



FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION WITH
INDEPENDENT AUDITORS' REPORT

June 30, 2022

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 Ratio's	58
Other 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 Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

As discussed in note 2 to the financial statements, the District adopted the provisions of Governmental Accounting standards Board (GASB) Statement No. 87 - "Leases," during the year ended June 30, 2022. Our opinions are not modified with respect to this matter.

As discussed in note 19 to the financial statements, the District restated net position and fund balance of the general fund as of June 30, 2021. Our opinions are not modified with respect to this matter.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAP. 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 15, 2022 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 District's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
November 15, 2022

ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

The Roosevelt Union Free School District's (District) discussion and analysis of the financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2022 in comparison with the year ended June 30, 2021, 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 2022 are as follows:

- The District's total net position, as reflected in the district-wide financial statements, increased by \$7,862,653, or 22.96% to a deficit balance of \$26,388,992. This was due to an excess of revenues over expenses 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 \$121,805,582. Of this amount, \$17,912,030 was offset by program charges for services, operating grants and contributions, and capital grants. General revenues of \$111,756,205 amount to 86.19% of total revenues and were adequate to cover the balance of program expenses.
- The District's general fund fund balance, as reflected in the fund financial statements was \$30,064,845 at June 30, 2022. This balance represents a \$3,742,113 increase (14.22%) over the prior year due to an excess of revenues and other financing sources over expenditures and other financing uses, using the current financial resources measurement focus and the modified accrual basis of accounting, as follows:
 - Nonspendable fund balance decreased by \$26,035, which represents the change in prepaids.
 - Restricted fund balances decreased by \$300,977 due to use of reserves, offset by interest allocated to the reserves.
 - Assigned fund balance increased \$152,633, resulting from an increase in year-end encumbrances.
 - Unassigned fund balance increased by \$3,916,492 to \$7,171,767.
- The proposed budget for the 2022-23 school year in the amount of \$123,222,068, which is an increase of \$12,240,127 or 11.03%, was approved by voters on May 17, 2022. The property tax levy of \$23,682,482 is a 1.00% increase, which is less than the allowable tax cap of 3.82%.
- The District was awarded funding in the amount of \$3,653,938 allocated under the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act and \$16,182,185 under the American Rescue Plan (ARP) Act. As of June 30, 2022, the District has expended \$5,311,264 of these funds.

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 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 capital assets.

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.

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

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.

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 (OPEB), 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, 2021, were adjusted as a result of the implementation of GASB Statement No. 87, *Leases*, which required the District to record both capital assets and the related liability. In addition, the June 30, 2021 balances were adjusted to reflect prior year receivables that were deemed uncollectible, capital assets for items purchased in prior years, and net investment in capital assets for the inclusion of deferred charges from bond refunding and premiums on obligations. The following is a summary of those changes:

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

	As Restated June 30, 2021	As Reported June 30, 2021	Increase (Decrease)
Current and Other Assets	\$ 43,096,984	\$ 44,251,580	\$ (1,154,596)
Capital Assets, Net	190,265,797	189,605,504	660,293
Long-term Liabilities	128,872,404	128,548,567	323,837
Net Investment in Capital Assets	70,300,035	69,963,579	336,456
Unrestricted (Deficit)	(129,696,895)	(128,542,299)	1,154,596
Total Net Position (Deficit)	(34,251,645)	(33,433,505)	818,140

The District's total net position increased by \$7,862,653 between fiscal year 2022 and 2021. The increase is due to revenues in excess of expenses using the economic resources measurement focus and the accrual basis of accounting. A summary of the District's Statement of Net Position follows:

	2022	As Restated 2021	Increase (Decrease)	Percentage Change
Asset				
Current and Other Assets	\$ 50,201,656	\$ 43,096,984	\$ 7,104,672	16.49 %
Capital Assets, Net	185,702,726	190,265,797	(4,563,071)	(2.40)%
Net Pension Assets - Proportionate Share	36,575,576	-	36,575,576	100.00 %
Total Assets	272,479,958	233,362,781	39,117,177	16.76 %
Deferred Outflows of Resources	58,840,921	64,760,783	(5,919,862)	(9.14)%
Liabilities				
Current and Other Liabilities	13,521,246	11,074,124	2,447,122	22.10 %
Long-Term Liabilities	117,950,223	128,872,404	(10,922,181)	(8.48)%
Net Pension Liabilities - Proportionate Share	-	5,451,644	(5,451,644)	(100.00)%
Total OPEB Liability	132,934,698	157,510,410	(24,575,712)	(15.60)%
Total Liabilities	264,406,167	302,908,582	(38,502,415)	(12.71)%
Deferred Inflows of Resources	93,303,704	29,466,627	63,837,077	216.64 %
Net Position (Deficit)				
Net Investment in Capital Assets	75,594,785	70,300,035	5,294,750	7.53 %
Restricted	25,022,636	25,145,215	(122,579)	(0.49)%
Unrestricted (deficit)	(127,006,413)	(129,696,895)	2,690,482	2.07 %
Total Net Position (Deficit)	\$ (26,388,992)	\$ (34,251,645)	\$ 7,862,653	22.96 %

The increase in current and other assets is primarily related to increases in cash and amounts due from state and federal.

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

The decrease in capital assets, net is due to current year depreciation/amortization expenses in excess of capital asset additions. The accompanying Notes to Financial Statements, Note 10 "Capital Assets/Prior Period Adjustment," provides additional information.

Net pension assets – proportionate share represents the District's share of the New York State Teachers' Retirement System's and the New York State and Local Employees' Retirement System's collective net pension assets, at the measurement date of the respective year. In the current year, the District's proportionate shares shifted from liabilities to assets. The accompanying Notes to Financial Statements, Note 13 "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.

The increase in current and other liabilities is mainly due to increases in accounts payable and collections in advance.

The decrease in long-term liabilities is due to principal payments on debt, offset by an increase in the compensated absences liability.

Net pension liabilities – proportionate share represents the District's share of New York State Teachers' Retirement System's and the New York State and Local Employees' Retirement System's collective net pension liabilities, at the measurement date of the respective year. The decrease is due to the shift from net pension liabilities in the prior year, to net pension assets in the current year. The accompanying Notes to Financial Statements, Note 13 "Pension Plans – New York State" provides additional information.

Total OPEB liability decreased, based on the actuarial valuation of the plan. The accompanying Notes to Financial Statements, Note 15 "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/amortization and related outstanding debt. The accompanying Other Information, Schedule of Net Investment in Capital Assets provides additional information.

The restricted amount relates to the District's reserves, which decreased from the prior year due to the use of reserves, offset by interest earnings on reserve funds.

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.

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

B. Changes in Net Position

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, 2022 and 2021 is as follows:

	2022	2021	Increase (Decrease)	Percentage Change
Revenues				
Program Revenues				
Charges for Services	\$ 171,472	\$ 80,578	\$ 90,894	112.80 %
Operating Grants & Contributions	14,997,424	7,077,181	7,920,243	111.91 %
Capital Grants	2,743,134		2,743,134	100.00 %
General Revenues				
Property Taxes & STAR	23,478,914	23,460,328	18,586	0.08 %
State Sources	87,001,535	75,013,386	11,988,149	15.98 %
Other	1,275,756	840,250	435,506	51.83 %
Total Revenues	<u>129,668,235</u>	<u>106,471,723</u>	<u>23,196,512</u>	21.79 %
Expenses				
General Support	13,874,882	14,346,926	(472,044)	(3.29)%
Instruction	94,876,354	94,776,214	100,140	0.11 %
Pupil Transportation	6,540,448	4,516,933	2,023,515	44.80 %
Debt Service - Interest	3,927,708	4,329,059	(401,351)	(9.27)%
Food Service Program	2,586,190	2,168,327	417,863	19.27 %
Total Expenses	<u>121,805,582</u>	<u>120,137,459</u>	<u>1,668,123</u>	1.39 %
Change in Net Position	<u>\$ 7,862,653</u>	<u>\$ (13,665,736)</u>	<u>\$ 21,528,389</u>	157.54 %

The District's net position increased by \$7,862,653 and decreased by \$13,665,736 for the years ended June 30, 2022 and 2021, respectively.

