

Jacqueline Edwards
President

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Revised*

Dr. Gary W. Forcelli
Richard Radomski
Gail Rice
Janet Wroblecki

**BOARD OF EDUCATION MEETING
TUESDAY, APRIL 3, 2012
JR./SR. HIGH SCHOOL LIBRARY – 6:00 P.M.**

1. Meeting Call to Order

- 1.1 Pledge to the Flag
- 1.2 Acceptance of Agenda
- 1.3 Teacher/Student Report 6th Grade Anti-Violence Presentation
- 1.4 GASB 45 Report – Raymond Cerrone, CPA*

2. Communications

- 2.1 From the Floor
- 2.2 President's Messages
 - a. Committee Report(s)
 - b. Board Calendar
 - c. BOCES Representative Report

3. Consent Agenda

- 3.1 Board of Education Minutes for meeting held March 20, 2012
- 3.2 Business Office Reports for Month ending N/A
- 3.3 CSE Reports
 - a. Minutes of meeting held 3/14/12
 - b. Minutes of meeting held 3/20/12
 - c. Minutes of meeting held 3/22/12
 - d. Minutes of meetings held 3/23/12
 - e. Minutes of meetings held 3/26/12
 - f. Minutes of meetings held 3/27/12
 - g. Minutes of meetings held 3/28/12
 - h. Minutes of meeting held 3/29/12

4. Old Business

- 4.1 2nd Reading of Policy #7100, Concussion Policy, Regulation #7100.1, Concussion Guidelines and Procedures, Regulation #7100.2, Concussion Management Protocol Explanation, Regulation #7100.3, Concussion Checklist, Regulation 7100.4, Physician Evaluation and Regulation # 7100.5, Return to Play Protocol – Action
- 4.2 Agreement regarding Access to Carolyn Courts Apartments - Action

5. New Business

- 5.1 Personnel Report – Action*

- 5.2 2012-13 School Calendar
- 5.3 Risk Assessment
- 5.4 Shared Services Agreement for Transportation Supervisor - Action
- 5.5 Intermunicipal Agreement for the Purchase of Fuel and Transportation Supplies – Actions
- 5.6 Parochial Transportation Requests for 2012-13

6. Building Reports

- 6.1 Elementary Building Report
 - a. Kindergarten Arbor Day Tree Planting
 - b. Hamilton College Study
- 6.2 Secondary Building Report
 - a. Jr. – Sr. High School Arts Fest
 - b. National Honor Societies Inductions
 - c. Winter Athletic Recognition Ceremony

7. Superintendent's Report

- 7.1 District Office Professional Development/Training
- 7.2 Enrollment
- 7.3 Regents Reform Agenda Update

8. Board Discussion

9. Visitors Comments

- 10. **Executive Session** – to discuss 2 particular employees, CSEA, NYMTA, NYMAA, and individual contract negotiations

11. Adjournment

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New York Mills Union Free School District

Actuarial Valuation Postretirement Benefits

(GASB 45) as of July 1, 2011

With Estimated Disclosures for the Year Ended June 30, 2012

Prepared by: Questar III - BOCES

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SECTION I - Executive Summary

Introduction

The New York Mills Union Free School District is required to prepare its financial statements in accordance with accounting principles generally accepted in the United States. Accordingly, the school district is required to disclose its obligations for post employment benefits. In addition to pensions, these benefits include health insurance paid on behalf of retirees. Guidance for the disclosure required is contained in Governmental Accounting Standards Board Statement No. 45 - "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions" (GASB No. 45). This report has been prepared to determine the future obligations of the New York Mills Union Free School District and provide the information necessary to be included in the financial statements to satisfy the reporting and disclosure requirements as set forth in GASB No. 45.

Summary of Results

The following table displays the most important items derived from the July 1, 2011 valuation that are necessary for required GASB 45 disclosure.

Disclosures	Valuation
Present Value of Future Benefits Payments	\$ 8,976,874
Unfunded Actuarial Accrued Liability (UAAL)	\$ 5,695,102
Annual Required Contribution (ARC)	\$ 611,230
Expected Benefit Payments for Fiscal Year Ended June 30, 2012	\$ 203,548
Increase in Net OPEB Obligation in Fiscal Year	\$ 394,063
Net OPEB Obligation (NOO) as of June 30, 2012	\$ 1,298,676

Appendix 2 contains an explanation of these Disclosure items.

The UAAL and participant count by benefit group is as follows:

Group	Liability	Count
Active	\$ 3,695,692	92
Retired	\$ 1,999,410	39
Total	\$ 5,695,102	131

Benefit Provisions

The New York Mills Union Free School District provides medical, dental and vision benefits to its retired employees and their spouses. Employees are eligible for these benefits upon retirement at age 55 or over with at least 10 years of service.

The school district pays from 100% to 50% of the cost for individual coverage and 75% to 35% of the cost of their spouse or dependent coverage.

Upon the retiree's death the surviving spouse must pay the full cost of both medical and Medicare Part B coverage.

Economic Assumptions:

The employer, with the approval of the auditor, is responsible for selecting the economic assumptions as of the disclosure date. The following table details the selected economic assumptions for the current fiscal year:

Census Collection Date.....	July 1, 2011
Assumption Selection Date	July 1, 2011
Funding Interest Rate*	4.50%
06/30/2012 Medical Cost Trend Rate.....	5.00%
Ultimate Medical Cost Trend Rate	5.00%
Fiscal year Ultimate Medical Trend Rate Reached	06/30/2012
Actuarial Cost Method	Projected Unit Credit (PUC)

** Reflects current funding policy (assumes no funding / pay-as-you-go funding). Increasing the interest rate by will decrease the liability by 16.14%.*

Changes included in current valuation:

1. Current year premiums were used for per capita costs.
2. Inflation factors (trends) were moved forward one year and the initial rate was changed to better reflect anticipated experience
3. Retirement and termination probabilities for Tier 2, 3, and 4 were adjusted to reflect the most recent figures used in the NYS ERS and TRS annual reports.
4. Retirement probabilities have been included to reflect expectations for the Tier 5 groups.

SECTION II - Certification

Actuarial Certification

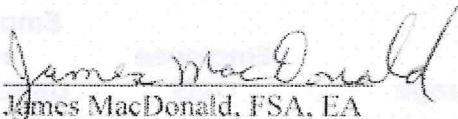
The financial results of the actuarial valuation are summarized in this report. The valuation has been prepared as of July 1, 2011. The detail charts included in this Executive Summary highlight the results of the valuation. Additional information summarizing the census, actuarial assumptions, plan provisions, and a glossary of selected terms used in this study are also included in this report.

The valuation is based on the July 1, 2011 census data and plan information as provided by the employer. We have reviewed both the census and financial data for reasonableness, but have not completed an independent audit of the information.

All costs, liabilities, and other factors under the plan were determined in accordance with generally accepted actuarial principles and procedures. The calculations are consistent and undertaken with our understanding of Statement of Governmental Accounting Standards Number 45 (GAS 45). In our opinion, the actuarial assumptions are reasonable, taking into account the experience of the plan and reasonable expectations and, individually represent our best estimate of the anticipated experience under the plan.

I have no relationship with the employer or the plan that would objectively impair, or appear to impair, my ability to perform the work detailed in this report.

I certify that I am member of the American Academy of Actuaries and meet its Qualification Standards to provide an actuarial opinion in accordance with GASB 45.


