927,698
Other tax items	2,652,823							2,652,823
Charges for services	47							47
Use of money and property	2,766		327	21,771				24,864
Miscellaneous	605,103	399,279	1,920			47,409	27,920	1,081,631
State sources	75,553,179	2,098,203	65,878					77,717,260
Medicaid reimbursement	111,052							111,052
Federal sources	664,735	1,805,184	2,014,493					4,484,412
Sales			3,120					3,120
Total Revenues	100,517,403	4,302,666	2,085,738	21,771	-	47,409	27,920	107,002,907
EXPENDITURES								
General support	10,419,510							10,419,510
Instruction	54,058,724	3,988,799				55,578	22,160	58,125,261
Pupil transportation	4,475,703							4,475,703
Employee benefits	18,139,061	386,071						18,525,132
Debt service								
Principal				9,350,000				9,350,000
Interest	24,309			5,472,905				5,497,214
Food service program			2,125,282					2,125,282
Capital outlay					86,470			86,470
Total Expenditures	87,117,307	4,374,870	2,125,282	14,822,905	86,470	55,578	22,160	108,604,572
Excess (Deficiency) of Revenues Over Expenditures	13,400,096	(72,204)	(39,544)	(14,801,134)	(86,470)	(8,169)	5,760	(1,601,665)
OTHER FINANCING SOURCES AND (USES)								
Operating transfers in		72,204		14,822,537				14,894,741
Operating transfers (out)	(14,894,741)							(14,894,741)
Total Other Financing Sources and (Uses)	(14,894,741)	72,204	-	14,822,537	-	-	-	-
Net Change in Fund Balances	(1,494,645)	-	(39,544)	21,403	(86,470)	(8,169)	5,760	(1,601,665)
Fund Balances - Beginning of Year, as Restated	28,971,974		2,517,758	1,824,743	2,913,013	47,545	14,275	36,289,308
Fund Balances - End of Year	\$ 27,477,329	\$ -	\$ 2,478,214	\$ 1,846,146	\$ 2,826,543	\$ 39,376	\$ 20,035	\$ 34,687,643

ROOSEVELT UNION FREE SCHOOL DISTRICT
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2021

Net Change in Fund Balances \$ (1,601,665)

Amounts reported for governmental activities in the Statement of Activities are different because:

Long-Term Revenue and Expense Differences

Certain revenues are recognized in the governmental funds when they provide current financial resources. However, these revenues were recognized in the Statement of Activities in prior years when they were earned. \$ (531,184)

Certain operating expenses do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds, but are expensed in the Statement of Activities.

Increase in compensated absences payable (23,646) (554,830)

Capital Related Differences

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized and shown in the Statement of Net Position and allocated over their useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which depreciation exceeded capital outlays and other additions in the period.

Capital outlays, net of disposals (153,530)
 Depreciation expense (5,740,170) (5,893,700)

Long-Term Debt Transactions Differences

The amortization of the premium, net of the amortization of the deferred charges, on the advance refunding of bonds, decreases interest expense in the Statement of Activities. 1,020,257

Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.

Repayment of bond principal 9,350,000

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the amount by which accrued interest decreased from June 30, 2020 to June 30, 2021. 147,898

10,518,155

Pension and Other Postemployment Benefits Differences

The change in the proportionate share of the collective pension expense of the state retirement plans and the change in other postemployment benefits expense reported in the Statement of Activities did not affect current financial resources and, therefore, are not reported in the governmental funds.

Teachers' retirement system (3,959,578)
 Employees' retirement system 336,249
 Other postemployment benefits (12,510,367) (16,133,696)

Change in Net Position of Governmental Activities \$ (13,665,736)

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Roosevelt Union Free School District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting principles and policies used by the District are as follows:

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 five members. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for, and controls all activities related to public school education within the District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

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

The accompanying financial statements present the activities of the District. The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, there are no other entities that would be included in the District's reporting entity.

B. Joint Venture

The District is a component district in the Board of Cooperative Educational Services of Nassau (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that share planning, services, and programs which provide educational and support activities. BOCES are organized under §1950 of the 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 Education Law. All BOCES property is held by the BOCES Board as a corporation under §1950(6). In addition, BOCES Boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under §119-n(a) of the 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 Education Law, §1950(4)(b)(7). There is no authority or process by which a school district can terminate its status as a BOCES component. In addition, component school districts pay tuition or a service fee for programs in which its students participate.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Basis of Presentation

District-Wide Financial Statements

The Statement of Net Position and the Statement of Activities present information about the overall governmental financial activities of the District, except for fiduciary activities, if any. Eliminations have been made to minimize the double counting of interfund 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 capital grants reflect capital-specific grants, if applicable.

The Statement of Net Position presents the financial position of the District at fiscal year end. The Statement of Activities presents a comparison between program expenses and revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and clearly identifiable to a particular function. Employee benefits are allocated to functional areas in proportion to the payroll expended for those areas. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including real property taxes and state aid, are presented as general revenues.

Fund Financial Statements

The fund financial statements provide information about the District's funds. The District's financial statements present the following fund types:

Governmental Funds - are those through which most governmental functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The emphasis of governmental fund financial statements is on major funds as defined by GASB, each displayed in a separate column. The following are the District's major governmental funds:

General Fund - is the general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund.

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

School Food Service Fund - is used to account for the activities of the food service program.

Debt Service Fund - accounts for the accumulation of resources for, and the payment of, principal and interest on long-term general obligation debt of governmental activities, as well as the advance refunding of a portion of the District's outstanding serial bonds.

Capital Projects Fund - is used to account for the financial resources used for acquisition, construction, renovation or major repair of capital facilities and other capital assets.

Extraclassroom Activities Fund - is used to account for the funds operated by and for the students of the District.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Scholarships Fund – is used to account for funds collected that benefit annual third-party awards and scholarships for students.

D. Measurement Focus and Basis of Accounting

Measurement focus describes what type of information is reported, and is either the economic resources measurement focus or the current financial resources measurement focus. The economic resources measurement focus reports all assets, liabilities and deferred resources related to a given activity, as well as transactions of the period that affect net position. For example, all assets, whether financial (e.g., cash and receivables) or capital (e.g., property and equipment) and liabilities (including long-term debt and obligations) are reported. The current financial resources measurement focus reports more narrowly on assets, liabilities and deferred resources that are relevant to near-term liquidity, along with net changes resulting from transactions of the period. Consequently, capital assets and the unmatured portion of long-term debt and certain other liabilities the District would not expect to liquidate currently with expendable available financial resources (e.g., compensated absences for employees still in active service) would not be reported.

Basis of accounting describes when changes are recognized, and is either the accrual basis of accounting or the modified accrual basis of accounting. The accrual basis of accounting recognizes changes in net position when the underlying event occurs, regardless of the timing of related cash flows. The modified accrual basis of accounting recognizes changes only at the point they affect near-term liquidity.

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include real property taxes, state aid, grants and donations. On an accrual basis, revenue from real 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 apportioned by the state. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. 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 180 days after the end of the fiscal year, except for real property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences, pension costs and other postemployment benefits, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

E. Real Property Taxes

Calendar

Real property taxes are levied annually by the Board of Education no later than August 15th and become a lien on October 1st and April 1st. Taxes are collected by the Town of Hempstead and remitted to the District from December to June.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Enforcement

Uncollected real property taxes are subsequently enforced by Nassau County. An amount representing uncollected real property taxes transmitted to the County for enforcement is paid by the County to the District no later than June 30th.

F. Payments in Lieu of Taxes (PILOT)

The District reports PILOT revenues in the general fund as part of other tax items revenues. These PILOT revenues are often the result of tax abatements granted by industrial development agencies of the Town and/or the County to help promote local economic development. Property owners make PILOT payments to the government agencies, which in turn remit the collected payments to the District.

The District's PILOT revenues also include payments from the Long Island Power Authority (LIPA) remitted by Nassau County. Beginning in the 2015-16 fiscal year, the Nassau County Legislature removed properties owned by LIPA from the assessment and tax rolls and, instead, allowed LIPA to make payments in lieu of taxes with annual increases of no more than 2% in response to the New York State Public Authorities Law §1020-q (the "LIPA Reform Act") enacted by the state in 2013. These LIPA PILOT payments are not the result of tax abatement agreements as defined by GASB Statement No. 77, *Tax Abatement Disclosures*, under which an entity receiving a reduction in tax revenues promises to take specific action that contributes to economic development or otherwise benefits the governments or residents of the governments. The District received \$86,220 in LIPA PILOT revenue during the 2020-2021 fiscal year.

G. Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net resources 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 to Financial Statements.

H. Interfund Transactions

The operations of the District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The District typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include transfers to provide financing or other services. This includes the transfer of unrestricted general fund revenues to finance various programs that the District must account for in other funds in accordance with budgetary authorizations.

In the district-wide statements, eliminations have been made for all interfund receivables and payables between the funds.

The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables are 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.

A detailed disclosure by individual fund for interfund receivables, payables, transfers in and transfers out activity is provided subsequently in these Notes to Financial Statements.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

I. Use of 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, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingencies at the date of the financial statements and the reported revenues and expenses/expenditures during the reporting period. Accordingly, actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including revenue availability, compensated absences, pension costs, other postemployment benefits, workers' compensation liabilities, potential contingent liabilities, and useful lives of capital assets.

J. Cash and Cash Equivalents/Investments

Cash and cash equivalents consist of cash on hand, bank deposits and investments with a maturity date of three months or less from date of acquisition.

Investments are reported at fair value, based on quoted market prices.

Certain cash balances are restricted by various legal and contractual obligations, such as legal reserves and debt agreements.

K. Receivables

Receivables are shown net of an allowance for uncollectibles, if any. However, no allowance for uncollectibles has been provided since it is believed that such allowance would not be material.

L. Inventories and Prepaid Items

Inventory of food in the school food service fund is recorded at cost on a first-in, first-out basis or in the case of surplus food donated by the U.S. Department of Agriculture, at the Government's assigned value, which approximates market. These inventories are accounted for on the consumption method.

Purchases of inventoriable 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 and Balance Sheet using the consumption method.

Under the consumption method, a current asset for inventories and prepaids is recorded at the time of receipt and/or purchase and an expense/expenditure is reported in the year the goods or services are consumed.

A portion of fund balance has been classified as nonspendable to indicate that inventories and prepaids do not constitute available spendable resources.

M. Capital Assets

Capital assets are reflected in the district-wide financial statements. Capital assets are reported at actual cost, when the information is available, or estimated historical cost based on professional third-party information. Donated assets are reported at acquisition value at the date of donation.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

All capital assets, except land and construction in progress, are depreciated on a straight-line basis over their estimated useful lives. Capitalization thresholds, the dollar value above which asset acquisitions are added to the capital asset accounts, and estimated useful lives of capital assets as reported in the district-wide statements are as follows:

	Capitalization Threshold	Estimated Useful Life
Buildings and improvements	\$ 500	50 years
Furniture and equipment	500	5-20 years
Site improvements	500	20 years
Vehicles	500	8 years

N. Deferred Outflows of Resources

Deferred outflows of resources, in the Statement of Net Position, represents a consumption of net position that applies to a future reporting period and so will not be recognized as an outflow of resources (expense) until that time. The District has three items that qualify for reporting in this category. First is the unamortized amount of deferred charges from the refunding of bonds that is being amortized as a component of interest expense on a weighted average over the remaining life of the debt. The second item is related to pensions and consists of the District's proportionate share of the changes in the collective net pension asset or liability not included in the collective pension expense and the District's contributions to the pension systems (TRS and ERS) subsequent to the measurement date. The third item is related to OPEB and represents the change in the total other postemployment benefits liability not included in OPEB expense.

O. 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 bond anticipation notes (BAN), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date, seven years if originally issued during calendar year 2015 through, and including, 2021. The notes, or renewal thereof, may not extend more than two years beyond the original date of issue, unless a portion is redeemed within two years and within each twelve-month period thereafter.

P. Collections in Advance

Collections in advance arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures or when state aid is received in advance of the intended period of use. These amounts are recorded as liabilities in the financial statements. The liabilities are removed and revenues are recognized in subsequent periods when the District has legal claim to the resources.

Q. Employee Benefits – Compensated Absences

Compensated absences consist of unpaid accumulated sick leave and vacation time.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sick leave eligibility and accumulation is specified in collective bargaining agreements and in individual employment contracts. Upon retirement, resignation or death, employees may contractually receive a payment based on unused accumulated sick leave.

Vacation eligibility and accumulation is specified in collective bargaining agreements and in individual employment contracts. Some earned benefits may be forfeited if not taken within varying time periods. Employees are compensated for unused accumulated vacation leave through paid time off or cash payment upon retirement, termination or death.

Certain collectively bargained agreements require these termination payments to be paid in the form of non-elective contributions into the employee's 403(b) plan.

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

In the fund financial statements, a liability is reported only for payments due for unused compensated absences for those employees that have obligated themselves to separate from service with the District by June 30th.

R. Other Benefits

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

District employees may choose to participate in the District's elective deferred compensation plans established under Internal Revenue Code Sections 403(b) and 457.

The District provides individual or family health insurance coverage for active employees pursuant to collective bargaining agreements and individual employment contracts.

In addition to providing these benefits, the District provides individual, family or surviving spouse postemployment health insurance coverage for eligible retired employees. Collective bargaining agreements and individual employment contracts determine if District employees are eligible for these benefits if they reach normal retirement age while working for the District. Healthcare 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 an expenditure in the governmental funds as the liabilities for premiums mature (come due for payment). In the district-wide statements, the cost of postemployment health insurance coverage is recognized on the economic resources measurement focus and the accrual basis of accounting in accordance with GASB Statement No. 75.

S. Deferred Inflows of Resources

Deferred inflows of resources represents an acquisition of net position that applies to a future reporting period and so will not be recognized as an inflow of resources (revenue/expense credit) until that time. The District has three items that qualify for reporting in this category. First is unavailable revenues reported in the governmental funds when potential revenues do not meet the availability criterion for recognition in the current period. This includes amounts due from other governments for tuition charges. In subsequent periods, when the availability criterion is met, unavailable revenues are reclassified as revenues. In the District-wide financial statements, unavailable revenues are treated as revenues. The second item is related to pensions reported in the Statement of Net Position and consists of the District's proportionate share of changes in the collective net pension asset or liability not included in collective pension expense. The third

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

item is related to OPEB reported in the district-wide Statement of Net Position and represents the change in the total other postemployment benefits liability not included in OPEB expense.

T. Equity Classifications

District-Wide Statements

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

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

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

Unrestricted – Reports the balance of net position that does not meet the definition of the above two classifications.

Fund Statements

The fund statements report fund balance classifications according to the relative strength of spending constraints placed on the purpose for which resources can be used, as follows:

Nonspendable – Consists of amounts that are inherently nonspendable in the current period either because of their form or because they must be maintained intact. Nonspendable fund balance consists of inventory, which is recorded in the school food service fund, and prepaids, which are recorded in the general fund.

Restricted – Consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation. The District has established the following restricted fund balances:

Workers' Compensation Reserve

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

Unemployment Insurance Reserve

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

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. The reserve is accounted for in the general fund.

Retirement Contribution Reserve

Retirement Contribution Reserve (GML §6-r) is used for the purpose of financing retirement contributions payable to the New York State and Local Employees' Retirement System. The Board, by resolution, may establish the reserve and authorize expenditures from the reserve. The reserve is funded by budgetary appropriations or taxes raised for the reserve, revenues that are not required by law to be paid into any other fund or account, transfers from reserves and other funds that may legally be appropriated. The Board may also 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. These reserves are accounted for in the general fund.

Employee Benefit Accrued Liability Reserve

Employee Benefit Accrued Liability Reserve (GML §6-p) is used to reserve funds for the payment of accrued employee benefit primarily based on unused and unpaid sick leave, personal leave, holiday leave or vacation time due an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board, and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. The reserve is accounted for in the general fund.

Capital Reserve

Capital Reserve (Education Law §3651) is used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of the reserve; the ultimate amount, its probable term and the source of the funds. Expenditure may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. These reserves are accounted for in the general fund and capital projects fund.

Repairs Reserve

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

Restricted for Debt

Unexpended balances of proceeds of borrowings for capital projects; interest and earnings from investing proceeds of obligations, and premium and accrued interest are recorded in the debt service fund and held until appropriated for debt payments. These restricted amounts are accounted for in the debt service fund.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Restricted – Unspent Bond Proceeds

Unspent long-term bond proceeds are recorded as restricted fund balance because they are subject to external constraints contained in the debt agreement. These restricted funds are accounted for in the capital projects fund.