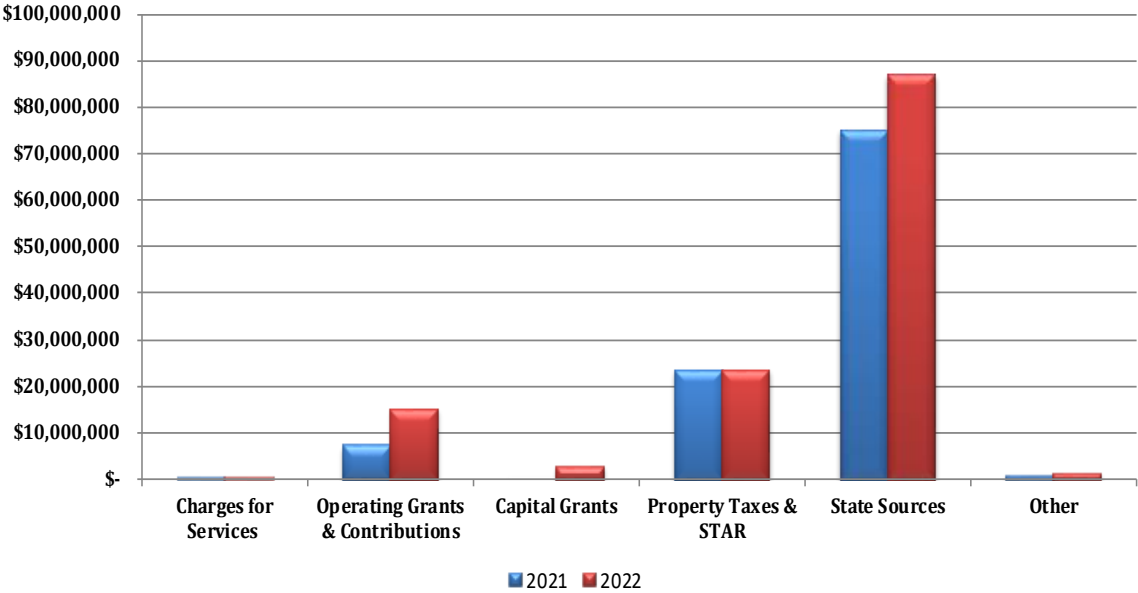
The District's revenues increased by \$23,196,512, or 21.79%, when compared to the prior year. This increase was primarily related to changes in state sources, operating grants and contributions, and capital grants due to the District receiving more in basic state aid than in prior years, as well as additional revenues from CRRSA and ARP grants.

The District's total expenses for the year increased by \$1,668,123, or 1.39%. The increase in expenses is mostly due to an increase in transportation expenses due to a rise in bus contract costs. General support expenses decreased due to a reduced need for COVID-19 supplies and maintenance than required in the previous year.

As indicated on the graphs that follow, state sources and real property taxes and STAR are the largest components of revenues recognized (i.e., 85.2% and 92.5% of the total for the years 2022 and 2021, respectively). Instruction expense is the largest category of expenses incurred (i.e., 77.9% and 78.9% of the total for the years 2022 and 2021, respectively).

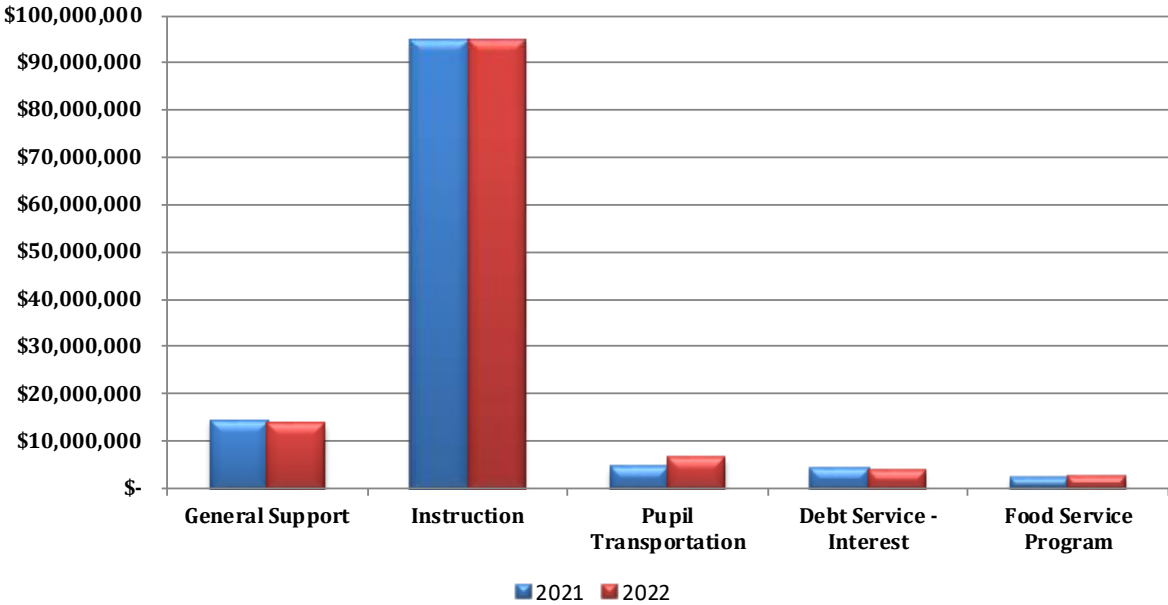
ROOSEVELT UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

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



	Charges for Services	Operating Grants & Contributions	Capital Grants	Property Taxes & STAR	State Sources	Other
2021	0.1%	6.6%	0.0%	22.0%	70.5%	0.8%
2022	0.1%	11.6%	2.1%	18.1%	67.1%	1.0%

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



	General Support	Instruction	Pupil Transportation	Debt Service - Interest	Food Service Program
2021	11.9%	78.9%	3.8%	3.6%	1.8%
2022	11.4%	77.9%	5.4%	3.2%	2.1%

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

4. FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At June 30, 2022, the District's governmental funds reported a combined fund balance of \$37,224,847, which is an increase of \$3,691,801, compared to the prior year. The increase is due to an excess of revenues and other financing sources over expenditures and other financing uses using the current financial resources measurement focus and the modified accrual basis of accounting. The June 30, 2021 balances in the general fund were adjusted to reflect a reduction in prior year receivables that were deemed uncollectible. A summary of the change in the components of fund balance by fund is as follows:

	<u>2022</u>	<u>As Restated 2021</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
General Fund				
Nonspendable: Prepays	\$ 416,125	\$ 442,160	\$ (26,035)	(5.89)%
Restricted:				
Workers' compensation	1,815,331	1,811,401	3,930	0.22 %
Unemployment insurance	1,077,268	1,074,936	2,332	0.22 %
Retirement contribution				
Teachers' retirement system	1,253,056	1,250,344	2,712	0.22 %
Employees' retirement system	3,075,819	3,069,161	6,658	0.22 %
Employee benefit accrued liability	4,128,316	4,119,379	8,937	0.22 %
Capital	8,799,664	9,129,856	(330,192)	(3.62)%
Repairs	2,146,021	2,141,375	4,646	0.22 %
Assigned:				
Designated for special program	28,584	28,584	-	0.00 %
Unappropriated fund balance	152,894	261	152,633	58480.08 %
Unassigned: Fund balance	7,171,767	3,255,275	3,916,492	120.31 %
	<u>30,064,845</u>	<u>26,322,732</u>	<u>3,742,113</u>	<u>14.22 %</u>
School Food Service Fund				
Nonspendable: Inventory	7,226	13,670	(6,444)	(47.14)%
Assigned: Unappropriated fund balance	3,055,726	2,464,544	591,182	23.99 %
	<u>3,062,952</u>	<u>2,478,214</u>	<u>584,738</u>	<u>23.60 %</u>
Debt Service Fund				
Restricted: Debt service	1,769,201	1,846,146	(76,945)	(4.17)%
Capital Projects Fund				
Restricted:				
Capital	954,678	682,582	272,096	39.86 %
Unspent bond proceeds	1,939,127	1,939,127	-	0.00 %
Assigned: Unappropriated fund balance	-	204,834	(204,834)	(100.00)%
Unassigned: Fund balance(deficit)	(613,890)	-	(613,890)	100.00 %
	<u>2,279,915</u>	<u>2,826,543</u>	<u>(546,628)</u>	<u>(19.34)%</u>
Extraclassroom Activities Fund				
Assigned: Unappropriated fund balance	44,652	39,376	5,276	13.40 %
Scholarships Fund				
Restricted: Scholarships	3,282	20,035	(16,753)	(83.62)%
Total Fund Balance	<u>\$ 37,224,847</u>	<u>\$ 33,533,046</u>	<u>\$ 3,691,801</u>	<u>11.01 %</u>

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

A. General Fund

The general fund – fund balance is a net increase of \$3,742,113, compared to a net decrease of \$1,494,645 in 2021. This resulted from revenues and other financing sources in excess of expenditures and other financing uses.

Revenues and other financing sources increased by \$13,692,935, or 13.62%, as compared to the prior year. The following is a summary of the major changes:

- Other financing sources increased due to the District receiving, in the current year, reimbursement on Smart Schools Bond Act expenditures incurred in previous years.
- State sources increased mainly due to more basic formula aid and excess cost aids, which were offset by a decrease in BOCES aid.

Expenditures and other financing uses increased by \$8,456,177, or 8.29%, as compared to the prior year. The following is a summary of the major changes:

- Instruction increased due to routine salary and step increases, coupled with additional staffing due to COVID-19 protocols.
- Pupil transportation increased due to a rise in bus contract costs.
- Employee benefits increased due to higher pension contributions in relation to the increase in covered salaries, for the District’s liabilities to the New York State Teachers’ Retirement and Employees’ Retirement Systems, as well as social security due to salary increases.
- General support increased due to implemented COVID-19 regulations, resulting in increased security, additional employees hired for cleaning and maintenance, and an increase in supplies for desk guards, sanitizers, and cleaning products.