James MacDonald, FSA, EA

February 14, 2012

SECTION III - Notes to Financial Statements

The GASB standard on accounting for postretirement benefits other than pensions requires the following disclosures in the financial statements with regard to the retiree benefit liability:

1. A Brief Description of the Retiree Medical Plan:

- a. Plan Types: The school district provides medical, dental and vision benefits to its eligible retirees. The benefits are provided through fully insured plans that are sponsored by a regional health insurance consortium.
- b. Eligibility: Employees are required to reach age 55 and have 10 years of service to qualify for OPEB. See discussion beginning on page 13 for eligibility requirements for each employee group.
- c. Benefit Cost Sharing: The school district pays from 100% to 50% of the retiree’s medical benefits depending on the employee group.
- d. Spouse Benefit: The school district contributes towards the cost of eligible spouses during the retiree’s lifetime. The district will pay 75% to 35% of the cost of the benefits depending on the employee group.
- e. Medicare Part B: The school district does not reimburse the retiree or dependent for the cost of Medicare Part B participation.
- f. Surviving Spouse Benefit: The spouse is required to pay 100% of the cost of the benefits following the death of the retired employee.

g. Annual Premiums for Retirees effective as of July 1, 2011: ¹	Coverage	Employee Only	Employee and Dependent
	MEDICAL:		
	Instructional	\$7,896.84	\$18,952.32
	Non Instructional	\$7,382.28	\$17,717.28
	Retired Teachers and Administrators	\$7,896.84	\$18,952.32
	DENTAL:		
	Instructional	\$112.08	\$354.60
	Non Instructional	\$149.04	\$472.68
	Administration	\$112.08	\$354.60
	VISION:		
	Non Instructional	\$40.08	\$104.76

¹ Figures presented here reflect gross premiums.

2. GASB 45 Disclosure Requirements - (Estimated):

Plan Results for GASB 45

1. Annual OPEB Cost and Net OPEB Obligation		
Normal Cost	\$	263,350
Supplemental Cost		334,575
Interest		13,305
Annual Required Contribution (ARC) [1 + 2 + 3]	\$	611,230
Interest on Net OPEB Obligation		40,708
Adjustment to ARC		54,327
Annual OPEB Cost (Expense) [4 + 5 - 6]	\$	597,611
Expected benefit payments*		203,548
Increase in net OPEB Obligation [7 - 8]	\$	394,063
Net OPEB Obligation - July 1, 2011		904,613
Net OPEB Obligation - June 30, 2012 [9 + 10]	\$	1,298,676

*Contribution was assumed to equal Expected Benefit Payments. The preparer of the financial statements should calculate the Net OPEB Obligation and related disclosure using the school district's actual OPEB payments.

Summary of Annual Results:

New York Mills Union Free School District's annual OPEB Cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year:

Fiscal Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2010	\$588,877	26%	\$433,294
June 30, 2011	\$624,403	25%	\$904,613
June 30, 2012	\$597,611	34%	\$1,298,676

Funded Status and Funding Progress:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrual Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of covered payroll (AAL) ((b-a)/c)
07/01/2009	\$ 0	\$ 5,461,251	\$ 5,461,251	NA	\$ 4,749,874	114.98%
07/01/2010	\$ 0	\$ 5,952,501	\$ 5,952,501	NA	\$ 4,273,202	139.30%
07/01/2011	\$ 0	\$ 5,695,102	\$ 5,695,102	NA	\$ 4,315,076	131.98%

SECTION IV - Development of Annual OPEB Expense (Estimated)

GASB 45 LIABILITIES, ANNUAL REQUIRED CONTRIBUTION AND ANNUAL OPEB COST Combined Results

I. Present Value of Future Benefits	
a. Retirees	\$ 1,999,410
b. Active Employees	\$ 6,977,464
c. Total	\$ 8,976,874
II. Unfunded Actuarial Accrued Liability (UAAL)	
a. Retirees	\$ 1,999,410
b. Fully Eligible Employees	\$ 1,057,615
c. Other Active Employees	\$ 2,638,077
d. Total	\$ 5,695,102
III. Annual Required Contribution (ARC)	
a. Normal Cost	\$ 263,350
b. Supplemental Cost	
i. Funding liability	\$ 5,695,102
ii. Actuarial Assets	\$ 0
iii. Unfunded Actuarial Accrued Liability [(i) - (ii)]	\$ 5,695,102
iv. Amortization Period	30
v. Supplemental Cost ²	\$ 334,575
c. Beginning Of Year Contribution [A. + B. (v)]	\$ 597,925
d. Compound Interest to Year End	\$ 13,305
e. Preliminary ARC [C. + D.]	\$ 611,230
IV. Annual OPEB Expense and Net OPEB Obligation:	
a. Annual Required Contribution (ARC) [III. E.]	\$ 611,230
b. Interest on net OPEB Obligation, Beginning of year	\$ 40,708
c. Adjustment to ARC	\$ 54,327
d. Annual OPEB Cost (Expense) [a + b - c]	\$ 597,611
e. Net OPEB Obligation, July 1, 2011	\$ 904,613
f. Expected Benefit Payments ³	\$ 203,548
g. Net OPEB Obligation, June 30, 2012 [d + e - f]	\$ 1,298,676

Key Actuarial Assumptions

Census Collection Date	July 1, 2011
Funding interest Rate	4.50%
06/30/2012 Trend Rate	5.00%
06/30/2013 Trend Rate	9.00%
Ultimate Trend Rate	5.00%
Fiscal year ultimate trend rate reached	06/30/2012

² The Supplemental cost is the amortization of the Unfunded Actuarial Accrued Liability. The school district has elected to amortize this liability over 30 years, as permitted by GASB No. 45.

³ Contribution was assumed to equal Expected Benefit Payments. The preparer of the financial statements should calculate the Net OPEB Obligation and related disclosure using the school district's actual OPEB payments

V. Summary of Annual Results:

New York Mills Union Free School District's annual OPEB Cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year ending June 30, 2012 is as follows:

Fiscal Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2010	\$588,877	26%	\$433,294
June 30, 2011	\$624,403	25%	\$904,613
June 30, 2012	\$597,611	34%	\$1,298,676

VI. Funded Status and Funding Progress:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrual Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Estimated Covered Payroll (c)	UAAL as a Percentage of covered payroll (AAL) ((b-a)/c)
07/01/2009	\$ 0	\$ 5,461,251	\$ 5,461,251	NA	\$ 4,749,874	114.98%
07/01/2010	\$ 0	\$ 5,952,501	\$ 5,952,501	NA	\$ 4,273,202	139.30%
07/01/2011	\$ 0	\$ 5,695,102	\$ 5,695,102	NA	\$ 4,315,076	131.98%

VII. Projected Benefit Payments:

The table below illustrates the projected benefit payments for the ten year period ending June 30, 2021 and has been developed based on our understanding of the benefits offered to retirees. The amount captured in the column labeled active, represents a proportionate share of emerging retirees. Since these figures are estimates / projections, actual benefit payments should be used in arriving at a final figure for the June 30, 2012 Net OPEB Obligation (NOO).

Years	Fiscal Year	Active on 07/01/2011	Retiree on 07/01/2011	Amount	Accumulated
1	06/30/2012	\$ 8,364	\$ 195,184	\$ 203,548	\$ 203,548
2	06/30/2013	\$ 18,132	\$ 195,303	\$ 213,435	\$ 416,983
3	06/30/2014	\$ 33,173	\$ 194,841	\$ 228,014	\$ 644,997
4	06/30/2015	\$ 63,883	\$ 165,083	\$ 228,966	\$ 873,963
5	06/30/2016	\$ 97,980	\$ 90,994	\$ 188,974	\$ 1,062,937
6	06/30/2017	\$ 117,739	\$ 87,719	\$ 205,458	\$ 1,268,395
7	06/30/2018	\$ 141,773	\$ 93,687	\$ 235,460	\$ 1,503,855
8	06/30/2019	\$ 157,659	\$ 87,790	\$ 245,449	\$ 1,749,304
9	06/30/2020	\$ 159,966	\$ 80,516	\$ 240,482	\$ 1,989,786
10	06/30/2021	\$ 170,133	\$ 84,714	\$ 254,847	\$ 2,244,633

SECTION V - Census Information

This section details the statistics related to the participants in the postretirement benefit plan. The census collection date is July 1, 2011.

The file that was used to prepare the GASB 45 valuation was provided by the school district. Our understanding is that this file represents the population of the school district's active and retired employees as of July 1, 2011, the census collection date.

The census file contained 133 records. The GASB 45 valuation excluded 2 records because the employee may have been hired after the census collection date (July 1, 2011) or the records represented individuals that are not entitled to benefits.