Restricted for Scholarships

Amounts restricted for scholarships are used to account for monies donated for scholarship purposes, including earnings and net of awards. These restricted funds are accounted for in the scholarships fund.

Assigned - Consists of amounts that are subject to a purpose constraint that represents an intended use established by the District's Board of Education. The purpose of the assignment 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 may include an amount appropriated to partially fund the subsequent year's budget, an amount designated for special programs, and encumbrances not classified as restricted at the end of the fiscal year.

Unassigned – Represents the residual classification for the District's general fund 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 the overspending of available resources. NYS Real Property Tax Law §1318 restricts the unassigned fund balance of the general fund to an amount not greater than 4% of the subsequent year's budget.

Fund Balance Classification

Any portion of fund balance may be applied or transferred for a specific purpose by law, voter approval if required by law or by formal action of the Board of Education if voter approval is not required. Amendments or modification to the applied or transferred fund balance must also be approved by formal action of the Board of Education.

The Board of Education shall delegate the authority to assign fund balance, for encumbrance purposes, to the person(s) to whom it has delegated the authority to sign purchase orders.

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications (that is restricted, assigned or unassigned) the expenditure is to be spent first from the restricted fund balance to the extent appropriated by the budget or any Board approved budget revision, then from the assigned fund balance to the extent appropriated by the Board, and then from the unassigned fund balance.

2. CHANGES IN ACCOUNTING PRINCIPLES

For the fiscal year ended June 30, 2021, the District implemented GASB Statement No. 84, *Fiduciary Activities*. This statement provides guidance for identifying fiduciary activities, primarily based on whether the assets associated with the activities are controlled by the government and the government does not have administrative involvement with the assets. As a result, agency and private purpose trust activities previously reported within the fiduciary funds are now reported within the governmental funds.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. FUTURE ACCOUNTING STANDARDS

The Governmental Accounting Standards Board (GASB) Statements are issued to set generally accepted accounting principles (GAAP) for state and local governments. The following is not an all-inclusive list of GASB standards issued, but the statement that the District feels may have a future impact on these financial statements. The District will evaluate the impact of this pronouncement and implement it, as applicable, if material.

Effective for the Year Ending	Statement
June 30, 2022	GASB No. 87 - <i>Leases</i>

GASB Statement No. 87 will change the reporting of leases in the district-wide financial statements. A lessee will be required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor will be required to recognize a lease receivable and a deferred inflow of financial resources.

4. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE DISTRICT-WIDE STATEMENTS AND THE GOVERNMENTAL FUND STATEMENTS

Due to the differences in the measurement focus and basis of accounting used in the district-wide statements and the governmental fund statements, certain financial transactions are treated differently. The financial statements contain a full reconciliation of these items.

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 long-term economic focus of the Statement of Net Position versus the current financial resources focus of the governmental fund Balance Sheet, as applied to the reporting of capital assets and long-term assets and liabilities.

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

Differences between the Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities fall into any of four broad categories.

Long-Term Revenue and Expense 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 current financial resources measurement focus and the modified accrual basis, whereas the economic resources measurement focus and the accrual basis of accounting is used on the Statement of Activities, thereby affecting expenses such as compensated absences.

Capital Related Differences

Capital related differences include the difference between proceeds from the sale of capital assets reported on 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 fund statements and depreciation expense on those items as recorded in the Statement of Activities.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Long-Term Debt Transaction Differences

Long-term debt transaction differences occur because the issuance of long-term debt provides current financial resources to governmental funds, but is recorded as a liability in the Statement of Net Position. In addition, both interest and principal are recorded as expenditures in the fund statements when due and payable, whereas interest expense is recorded in the Statement of Activities as it accrues, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

Pension and Other Postemployment Benefits Differences

Pension differences occur as a result of recognizing pension costs using the current financial resources measurement focus and the modified accrual basis of accounting, whereby an expenditure is recognized based on the contractually required contribution as calculated by the plan, versus the economic resources measurement focus and the accrual basis of accounting, whereby an expense is recognized related to the District's proportionate share of the collective pension expense of the plan.

Other postemployment benefit differences occur as a result of recognizing OPEB costs using the current financial resources measurement focus and the modified accrual basis of accounting, whereby an expenditure is recognized for health insurance premiums and other postemployment benefit costs as they mature (come due for payment), versus the economic resources measurement focus and the accrual basis of accounting, whereby an expense is recognized related to the future cost of benefits in retirement over the term of employment.

5. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgets

The District administration prepares a proposed budget for approval by the Board of Education for the general fund, the only fund with a legally adopted budget.

The voters of the District approved the proposed appropriation budget for the general fund.

Appropriations are established by the adoption of the budget, are recorded at the program line item level, and constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year. 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 can be funded by the planned use of specific reserves, and can be increased by budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law) and appropriation of fund balances. 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.

Budgets are established and used for individual capital projects based on authorized funding. The maximum project amount authorized is based upon the estimated cost of the project. These budgets do not lapse and are carried over to subsequent fiscal years until the completion of the projects.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Encumbrances

Encumbrance accounting is used for budget control and monitoring purposes and is reported as a part of the governmental funds. Under this method, purchase orders, contracts, and other commitments for the expenditure of monies are recorded to reserve applicable appropriations. Outstanding encumbrances as of year-end are presented as part of assigned fund balance, unless classified as restricted, 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.

6. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

The District's investment policies are governed by state statutes and District policy. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. Permissible investments include obligations of the U.S. Treasury and U.S. 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 New York State and its municipalities. Investments are stated at fair value.

Custodial credit risk is the risk that in the event of a bank failure, the District may be unable to recover deposits or collateral securities that are in possession of an outside agency. GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are as follows:

- A. Uncollateralized,
- B. Collateralized by securities held by the pledging financial institution, or
- C. Collateralized by securities held by the pledging financial institution's trust department or agent but not in the District's name.

The District's aggregate bank balances were covered by FDIC insurance or fully collateralized by securities pledged on the District's behalf at year end.

The District did not have any direct investments at year end or during the year. Consequently, the District was not exposed to any material interest rate risk or foreign currency risk.

Investment Pool:

The District participates in the New York Liquid Asset Fund (NYLAF), a multi-municipal cooperative investment pool agreement pursuant to New York State General Municipal Law Article 5-G, whereby it holds a portion of the investments in cooperation with other participants. The investments are highly liquid and are considered to be cash equivalents. All NYLAF investment and collateral policies are in accordance with General Municipal Law Sections 10 and 11.

Total investments of the cooperative at June 30, 2021 are \$671,285,174, which consisted of \$247,300,000 in repurchase agreements, \$225,786,593 in U.S. Treasury Securities, \$198,198,581 in collateralized bank deposits, with various interest rates and due dates.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

The following amounts, invested in NYLAF, are included as cash:

Fund	Carrying Amount
General	\$ 16,793,017
Special Aid	4,486,727
School Food Service	1,926,325
	\$ 23,206,069

The above amount represents the fair value of the investment pool shares. The lead agent of NYLAF is the Red Hook Central School District. Additional information concerning NYLAF, including the annual report, can be found on its website at www.nylaf.org.

7. PARTICIPATION IN BOCES

During the year ended June 30, 2021, the District was billed \$8,522,039 for BOCES administrative and program costs. The District's share of BOCES aid amounted to \$1,732,376. Financial statements for the BOCES are available from the BOCES administrative offices at 71 Clinton Road, P.O. Box 9195, Garden City, New York 11530-9195.

8. DUE FROM STATE AND FEDERAL

Due from state and federal at June 30, 2021 consisted of:

General Fund	
New York State - general and excess cost aid	\$ 341,308
BOCES aid	789,852
Federal CARES Act	340,026
Medicaid	83,470
	1,554,656
Special Aid Fund	
Federal and state grants	3,894,512
School Food Service Fund	
Federal and state food service program reimbursements	432,710
	\$ 5,881,878

District management expects these amounts to be fully collectible.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

9. DUE FROM OTHER GOVERNMENTS

Due from other governments at June 30, 2021 consisted of:

General Fund	
Nassau County - property taxes	\$ 1,237,225
Tuition - other districts	118,164
Department of social services	36,899
Reserve officers' training corps	5,488
Payroll taxes	3,365
	<u>1,401,141</u>
Debt Service Fund	
Internal Revenue Service	45,402
	<u>\$ 1,446,543</u>

District management expects these amounts to be fully collectible.