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

	Balance @ June 30, 2021	Use of Reserves	Interest	Funding	Balance @ June 30, 2022
Workers' compensation	\$ 1,811,401	\$	\$ 3,930	\$	\$ 1,815,331
Unemployment insurance	1,074,936		2,332		1,077,268
Retirement contribution					
TRS	1,250,344		2,712		1,253,056
ERS	3,069,161		6,658		3,075,819
EBALR	4,119,379		8,937		4,128,316
Capital	9,129,856	(350,000)	19,808		8,799,664
Repairs	2,141,375		4,646		2,146,021
	<u>\$ 22,596,452</u>	<u>\$ (350,000)</u>	<u>\$ 49,023</u>	<u>\$ -</u>	<u>\$ 22,295,475</u>

Additional detail regarding capital reserves can be found in Note 18 “Restricted for Capital Reserve.”

B. School Food Service Fund

The school food service fund - fund balance net increase can be attributed to greater state and federal reimbursements, the result of granting school districts waivers, which authorized the distribution of free meals to all students. The District also met certain eligibility requirements to receive \$67,510 of supply chain assistance funds during the fiscal year ended June 30, 2022. The District plans on utilizing these funds in the 2022 – 2023 school year for allowable costs under the program.

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

C. Debt Service Fund

The debt service fund – fund balance net decrease represents a transfer to the general fund, offset by interest earnings.

D. Capital Projects Fund

The capital projects fund – fund balance net decrease is the result of expenditures related to ongoing capital improvement projects, offset by an operating transfer in from the general fund for the installation of a new security booth at the high school.

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

	Balance @ June 30, 2021	Use of Reserves	Funding	Balance @ June 30, 2022
Capital improvements	\$ 637,192	\$ (77,904)	\$ 350,000	\$ 909,288
Technology	45,390			45,390
	\$ 682,582	\$ (77,904)	\$ 350,000	\$ 954,678

E. Extraclassroom Activities Fund

The extraclassroom activities fund – fund balance net increase is attributable to cash receipts from fundraising and collections for student clubs activities exceeding disbursements related to those activities.

F. Scholarships Fund

The scholarships fund – fund balance net decrease is the result of scholarships awarded exceeding scholarship donations.

5. GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2021-2022 Budget

The District’s general fund adopted budget for the year ended June 30, 2022 was \$110,981,941. This amount was increased by encumbrances carried forward from the prior year in the amount of \$261 and budget revisions in the amount of \$430,000, for a total final budget of \$111,412,202.

The final budget was funded through a combination of estimated revenues and appropriated fund balance. The majority of this funding source was \$86,983,939 in estimated state aid.

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

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 and other financing sources over expenditures and other financing uses, 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, as Restated	\$ 3,255,275
Revenues and Other Financing Sources Over Budget	3,148,397
Expenditures, Other Financing Uses, and Encumbrances Under Budget	791,083
Net Change in Nonspendable Fund Balance	26,035
Allocation to Reserves	<u>(49,023)</u>
Closing, Unassigned Fund Balance	<u>\$ 7,171,767</u>

Opening, Unassigned Fund Balance, As Restated

The \$3,255,275 shown in the table is the portion of the District's June 30, 2021 fund balance that was retained as unassigned. The June 30, 2021 balance was adjusted to reflect a reduction in prior year receivables that were deemed uncollectible.

Revenues and Other Financing Sources Over Budget

The 2021-2022 final budget for revenues and other financing sources was \$111,061,941. Actual revenues and other financing sources recognized for the year were \$114,210,338. The amount of actual revenues and other financing sources more than budgeted revenues and other financing sources was \$3,148,397, which contributes directly to the change to the general fund unassigned fund balance from June 30, 2021 to June 30, 2022. The accompanying Required Supplementary Information, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund, provides additional information.

Expenditures, Other Financing Uses, and Encumbrances Under Budget

The 2021-2022 final budget for expenditures and other financing uses was \$111,412,202. Actual expenditures and other financing uses as of June 30, 2022 were \$110,468,225 and outstanding encumbrances were \$152,894. Combined, the expenditures, other financing uses, plus encumbrances for 2021-2022 were \$110,621,119. The final budget variance was \$791,083, which contributes to the change to the general fund unassigned fund balance from June 30, 2021 to June 30, 2022. The accompanying Required Supplementary Information, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund, provides additional information.

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

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 to, and funding transfers from, the reserves.

Closing, Unassigned Fund Balance

Based upon the summary changes shown in the previous table, the unassigned fund balance at June 30, 2022 was \$7,171,767. This is an increase of \$3,916,492 compared to the unassigned balance as of June 30, 2021. This amount equals 5.84% of the 2022-2023 budget, and is in excess of the 4% statutory limit.

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

A. Capital Assets

At June 30, 2022, 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/amortization expense of \$6,030,470 in excess of capital additions of \$1,467,399, recorded for the year ended June 30, 2022. A summary of the District's capital assets, net of accumulated depreciation/amortization at June 30, 2022 and 2021 is as follows:

	<u>2022</u>	<u>As Restated 2021</u>	<u>Increase (Decrease)</u>
Land	\$ 650,000	\$ 650,000	\$ -
Construction in progress	77,903	-	77,903
Buildings and improvements	180,924,851	186,184,848	(5,259,997)
Site improvements	1,101,691	1,175,145	(73,454)
Furniture and equipment	2,666,666	1,897,981	768,685
Vehicles	23,643	33,986	(10,343)
Leased equipment and fixtures	<u>257,972</u>	<u>323,837</u>	<u>(65,865)</u>
Capital assets, net	<u>\$ 185,702,726</u>	<u>\$ 190,265,797</u>	<u>\$ (4,563,071)</u>

The District implemented GASB Statement No. 87 during the June 30, 2022 year; the June 30, 2021 balances have been restated to reflect the addition of leased equipment and fixtures. In addition, the June 30, 2021 capital assets and the related accumulated depreciation were adjusted to reflect assets purchased in prior years.

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

B. Debt Administration

At June 30, 2022, the District had combined total debt of \$107,028,884. The decreases in outstanding debt represent principal payments made throughout the year. A summary of the outstanding debt at June 30, 2022 and 2021 is as follows:

Issue / Commencement Date	Interest Rate	2022	As Restated 2021	Increase (Decrease)
Bonds Payable				
12/11/2012	1.25-4.125%	\$ 2,090,000	\$ 2,460,000	\$ (370,000)
8/13/2013	0.60-4.00%	24,540,000	29,640,000	(5,100,000)
10/8/2014	1.00-3.00%	28,755,000	30,295,000	(1,540,000)
11/3/2016	3.00-5.00%	51,385,000	54,130,000	(2,745,000)
		<u>\$ 106,770,000</u>	<u>\$ 116,525,000</u>	<u>\$ (9,755,000)</u>
Lease Liabilities				
6/15/2022	0.71%	\$ 258,884	\$ 323,837	\$ (64,953)

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.

The District implemented GASB No. 87 during the June 30, 2022 year; the June 30, 2021 balances have been restated to reflect the addition of lease liabilities.

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, 2022 and 2021 is as follows:

	2022	2021	Increase (Decrease)
Compensated absences payable	\$ 4,318,092	\$ 4,277,623	\$ 40,469
Net pension liabilities - proportionate share	-	5,451,644	(5,451,644)
Total OPEB liability	<u>132,934,698</u>	<u>157,510,410</u>	<u>(24,575,712)</u>
	<u>\$ 137,252,790</u>	<u>\$ 167,239,677</u>	<u>\$ (29,986,887)</u>

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

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 17, 2022, for the year ending June 30, 2023, is \$123,222,068. This is an increase of \$12,240,127 or 11.03% over the previous year's budget.

The District budgeted revenues other than property taxes and STAR at a \$12,005,647 increase over the prior year's estimate, which is principally due to an estimated increase in state aid. The District elected not to appropriate fund balance or reserves for the subsequent year. A property tax increase of \$234,480 (1.00%), levy to levy, was needed to meet the funding shortfall and cover the increase in appropriations.

B. Future Budgets

Dwindling state and federal support of initiatives established during the pandemic, the continued need for additional resources to close learning gaps, fluctuating rates in this inflationary environment, and increases in charges of fuel, goods, and borrowing costs may 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 2022-2023 is 3.82%. The District's 2022-2023 property tax levy increase of 1.00% was less than the tax cap and did not require an override vote.