Employee and Retiree Counts by Gender:

	As of July 1, 2011		
	Actives	Retirees	Total
Male	26	12	38
Female	66	27	93
Total	92	39	131

Active - Counts by Age and Eligibility Status:

Age	Active Employees as of July 1, 2011		TOTAL
	Not Currently Eligible to Retire	Currently Eligible to Retire ⁴	
29 and Under	10		10
30 - 34	13		13
35 - 39	13		13
40 - 44	10		10
45 - 49	14		14
50 - 54	8		8
55 - 59	3	13	16
60 - 64	4	1	5
65 and Over	2	1	3
Total	77	15	92

Retiree and Covered Spouses - Counts by Age:

Age	Retired as of July 1, 2011		TOTAL
	Retirees	Spouses	
54 and Under			
55 - 59	2		2
60 - 64	15	1	16
65 - 69	4		4
70 - 74	5	1	6
75 - 79	3	1	4
80 and Over	10		10
Total	39	3	42

⁴ These active employees have met the minimum age and service requirements needed to vest in an OPEB benefit upon retirement.

Average age and Service:

**As of July 1,
2011**

Active Employees:

A. Average Age at Hire:

Males	37.6
Females	32.7

B. Average Service

Males	11.9
Females	10.7

C. Average Current Age

Males	49.4
Females	43.4

Current Retirees:

D. Average Current Age

Males	70.5
Females	71.2

Active Employees by Age and Service as of July 1, 2011 using the census collected on July 1, 2011:

AGE	YEARS OF SERVICE								TOTAL
	Under 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 Plus	
20 to 24	2								2
25 to 29	7	1							8
30 to 34	7	5	1						13
35 to 39		7	3	3					13
40 to 44	3	1	6						10
45 to 49	2	3	6	2	1				14
50 to 54	1		2	1	1	3			8
55 to 59	1	2	3	2	3	3	2		16
60 to 64	1	3			1				5
65 Plus		2		1					3
TOTAL	24	24	21	9	6	6	2		92

SECTION VI - Assumptions and Methodology

1. Census Collection Date: The census used in this report represents the eligible population as of July 1, 2011.
2. Mortality: RP-2000 Combined Mortality Table
3. Funding Interest Rate: An interest rate of 4.50% was used
4. Retirement Rates: The following are representative assumed retirement rates for eligible employees:

Teaching Positions Tiers 2, 3, and 4				
Age	Male		Female	
	Under 30 Years of Service	>30 Years of Service	Under 30 Years of Service	>30 Years of Service
55	0.0941	0.3763	0.0767	0.3070
60	0.0751	0.3002	0.0585	0.2338
65	0.3229	0.3229	0.3251	0.3251
70	0.1870	0.1870	0.2567	0.2567
>=71	1.0000	1.0000	1.0000	1.0000

(Tier 5 - hired on or after January 1, 2010)

Age	Male		Female	
	Under 30 Years of Service	>30 Years of Service	Under 30 Years of Service	>30 Years of Service
55	0.0470	0.0470	0.0384	0.0384
60	0.0375	0.2581	0.0292	0.1904
65	0.3229	0.3229	0.3251	0.3251
70	0.1870	0.1870	0.2567	0.2567
>=71	1.0000	1.0000	1.0000	1.0000

Non-Teaching Positions⁵

(All Tiers)

AGE	10 to 19 Years	20 to 29 Years	Over 30 Years
55	0.0610	0.0856	0.5292
60	0.0501	0.0813	0.2215
65	0.1711	0.2961	0.3222
69	0.1412	0.2294	0.2700
>=70	1.0000	1.0000	1.0000

5. Termination Rates: These rates represent the percentage of employees who will terminate employment at the given age each year, for reasons other than death, or retirement:

ULTIMATE RATES (All Tiers)

Age	Teaching Positions:		Non-Teaching Positions:
	Male	Female	
35	0.00994	0.03704	0.02240
40	0.00916	0.01975	0.01847
45	0.00762	0.01113	0.01633
50	0.00893	0.01185	0.01258

6. Participation Rate: It was assumed that 100% of future retirees eligible for coverage will elect the benefit.
7. Participation Rate - Spouse: It was assumed that 25% of future spouses of retirees eligible for coverage will elect the benefit.
8. Percent Married: It was assumed that 80% of future retirees will be married, with male spouses

⁵ Refers to employees that are eligible for the New York State Employees Retirement System

assumed to be 3 years older than female spouses. For current retirees, actual census information was used.

9. Trend:

It was assumed that health care costs would increase in accordance with the trend rates in the following table:

<u>Year</u>	<u>Medical</u>	<u>Dental / Vision</u>
06/30/2012	5.00% ⁶	5.00%
06/30/2013	9.00%	4.00%
06/30/2014	8.00%	3.00%
06/30/2015	7.00%	2.00%
06/30/2016	6.00%	1.00%
06/30/2017	5.00%	1.00%

10. Actuarial Value of Assets:

None

11. Per Capita Costs:

Are based on the premium levels of the plans utilized modified using age-adjusted factors. The premium levels are summarized in the plan provisions section of this report. The per capita costs for retired employees are based on the current plan enrollment.

12. Administrative Expenses:

Included in the premiums used

13. Actuarial Cost Method:

This report was developed using the Projected Unit Credit (PUC) cost method.

Actuarial Cost Method:

An Actuarial Cost Method develops an *orderly allocation* of the actuarial present value of benefits payments over the working lifetime of the participants in the plan. The actuarial present value of benefits and expenses which is allocated to a particular valuation year by the actuarial cost method is called the Normal Cost. The actuarial present value of benefits and expenses which is not provided by future Normal Costs is called the Actuarial Accrued Liability. The Unfunded Actuarial Accrued Liability is amortized over future years in accordance with the employer's established accounting policy.

14. Additional Comments:

The amounts in this OPEB valuation represent a closed group and do not reflect new entrants after the census collection date, July 1, 2011.

⁶ Based on actual experience for the current fiscal year.

SECTION VII - Plan Provisions

The school district provides medical, dental and vision benefits to retired employees and their eligible dependents. The benefits provided to employees upon retirement are based on provisions in various contracts that the school district has in place with different classifications of employees.

The school district acquires health insurance through Excellus Blue Cross / Blue Shield. The insurance plans cover medical and pharmaceutical costs. Refer to the plan documents for the specifics and limitations of the coverage offered to retirees. Many of the services provided by Excellus Blue Cross / Blue Shield require co-payments at various levels depending on the nature of the service.

The benefits provided at retirement and the eligibility requirements are summarized below:

<u>Employee Group</u>	<u>Description of Benefits</u>	<u>Contributions</u>	<u>Comments</u>
Currently Active Employees - Benefits at Time of Retirement			
Superintendent	<ul style="list-style-type: none"> • Medical • Dental • Vision 	<ul style="list-style-type: none"> • Individual - 0% • Family - 25% 	<ul style="list-style-type: none"> • Required Age - 55 • Required Service - 10
Administrators	<ul style="list-style-type: none"> • Medical • Dental • Vision 	<ul style="list-style-type: none"> • Individual - 50% • Family - 65% 	<ul style="list-style-type: none"> • Required Age - 55 • Required Service - 10
Teachers	<ul style="list-style-type: none"> • Medical • Dental 	<ul style="list-style-type: none"> • Individual - 35% • Family - 40% 	<ul style="list-style-type: none"> • Required Age - 55 • Required Service - 10
Non Represented	<ul style="list-style-type: none"> • Medical • Dental • Vision 	<ul style="list-style-type: none"> • Individual - 50% • Family - 65% 	<ul style="list-style-type: none"> • Required Age - 55 • Required Service - 10
Civil Service Employees	<ul style="list-style-type: none"> • Medical • Dental • Vision 	<ul style="list-style-type: none"> • Individual - 50% • Family - 65% 	

(Continued)