10. CAPITAL ASSETS AND RESTATEMENT OF NET POSITION

The June 30, 2020 balances for buildings and improvements, and site improvements have been restated to correct the classification of a capitalized asset. The June 30, 2020 accumulated depreciation balance for buildings and improvements was increased by \$7,313,699, which resulted in a decrease in net position, as the District corrected the dates that certain assets were placed into service.

	As Reported June 30, 2020	As Restated June 30, 2020	Increase (Decrease)
Governmental activities			
Capital assets not being depreciated:			
Land	\$ 650,000	\$ 650,000	\$ -
Construction in progress	2,325,113	2,325,113	-
Total capital assets not being depreciated	<u>2,975,113</u>	<u>2,975,113</u>	<u>-</u>
Capital assets being depreciated			
Buildings and improvements	257,156,067	256,156,067	(1,000,000)
Site improvements	770,797	1,770,797	1,000,000
Furniture and equipment	6,894,041	6,894,041	-
Vehicles	193,354	193,354	-
Total capital assets being depreciated	<u>265,014,259</u>	<u>265,014,259</u>	<u>-</u>
Less accumulated depreciation for:			
Buildings and improvements	59,500,451	66,814,150	7,313,699
Site improvements	521,894	521,894	-
Furniture and equipment	5,005,099	5,005,099	-
Vehicles	149,025	149,025	-
Total accumulated depreciation	<u>65,176,469</u>	<u>72,490,168</u>	<u>7,313,699</u>
Total capital assets, being depreciated	<u>199,837,790</u>	<u>192,524,091</u>	<u>(7,313,699)</u>
Capital assets, net	<u>\$202,812,903</u>	<u>\$195,499,204</u>	<u>\$ (7,313,699)</u>

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

	As Restated Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 650,000	\$	\$	\$ 650,000
Construction in progress	2,325,113		(2,325,113)	-
Total capital assets not being depreciated	<u>2,975,113</u>	-	<u>(2,325,113)</u>	<u>650,000</u>
Capital assets being depreciated:				
Buildings and improvements	256,156,067	2,102,928		258,258,995
Site improvements	1,770,797			1,770,797
Furniture and equipment	6,894,041	68,655	(454,561)	6,508,135
Vehicles	193,354			193,354
Total capital assets being depreciated	<u>265,014,259</u>	<u>2,171,583</u>	<u>(454,561)</u>	<u>266,731,281</u>
Less accumulated depreciation for:				
Buildings and improvements	66,814,150	5,259,997		72,074,147
Site improvements	521,894	73,758		595,652
Furniture and equipment	5,005,099	396,072	(454,561)	4,946,610
Vehicles	149,025	10,343		159,368
Total accumulated depreciation	<u>72,490,168</u>	<u>5,740,170</u>	<u>(454,561)</u>	<u>77,775,777</u>
Total capital assets being depreciated, net	<u>192,524,091</u>	<u>(3,568,587)</u>	-	<u>188,955,504</u>
Capital assets, net	<u>\$ 195,499,204</u>	<u>\$ (3,568,587)</u>	<u>\$ (2,325,113)</u>	<u>\$ 189,605,504</u>

Depreciation expense was charged to governmental functions as follows:

General support	\$ 56,606
Instruction	5,640,519
Food service program	<u>43,045</u>
Total depreciation expense	<u>\$ 5,740,170</u>

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

11. INTERFUND TRANSACTIONS

Interfund balances and activities at June 30, 2021 are as follows:

	Interfund			
	Receivable	Payable	Transfers In	Transfers Out
General Fund	\$ 10,290,260	\$ 762,406	\$	\$ 14,894,741
Special Aid Fund	758,057	10,015,614	72,204	
School Food Service Fund	150,120	270,583		
Debt Service Fund	13,319	154,183	14,822,537	
Capital Projects Fund	3,789	13,319		
Extracurricular Activities	560			
Total Governmental Funds	<u>\$ 11,216,105</u>	<u>\$ 11,216,105</u>	<u>\$ 14,894,741</u>	<u>\$ 14,894,741</u>

The District typically transfers from the general fund to the special aid fund for the District's share of the costs of the summer program for students with disabilities and for the costs of Section 4201 schools tuition, and to the debt service fund for the current year debt expenditures. The District also transferred from the debt service fund to the general fund in accordance with the general fund budget.

12. SHORT-TERM DEBT

Short-term debt activity for the year is summarized below:

	Maturity	Stated Interest Rate	Balance June 30, 2020	Issued	Redeemed	Balance June 30, 2021
TAN	6/25/2021	1.0%	<u>\$ -</u>	<u>\$ 8,000,000</u>	<u>\$ (8,000,000)</u>	<u>\$ -</u>

The TAN was issued to provide cash flow for the District until the District receives the real property taxes from the Town.

Interest on short-term debt for the year was \$24,309, net of \$20,802 of premium received, for an effective interest rate of 0.54%

13. LONG-TERM LIABILITIES

A. Changes

Long-term liability balances and activity, excluding pension and other postemployment benefits liabilities for the year are summarized below:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Amounts Due Within One Year
Long-term debt:					
Bonds payable	\$ 125,875,000	\$	\$ (9,350,000)	\$ 116,525,000	\$ 9,755,000
Add: Bond premium	8,991,780		(1,245,836)	7,745,944	1,142,697
	<u>134,866,780</u>	<u>-</u>	<u>(10,595,836)</u>	<u>124,270,944</u>	<u>10,897,697</u>
Other long-term liabilities:					
Compensated absences	4,253,977	23,646		4,277,623	427,033
	<u>\$ 139,120,757</u>	<u>\$ 23,646</u>	<u>\$ (10,595,836)</u>	<u>\$ 128,548,567</u>	<u>\$ 11,324,730</u>

The general fund has typically been used to liquidate other long-term liabilities.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Bonds Payable

Bonds payable is comprised of the following:

Description	Issue Date	Final Maturity	Interest Rate	Outstanding at June 30, 2021
Qualified School Construction	12/11/2012	12/15/2026	1.25-4.125%	\$ 2,460,000
DASNY 2013F	8/13/2013	8/15/2027	0.60-4.00%	29,640,000
DASNY 2014E	10/8/2014	1/1/2035	1.00-3.00%	30,295,000
DASNY 2016K	11/3/2016	12/1/2036	3.00-5.00%	54,130,000
				<u>\$ 116,525,000</u>

The following is a summary of debt service requirements of bonds payable:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 9,755,000	\$ 5,029,375	\$ 14,784,375
2023	10,230,000	4,556,000	14,786,000
2024	10,470,000	4,057,125	14,527,125
2025	10,840,000	3,545,500	14,385,500
2026	10,430,000	3,065,975	13,495,975
2027 - 2031	31,085,000	10,674,475	41,759,475
2032 - 2036	31,945,000	4,141,978	36,086,978
2037	1,770,000	59,200	1,829,200
Total	<u>\$ 116,525,000</u>	<u>\$ 35,129,628</u>	<u>\$ 151,654,628</u>

C. Advance Refunding

In prior years, the District advance refunded serial bonds, which resulted in a deferred charge and a refunding bond premium. These amounts are being amortized as a component of interest expense on a straight-line basis over the life of the bonds in the district-wide statements as follows:

Year Ending June 30,	Amortization of Deferred Charges	Amortization of Premium	Interest Expense Increase / (Decrease)
2022	\$ 214,779	\$ (1,142,697)	\$ (927,918)
2023	203,313	(1,034,055)	(830,742)
2024	191,577	(921,209)	(729,632)
2025	179,728	(804,532)	(624,804)
2026	167,424	(688,735)	(521,311)
2027 - 2031	627,859	(2,355,841)	(1,727,982)
2032 - 2036	213,075	(791,208)	(578,133)
2037	2,087	(7,667)	(5,580)
Total	<u>\$ 1,799,842</u>	<u>\$ (7,745,944)</u>	<u>\$ (5,946,102)</u>

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Interest Expense

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

Interest paid	\$ 5,472,905
Less interest accrued in the prior year	(1,842,967)
Plus interest accrued in the current year	1,695,069
Plus amortization of deferred charges on refunding	225,579
Less amortization of bond premium	<u>(1,245,836)</u>
Total interest expense on long-term debt	<u>\$ 4,304,750</u>

E. Additional Disclosure

In the event that the District were to default on bond principal or interest payments, a court has the power, in proper and appropriate proceedings brought by the bond owner, to render judgment against the District. A court has the power to order payment of such bonds or notes from funds available or to order the District to take all lawful action to obtain the funds, including the raising of the funds in the next annual tax levy. The bond owner may also file with the New York State Comptroller a verified statement alleging default in the payment of principal or interest. The New York State Comptroller will have a duty to investigate the circumstances of the alleged default and prepare determinations from their office. The New York State Comptroller is required, under the conditions and to the extent prescribed by section 99-b of the State Finance Law, to withhold state aid and assistance to the District and apply the amount thereof so withheld to the payment of the defaulted principal and interest.