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, 2022

ASSETS

Cash	
Unrestricted	\$ 10,102,204
Restricted	26,961,763
Receivables	
Accounts receivable	307,936
Due from state and federal	11,164,782
Due from other governments	1,241,620
Prepays	416,125
Inventories	7,226
Capital assets not being depreciated/amortized	727,903
Capital assets being depreciated/amortized, net of accumulated depreciation/amortization	184,974,823
Net pension assets - proportionate share	36,575,576
Total Assets	<u>272,479,958</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred charges on advance refunding, net	1,585,063
Pensions	23,308,468
Other postemployment benefits	33,947,390
Total Deferred Outflows of Resources	<u>58,840,921</u>

LIABILITIES

Payables	
Accounts payable	4,352,461
Accrued liabilities	3,414,898
Due to other governments	546
Due to teachers' retirement system	4,042,928
Due to employees' retirement system	192,772
Compensated absences payable	155,920
Other liabilities	52,026
Unearned credits	
Collections in advance	1,309,695
Long-term liabilities	
Due and payable within one year	
Bonds payable	10,230,000
Bond premium	1,034,055
Lease liabilities	65,415
Compensated absences payable	268,577
Due and payable after one year	
Bonds payable	96,540,000
Bond premium	5,569,192
Lease liabilities	193,469
Compensated absences payable	4,049,515
Total other postemployment benefits liability	132,934,698
Total Liabilities	<u>264,406,167</u>

DEFERRED INFLOWS OF RESOURCES

Pensions	44,671,970
Other postemployment benefits	48,631,734
Total Deferred Inflows of Resources	<u>93,303,704</u>

NET POSITION (DEFICIT)

Net investment in capital assets	75,594,785
Restricted	
Workers' compensation	1,815,331
Unemployment insurance	1,077,268
Retirement contribution	
Teachers' retirement system	1,253,056
Employees' retirement system	3,075,819
Employee benefit accrued liability	4,128,316
Capital	9,754,342
Repairs	2,146,021
Debt service	1,769,201
Scholarships	3,282
	<u>25,022,636</u>
Unrestricted (Deficit)	<u>(127,006,413)</u>
Total Net Position (Deficit)	<u>\$ (26,388,992)</u>

See Notes to Financial Statements

ROOSEVELT UNION FREE SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2022

		Program Revenues				Net (Expense) Revenue and Changes in Net Position
Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants			
FUNCTIONS/PROGRAMS						
General support	\$ 13,874,882	\$	\$	\$	\$	(13,874,882)
Instruction	94,876,354	64,797	11,978,551	2,743,134		(80,089,872)
Pupil transportation	6,540,448					(6,540,448)
Debt service - interest	3,927,708					(3,927,708)
Food service program	2,586,190	106,675	3,018,873			539,358
	<u>\$ 121,805,582</u>	<u>\$ 171,472</u>	<u>\$ 14,997,424</u>	<u>\$ 2,743,134</u>		<u>(103,893,552)</u>
GENERAL REVENUES						
Real property taxes						21,027,340
Other tax items						2,569,255
Use of money and property						59,465
Sale of property and compensation for loss						5,066
Miscellaneous						819,277
State sources						87,001,535
Medicaid reimbursement						274,267
Total General Revenues						111,756,205
Change in Net Position						7,862,653
Total Net Position (Deficit) - Beginning of Year, as Restated						(34,251,645)
Total Net Position (Deficit) - End of Year						\$ (26,388,992)

ROOSEVELT UNION FREE SCHOOL DISTRICT
Balance Sheet - Governmental Funds
June 30, 2022

	General	Special Aid	School Food Service	Debt Service	Capital Projects	Extraclassroom Activities	Scholarships	Total Governmental Funds
ASSETS								
Cash								
Unrestricted	\$ 4,784,865	\$ 1,904,709	\$ 3,107,975	\$ 260,003	\$	\$ 44,652	\$	\$ 10,102,204
Restricted	22,862,438			1,769,201	2,326,842		3,282	26,961,763
Receivables								
Accounts receivable	31,706	276,230						307,936
Due from other funds	9,580,072	2,064,863	150,120	14,386	356,345			12,165,786
Due from state and federal	2,890,964	6,943,013	512,080		818,725			11,164,782
Due from other governments	1,241,620							1,241,620
Prepays	416,125							416,125
Inventories			7,226					7,226
Total Assets	<u>\$ 41,807,790</u>	<u>\$ 11,188,815</u>	<u>\$ 3,777,401</u>	<u>\$ 2,043,590</u>	<u>\$ 3,501,912</u>	<u>\$ 44,652</u>	<u>\$ 3,282</u>	<u>\$ 62,367,442</u>
LIABILITIES								
Payables								
Accounts payable	\$ 3,270,005	\$ 743,486	\$ 194,083	\$	\$ 144,887	\$	\$	\$ 4,352,461
Accrued liabilities	1,930,119	37,132	19,013					1,986,264
Due to other funds	2,033,703	9,166,012	433,297	274,389	258,385			12,165,786
Due to other governments			546					546
Due to teachers' retirement system	4,042,928							4,042,928
Due to employees' retirement system	192,772							192,772
Compensated absences payable	155,920							155,920
Other liabilities	52,026							52,026
Unearned credits								
Collections in advance		1,242,185	67,510					1,309,695
Total Liabilities	<u>11,677,473</u>	<u>11,188,815</u>	<u>714,449</u>	<u>274,389</u>	<u>403,272</u>	<u>-</u>	<u>-</u>	<u>24,258,398</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenues	65,472				818,725			884,197
FUND BALANCES								
Nonspendable:								
Prepays	416,125							416,125
Inventories			7,226					7,226
Restricted:								
Workers' compensation	1,815,331							1,815,331
Unemployment insurance	1,077,268							1,077,268
Retirement contribution								
Teachers' retirement system	1,253,056							1,253,056
Employees' retirement system	3,075,819							3,075,819
Employee benefit accrued liability	4,128,316							4,128,316
Capital	8,799,664				954,678			9,754,342
Repairs	2,146,021							2,146,021
Debt				1,769,201				1,769,201
Unspent bond proceeds					1,939,127			1,939,127
Scholarships							3,282	3,282
Assigned:								
Designated for special programs	28,584							28,584
Unappropriated fund balance	152,894		3,055,726			44,652		3,253,272
Unassigned: Fund balance (deficit)	7,171,767				(613,890)			6,557,877
Total Fund Balances	<u>30,064,845</u>	<u>-</u>	<u>3,062,952</u>	<u>1,769,201</u>	<u>2,279,915</u>	<u>44,652</u>	<u>3,282</u>	<u>37,224,847</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 41,807,790</u>	<u>\$ 11,188,815</u>	<u>\$ 3,777,401</u>	<u>\$ 2,043,590</u>	<u>\$ 3,501,912</u>	<u>\$ 44,652</u>	<u>\$ 3,282</u>	<u>\$ 62,367,442</u>

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

June 30, 2022

Total Governmental Fund Balances \$ 37,224,847

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

The costs of building, acquiring, and leasing capital assets 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	\$ 269,118,807	
Less: Accumulated depreciation/amortization	<u>(83,416,081)</u>	
		185,702,726

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

Net pension assets - teachers' retirement system	35,086,525	
Net pension assets - employees' retirement system	1,489,051	
Deferred outflows of resources	23,308,468	
Deferred inflows of resources	<u>(44,671,970)</u>	
		15,212,074

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	3,254,017	
Less: accumulated amortization	<u>(1,668,954)</u>	
		1,585,063

Total other postemployment benefits liability, as well as 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	33,947,390	
Total other postemployment benefits liability	(132,934,698)	
Deferred inflows of resources	<u>(48,631,734)</u>	
		(147,619,042)

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.

884,197

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	(1,428,634)	
Bonds payable	(106,770,000)	
Bond premium	(6,603,247)	
Lease liabilities	(258,884)	
Compensated absences payable	<u>(4,318,092)</u>	
		(119,378,857)

Total Net Position (Deficit)		<u>\$ (26,388,992)</u>
------------------------------	--	------------------------

ROOSEVELT UNION FREE SCHOOL DISTRICT
Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2022

	General	Special Aid	School Food Service	Debt Service	Capital Projects	Extraclassroom Activities	Scholarships	Total Governmental Funds
REVENUES								
Real property taxes	\$ 21,027,340	\$	\$	\$	\$	\$	\$	\$ 21,027,340
Other tax items	2,569,255							2,569,255
Charges for services	118,164							118,164
Use of money and property	52,848		3,562	3,055				59,465
Sale of property and compensation for loss	5,066							5,066
Miscellaneous	819,277	741,109	4,580			64,797	1,500	1,631,263
State sources	86,999,580	2,775,639	51,875		1,924,409			91,751,503
Medicaid reimbursement	274,267							274,267
Federal sources	340,132	8,120,171	2,970,199					11,430,502
Sales			102,095					102,095
Total Revenues	112,205,929	11,636,919	3,132,311	3,055	1,924,409	64,797	1,500	128,968,920
EXPENDITURES								
General support	11,180,193							11,180,193
Instruction	58,712,726	11,407,618				59,521	18,253	70,198,118
Pupil transportation	6,111,352	404,332						6,515,684
Employee benefits	18,996,909							18,996,909
Debt service								
Principal	64,953			9,755,000				9,819,953
Interest	2,088			5,119,973				5,122,061
Food service program			2,547,573					2,547,573
Capital outlay					896,628			896,628
Total Expenditures	95,068,221	11,811,950	2,547,573	14,874,973	896,628	59,521	18,253	125,277,119
Excess (Deficiency) of Revenues Over Expenditures	17,137,708	(175,031)	584,738	(14,871,918)	1,027,781	5,276	(16,753)	3,691,801
OTHER FINANCING SOURCES AND (USES)								
Operating transfers in	2,004,409	175,031		14,874,973	350,000			17,404,413
Operating transfers (out)	(15,400,004)			(80,000)	(1,924,409)			(17,404,413)
Total Other Financing Sources and (Uses)	(13,395,595)	175,031	-	14,794,973	(1,574,409)	-	-	-
Net Change in Fund Balances	3,742,113	-	584,738	(76,945)	(546,628)	5,276	(16,753)	3,691,801
Fund Balances - Beginning of Year, as Restated	26,322,732	-	2,478,214	1,846,146	2,826,543	39,376	20,035	33,533,046
Fund Balances - End of Year	\$ 30,064,845	\$ -	\$ 3,062,952	\$ 1,769,201	\$ 2,279,915	\$ 44,652	\$ 3,282	\$ 37,224,847

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, 2022

Net Change in Fund Balances \$ 3,691,801

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

Long-Term Revenue and Expense Differences

In the Statement of Activities, certain operating revenues are measured by the amounts earned during the year. In the governmental funds, however, revenues for these items are measured by the amount of financial resources provided (essentially the amounts received).