Employee Group	Description of Benefits	Contributions	Comments
Currently Retired Employees			
Past Superintendents	<ul style="list-style-type: none"> • Medical • Dental • Vision 	<ul style="list-style-type: none"> • Individual - 50% • Family - 65% 	
Retired Teacher - retiring prior to the 2001 – 2002 school year	<ul style="list-style-type: none"> • Medical • Dental • Vision 	<ul style="list-style-type: none"> • Individual - 50% • Family - 65% 	
Retired Teacher - retiring during the 2001 – 2002 school year	<ul style="list-style-type: none"> • Medical • Dental • Vision 	<ul style="list-style-type: none"> • Individual - 45% • Family - 60% 	
Retired Teacher - retiring between July 1, 2002 and June 30, 2004	<ul style="list-style-type: none"> • Medical • Dental • Vision 	<ul style="list-style-type: none"> • Individual - 40% • Family - 55% 	
Retired Teacher - retiring after 7/1/2004	<ul style="list-style-type: none"> • Medical • Dental • Vision 	<ul style="list-style-type: none"> • Individual - 35% • Family - 50% 	
Retired Teacher - retiring after 7/1/2004	<ul style="list-style-type: none"> • Medical • Dental • Vision 	<ul style="list-style-type: none"> • Individual - 35% • Family - 50% 	
Retired Teacher - retiring after 7/1/2010	<ul style="list-style-type: none"> • Medical • Dental 	<ul style="list-style-type: none"> • Individual - 35% • Family - 50% 	
Retired Civil Service Employees	<ul style="list-style-type: none"> • Medical • Dental • Vision 	<ul style="list-style-type: none"> • Individual - 50% • Family - 65% 	

Appendix 1 - Illustration of Per Capita Costs

Calculating the Annual Per Capita Cost for Superintendent Based on a Female employee at age 49 with an assumed spouse age 52

	Employee Portion	Spouse / Dependent Portion
1. OPEB Benefit(s):		
2. Medical	\$7,382.28	\$17,717.28
3. Dental	\$112.08	\$354.60
4. Vision	\$40.08	\$104.76
5. Less Individual Premiums (2 + 3 + 4)	-	\$7,534.44
6. Age weighting at 49 / 52 years of age	0.880769	0.968054
7. Gross OPEB Cost ([2 + 3 + 4 - 5] * 6)	\$6,636.10	\$10,302.23
8. Contribution:		
9. Premiums (2 + 3 + 4)	\$7,534.44	\$18,176.64
10. Less Individual Premium	-	\$7,534.44
11. Contribution percentage	0%	25%
12. Contribution from Retiree ([9 - 10] * 11)	-	\$2,660.55
Net OPEB Cost to District (7 - 12)	\$6,636.10	\$7,641.68

Calculating the Annual Per Capita Cost for Administrators Based on a Male employee at age 55 with an assumed spouse age 52

	Employee Portion	Spouse / Dependent Portion
1. OPEB Benefit(s):		
2. Medical	\$7,382.28	\$17,717.28
3. Dental	\$112.08	\$354.60
4. Vision	\$40.08	\$104.76
5. Less Individual Premiums (2 + 3 + 4)	-	\$7,534.44
6. Age weighting at 55 / 52 years of age	1.067089	0.968054
7. Gross OPEB Cost ([2 + 3 + 4 - 5] * 6)	\$8,039.92	\$10,302.23
8. Contribution:		
9. Premiums (2 + 3 + 4)	\$7,534.44	\$18,176.64
10. Less Individual Premium	-	\$7,534.44
11. Contribution percentage	50%	65%
12. Contribution from Retiree ([9 - 10] * 11)	\$3,767.22	\$6,917.43
Net OPEB Cost to District (7 - 12)	\$4,272.70	\$3,384.80

(Continued)

Calculating the Annual Per Capita Cost for Teachers Based on a Female employee at age 36 with an assumed spouse age 39

	Employee Portion	Spouse / Dependent Portion
1. OPEB Benefit(s):		
2. Medical	\$7,896.84	\$18,952.32
3. Dental	\$112.08	\$354.60
4. Vision	-	-
5. Less Individual Premiums (2 + 3 + 4)	-	\$8,008.92
6. Age weighting at 36 / 39 years of age	0.622961	0.668899
7. Gross OPEB Cost ([2 + 3 + 4 - 5] * 6)	\$4,989.24	\$7,557.22
8. Contribution:		
9. Premiums (2 + 3 + 4)	\$8,008.92	\$19,306.92
10. Less Individual Premium	-	\$8,008.92
11. Contribution percentage	35%	40%
12. Contribution from Retiree ([9 - 10] * 11)	\$2,803.12	\$4,519.20
Net OPEB Cost to District (7 - 12)	<u>\$2,186.12</u>	<u>\$3,038.02</u>

Calculating the Annual Per Capita Cost for Non Represented Based on a Male employee at age 60 with an assumed spouse age 57

	Employee Portion	Spouse / Dependent Portion
1. OPEB Benefit(s):		
2. Medical	\$7,382.28	\$17,717.28
3. Dental	\$149.04	\$472.68
4. Vision	\$40.08	\$104.76
5. Less Individual Premiums (2 + 3 + 4)	-	\$7,571.40
6. Age weighting at 60 / 57 years of age	1.273501	1.145302
7. Gross OPEB Cost ([2 + 3 + 4 - 5] * 6)	\$9,642.19	\$12,281.44
8. Contribution:		
9. Premiums (2 + 3 + 4)	\$7,571.40	\$18,294.72
10. Less Individual Premium	-	\$7,571.40
11. Contribution percentage	50%	65%
12. Contribution from Retiree ([9 - 10] * 11)	\$3,785.70	\$6,970.16
Net OPEB Cost to District (7 - 12)	<u>\$5,856.49</u>	<u>\$5,311.29</u>

(Continued)

Calculating the Annual Per Capita Cost for Civil Service Employees Based on a Female employee at age 58 with an assumed spouse age 61

	<u>Employee Portion</u>	<u>Spouse / Dependent Portion</u>
1. OPEB Benefit(s):		
2. Medical	\$7,382.28	\$17,717.28
3. Dental	\$149.04	\$472.68
4. Vision	\$40.08	\$104.76
5. Less Individual Premiums (2 + 3 + 4)	-	\$7,571.40
6. Age weighting at 58 / 61 years of age	<u>1.186533</u>	<u>1.326988</u>
7. Gross OPEB Cost ([2 + 3 + 4 - 5] * 6)	\$8,983.72	\$14,229.72
8. Contribution:		
9. Premiums (2 + 3 + 4)	\$7,571.40	\$18,294.72
10. Less Individual Premium	-	\$7,571.40
11. Contribution percentage	<u>50%</u>	<u>65%</u>
12. Contribution from Retiree ([9 - 10] * 11)	<u>\$3,785.70</u>	<u>\$6,970.16</u>
Net OPEB Cost to District (7 - 12)	<u>\$5,198.02</u>	<u>\$7,259.56</u>

Appendix 2 - Glossary of Terms

- GASB 45, or GASB Statement 45, is an accounting and financial reporting provision requiring government employers to measure and report the liabilities associated with other (than pension) postemployment benefits (or OPEB). Reported OPEBs may include post-retirement medical, pharmacy, dental, vision, life, long-term disability and long-term care benefits that are not associated with a pension plan. Government employers required to comply with GASB 45 include all states, towns, education boards, water districts, mosquito districts, public schools and all other government entities that offer OPEB and report under GASB.
- GASB - Acronym that stands for Governmental Accounting Standards Board. This is the accounting board that sets standards for governmental entities. Following GASB standards allows for the preparation of financial statements that are in conformity with Generally Accepted Accounting Principles (GAAP).
- OPEB - Acronym that stands for Other Post-Employment Benefits.
- The Present Value of Future Benefit Payments (PVFBP) The PVFBP is the amount which, if contributed at the valuation date, is expected to pay the employer-provided portion of the retiree health premium for every current plan participant. A contribution equal to the PVFBP will be just enough to pay for these employer-provided health premiums provided the actuarial assumptions in the report are realized. The actuarial assumptions include expected rates of medical premium inflation plus expected rates of participant death, termination of employment, and retirement.
If the PVFBP is contributed at the valuation date then, provided all actuarial assumptions are realized, and provided that no new participants are hired, no future contributions will be required.