14. PENSION PLANS – NEW YORK STATE

A. General Information

The District participates in the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS). These are cost-sharing multiple employer, public employee retirement systems. The systems provide retirement, disability, withdrawal, and death benefits to plan members and beneficiaries related to years of service and final average salary.

B. Provisions and Administration

Teachers' Retirement System

The TRS is administered by the New York State Teachers' Retirement Board. The TRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law (NYSRSSL). 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 the TRS. Once a public employer elects to participate in the TRS, 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. Additional information regarding the TRS may be found on the TRS website at www.nystrs.org or obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Employees' Retirement System

Obligations of employers and employees to contribute and benefits to employees are governed by the NYSRSSL. The net position of the ERS 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 ERS. As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as the trustee of the Fund and is the administrative head of the ERS. Once a public employer elects to participate in the ERS, 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 ERS 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 Employees' Retirement System, 110 State Street, Albany, NY 12244.

C. Funding Policies

Plan members who joined the systems before July 27, 1976, are not required to make contributions. Those joining on or after July 27, 1976, and before January 1, 2010, with less than ten years of credited services are required to contribute 3% of their salary. Those joining on or after January 1, 2010 and before April 1, 2012, are required to contribute 3% of their salary to the ERS or 3.5% of their salary to the TRS throughout active membership. Those joining on or after April 1, 2012, are required to contribute between 3% and 6% dependent on their salary throughout active membership. Employers are required to contribute at an actuarially determined rate based on covered salaries paid. For the TRS, the employers' contribution rate is established annually by the New York State Teachers' Retirement Board for the TRS' fiscal year ended June 30th, and employer contributions are deducted from state aid in the subsequent months of September, October and November. For the ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions for the ERS' fiscal year ended March 31st, and employer contributions are either paid by the prior December 15th less a 1% discount or by the prior February 1st. The District paid 100% of the required contributions as billed by the TRS and ERS for the current year. The District's contribution rate was 8.61% of covered payroll for the TRS' fiscal year ended June 30, 2020. The District's average contribution rate was 14.73% of covered payroll for the ERS' fiscal year ended March 31, 2021.

The District's share of the required contributions, based on covered payroll for the District's year ended June 30, 2021 was \$3,279,654 for TRS at the contribution rate of 9.48% and \$829,978 for ERS at an average contribution rate of 13.48%.

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

At June 30, 2021, the District reported the following liability for its proportionate share of the net pension liability for each of the systems. The net pension liability was measured as of June 30, 2020, for the TRS and March 31, 2021 for the ERS. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The District's proportion of the net pension 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 TRS and the ERS systems in reports provided to the District.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

	<u>TRS</u>	<u>ERS</u>
Measurement date	June 30, 2020	March 31, 2021
District's proportionate share of the net pension liability	\$ (5,433,697)	\$ (17,947)
District's portion of the Plan's total net pension liability	0.196640%	0.0180241%
Change in proportion since the prior measurement date	(0.004613)	(0.0001715)

For the year ended June 30, 2021, the District recognized pension expense of \$7,212,781 for the TRS and \$589,697 for the ERS. At June 30, 2021, the District reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>
Differences between expected and actual experience	\$ 4,761,006	\$ 219,185	\$ 278,467	\$
Change of assumptions	6,872,362	3,299,932	2,449,638	62,238
Net difference between projected and actual earnings on pension plan investments	3,548,681			5,155,525
Changes in proportion and differences between the District's contributions and proportionate share of contributions	336,519	397,308	633,090	52,994
District contributions subsequent to the measurement date	<u>3,279,654</u>	<u>269,452</u>		
Total	<u>\$ 18,798,222</u>	<u>\$ 4,185,877</u>	<u>\$ 3,361,195</u>	<u>\$ 5,270,757</u>

District contributions, subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>TRS</u>	<u>ERS</u>
2022	\$ 2,013,836	\$ (148,847)
2023	4,170,062	(19,349)
2024	3,400,909	(218,220)
2025	2,144,132	(967,916)
2026	134,374	
Thereafter	<u>294,060</u>	
	<u>\$ 12,157,373</u>	<u>\$ (1,354,332)</u>

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Assumptions

The total pension 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 liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

	TRS	ERS
Measurement date	June 30, 2020	March 31, 2021
Actuarial valuation date	June 30, 2019	April 1, 2020
Inflation	2.20%	2.70%
Salary increases	1.90-4.72%	4.40%
Investment rate of return (net of investment expense, including inflation)	7.10%	5.90%
Cost of living adjustments	1.30%	1.40%

For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2019, applied on a generational basis. Active member mortality rates are based on plan member experience. For ERS, annuitant mortality rates are based on April 1, 2015 – March 31, 2020 system experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2020.

For TRS, the actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014. For the ERS, the actuarial assumptions were based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020.

For TRS, 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.

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

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized below:

	TRS		ERS	
	Target Allocation	Long-term Expected Rate of Return	Target Allocation	Long-term Expected Rate of Return
Measurement date		June 30, 2020		March 31, 2021
Asset type				
Domestic equity	33.0%	7.10%	32.0%	4.05%
International equity	16.0%	7.70%	15.0%	6.30%
Global equity	4.0%	7.40%		
Real estate	11.0%	6.80%	9.0%	4.95%
Private equities	8.0%	10.40%	10.0%	6.75%
Alternatives investments			10.0%	3.63-5.95%
Domestic fixed income securities	16.0%	1.80%		
Global fixed income securities	2.0%	1.00%		
High-yield fixed income securities	1.0%	3.90%		
Bonds and mortgages			23.0%	0.00%
Private debt	1.0%	5.20%		
Real estate debt	7.0%	3.60%		
Cash and equivalents	1.0%	0.70%		
Cash			1.0%	0.50%
	100.0%		100.0%	

Real rates of return are net of long-term inflation assumption of 2.2% for TRS and 2.0% for ERS.

Discount Rate

The discount rate used to measure the total pension liability was 7.10% for TRS and 5.90% for ERS (the discount rate used by the ERS at the prior year's measurement date of March 31, 2020, was 6.80%). The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon the assumptions, the systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.10% for the TRS and 5.90% for the ERS, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.10% for TRS and 4.90% for ERS) or 1 percentage point higher (8.10% for TRS and 6.90% for ERS) than the current rate:

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

TRIS	1% Decrease 6.10 %	Current Assumption 7.10 %	1% Increase 8.10 %
District's proportionate share of the net pension (liability) asset	\$ (34,322,792)	\$ (5,433,697)	\$ 18,811,575
ERS	1% Decrease 4.90 %	Current Assumption 5.90 %	1% Increase 6.90 %
District's proportionate share of the net pension (liability)	\$ (4,981,480)	\$ (17,947)	\$ 4,559,592

Pension Plan Fiduciary Net Position

The components of the current-year net pension (liability) of the employers as of the respective measurement dates, were as follows:

	TRIS	ERS
	<i>(Dollars in Thousands)</i>	
Measurement date	June 30, 2020	March 31, 2021
Employers' total pension liability	\$ (123,242,776)	\$ (220,680,157)
Plan fiduciary net position	120,479,505	220,580,583
Employers' net pension liability	\$ (2,763,271)	\$ (99,574)
Ratio of plan fiduciary net position to the employers' total pension liability	97.76%	99.95%

Payables to the Pension Plan

For TRS, employer and employee contributions for the fiscal year ended June 30, 2021, are paid to the system in September, October, and November 2021 through a state aid intercept. Accrued retirement contributions as of June 30, 2021, represent employer and employee contributions for the fiscal year ended June 30, 2021, based on paid TRS covered wages multiplied by the employer's contribution rate, and employee contributions for the fiscal year as reported to the TRS system. Accrued retirement contributions as of June 30, 2021 amounted to \$3,279,654 of employer contributions and \$425,493 of employee contributions.