\$ 699,315

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

(40,469)

658,846

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/amortization expenses in the Statement of Activities. This is the amount by which depreciation/amortization expense exceeded capital outlays and other additions in the period.

Capital outlays and other additions, net of disposals
 Depreciation/amortization expense

1,467,399

(6,030,470)

(4,563,071)

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.

927,918

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
 Repayment of lease liabilities

9,755,000

64,953

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, 2021 to June 30, 2022.

266,435

11,014,306

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
 Employees' retirement system
 Other postemployment benefits

5,704,762

606,808

(9,250,799)

(2,939,229)

Change in Net Position of Governmental Activities

\$ 7,862,653

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 (Board) 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. 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 and contributions include operating-specific and discretionary (either operating or capital) grants and contributions, 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 type:

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.

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.

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

Extraclassroom Activities Fund – is used to account for the funds operated by and for the students of the District. The Board exercises general oversight of these funds. The extraclassroom activity funds are independent of the District with respect to its financial transactions and the designation of student management. Separate audited financial statements of the extraclassroom activity funds can be found at the District’s Business Office.

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.

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

E. Real Property Taxes and Other Tax Items

Calendar

Real property taxes are levied annually by the Board 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.

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.

School Tax Relief (STAR) Aid

New York State implemented the STAR program with the enactment of Chapter 389 of the Laws of 1997 to reduce the school property tax burden on residential homeowners. A school district's annual property tax levy as adopted is reduced by the total amount of the STAR exemptions granted to homeowners. School districts are reimbursed for this loss in property tax revenues by the state with STAR aid, which is reported as other tax items revenues.

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 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 \$82,450 in LIPA PILOT revenue during the 2021-2022 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

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

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.

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.

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

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 assets on the Statement of Net Position and Balance Sheet using the consumption method.

Under the consumption method, a current asset for the inventory and/or prepaid item 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.

All capital assets, except land and construction in progress, are depreciated/amortized 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
Site improvements	500	20 years
Furniture and equipment	500	5-20 years
Vehicles	500	8 years
Leased equipment and fixtures	500	5 years

N. Deferred Outflows of Resources

Deferred outflows of resources, in the Statement of Net Position, represents a consumption of net assets 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 assets or liabilities 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.

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

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.

No short-term debt was issued during the year ended June 30, 2022.

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, such as supply chain assistance monies in the school food service fund and grants in the special aid fund. 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.

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 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.

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

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, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

S. Long-Term Debt

The District borrows money in order to acquire land or equipment, construct buildings, or make improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government. The repayment of principal and interest will be in the general fund and debt service fund.

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

In the district-wide financial statements, premiums received on long-term debt issuances are amortized over the life of the bonds.

T. Deferred Inflows of Resources

Deferred inflows of resources represents an acquisition of net assets 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 and capital grants. 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 assets or liabilities not included in collective pension expense. The third 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.

U. Equity Classifications

District-Wide Statements

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

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

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

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 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.

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

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 on long-term borrowings 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. CHANGE IN ACCOUNTING PRINCIPLES

For the fiscal year ended June 30, 2022, the District implemented GASB Statement No. 87, *Leases*, which provides guidance for identifying certain leased assets and liabilities for leases that were previously classified as operating leases and recognized as inflows or outflows of resources based on payment provisions of the contract.

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 statements 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, 2023	GASB No. 96 - <i>Subscription Based Information Technology Arrangements</i>

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users.

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 deferred outflows of resources, long-term assets and liabilities, and deferred inflows of resources.

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/amortization 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's 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. The following supplemental appropriations occurred during the year:

Appropriations funded by capital reserve	\$ 350,000
Contingent expenditures funded by debt service	<u>80,000</u>
	<u>\$ 430,000</u>

Budgets are adopted annually on a basis consistent with GAAP.

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

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.

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.

C. Unassigned Fund Balance

The District's general fund unassigned fund balance was in excess of the New York State Real Property Tax Law §1318 limit, which restricts it to an amount not greater than 4% of the District's budget for the upcoming school year. The District is in the process of formulating a plan to reduce the unassigned fund balance to be within the permissible limit. This plan will address funding its reserves to a fiscally prudent level and the capital needs of the District.

D. Capital Projects Fund

The capital projects fund has an unassigned fund balance deficit of \$613,890. This will be funded when the District recognizes revenue from the SSBA grant.

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.

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

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 3-A and 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, 2022 are \$534,631,412, which consisted of \$171,432,734 in collateralized bank deposits, \$265,100,000 in repurchase agreements, \$204,231 in cash and \$97,894,447 in U.S. Treasury Securities, with various interest rates and due dates.

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

Fund	Carrying Amount
General	\$ 19,753,788
Special Aid	1,669,743
School Food Service	2,430,076
	\$ 23,853,607

The lead agent of NYLAF is the Red Hook Central School District of Red Hook, NY. 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, 2022, the District was billed \$8,983,275 for BOCES administrative and program costs. The District's share of BOCES aid amounted to \$1,597,927. 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, 2022 consisted of:

General Fund	
New York State - general and excess cost aid	\$ 1,868,454
BOCES aid	721,970
Federal CARES Act	299,494
Medicaid	1,046
	2,890,964
Special Aid Fund	
Federal and state grants	6,943,013
School Food Service Fund	
Federal and state food service program reimbursements	512,080
Capital Projects Fund	
New York State - Smart Schools Bond Act	818,725
	\$ 11,164,782

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, 2022 consisted of:

General Fund	
Nassau County - property taxes	\$ 1,045,093
Tuition - other districts	109,591
Department of social services	26,121
Reserve officers' training corps	4,091
PILOT	<u>56,724</u>
	<u>\$ 1,241,620</u>

District management expects these amounts to be fully collectible.

10. CAPITAL ASSETS/PRIOR PERIOD ADJUSTMENT

A. Changes

During the year ended June 30, 2022, the District implemented GASB Statement No. 87, which resulted in the reporting of a change in capital assets. As a result, capital assets at June 30, 2021, were increased \$323,837. In addition, the June 30, 2021 amounts were restated to reflect capital assets and the accumulated depreciation/amortization for items purchased in prior years that were not previously reported. The adjustments to the June 30, 2021 capital assets and accumulated depreciation/amortization balances are as follows:

	<u>As Reported</u> <u>June 30, 2021</u>	<u>As Restated</u> <u>June 30, 2021</u>	<u>Increase</u> <u>(Decrease)</u>
Governmental activities			
Capital assets not being depreciated/amortized:			
Land	\$ 650,000	\$ 650,000	\$ -
Capital assets being depreciated/amortized:			
Buildings and improvements	258,258,995	258,258,995	
Site improvements	1,770,797	1,770,797	
Furniture and equipment	6,508,135	6,928,706	420,571
Vehicles	193,354	193,354	-
Leased equipment and fixtures		<u>323,837</u>	<u>323,837</u>
Total capital assets being depreciated/amortized	<u>266,731,281</u>	<u>267,475,689</u>	<u>744,408</u>
Less accumulated depreciation/amortization for:			
Buildings and improvements	72,074,147	72,074,147	-
Site improvements	595,652	595,652	-
Furniture and equipment	4,946,610	5,030,725	84,115
Vehicles	159,368	159,368	-
Leased equipment and fixtures			
Total accumulated depreciation/ amortization	<u>77,775,777</u>	<u>77,859,892</u>	<u>84,115</u>
Total capital assets being depreciated/amortized, net	<u>188,955,504</u>	<u>189,615,797</u>	<u>660,293</u>
Capital assets, net	<u>\$189,605,504</u>	<u>\$190,265,797</u>	<u>\$ 660,293</u>

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

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

	As Restated Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022
Governmental activities				
Capital assets not being depreciated/amortized:				
Land	\$ 650,000	\$	\$	\$ 650,000
Construction in progress		896,628	(818,725)	77,903
Total capital assets not being depreciated/amortized	<u>650,000</u>	<u>896,628</u>	<u>(818,725)</u>	<u>727,903</u>
Capital assets being depreciated/amortized:				
Buildings and improvements	258,258,995			258,258,995
Site improvements	1,770,797			1,770,797
Furniture and equipment	6,928,706	1,389,496	(474,281)	7,843,921
Vehicles	193,354			193,354
Leased equipment and fixtures	323,837			323,837
Total capital assets being depreciated/amortized	<u>267,475,689</u>	<u>1,389,496</u>	<u>(474,281)</u>	<u>268,390,904</u>
Less accumulated depreciation/amortization for:				
Buildings and improvements	72,074,147	5,259,997		77,334,144
Site improvements	595,652	73,454		669,106
Furniture and equipment	5,030,725	620,811	(474,281)	5,177,255
Vehicles	159,368	10,343		169,711
Leased equipment and fixtures	-	65,865		65,865
Total accumulated depreciation/ amortization	<u>77,859,892</u>	<u>6,030,470</u>	<u>(474,281)</u>	<u>83,416,081</u>
Total capital assets being depreciated/amortized, net	<u>189,615,797</u>	<u>(4,640,974)</u>	<u>-</u>	<u>184,974,823</u>
Capital assets, net	<u>\$ 190,265,797</u>	<u>\$ (3,744,346)</u>	<u>\$ (818,725)</u>	<u>\$ 185,702,726</u>

Depreciation/amortization expense was charged to governmental functions as follows:

General support	\$ 197,024
Instruction	5,794,829
Food service program	<u>38,617</u>
Total depreciation/amortization expense	<u>\$ 6,030,470</u>

B. Lease Liabilities

The District has entered into a lease arrangement that is subject to GASB Statement No. 87. The terms of this lease is 5 years with a discount rate of 0.71%. This lease is included in leased equipment and fixtures as indicated in the previous table. The District has not provided any residual value guarantees related to these leased capital assets.