This present value is not used directly in the expense calculation nor is it disclosed. It is, however, a good measure of total exposure.

- The Unfunded Actuarial Accrued Liability (UAAL) is the amount which, if contributed on the plan's first valuation date, makes the plan "well funded" according to a commonly used standard. This standard says that, for participants who are either retired or active but have satisfied the age and service requirements to be eligible for employer-subsidized health benefits at retirement, the UAAL equals the present value of future benefit payments PVFB.

For an active participant who hasn't satisfied these age and service requirements the UAAL is the PVFB multiplied by a ratio. This ratio is the participant's years of service on the valuation date divided by the years of service when the participant satisfies the eligibility requirements.

If the requirement for eligibility is attainment of age 55 with 20 years of service, and a participant is age 45 with 10 years of service on the valuation date, this ratio is 10/20.

- For retired employees and actives who have reached their Full Eligibility Date, the UAAL equals the PVFBP.
- For active employees not yet eligible for full benefits, the UAAL equals a pro rata portion of the PVFBP based on years of service worked prior to the valuation date to those expected to be worked at the Full Eligibility Date.

The UAAL is used in the GASB accounting calculations to establish the plan's funded status, develop the annual required contribution (ARC), and to develop the annual OPEB cost.

- Annual Required Contribution (ARC) / Annual OPEB Cost is an employer's periodic required contribution to an OPEB plan. The ARC is made up of:

Normal Cost	\$263,350	(See Below)
Supplemental Cost	\$334,575	(See Below)
Interest Cost	\$13,305	(Calculated mid year at 4.50%)
Preliminary ARC	\$611,230	
Interest Cost	\$40,708	(on beginning Net OPEB Obligation)
ARC Adjustment	\$54,327	(prior year amortization)
Annual OPEB Cost	\$597,611	(See Below)

The Annual Required Contribution (ARC) is the amount which, if contributed to a fund each year, will allow the fund to pay for all future employer-provided health premiums.

The ARC has no direct relation to the present value of future benefit payments (PVFBP), but is related to the unfunded actuarial accrued liability (UAAL) in two ways. First the ARC has a supplemental component which amortizes the initial amount of the unfunded actuarial accrued liability (UAAL) as of the first valuation date over a 30 year period. This amortization piece is similar to the payment on a 30 year fixed rate mortgage. In this case the interest rate is the funding interest rate, which is one of the actuarial assumptions.

The second component (normal cost) of the ARC equals one year's worth of benefit accrual for active participants who haven't yet satisfied the age and service requirements.

In the example above the unfunded actuarial accrued liability (UAAL) of the participant age 45 with 10 years of service is 10/20 multiplied by the present value of future benefit payments (PVFBP). In the following year's valuation this unfunded actuarial accrued liability (UAAL) will be 11/20 multiplied by the present value of future benefit payments (PVFBP). This second component pays for this one year of benefit accrual, i.e, the increase in the participant's unfunded actuarial accrued liability (UAAL) due to the 10/20 ratio changing to 11/20.

Annual OPEB Cost - amount is equal to the ARC plus interest on the beginning of the year Net OPEB Obligation (NOO) calculated at 4.50%. The ARC is reduced for amortization amounts recognized in prior periods using the formula below for supplemental cost. This ARC adjustment is based on the prior year NOO of \$904,613 as reported in the districts financial statements. *The Annual OPEB Cost will be presented as the post retirement benefit expense in the entity-wide annual financial statements.*

- The Normal Cost is one year's pro rata share of the PVFBP for current active employees. There is no Normal Cost for retirees or active employees who have already met the eligibility conditions for full benefits.
- The Supplemental Cost represents the amortization of the initial unfunded actuarial liability. GASB 45 permits the use of a 10 to 30 year amortization period. This amount is calculated using an annuity due amortization formula.
- The Net OPEB Obligation (NOO) is the cumulative difference since the effective date of GASB 45 between annual OPEB cost and the employer's contributions to the plan, including the OPEB liability (asset) at transition, if any.
- The Annual Required Contribution (ARC) is an employer's periodic required contribution to an OPEB plan. The ARC includes the employer's normal cost and a provision for amortizing the total unfunded actuarial accrued liability (UAAL).
- The Annual OPEB Cost is the GASB 45 accrual-basis measure of the periodic cost of an employer's participation in a defined benefit OPEB plan.
- The Net OPEB Obligation is the cumulative difference since the effective date of GASB 45 between annual OPEB cost and the employer's contributions to the plan, including the OPEB liability (asset) at transition, if any.
- The Discount Rate is the interest rate selected as of the measurement date to determine the present value of future cash outflow of postemployment payments. GASB suggests that employers should look to the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits.

(Continued)

The disclosures required by GASB 45 include⁷:

- Benefit plan description. *Refer to page 4 for this information.*
- Description of the Employer's funding policy. *Presently, NYS school districts are not permitted to fund GASB 45 Liabilities. The funding policy for this report should be described as Pay - Go.*
- Components of Annual OPEB Cost (ARC, interest on the net OPEB obligation, and adjustment to the ARC). *These amounts are found on page 6 of this report.*
- Increase or decrease in the Net OPEB Obligation. *This can be found on page 6 of this report.*
 - Information about:
 - Funded status of the plan - *The plan is unfunded*
 - Actuarial value of assets - *There are no actuarial assets*
 - Actuarial accrued liability (UAAL) - *This amount is presented on page 6 and 7 of the report.*
 - Plan's funded ratio- *Page 7 shows this as Not applicable due to that fact that the district does not fund the liability.*
 - Annual covered payroll - *This amount if provided by the school district appears on page 7 of this report.*
 - Actuarial methods and significant assumptions used to determine the ARC and Annual OPEB Cost. The disclosures should include:
 - Actuarial cost method. *This report was prepared using the Percentage Unit Credit Method (PUC)*
 - Methods used to determine the actuarial value of assets. *Presently the school district does not fund the GASB 45 liability, therefore, this matter is not applicable.*
 - Assumptions used with respect to projected salary increases and the investment return (including the method used to determine a blended rate for a partially funded plan, if applicable). *Projected salary increases were not used in amortizing amounts in this report.*
 - Assumptions used with respect to initial and ultimate healthcare cost trend rates. *Refer to page 12 for this information.*
- Amortization method (level dollar or level percentage of projected payroll), amortization period, and whether the period is closed or open. *This report is prepared using level dollar amortization.*

⁷ We suggest discussing financial statement presentation and disclosure requirements with your independent financial statement auditor.

Appendix 3 - Comments for Auditor and the Preparer of the Financial Statements

The information supplied by the school district for the preparation of this report has not been audited. We have placed reliance on the school district with respect to completeness and accuracy of the following items:

- Descriptions of benefits provided at retirement to various classifications of employees.
- The Employee Census as of July 1, 2011. Please note, a census reconciliation has been provided to the School district as part of the completion of this valuation.
- Annual premiums used to develop per capita costs.
- Covered payroll figures used on page 7.
- OPEB Contributions presented in the prior period financial statement used to arrive at the beginning of the year Net OPEB Obligation.
- All assumptions used in this report have been reviewed and approved by management of the school district.

Auditor's questions regarding this valuation should be directed to:

- Lisa Stamboly of the New York Mills Union Free School District; or to
- Raymond Cerrone of Questar III BOCES. Ray can be reached at 518-265-8246 or by email at Rcerrone@Questar.Org.
- Auditor requests for confirmation of any information used in preparing this valuation must be made in writing by the school district. These requests should be sent to Rcerrone@Questar.Org.

Use of Estimates:

Several estimated figures have been used in this report. The use of estimated numbers is due to the timing of when this report was prepared.