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, 2021, represent the projected employer contribution for the period of April 1, 2021 through June 30, 2021 based on paid ERS covered wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2021 amounted to \$269,452 of employer contributions. Employee contributions are remitted monthly.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

15. PENSION PLANS - OTHER

A. Tax Sheltered Annuities

The District has adopted a 403(b) plan covering all eligible employees. Employees may defer up to 100% of their compensation subject to Internal Revenue Code elective deferral limitations. The District may also make non-elective contributions of certain compensated absence payments based on collectively bargained agreements. For the year ended June 30, 2021, there were no employer non-elective contributions and employee elective contributions were \$1,668,237.

B. Deferred Compensation Plan

The District has established a deferred compensation plan in accordance with Internal Revenue Code §457 for all employees. The District makes no contributions into this Plan. The amount deferred by eligible employees for the year ended June 30, 2021 totaled \$175,396.

16. POSTEMPLOYMENT HEALTHCARE BENEFITS

A. General Information about the OPEB Plan

Plan Description – The District provides OPEB for eligible retired employees of the District. The benefits provided to employees upon retirement are based on provisions in the various contracts that the District has in place with different classifications of employees. The plan is a single-employer defined benefit OPEB plan administered through the New York State Health Insurance Program – Empire Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits Provided – The District provides healthcare benefits and Medicare Part B coverage for eligible retirees. The benefit terms are dependent on which contract each employee falls under. 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, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	229
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	516
	745

B. Total OPEB Liability

The District’s total OPEB liability of \$157,510,410 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2020. Update procedures were used to roll forward the total OPEB liability to the measurement date.

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

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Inflation	2.50%
Salary increases	varied by years of service and retirement system
Discount rate	2.16%
Healthcare cost trend rates	5.40% for 2021, decreasing to an ultimate rate of 4.04% by 2075
Retirees' share of benefit-related costs	0.00-15.00% of projected health insurance premiums for retirees and 7.00-25.00% of projected health insurance premiums for retirees spouses

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index.

Mortality rates were based on Pub-2010 Headcount-Weighted table (Teachers for TRS group and General Employees for ERS group) projected fully generationally using MP-2020.

C. Changes in the Total OPEB Liability

Balance at June 30, 2020	<u>\$ 140,930,942</u>
Changes for the year	
Service cost	8,720,307
Interest	3,281,125
Changes of benefit terms	-
Differences between expected and actual experience	1,474,540
Changes in assumptions or other inputs	5,484,625
Benefit payments	<u>(2,381,129)</u>
	<u>16,579,468</u>
Balance at June 30, 2021	<u><u>\$ 157,510,410</u></u>

There were no changes of benefit terms.

Changes of assumptions and other inputs reflect a change in the discount rate from 2.21% in 2020 to 2.16% in 2021.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

OPEB	1% Decrease 1.16 %	Discount Rate 2.16 %	1% Increase 3.16 %
Total OPEB liability	<u>\$ (190,253,660)</u>	<u>\$ (157,510,410)</u>	<u>\$ (131,945,214)</u>

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sensitivity of the Total OPEB Liability Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
	4.40%	5.40%	6.40%
	decreasing to	decreasing to	decreasing to
<u>OPEB</u>	<u>3.04%</u>	<u>4.04%</u>	<u>5.04%</u>
Total OPEB liability	<u>\$ (126,794,029)</u>	<u>\$ (157,510,410)</u>	<u>\$ (198,943,484)</u>

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

For the year June 30, 2021, the District recognized OPEB expense of \$14,891,496. At June 30, 2021, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Deferred</u>	
	<u>Outflows of Resources</u>	<u>Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,290,222	\$ 18,080,576
Changes of assumptions and other inputs	<u>38,686,620</u>	<u>2,754,099</u>
Total	<u>\$ 39,976,842</u>	<u>\$ 20,834,675</u>

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 2,890,064
2023	2,890,064
2024	2,890,064
2025	2,890,064
2026	3,207,620
Thereafter	<u>4,374,291</u>
	<u>\$ 19,142,167</u>

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

17. DEFERRED INFLOWS OF RESOURCES

In the governmental fund financial statements, deferred inflows of resources, at June 30, 2021, includes of that portion of the amount due from New York State for local aid payments. Unavailable revenues, in the general fund at June 30, 2021, total \$181,681.

18. RISK MANAGEMENT

A. General Information

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; and natural disasters. These risks are covered by a combination of self-insurance reserves and commercial insurance purchased from independent third parties. There have been no significant reductions in insurance coverage as compared to the prior year, and settled claims from these risks have not exceeded available reserves and commercial insurance coverage for the past three years.

B. Public Entity Risk Pool

The District participates in the New York State Public Schools Statewide Workers' Compensation Trust (the Workers' Compensation Plan), a risk sharing pool, to insure workers' compensation claims. This is a public school entity risk pool created under Article 5 of the Workers' Compensation Law, to finance liability and risks related to workers' compensation claims. The Workers' Compensation Plan, through its plan administrator, provides participating members with risk management services, as well as workers' compensation and employers' liability coverage. Participating members agree to make contributions as determined by the Plan. The Plan is allowed to make additional pro-rated assessments to its members if the assets of the Plan are insufficient to enable the Plan to discharge its legal liabilities and other obligations or to maintain required reserves. During the year ended June 30, 2021, the District's contribution to the Plan was \$501,339. According to the Plan's actuary, the Workers' Compensation Plan's total liability for unbilled and open claims at June 30, 2021, discounted at 2.0%, was \$24,245,180. The Plan did not levy additional assessments during the 2020-2021 plan year. If the District leaves the plan or if the plan is terminated, the District will be liable for its open claims at that time. At June 30, 2021, the District's allocated share of unbilled and open claims, discounted at 2.0%, were \$1,491,563.

C. Public Entity Risk Pool

The District participates in New York Schools Insurance Reciprocal (NYSIR), a non-risk-retained public entity risk pool for its property and liability insurance coverage. The pool is operated for the benefit of individual governmental units located within the pool's geographic area, and is considered a self-sustaining risk pool that will provide coverage for its members. The pool obtains independent coverage for insured events in excess of certain defined limits, and the District has essentially transferred all related risk to the pool.

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

19. RESTRICTED FOR CAPITAL RESERVE

The following is a summary of the District's restricted capital reserve activity since inception:

Date Created	May 2008	May 2008	
Date Extended	May 2017	May 2017	
Number of Years to Fund	15	15	
Maximum Funding	<u>\$ 15,000,000</u>	<u>\$ 15,000,000</u>	
			<u>Total</u>
General Fund			
Funding Provided Since Inception	\$ 11,200,000	\$ 4,050,000	\$ 15,250,000
Interest Earnings Since Inception	133,599	6,477	140,076
Returned to Reserve	23,469	880,189	903,658
Use of Reserve Since Inception	<u>(3,769,492)</u>	<u>(3,394,386)</u>	<u>(7,163,878)</u>
Total General Fund	<u>7,587,576</u>	<u>1,542,280</u>	<u>9,129,856</u>
Capital Projects Fund			
Funding Provided Since Inception	3,769,492	3,394,386	7,163,878
Returned to Reserve	(23,469)	(880,189)	(903,658)
Use of Reserve Since Inception	<u>(3,108,831)</u>	<u>(2,468,807)</u>	<u>(5,577,638)</u>
Total Capital Projects Fund	<u>637,192</u>	<u>45,390</u>	<u>682,582</u>
Balance as of June 30, 2021	<u>\$ 8,224,768</u>	<u>\$ 1,587,670</u>	<u>\$ 9,812,438</u>

20. RESTATEMENT OF FUND BALANCE AND NET POSITION

For the fiscal year ended June 30, 2021, the District implemented GASB Statement No. 84, which resulted in an increase of \$61,820 in fund balance of the governmental funds, as well as the Statement of Net Position. The District's fund balance and total net position (deficit) have been restated as follows:

	General Fund	Extraclassroom Activities Fund	Scholarships Fund	Statement of Net Position
Fund Balance/Net Position (Deficit)				
Beginning of Year, as Reported	<u>\$ 28,971,974</u>	<u>\$</u>	<u>\$</u>	<u>\$ (12,515,890)</u>
<i>Assets</i>				
Cash	832,125	46,985	14,275	893,385
Due from fiduciary fund	<u>(702,864)</u>	<u>560</u>		<u>(702,304)</u>
	<u>129,261</u>	<u>47,545</u>	<u>14,275</u>	<u>191,081</u>
<i>Liabilities</i>				
Other liabilities	<u>129,261</u>		<u>-</u>	<u>129,261</u>
<i>Fund Balance/Net Position (Deficit)</i>				
Restricted			14,275	14,275
Assigned, unappropriated		47,545		
Unrestricted				47,545
	<u>-</u>	<u>47,545</u>	<u>14,275</u>	<u>61,820</u>
Fund Balance/Net Position (Deficit)				
Beginning of Year, as Restated	<u>\$ 28,971,974</u>	<u>\$ 47,545</u>	<u>\$ 14,275</u>	<u>\$ (12,454,070)</u>

ROOSEVELT UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

21. TAX ABATEMENTS

The Town of Hempstead, enters into various property tax abatement programs for the purpose of economic development. The District's property tax revenue was reduced \$33,849. The District received payment in lieu of tax (PILOT) payments totaling \$29,791.

22. COMMITMENTS AND CONTINGENCIES

A. Encumbrances

All encumbrances are classified as either restricted or assigned fund balance. At June 30, 2021, the District encumbered the following amounts:

Assigned: Unappropriated Fund Balance:

General Fund
Instruction

\$ 261

B. Grants

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

C. Litigation

The District is involved in lawsuits arising from the normal conduct of its affairs. Some of these lawsuits seek damages which may be in excess of the District's insurance coverage. However, it is not possible to determine the District's potential exposure, if any, at this time.

23. SUBSEQUENT EVENTS

The District has evaluated subsequent events through the date of the auditor's report, which is the date the financial statements were available to be issued. No significant events were identified that would require adjustment of or disclosure in the financial statements, except for the following:

Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)

In August 2021, the District was awarded CRRSA funding of \$3,493,138 through the Elementary and Secondary School Emergency Relief (ESSER) program and \$160,800 through the Governor's Emergency Education Relief (GEER) program. The funds are to be used for eligible expenditures, which support the District's ability to continue to provide educational services.

ROOSEVELT UNION FREE SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Final Budget Variance with Actual
REVENUES				
Local Sources				
Real property taxes	\$ 23,298,002	\$ 20,915,372	\$ 20,927,698	\$ 12,326
Other tax items	136,100	2,668,730	2,652,823	(15,907)
Charges for services	75,000	75,000	47	(74,953)
Use of money and property	70,000	70,000	2,766	(67,234)
Miscellaneous	500,000	500,000	605,103	105,103
Total Local Sources	24,079,102	24,229,102	24,188,437	(40,665)
State Sources	80,270,127	80,120,127	75,553,179	(4,566,948)
Medicaid Reimbursement	50,000	50,000	111,052	61,052
Federal Sources			664,735	664,735
Total Revenues	104,399,229	104,399,229	100,517,403	\$ (3,881,826)
APPROPRIATED FUND BALANCE				
Prior Years' Surplus	1,600,000	1,600,000		
Prior Year's Encumbrances	325,628	325,628		
Appropriated Reserves	870,000	870,000		
Total Appropriated Fund Balance	2,795,628	2,795,628		
Total Revenues and Fund Balance	\$ 107,194,857	\$ 107,194,857		

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.

ROOSEVELT UNION FREE SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund (Continued)
For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Year End Encumbrances	Final Budget Variance with Actual & Encumbrances
EXPENDITURES					
General Support					
Board of education	\$ 159,501	\$ 156,956	\$ 152,141	\$	\$ 4,815
Central administration	331,092	344,635	344,635		-
Finance	959,936	997,061	997,061		-
Staff	953,205	1,072,612	1,072,612		-
Central services	6,289,884	6,639,371	6,639,371		-
Special items	1,206,612	1,235,672	1,213,690		21,982
Total General Support	9,900,230	10,446,307	10,419,510	-	26,797
Instruction					
Administration & improvement	2,930,478	3,207,699	3,207,699		-
Teaching - regular school	27,728,620	27,484,704	27,158,935		325,769
Programs for students with disabilities	17,578,051	17,673,160	16,676,378	261	996,521
Occupational education	665,860	665,860	550,116		115,744
Teaching - special schools	449,885	409,872	124,866		285,006
Instructional media	1,670,718	1,674,286	1,493,693		180,593
Pupil services	5,459,951	5,486,064	4,847,037		639,027
Total Instruction	56,483,563	56,601,645	54,058,724	261	2,542,660
Pupil Transportation	4,757,212	4,754,212	4,475,703		278,509
Employee Benefits	21,018,852	20,333,383	18,139,061		2,194,322
Debt Service - Interest	-	24,310	24,309		1
Total Expenditures	92,159,857	92,159,857	87,117,307	261	5,042,289
OTHER USES					
Operating Transfers Out	15,035,000	15,035,000	14,894,741		140,259
Total Expenditures and Other Uses	\$ 107,194,857	\$ 107,194,857	102,012,048	\$ 261	\$ 5,182,548
Net Change in Fund Balance			(1,494,645)		
Fund Balance - Beginning of Year			28,971,974		
Fund Balance - End of Year			\$ 27,477,329		

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.

ROOSEVELT UNION FREE SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Asset/(Liability)
Last Seven Fiscal Years

Teachers' Retirement System

	2021	2020	2019	2018	2017	2016	2015	2014	2012	2011
District's proportion of the net pension asset (liability)	0.196640%	0.201253%	0.202150%	0.195033%	0.184431%	0.184535%	0.180262%	<i>~ Information Not Available ~</i>		
District's proportionate share of the net pension asset/(liability)	\$ (5,433,697)	\$ 5,228,576	\$ 3,655,405	\$ 1,482,444	\$ (1,975,334)	\$ 19,167,331	\$ 21,068,714			
District's covered payroll	\$ 34,346,476	\$ 33,598,107	\$ 32,673,011	\$ 31,338,365	\$ 28,674,538	\$ 28,048,377	\$ 28,324,853			
District's proportionate share of the net pension asset/(liability) as a percentage of its covered payroll	(15.82)%	15.56 %	11.19 %	4.73 %	(6.89)%	68.34 %	74.38 %			
Plan fiduciary net position as a percentage of the total pension asset/(liability)	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%	111.48%			
Discount rate	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%	8.00%			

Employees' Retirement System

	2021	2020	2019	2018	2017	2016	2015	2014	2012	2011
District's proportion of the net pension liability	0.0180241%	0.0181956%	0.0184392%	0.0197440%	0.0171527%	0.0183240%	0.0192773%	<i>~ Information Not Available ~</i>		
District's proportionate share of the net pension liability	\$ (17,947)	\$ (4,818,296)	\$ (1,306,474)	\$ (637,226)	\$ (111,704)	\$ (2,940,975)	\$ (651,234)			
District's covered payroll	\$ 6,019,358	\$ 6,568,847	\$ 6,627,201	\$ 6,328,056	\$ 6,539,540	\$ 5,424,274	\$ 5,597,986			
District's proportionate share of the net pension liability as a percentage of its covered payroll	0.30 %	73.35 %	19.71 %	10.07 %	1.71 %	54.22 %	11.63 %			
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.27%	98.24%	90.68%	90.68%	97.95%			
Discount rate	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%			

An additional year of historical information will be added each year, subsequent to the year of implementation until 10 years of historical data is available.