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

C. Impairment Losses

The District evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. The District's policy is to record an impairment loss in the period when the District determines that the carrying amount of the asset will not be recoverable. At June 30, 2022, the District has not recorded any such impairment losses.

11. INTERFUND TRANSACTIONS

Interfund balances and activities at June 30, 2022 are as follows:

	Interfund			
	Receivable	Payable	Transfers In	Transfers Out
General Fund	\$ 9,580,072	\$ 2,033,703	\$ 2,004,409	\$ 15,400,004
Special Aid Fund	2,064,863	9,166,012	175,031	
School Food Service Fund	150,120	433,297		
Debt Service Fund	14,386	274,389	14,874,973	80,000
Capital Projects Fund	356,345	258,385	350,000	1,924,409
Total Governmental Funds	<u>\$ 12,165,786</u>	<u>\$ 12,165,786</u>	<u>\$ 17,404,413</u>	<u>\$ 17,404,413</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 current year debt expenditures. The transfer to the capital projects fund was to provide funding for capital improvement projects. The District also had a board-approved transfer from debt service to the general fund to cover studies related to bond projects. The transfer from the capital projects fund to the general fund represents Smart Schools Bond Act grant money received that was used to reimburse the general fund for eligible grant fund expenditures.

12. LONG-TERM LIABILITIES

A. Changes

During the year ended June 30, 2022, the District implemented GASB Statement No. 87, which resulted in the reporting of lease liabilities. As a result, long-term liabilities at June 30, 2021 were increased by \$323,837. Long-term liability balances and activity, excluding pension and other postemployment benefits liabilities for the year are summarized below:

	As Restated			Balance	Amounts
	Balance				
	June 30, 2021	Additions	Reductions	June 30, 2022	One Year
Long-term debt:					
Bonds payable	\$ 116,525,000	\$	\$ (9,755,000)	\$106,770,000	\$ 10,230,000
Bond premium	7,745,944		(1,142,697)	6,603,247	1,034,055
	<u>124,270,944</u>	-	<u>(10,897,697)</u>	<u>113,373,247</u>	<u>11,264,055</u>
Lease liabilities	323,837		(64,953)	258,884	65,415
Other long-term liabilities:					
Compensated absences	4,277,623	40,469		4,318,092	268,577
	<u>\$ 128,872,404</u>	<u>\$ 40,469</u>	<u>\$ (10,962,650)</u>	<u>\$117,950,223</u>	<u>\$ 11,598,047</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, 2022
Qualified School Construction	12/11/2012	12/15/2026	1.25-4.125%	\$ 2,090,000
DASNY 2013F	8/13/2013	8/15/2027	0.60-4.00%	24,540,000
DASNY 2014E	10/8/2014	1/1/2035	1.00-3.00%	28,755,000
DASNY 2016K	11/3/2016	12/1/2036	3.00-5.00%	<u>51,385,000</u>
				<u>\$106,770,000</u>

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

Year Ending June 30,	Principal	Interest	Total
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	8,010,000	2,670,150	10,680,150
2028 - 2032	29,500,000	9,393,553	38,893,553
2033 - 2037	<u>27,290,000</u>	<u>2,811,950</u>	<u>30,101,950</u>
Total	<u>\$106,770,000</u>	<u>\$ 30,100,253</u>	<u>\$136,870,253</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 weighted average 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)
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	154,473	(591,751)	(437,278)
2028 - 2032	552,073	(2,057,043)	(1,504,970)
2033 - 2037	<u>136,475</u>	<u>(505,922)</u>	<u>(369,447)</u>
Total	<u>\$ 1,585,063</u>	<u>\$ (6,603,247)</u>	<u>\$ (5,018,184)</u>

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

D. Lease Liabilities

Lease liabilities are comprised of the following:

Description	Commencement Date	Final Maturity	Interest Rate	Outstanding at June 30, 2022
Xerox Machines - LOI 785896	6/15/2022	5/15/2026	0.71%	<u>\$ 258,884</u>

The following is a summary of debt service requirements for lease liabilities:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 65,415	\$ 1,625	\$ 67,040
2024	65,881	1,160	67,041
2025	66,351	690	67,041
2026	<u>61,237</u>	<u>218</u>	<u>61,455</u>
Total	<u>\$ 258,884</u>	<u>\$ 3,693</u>	<u>\$ 262,577</u>

There were no additional lease commitments entered into by the District after June 30, 2022.

E. Interest Expense

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

Interest paid	\$ 5,122,061
Less interest accrued in the prior year	(1,695,069)
Plus interest accrued in the current year	1,428,634
Plus amortization of deferred charges on refunding	214,779
Less amortization of bond premium	<u>(1,142,697)</u>
Total interest expense on long-term debt	<u>\$ 3,927,708</u>

F. Bond Default

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.

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

13. 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, defined benefit, 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.

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

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

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 9.53% of covered payroll for the TRS' fiscal year ended June 30, 2021. The District's average contribution rate was 15.35% of covered payroll for the ERS' fiscal year ended March 31, 2022.

The District's share of the required contributions, based on covered payroll for the District's year ended June 30, 2022 was \$3,548,801 for TRS at the contribution rate of 9.80% and \$870,610 for ERS at an average contribution rate of 11.56%.

D. Pension Asset/(Liability), Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

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

	TRS	ERS
Measurement date	June 30, 2021	March 31, 2022
District's proportionate share of the net pension asset	\$ 35,086,525	\$ 1,489,051
District's portion of the Plan's total net pension asset	0.202472%	0.0182156%
Change in proportion since the prior measurement date	0.005832	0.0001915

For the year ended June 30, 2022, the District recognized pension expense (credit) of \$(2,156,805) for the TRS and \$263,802 for the ERS. At June 30, 2022, the District reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	TRS	ERS	TRS	ERS
Differences between expected and actual experience	\$ 4,836,305	\$ 112,768	\$ 182,289	\$ 146,266
Change of assumptions	11,540,691	2,485,059	2,043,687	41,933
Net difference between projected and actual earnings on pension plan investments			36,721,678	4,876,019
Changes in proportion and differences between the District's contributions and proportionate share of contributions	271,652	320,420	628,227	31,871
District contributions subsequent to the measurement date	3,548,801	192,772		
Total	\$ 20,197,449	\$ 3,111,019	\$ 39,575,881	\$ 5,096,089

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

District contributions, subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	TRS	ERS
2023	\$ (4,676,474)	\$ (259,937)
2024	(5,468,490)	(460,626)
2025	(6,765,166)	(1,217,883)
2026	(8,836,527)	(239,396)
2027	1,671,373	
Thereafter	1,148,051	
	\$ (22,927,233)	\$ (2,177,842)

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, 2021	March 31, 2022
Actuarial valuation date	June 30, 2020	April 1, 2021
Inflation	2.40%	2.70%
Salary increases	1.95-5.18%	4.40%
Investment rate of return (net of investment expense, including inflation)	6.95%	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-2020, 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. The previous actuarial valuation as of April 1, 2020 used the same assumptions for the measurement of total pension liability.

For TRS, the June 30, 2021 demographic actuarial assumptions and the salary scale were based on the results of an actuarial experience study for the period July 1, 2015 - June 30, 2020. The June 30, 2020 demographic actuarial assumptions and the salary scale were based on the results of an actuarial experience study for the period July 1, 2009 - June 30, 2014. For 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.

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

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.

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 Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Measurement date		June 30, 2021		March 31, 2022
Asset type				
Domestic equity	33.0%	6.80%	32.0%	3.30%
International equity	16.0%	7.60%	15.0%	5.85%
Global equity	4.0%	7.10%		
Real estate equity	11.0%	6.50%	9.0%	5.00%
Private equity	8.0%	10.00%	10.0%	6.50%
Alternatives investments			10.0%	3.78-5.80%
Domestic fixed income	16.0%	1.30%		
Global bonds	2.0%	0.80%		
High-yield bonds	1.0%	3.80%		
Fixed income			23.0%	0.00%
Private debt	1.0%	5.90%		
Real estate debt	7.0%	3.30%		
Cash equivalents	1.0%	(0.20)%		
Cash			1.0%	(1.00)%
	100.0%		100.0%	

Real rates of return are net of long-term inflation assumption of 2.4% for TRS and 2.5% for ERS.