Please consider the following when preparing the year end financial statements:

- a. Due to the timing of this report, Expected Benefit payments have been estimated.
- b. Due to the timing of this report, covered payroll is estimated.

Appendix 4 - Sample Footnotes for Financial Statement Preparation

The school district is encouraged to consult with the financial statement auditors in determining the suitability of the notes below

POST EMPLOYMENT (HEALTH INSURANCE) BENEFITS

The District provides post-employment health insurance (life insurance, etc.) coverage to retired employees in accordance with the provisions of various employment contracts. The benefit levels, employee contributions and employer contributions are governed by the District's contractual agreements.

The District implemented GASB Statement #45, Accounting and Financial Reporting by employers for Post-employment Benefits Other than Pensions, in the school year ended June 30, 2010. This required the District to calculate and record a net other post-employment benefit obligation at year-end. The net other post-employment benefit obligation is basically the cumulative difference between the actuarially required contribution and the actual contributions made.

The District recognizes the cost of providing health insurance annually as expenditures in the General Fund of the funds financial statements as payments are made. For the year ended June 30, 2012 the District recognized \$203,548 for its share of insurance premiums for currently enrolled retirees.

The District has obtained an actuarial valuation report which indicates that the total liability for other post-employment benefits is \$1,298,676, which is reflected in the Statement of Net Assets.

Annual OPEB Cost and Net OPEB Obligation: The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation to HP:

	For the Year Ended June 30, 2012	
Annual required contribution	\$	611,230
Interest on Net OPEB Obligation, beginning of period		40,708
Less ARC Adjustment		54,327
Annual OPEB Cost		597,611
Less Expected Benefit Payments		203,548
Increase in net OPEB obligation		394,063
Net OPEB obligation - beginning of year		904,613
Net OPEB obligation - end of year	\$	1,298,676

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 and the two preceding years were as follows:

Fiscal Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2010	\$588,877	26%	\$433,294
June 30, 2011	\$624,403	25%	\$904,613
June 30, 2012	\$597,611	34%	\$1,298,676

Funded Status and Funding Progress. As of July 1, 2011, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$5,695,102, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$5,695,102. The covered payroll (annual payroll of active employees covered by the plan) was \$4,315,076, and the ratio of the UAAL to the covered payroll was 131.98%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual

required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2011 actuarial valuation, the Projected Unit Credit method was used. The actuarial assumptions included a 4.5% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 5.00% initially, increased to 9.00% in the second year and then reduced by 1% decrements to an ultimate rate of 5.00% after 4 years. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2012, was 29 years.

Appendix 5 - Supplemental Schedule SS-2 (Estimated)

Supplemental Schedule SS-2 - Estimated Statement of Non-Current Governmental Liabilities New York Mills Union Free School District

Type of Other Post Employment Benefit Plan	15	Single-Employer Defined Benefits
Annual Required Contribution(ARC)	16	611,230
Interest on Net OPEB Obligation	17	40,708
Adjustment to Annual Required Contribution	18	(54,327)
Annual OPEB Expense	19	597,611
Less: Actual Contribution Made	20	203,548
Increase in Net OPEB Obligation	21	394,063
Net OPEB Obligation - beginning of year	22	904,613
Net OPEB Obligation - end of year	23	1,298,676
Percentage of Annual OPEB Cost Contributed (Actual Contribution Made/Annual OPEB Cost)	24	34%
Funded Status and Funding Process		
Actuarial Accrued Liability (AAL)	25	5,695,102
Less: Actuarial Value of Plan Assets	26	0
Unfunded Actuarial Accrued Liability (UAAL)	27	5,695,102
Funded Ratio (Actuarial Value of Plan Assets/AAL)	28	NA
Annual Covered Payroll(of active employees covered by the plan)	29	4,315,076
UAAL as Percentage of Annual Covered Payroll	30	131.98%
Other OPEB Information		
Date of most recent actuarial valuation(m/ldd/yyyy)	32	July 1, 2011
Actuarial method used	33	PUC
Assumed rate of return on investments discount rate	34	4.50%
Amortization period of UAAL (in years)	35	30

**SCHEDULE OF THE REGULAR MEETINGS
OF THE NEW YORK MILLS UNION FREE SCHOOL DISTRICT
2011-2012**

- All Board members are expected to attend.
- * All Board members are encouraged to attend.
- Designated Board member(s) or alternate will attend.
- R Register in advance.

April 2012

S	M	Tu	W	Th	F	S
1	2	■3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	■24	25	26	27	28
29	30					

April 6 – Good Friday

April 7 – Passover (begins at sundown on April 6)

April 8 – Easter Sunday

April 9-13 – Spring Recess for Students

- April 3 Jr. National Honor Society, Auditorium, 7:00 p.m.
- April 3 ■ Board of Education Meeting, Cafeteria, 6:00 p.m.
- April 5 Music, Art, and Drama Boosters Meeting, H. S. Library, 7:00 p.m.
- April 19 School Foundation Meeting, 6:30 p.m.
- April 19 - Oneida-Madison-Herkimer School Boards Institute, Executive Committee meeting. Business Meeting and Nominations, 6:00 p.m. Oneida BOCES, The Learning Center (Light dinner will be served.)
- April 23 National Honor Society Induction Ceremony/Banquet, 6:00 p.m.
- April 24 ■ Board of Education Meeting, Cafeteria, 6:00 p.m.
- April 25 PTSO Meeting, H.S. library, 7:00 p.m.
- April 27 Kindergarten Arbor Day Tree Planting, 2:15 p.m.
- April 30 R Oneida-Madison-Herkimer School Boards Institute, Board Development Workshop. [“Reaching the Common Core: The Value of School Libraries”](#) 6:00 pm Oneida Room, Oneida BOCES. For reservations, please call Paula, 768-8127.

May 2012

S	M	Tu	W	Th	F	S
		■ 1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

May 13 – Mother’s Day

May 28 – Memorial Day Holiday for Students and Staff

- May 1 ■ Board of Education Meeting, Cafeteria, 6:00 p.m.
- May 2 [Regional Program for Excellence Recognition Ceremony 6:15 p.m. Oneida BOCES Learning Center](#)
- May 3 School Foundation Meeting, 6:30 p.m.
- May 5 R Oneida-Madison-Herkimer School Boards Institute, Board Development Workshop. Presenters: Board Member, Superintendent, District Superintendent & Business Administrator. “So You Want to be a School Board Member”. 8:15 a.m. – 12:00 p.m., Oneida BOCES, The Learning Center, New Hartford. (light breakfast will be served) For reservations, please call Paula, 768-8127.
- May 8 Grades K-3 Spring Concert, Auditorium, 7:00 p.m.
- May 10 R Oneida-Madison-Herkimer School Boards Institute, General Membership meeting, Distinguished Service Awards and Student Achievement Awards, Radisson Hotel, 200 Genesee St., Utica. Grande Ballroom. Registration at 6:00 p.m. – Meeting starts at 6:30 p.m. Reservations, please call Paula, 768-8127.
- May 10 Jr. Sr. High School spring Concert, Auditorium, 7:30 p.m.
- May 15 School Budget Vote and Board Member Election, 12:00 – 9:00 p.m.
- May 21 Music, Art, and Drama Boosters Meeting, H.S. Library, 7:00 p.m.
- May 23 PTSO Meeting, H.S. Library, 7:00 p.m.

Jacqueline Edwards
President

James Salamy
Vice President



3.1

Richard Radomski
Gail Rice
Janet Wroblecki

**BOARD OF EDUCATION MEETING
TUESDAY, MARCH 20, 2012
JR.-SR. HIGH SCHOOL LIBRARY – 6:00 P.M.**

PRESENT: Ms. Jacqueline Edwards, President, Mr. James Salamy, Vice President, Dr. Gary Porcelli, Mr. Richard Radomski, Mrs. Gail Rice, and Mrs. Janet Wroblecki

Absent: Mr. Gary Markowicz

Also Present: Ms. Kathy Houghton, Mr. Gary Hadfield, Dr. René Wilson, Mrs. Lisa Stamboly, Mr. William Lachut, Mr. Mike Klenotiz, Mrs. Paula Ann May and 5 visitors.