ROOSEVELT UNION FREE SCHOOL DISTRICT
Schedule of District Pension Contributions
 Last Ten Fiscal Years

Teachers' Retirement System

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 3,279,654	\$ 2,985,269	\$ 3,568,183	\$ 3,223,285	\$ 3,614,219	\$ 3,757,103	\$ 4,869,086	\$ 4,547,821	\$ 3,224,350	\$ 3,122,527
Contributions in relation to the contractually required contribution	3,279,654	2,985,269	3,568,183	3,223,285	3,614,219	3,757,103	4,869,086	4,547,821	3,224,350	3,122,527
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 34,591,629	\$ 34,346,476	\$ 33,598,107	\$ 32,673,011	\$ 31,338,365	\$ 28,674,538	\$ 28,048,377	\$ 28,324,853	\$ 28,426,643	\$ 28,534,364
Contributions as a percentage of covered payroll	9%	9%	11%	10%	12%	13%	17%	16%	11%	11%

Employees' Retirement System

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 829,978	\$ 919,177	\$ 916,067	\$ 963,255	\$ 834,166	\$ 854,924	\$ 1,054,580	\$ 873,008	\$ 1,073,801	\$ 914,447
Contributions in relation to the contractually required contribution	829,978	919,177	916,067	963,255	834,166	854,924	1,054,580	873,008	1,073,801	914,447
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 6,158,021	\$ 6,328,924	\$ 6,697,559	\$ 6,421,094	\$ 6,717,841	\$ 5,605,257	\$ 5,490,741	\$ 5,576,737	\$ 5,493,241	\$ 5,631,526
Contributions as a percentage of covered payroll	13%	15%	14%	15%	12%	15%	19%	16%	20%	16%

ROOSEVELT UNION FREE SCHOOL DISTRICT
Schedule of Changes in the District's Total OPEB Liability and Related Ratios
Last Four Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability				
Service cost	\$ 8,720,307	\$ 6,722,885	\$ 3,767,401	\$ 3,911,496
Interest	3,281,125	4,456,382	4,138,949	3,691,356
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	1,474,540	(17,958,925)	(6,917,075)	-
Changes of assumptions or other inputs	5,484,625	28,720,391	18,520,920	(5,211,423)
Benefit payments	<u>(2,381,129)</u>	<u>(2,477,343)</u>	<u>(2,426,626)</u>	<u>(2,235,913)</u>
Net change in total OPEB liability	16,579,468	19,463,390	17,083,569	155,516
Total OPEB liability, beginning	<u>140,930,942</u>	<u>121,467,552</u>	<u>104,383,983</u>	<u>104,228,467</u>
Total OPEB liability, ending	<u><u>\$ 157,510,410</u></u>	<u><u>\$ 140,930,942</u></u>	<u><u>\$ 121,467,552</u></u>	<u><u>\$ 104,383,983</u></u>
Covered employee payroll	\$ 40,211,488	\$ 38,600,897	\$ 38,367,037	\$ 38,459,414
Total OPEB liability as a percentage of covered employee payroll	391.71%	365.10%	316.59%	271.41%
Discount rate	2.16%	2.21%	3.51%	3.87%
Healthcare trend rates	5.40% to 4.04% by 2075	5.30% to 3.84% by 2075	5.40% to 3.84% by 2079	5.50% to 3.84% by 2078

An additional year of historical information will be added each year, subsequent to the year of implementation, until 10 years of historical data is available.

Note to Required Supplementary Information

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

ROOSEVELT UNION FREE SCHOOL DISTRICT
Schedules of Change from Adopted Budget to Final Budget
and the Real Property Tax Limit - General Fund
For the Year Ended June 30, 2021

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted Budget		\$ 106,869,229
Additions:		
Prior year's encumbrances		<u>325,628</u>
Original Budget		107,194,857
Budget revisions		<u>-</u>
Final Budget		<u><u>\$ 107,194,857</u></u>

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2021-2022 voter-approved expenditure budget		<u><u>\$ 110,981,941</u></u>
Maximum allowed (4% of 2021-2022 budget)		<u><u>\$ 4,439,278</u></u>
General Fund Fund Balance Subject to § 1318 of Real Property Tax Law:		
Unrestricted fund balance:		
Assigned fund balance	\$ 28,845	
Unassigned fund balance	<u>4,409,872</u>	
		\$ 4,438,717
Less:		
Appropriated fund balance	-	
Encumbrances	<u>261</u>	
Total adjustments		<u>261</u>
General Fund Fund Balance Subject to § 1318 of Real Property Tax Law:		<u><u>\$ 4,438,456</u></u>
Actual Percentage		4.00%

ROOSEVELT UNION FREE SCHOOL DISTRICT
Schedule of Project Expenditures and Financing Resources - Capital Projects Fund
For the Year Ended June 30, 2021

PROJECT TITLE	Budget June 30, 2020	Budget June 30, 2021	Expenditures			Unexpended Balance	Methods of Financing			Fund Balance June 30, 2021	
			Prior Years	Current Year	Total		Proceeds of Obligations	State Aid	Local Sources		Total
General Fund Appropriations											
Ulysses Byes Portables	\$ 1,342,490	\$ 1,342,490	\$ 1,342,490	\$	\$ 1,342,490	\$ -	\$	\$	\$ 1,258,189	\$ 1,258,189	\$ (84,301)
Approved Emergency Project	1,915,699	1,915,699	1,710,864		1,710,864	204,835			2,000,000	2,000,000	289,136
Capital Reserve Projects											
District-wide Improvements	67,836	67,836	67,836		67,836	-		67,836	67,836	67,836	-
Roosevelt High School	373,681	373,681	373,250		373,250	431		321,681	321,681	321,681	(51,569)
Washington Rose - New	310,790	310,790	282,635		282,635	28,155		323,790	323,790	323,790	41,155
Middle School - New	312,967	312,967	299,009		299,009	13,958		325,967	325,967	325,967	26,958
Centennial - New	152,387	152,387	137,478		137,478	14,909		165,387	165,387	165,387	27,909
Ulysses Byes - New	282,339	282,339	248,471		248,471	33,868		295,339	295,339	295,339	46,868
Capital Reserve Projects											
Technology - School Connectivity	911,822	911,822	868,341		868,341	43,481		911,822	911,822	911,822	43,481
Capital Reserve Projects											
District-wide Improvements	345,250	345,250	277,849		277,849	67,401		345,250	345,250	345,250	67,401
Roosevelt High School - Turf	1,000,000	1,000,000	1,000,000		1,000,000	-		1,000,000	1,000,000	1,000,000	-
Capital Reserve Projects											
District-wide Technology	1,139,896	1,139,896	1,137,987		1,137,987	1,909		1,139,896	1,139,896	1,139,896	1,909
District-wide Improvements	600,000	600,000	121,531		121,531	478,469		600,000	600,000	600,000	478,469
Bond Projects											
Centennial Phase I	22,785,481	22,785,481	22,785,481		22,785,481	-	22,785,481		22,785,481	22,785,481	-
Ulysses Byes - New	30,731,001	30,731,001	30,731,001		30,731,001	-	30,731,001		30,731,001	30,731,001	-
Washington Rose - New	29,111,393	29,111,393	29,111,393		29,111,393	-	29,111,393		29,111,393	29,111,393	-
Middle School - New	70,972,549	70,972,549	70,972,549		70,972,549	-	34,397,549	32,711,062	3,863,938	70,972,549	-
Roosevelt High School - New	10,097,394	10,097,394	10,097,394		10,097,394	-	9,171,867	925,527		10,097,394	-
Centennial Phase II	11,071,277	11,071,277	11,071,277	83,599	11,154,876	(83,599)	11,071,277			11,071,277	(83,599)
Roosevelt High School - 2010	68,827,079	68,827,079	66,801,482	2,871	66,804,353	2,022,726	61,876,430	1,340,649	5,610,000	68,827,079	2,022,726
Totals	\$ 252,351,331	\$ 252,351,331	\$ 249,438,318	\$ 86,470	\$ 249,524,788	\$ 2,826,543	\$ 199,144,998	\$ 34,977,238	\$ 18,229,095	\$ 252,351,331	\$ 2,826,543

ROOSEVELT UNION FREE SCHOOL DISTRICT
Schedule of Net Investment in Capital Assets
June 30, 2021

Capital assets, net	<u>\$ 189,605,504</u>
Deduct:	
Short-term portion of bonds payable	(9,755,000)
Long-term portion of bonds payable	(106,770,000)
Short-term portion of bond premium used for capital asset additions	(781,177)
Long-term portion of bond premium used for capital asset additions	(4,274,875)
Less:	
Unspent bond proceeds	<u>1,939,127</u>
	<u>(119,641,925)</u>
Net investment in capital assets	<u><u>\$ 69,963,579</u></u>