Discount Rate

The discount rate used to measure the total pension liability was 6.95% for TRS and 5.90% for ERS (the discount rate used by the TRS at the prior year's measurement date of June 30, 2020, was 7.10%). 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.

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

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

The following presents the District's proportionate share of the net pension asset/(liability) calculated using the discount rate of 6.95% for the TRS and 5.90% for the ERS, as well as what the District's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1 percentage point lower (5.95% for TRS and 4.90% for ERS) or 1 percentage point higher (7.95% for TRS and 6.90% for ERS) than the current rate:

TRS	1% Decrease 5.95 %	Current Assumption 6.95 %	1% Increase 7.95 %
District's proportionate share of the net pension asset/(liability)	\$ 3,681,819	\$ 35,086,525	\$ 61,479,901
ERS	1% Decrease 4.90 %	Current Assumption 5.90 %	1% Increase 6.90 %
District's proportionate share of the net pension asset/(liability)	\$ (3,832,801)	\$ 1,489,051	\$ 5,940,524

Pension Plan Fiduciary Net Position

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

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

Payables to the Pension Plan

For TRS, employer and employee contributions for the fiscal year ended June 30, 2022, are paid to the system in September, October, and November 2022 through a state aid intercept. Accrued retirement contributions as of June 30, 2022, represent employer and employee contributions for the fiscal year ended June 30, 2022, 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, 2022 amounted to \$3,548,801 of employer contributions and \$494,127 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, 2022, represent the projected employer contribution for the period of April 1, 2022 through June 30, 2022 based on paid ERS covered wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2022 amounted to \$192,772 of employer contributions. Employee contributions are remitted monthly.

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

14. 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, 2022, there were no employer non-elective contributions and employee elective contributions were \$1,865,173.

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, 2022 totaled \$150,105.

15. 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 the June 30, 2020 valuation date, 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 \$132,934,698 was measured as of June 30, 2022 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	Various	Varies by pension retirement system membership
Discount rate	3.54%	
Healthcare cost trend rates	5.10%	for 2022, 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, 2021	<u>\$ 157,510,410</u>
Changes for the year	
Service cost	9,751,359
Interest on total OPEB liability	3,585,391
Changes of benefit terms	-
Differences between expected and actual experience	558,141
Changes in assumptions or other inputs	(35,914,080)
Benefit payments	<u>(2,556,523)</u>
	<u>(24,575,712)</u>
Balance at June 30, 2022	<u><u>\$ 132,934,698</u></u>

There were no changes of benefit terms.

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

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.54%) or 1 percentage point higher (4.54%) than the current discount rate:

OPEB	1% Decrease 2.54 %	Discount Rate 3.54 %	1% Increase 4.54 %
Total OPEB liability	<u>\$ (157,740,740)</u>	<u>\$ (132,934,698)</u>	<u>\$ (113,291,886)</u>

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 (4.10% to 3.04%) or 1 percentage point higher (6.10% to 5.04%) than the current healthcare cost trend rate:

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

	1% Decrease 4.10%	Healthcare Cost Trend Rates 5.10%	1% Increase 6.10%
OPEB	decreasing to 3.04%	decreasing to 4.04%	decreasing to 5.04%
Total OPEB liability	\$ (108,398,802)	\$ (132,934,698)	\$ (165,528,456)

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

For the year June 30, 2022, the District recognized OPEB expense of \$11,807,322. At June 30, 2022, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred	
	Outflows of Resources	Inflows of Resources
Differences between expected and actual experience	\$ 1,594,277	\$ 15,067,146
Changes of assumptions and other inputs	32,353,113	33,564,588
Total	\$ 33,947,390	\$ 48,631,734

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

Year Ending June 30,	Amount
2023	\$ (1,529,428)
2024	(1,529,428)
2025	(1,529,428)
2026	(1,211,872)
2027	(915,094)
Thereafter	(7,969,094)
	\$(14,684,344)

16. DEFERRED INFLOWS OF RESOURCES

In the governmental fund financial statements, deferred inflows of resources, at June 30, 2022, includes the amount due from other governments for tuition and the amounts unspent for a local grant previously collected. Unavailable revenues, in the general fund at June 30, 2022, total \$65,472.

Also included in the governmental fund financial statements as deferred inflows of resources, at June 30, 2022, is the amount due from New York State for improvements to educational technology and infrastructure to improve learning and opportunities for students throughout the state (Smart School Bond Act). Unavailable revenues, in the capital projects fund at June 30, 2022, total \$818,725.

17. 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

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

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, 2022, the District's contribution to the Plan was \$476,155. According to the Plan's actuary, the Workers' Compensation Plan's total liability for unbilled and open claims at June 30, 2022, discounted at 2.0%, was \$23,026,039. The Plan did not levy additional assessments during the 2021-2022 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, 2022, the District's allocated share of unbilled and open claims, discounted at 2.0%, were \$1,426,003.

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.

18. RESTRICTED FOR CAPITAL RESERVE

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

	May 2008	May 2008	
	May 2017	May 2017	
Date Created			
Date Extended			
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	\$ 11,200,000	\$ 4,050,000	\$ 15,250,000
Interest Earnings	150,061	9,823	159,884
Returned to Reserve	23,469	880,189	903,658
Use of Reserve	<u>(4,119,492)</u>	<u>(3,394,386)</u>	<u>(7,513,878)</u>
Total General Fund	<u>7,254,038</u>	<u>1,545,626</u>	<u>8,799,664</u>
Capital Projects Fund			
Funding Provided	4,119,492	3,394,386	7,513,878
Returned to Reserve	(23,469)	(880,189)	(903,658)
Use of Reserve	<u>(3,186,735)</u>	<u>(2,468,807)</u>	<u>(5,655,542)</u>
Total Capital Projects Fund	<u>909,288</u>	<u>45,390</u>	<u>954,678</u>
Balance as of June 30, 2022	<u>\$ 8,163,326</u>	<u>\$ 1,591,016</u>	<u>\$ 9,754,342</u>

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

19. RESTATEMENT OF NET POSITION/GENERAL FUND – FUND BALANCE

The June 30, 2021 net position and general fund unassigned fund balances were both decreased by \$1,154,596 to reflect a reduction of prior year receivables that were deemed uncollectible. In addition, the June 20, 2021 net position was increased by \$336,456 to reflect capital assets and the accumulated depreciation/amortization for items purchased in prior years that were not previously reported.

20. 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 \$32,685. The District received payment in lieu of tax (PILOT) payments totaling \$30,982.

21. COMMITMENTS AND CONTINGENCIES

A. Encumbrances

All encumbrances are classified as either restricted or assigned fund balance. At June 30, 2022, the District encumbered the following amounts:

Restricted:	
Capital Projects Fund	
Capital	<u>\$ 316,235</u>
Assigned: Unappropriated Fund Balance:	
General Fund	
General support	\$ 82,198
Instruction	<u>70,696</u>
	<u>\$ 152,894</u>

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.

22. SUBSEQUENT EVENTS

The District has evaluated subsequent events through the date of the Auditors' 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.

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, 2022

	Original Budget	Final Budget	Actual	Final Budget Variance with Actual
REVENUES				
Local Sources				
Real property taxes	\$ 23,448,002	\$ 20,996,428	\$ 21,027,340	\$ 30,912
Other tax items	135,000	2,586,574	2,569,255	(17,319)
Charges for services	75,000	75,000	118,164	43,164
Use of money and property	5,000	5,000	52,848	47,848
Sale of property and compensation for loss			5,066	5,066
Miscellaneous	285,000	285,000	819,277	534,277
Total Local Sources	23,948,002	23,948,002	24,591,950	643,948
State Sources	86,983,939	86,983,939	86,999,580	15,641
Medicaid Reimbursement			274,267	274,267
Federal Sources	50,000	50,000	340,132	290,132
Total Revenues	110,981,941	110,981,941	112,205,929	1,223,988
OTHER FINANCING SOURCES				
Operating Transfers In		80,000	2,004,409	1,924,409
Total Revenues and Other Sources	110,981,941	111,061,941	114,210,338	\$ 3,148,397
APPROPRIATED FUND BALANCE				
Prior Year's Encumbrances	261	261		
Appropriated Reserves		350,000		
Total Appropriated Fund Balance	261	350,261		
Total Revenues, Other Sources, and Appropriated Fund Balance	\$ 110,982,202	\$ 111,412,202		