1. Meeting Call to Order

Ms. Edwards called the meeting to order at 6 p.m.

1.2 Acceptance of Agenda

Dr. Porcelli made the motion to accept the Agenda seconded by Mrs. Wroblecki.

Yes 6 No 0
Motion carried.

1.1 Pledge to the Flag

Mr. Salamy led the Pledge of Allegiance.

2. Communications

2.1 From the Floor – N/A

2.2 President's Messages

2.3 Budget Workshop

Ms. Houghton presented the following PowerPoint.

New York Mills Union Free School District

2012-13
2nd Public Budget Workshop

Survey Results

- No Consolidation/merger
- No Cutting teachers, staff, and/or programs
- No Reducing or eliminating extracurricular activities
- Keep busing at its current level
- Share services to save costs

State and Federal Aid

State Aid	Loss In Aid
\$3,331,974	\$219,388

Expenditure Increases

\$398,414

- Fixed Costs (ERS/TRS, Health Insurance, and Payroll (Triborough)) \$218,880
- BOCES (Occupational Education Special Education Placements Regents Reform Agenda) \$169,910
- Non-Instructional School Monitor Increases \$9,624

Cost Savings

\$220,847

- Refinancing of Serial Bonds \$13,000
- Teacher/Staff Reduction \$21,820
- BOCES Math Incentive \$37,398
- RIC Services/Technology \$13,448
- Bus Lease \$16,837
- Bus Driver (condensing runs) \$9,998
- Batavia Bus Contract \$8,346

Potential Transportation Savings

\$45,536

- Shared Transportation Supervision \$38,336
- Collaborative Fuel Purchase \$7,200

Property Tax Cap: 2% is not 2%

Not really a "cap" or a "limit"
A threshold for level of voter support needed

"Tax Levy Limit"
Calculated by each district
Every district has a different tax levy limit

"Super Majority"
Over "tax levy limit" 60% of voters must approve

"Simple Majority"
Under "tax levy limit" more than 50% of voters must approve

Budget "YES" Vote History

Year	Percentage
2000	66%
2001	70%
2002	70%
2003	73%
2004	70%
2005	70%
2006	70%
2007	67%
2008	56%
2009	64%
2010	64%
2011	69%

Balancing the Budget

Budget Tax Levy Limit

2011-12 Budget	\$12,242,865
Proposed 2012-13 Budget	\$12,555,038
Budget to Budget Increase	2.54%
Projected Levy Increase	2.72%
Allowable Tax Levy Limit	3.93%

History

School Year	Budget to Budget Inc.	Tax Levy
2006-2007	2.82%	2.58%
2007-2008	3.35%	4.45%
2008-2009	4.08%	3.64%
2009-2010	-.02%	2.98%
2010-2011	3.15%	3.00%
2011-2012	2.06%	3.00%

District Mission Statement

• The mission of the New York Mills Union Free School District is to help students become motivated, responsible, caring individuals by providing resources and a safe, supportive environment, which encourage students to pursue excellence.

Budget Timeline

- March 6 - 1st Budget Workshop
- March 20 - 2nd Budget Workshop
- March 31 - 1st Legal Notice in Paper
- April 3 - Board Budget Approval (Last possible day to approve - April 20)
- April 16 - Submission of Petitions for propositions
- April 21 - Property Tax Report Card submitted to SED no later than 24 hours after budget adopted

Budget Timeline

- May 1 - Public Budget Hearing
- May 2 - 9 - Budget Newsletter must be published
- May 15 - Budget Vote/BOE Member Election (Noon - 9 p.m.)

Mr. Salamy made the motion to approve the proposed 2012-13 budget in the amount of \$12,555,038 seconded by Mrs. Rice.

Yes 6 No 0
 Motion carried.

3. Consent Agenda

Mr. Salamy made the motion to approved the Consent Agenda seconded by Mrs. Wroblecki which includes:

- 3.1 Board of Education Minutes for meeting held March 6, 2012
- 3.2 Business Office Reports for Month ending February 2012
- 3.3 CSE Reports
 - a. Minutes of meeting held 3/6/12

Yes 5 Abstain 1 No 0
 Dr. Porcelli Abstained
 Motion carried.

4. Old Business – N/A

5. New Business

5.1 Personnel Report

Dr. Porcelli made the motion to approve the Personnel Report seconded by Mr. Salamy that included:

EMPLOYEE	CERTIFICATION AREA	CERT	SALARY	EFFECTIVE DATE
I. Coaching Resignation				
Joseph Palmer	Assistant Varsity Track			2011-12 School Yr
II. Coaches				
Joseph Palmer	Volunteer Varsity Track	Q	\$0.00	2011-12 School Yr
Nicole Frankland	Volunteer Varsity Track	Q	\$0.00	2011-12 School Yr
Tripp, Domonick	Volunteer Modified Baseball	Q	\$0.00	2011-12 School Yr
Balzano, Rocco	Volunteer Varsity Baseball	Q	\$0.00	2011-12 School Yr

Yes 6 No 0
 Motion carried.

5.2 Resolution to Dissolve Inactive and Prohibited Extra Classroom Accounts

Mrs. Wroblicki made the motion to approve the following resolution to Dissolve Inactive and Prohibited Extra Classroom Accounts seconded by Dr. Porcelli:

Resolution to dissolve inactive and prohibited Extra Classroom Accounts in accordance with SED's Pamphlet 2.

Therefore transfer the balance of \$20.57 from SADD and \$15.63 from Foreign Language Club to Student Council closing both SADD and Foreign Language Club.

Also, transfer the amount of \$2,540.48 in the Elementary Drama Club to the Stage Theatre Club closing the Elementary Drama Club.

This will fulfill the recommendations of the Internal Audit Findings.

Yes 6 No 0
 Motion carried.

5.3 Resolution for Multi-year CoSer 602 Administrative Computer

Mrs. Rice made the motion to approve the following Multi-yea CoSer 602 Administrative Computer resolution seconded by Mr. Radomski:

WHEREAS, the Board of Education of the NY Mills Union Free School District desires to enter into

a 5 year contract with the Madison-Oneida BOCES in order for the Regional Information Center to furnish certain services to the District pursuant to Education Law 1950(4)(jj), those services being: CoSer 602 Administrative Computer Services.

NOW, THEREFORE, it is

RESOLVED, that the Board of Education of the NY Mills Union Free School District agrees to enter into a contract with the Madison-Oneida BOCES for the provision of said services to the District not to exceed \$59,317 plus related borrowing fees, plus yearly Regional Information Center support during the term of this contract, finalized by the Superintendent, subject to the approval of the Commissioner of Education, for a period of 5 year(s); 2011-12, 2012-13, 2013-14, 2014-15, 2015-16.

Yes 6 No 0
Motion carried.

5.4 1st Reading of Policy #7100, Concussion Policy, Regulation #7100.1, Concussion Guidelines and Procedures, Regulation #7100.2, Concussion Management Protocol Explanation, Regulation #7100.3, Concussion Checklist, Regulation 7100.4, Physician Evaluation and Regulation # 7100.5, Return to Play Protocol

5.5 Extension Agreement with County of Oneida for Collection of School Taxes

Mrs. Rice made the motion to approve the Extension Agreement with County of Oneida for Collection of School Taxes seconded by Dr. Porcelli.

Yes 6 No 0
Motion carried.

6. Building Reports

6.1 Elementary Building Report - N/A

6.2 Secondary Building Report - N/A

7. Superintendent's Report

7.1 Risk Assessment Plan of Corrective Action

Ms. Houghton said that this item relates back to K. Sheppard's presentation at your last meeting of the district's 2011-12 Risk Assessment. A number of items on the report should not have been included because they had previously been corrected from the last Risk Assessment. They should be changed by next board meeting where we will ask you to accept the final report.

7.2 Enrollment

8. Board Discussion

9. Visitors Comments

Mr. Johnson thanked the board for their support for extra curricular activities at New York Mills Union Free School District .