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, 2022

	Original Budget	Final Budget	Actual	Year End Encumbrances	Final Budget Variance with Actual & Encumbrances
EXPENDITURES					
General Support					
Board of education	\$ 156,439	\$ 179,450	\$ 170,268	\$ 360	\$ 8,822
Central administration	334,695	343,176	338,224		4,952
Finance	978,527	1,024,869	1,008,640		16,229
Staff	968,268	1,017,639	1,008,933	129	8,577
Central services	6,534,342	7,477,896	7,394,374	81,709	1,813
Special items	1,257,760	1,269,189	1,259,754		9,435
Total General Support	<u>10,230,031</u>	<u>11,312,219</u>	<u>11,180,193</u>	<u>82,198</u>	<u>49,828</u>
Instruction					
Administration & improvement	3,202,799	3,316,339	3,284,697	546	31,096
Teaching - regular school	30,934,078	32,228,326	32,115,775	45,333	67,218
Programs for students with disabilities	16,874,146	15,730,357	15,713,544	6,651	10,162
Occupational education	591,000	528,050	528,050		-
Teaching - special schools	413,057	234,711	226,962		7,749
Instructional media	2,043,042	1,657,090	1,613,630	13,147	30,313
Pupil services	5,394,638	5,282,043	5,230,068	5,019	46,956
Total Instruction	<u>59,452,760</u>	<u>58,976,916</u>	<u>58,712,726</u>	<u>70,696</u>	<u>193,494</u>
Pupil Transportation	<u>5,138,968</u>	<u>6,204,545</u>	<u>6,111,352</u>		<u>93,193</u>
Employee Benefits	<u>21,125,443</u>	<u>19,451,448</u>	<u>18,996,909</u>		<u>454,539</u>
Debt Service					
Principal	-	64,953	64,953		-
Interest	-	2,089	2,088		1
Total Debt Service	<u>-</u>	<u>67,042</u>	<u>67,041</u>	<u>-</u>	<u>1</u>
Total Expenditures	<u>95,947,202</u>	<u>96,012,170</u>	<u>95,068,221</u>	<u>152,894</u>	<u>791,055</u>
OTHER FINANCING USES					
Operating Transfers Out	<u>15,035,000</u>	<u>15,400,032</u>	<u>15,400,004</u>		<u>28</u>
Total Expenditures and Other Uses	<u>\$ 110,982,202</u>	<u>\$ 111,412,202</u>	<u>110,468,225</u>	<u>\$ 152,894</u>	<u>\$ 791,083</u>
Net Change in Fund Balance			3,742,113		
Fund Balance - Beginning of Year, as Restated			<u>26,322,732</u>		
Fund Balance - End of Year			<u>\$ 30,064,845</u>		

Note to Required Supplementary Information

Budget Basis of Accounting

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

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

Teachers' Retirement System

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension asset/(liability)	0.202472%	0.196640%	0.201253%	0.202150%	0.195033%	0.184431%	0.184535%	0.180262%	~ Information Not Available ~	
District's proportionate share of the net pension asset/(liability)	\$ 35,086,525	\$ (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	\$ 34,591,629	\$ 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	101.43 %	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)	113.25%	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%	111.48%		
Discount rate	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%	8.00%		

Employees' Retirement System

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension asset/(liability)	0.0182156%	0.0180241%	0.0181956%	0.0184392%	0.0197440%	0.0171527%	0.0183240%	0.0192773%	~ Information Not Available ~	
District's proportionate share of the net pension asset/(liability)	\$ 1,489,051	\$ (17,947)	\$ (4,818,296)	\$ (1,306,474)	\$ (637,226)	\$ (111,704)	\$ (2,940,975)	\$ (651,234)		
District's covered payroll	\$ 6,095,078	\$ 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 asset/(liability) as a percentage of its covered payroll	24.43 %	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 asset/(liability)	103.65%	99.95%	86.39%	96.27%	98.24%	90.68%	90.68%	97.95%		
Discount rate	5.90%	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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 3,548,801	\$ 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
Contributions in relation to the contractually required contribution	3,548,801	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
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 36,212,256	\$ 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
Contributions as a percentage of covered payroll	10%	9%	9%	11%	10%	12%	13%	17%	16%	11%

Employees' Retirement System

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 870,610	\$ 829,978	\$ 919,177	\$ 916,067	\$ 963,255	\$ 834,166	\$ 854,924	\$ 1,054,580	\$ 873,008	\$ 1,073,801
Contributions in relation to the contractually required contribution	870,610	829,978	919,177	916,067	963,255	834,166	854,924	1,054,580	873,008	1,073,801
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 7,534,082	\$ 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
Contributions as a percentage of covered payroll	12%	13%	15%	14%	15%	12%	15%	19%	16%	20%

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability					
Service cost	\$ 9,751,359	\$ 8,720,307	\$ 6,722,885	\$ 3,767,401	\$ 3,911,496
Interest on total OPEB liability	3,585,391	3,281,125	4,456,382	4,138,949	3,691,356
Changes in benefit terms	-	-	-	-	-
Differences between expected and actual experience	558,141	1,474,540	(17,958,925)	(6,917,075)	-
Changes of assumptions or other inputs	(35,914,080)	5,484,625	28,720,391	18,520,920	(5,211,423)
Benefit payments	<u>(2,556,523)</u>	<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	(24,575,712)	16,579,468	19,463,390	17,083,569	155,516
Total OPEB liability, beginning	<u>157,510,410</u>	<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>\$ 132,934,698</u>	<u>\$ 157,510,410</u>	<u>\$ 140,930,942</u>	<u>\$ 121,467,552</u>	<u>\$ 104,383,983</u>
Covered employee payroll	\$ 42,254,288	\$ 40,211,488	\$ 38,600,897	\$ 38,367,037	\$ 38,459,414
Total OPEB liability as a percentage of covered employee payroll	314.61%	391.71%	365.10%	316.59%	271.41%
Discount rate	3.54%	2.16%	2.21%	3.51%	3.87%
Healthcare trend rates	5.10% to 4.04% by 2075	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, 2022

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted Budget		\$ 110,981,941
Additions:		
Prior year's encumbrances		261
Original Budget		110,982,202
Budget revisions		430,000
Final Budget		\$ 111,412,202

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2022-2023 voter-approved expenditure budget		\$ 123,222,068
Maximum allowed (4% of 2022-2023 budget)		\$ 4,928,883
General Fund Fund Balance Subject to § 1318 of Real Property Tax Law:		
Unrestricted fund balance:		
Assigned fund balance	\$ 181,478	
Unassigned fund balance	7,171,767	
		\$ 7,353,245
Less:		
Appropriated fund balance	-	
Encumbrances	152,894	
Total adjustments		152,894
General Fund Fund Balance Subject to § 1318 of Real Property Tax Law:		\$ 7,200,351
Actual Percentage		5.84%

ROOSEVELT UNION FREE SCHOOL DISTRICT
Schedule of Project Expenditures and Financing Resources - Capital Projects Fund
For the Year Ended June 30, 2022

PROJECT TITLE	Budget		Expenditures			Unexpended Balance	Methods of Financing			Fund Balance June 30, 2022	
	June 30, 2021	June 30, 2022	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	-	
Roosevelt High School	373,681	373,681	373,250		373,250	431		321,681	321,681	(51,569)	
Washington Rose - New	310,790	310,790	282,635		282,635	28,155		323,790	323,790	41,155	
Middle School - New	312,967	312,967	299,009		299,009	13,958		325,967	325,967	26,958	
Centennial - New	152,387	152,387	137,478		137,478	14,909		165,387	165,387	27,909	
Ulysses Byes - New	282,339	282,339	248,471		248,471	33,868		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	43,481	
Capital Reserve Projects											
District-wide Improvements	345,250	345,250	277,849		277,849	67,401		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	-	
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	1,909	
District-wide Improvements	600,000	600,000	121,531	77,903	199,434	400,566		600,000	600,000	400,566	
Capital Reserve Projects											
Security Booth - High School		350,000				350,000		350,000	350,000	350,000	
Smart Schools Bond											
Smart Schools Bond Phase 2		1,924,409		1,924,409	1,924,409	-		1,924,409	1,924,409	-	
Smart Schools Bond Phase 3		3,170,077		818,725	818,725	2,351,352		3,170,077	3,170,077	2,351,352	
Bond Projects											
Centennial Phase I	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	-	
Washington Rose - New	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	11,154,876		11,154,876	(83,599)	11,071,277		11,071,277	(83,599)	
Roosevelt High School - 2010	68,827,079	68,827,079	66,804,353		66,804,353	2,022,726	61,876,430	1,340,649	5,610,000	68,827,079	
Totals	\$ 252,351,331	\$ 257,795,817	\$ 249,524,788	\$ 2,821,037	\$ 252,345,825	\$ 5,449,992	\$ 199,144,998	\$ 40,071,724	\$ 18,579,095	\$ 257,795,817	5,449,992
										Smart Schools Bond Act revenue not yet realized	(3,170,077)
											\$ 2,279,915

ROOSEVELT UNION FREE SCHOOL DISTRICT
Schedule of Net Investment in Capital Assets
June 30, 2022

Capital assets, net	<u>\$ 185,702,726</u>
Add:	
Deferred charges from refunding	1,585,063
Deduct:	
Short-term portion of bonds payable	(10,230,000)
Long-term portion of bonds payable	(96,540,000)
Short-term portion of bond premium on capital related bonds	(1,034,055)
Long-term portion of bond premium on capital related bonds	(5,569,192)
Less: Unspent bond proceeds	1,939,127
Short-term portion of lease liabilities	(65,415)
Long-term portion of lease liabilities	<u>(193,469)</u>
	<u>(110,107,941)</u>
Net investment in capital assets	<u><u>\$ 75,594,785</u></u>