10. Executive Session – to discuss 2 particular individuals and Contract Negotiations

Mrs. Wroblicki made the motion to go into Executive Session at 7:05 p.m. seconded by Mrs. Rice to discuss two particular individuals and Contract Negotiations.

Yes 6 No 0
Motion Carried.

Ms. Edwards appointed Ms. Houghton the Clerk Pro-tem.

Respectfully submitted,



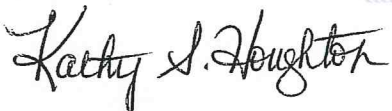
Paula Ann May
District Clerk

Ms. Edwards called the meeting back into regular session at 7:47 p.m.

11. Adjournment

Mrs. Rice made the motion to adjourn at 7:47 p.m. seconded by Dr. Porcelli.

Respectfully submitted,



Kathy Houghton
Clerk Pro-temp

AGREEMENT REGARDING ACCESS TO CAROLYN COURTS APARTMENTS

The parties to this Agreement are the New York Mills Union Free School District, with its principal place of business at 1 Marauder Boulevard, New York Mills, New York 13417 ("District"), and Clarence Carpenter, doing business as Caroline Court Apartments ("Owner"). For the benefit of one or more of its tenants residing in the Carolyn Courts Apartments ("the Complex"), and to enhance the desirability of residing in the Complex, Owner wishes to grant the District permission to operate its school buses within the Complex in order to pick up and discharge students in close proximity to their residences within the Complex. The District is willing to operate its school buses within the Complex for that purpose upon certain conditions. The parties have entered into this Agreement to establish the scope of the permission granted by Owner to the District, and the conditions upon which the District will operate its school buses within the Complex.

1. Owner grants to the District a right of access over all the paved roadways and parking areas maintained within the boundaries of the Complex, whether accessed from Clinton Street or New Hartford Street; provided that the District shall only operate its school buses within the Complex in order to pick up or discharge students at a point near their residence, and provided that the District may only operate its school buses on the paved roadways and parking areas of the Complex.
2. Owner agrees that the District shall not be liable for any damage, or any routine wear and tear, to the paved roadways and parking areas of the Complex that results from the District's operation of its school buses within the Complex.
3. Owner agrees to perform, or to have performed, reasonable tree and brush trimming to provide adequate clearance for a full size school bus to access the paved roadways and parking areas of the Complex without risk of damage to the school bus, including mirrors, warning lights, and other customary attachments. Owner also agrees to perform, or have performed, reasonable snow removal providing at least one clear point of ingress and egress suitable for operation of the District's school buses within the Complex.
4. Neither the existence of this Agreement, or any provision of this Agreement, is intended by the parties to limit the exercise by the District's Board of Education of its discretion to designate school bus stops under the Education Law and decisions of the Commissioner of Education. The District may decline to operate a school bus within the Complex on any day that its

transportation staff deems that conditions (such as overhanging branches, accumulated snow, parked vehicles) make it unsafe to do so.

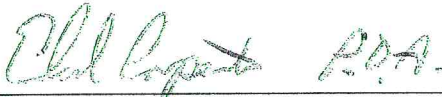
5. Each party represents that the signature appearing below has been affixed to this Agreement after proper authorization of the party's governing authority. In particular, Edward Carpenter has provided the District with a copy of his Power of Attorney to act on behalf of Clarence Carpenter, and he warrants that at the time of the execution of this Agreement that Power of Attorney has not been revoked.

6. This Agreement represents the full and complete Agreement between the parties concerning access to the Complex by the District. There are no oral agreements supplementing or modifying this Agreement. This Agreement may only be changed, amended, or modified by a written instrument specifically referencing this Agreement and signed by both parties with proper authorization of each party's governing authority.

For the District

For Clarence Carpenter, doing business
as Caroline Court Apartments

Jacqueline Edwards
President of the Board of Education



Edward Carpenter, Power of Attorney

Date: _____, 2012

Date: *5/20*, 2012

NEW YORK MILLS UNION FREE SCHOOL DISTRICT

2012-13

September 2012

Sun	Mon	Tue	Wed	Thur	Fri	Sat
						1
2	3 H	4 I	5 I	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

9/3 Labor Day
9/4-5 Inservice
9/6 1st Day/Students
Sept. 19 Days

2/18-22 Mid Winter
Break
Feb. 15 Days

February 2013

Sun	Mon	Tue	Wed	Thur	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18 H	19	20	21	22	23
24	25	26	27	28		

March 2013

Sun	Mon	Tue	Wed	Thur	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15 I	16
17	18	19	20	21	22	23
24	25	26	27	28	29 H	30

10/8 Columbus Day
10/19 1/2 Conf. Day
Oct. 22.5 Days

3/15 1/2 Conf. Day
3/29 Good Friday
March 20.5 Days

October 2012

Sun	Mon	Tue	Wed	Thur	Fri	Sat
	1	2	3	4	5	6
7	8 H	9	10	11	12	13
14	15	16	17	18	19/I	20
21	22	23	24	25	26	27
28	29	30	31			

November 2012

Sun	Mon	Tue	Wed	Thur	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12 H	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

11/12 Veteran's Day
11/21-23 Thanks-
giving Break
Nov. 18 Days

4/8-12 Spring
Vacation
April 17 Days

April 2013

Sun	Mon	Tue	Wed	Thur	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

December 2012

Sun	Mon	Tue	Wed	Thur	Fri	Sat
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

12/24-31 Winter
Recess
Dec. 15 Days

5/27 Memorial Day
May 22 Days

May 2013

Sun	Mon	Tue	Wed	Thur	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27 H	28	29	30	31	

January 2013

Sun	Mon	Tue	Wed	Thur	Fri	Sat
		1 H	2	3	4	5
6	7	8	9	10	11	12
13	14 H	15	16	17	18	19
20	21	22 R	23 R	24 R	25 R	26
27	28	29	30	31		

1/1 New Years
1/21 Martin Luther
King Jr.'s B-Day
Jan. 21 Days

June 15 Days
Total 185 Days

June 2013

Sun	Mon	Tue	Wed	Thur	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11 R	12 R	13 R	14 R	15
16	17 R	18 R	19 R	20 R	21 I(R)	22
23	24	25	26	27	28	29

H denotes Holidays



10 Empire State Blvd
Castleton, New York 12033

January 31, 2012

Audit Committee
New York Mills Union Free School District
Marauder Blvd
New York Mills, NY

We have completed the annual testing of controls for the New York Mills Union Free School District. One of the requirements of the 2005 School Financial Oversight and Accountability legislation is ongoing testing and evaluation of the district's internal controls. Our engagement was designed to evaluate the adequacy of internal controls over transportation. To ensure they are appropriately designed and operating effectively and efficiently. And, to provide a report with recommended changes for strengthening controls and reducing identified risks.

The purpose of the audit was to review the internal controls that the district has in place to prevent errors, detect fraud and ensure that financial reporting is accurate and that the district assets are safeguarded.

RELIABILITY OF INFORMATION

In performing our engagement, we obtained a sample from the population of transactions to test the accuracy and reliability of information provided by district personnel.

As noted, the purpose of our engagement was to assist you in improving the process by which you monitor and manage the risks that face the district. Any findings and recommendations in the attached report are the responsibility of the district to implement, accept the risk as identified, or implement alternative controls that will mitigate the risk to a level that is acceptable by the district. Ultimately, it is your responsibility to assess the adequacy of your risk management system.

DISTRIBUTION OF THE REPORT

This report is intended solely for the information and use of the Board of Education, Audit Committee and management of New York Mills Union Free School District and should not be used for any other purpose.

In concluding this assignment, I must admit that the Questar engagement team was impressed with the overall condition of the districts fiscal operations. We concluded our assignment with a deep respect for the hard working and dedicated employees in the business office. Mike Klenotiz and all business office staff were very cooperative and responsive during the engagement.

Sincerely,

Kacey Sheppard-Thibault, CFE
Internal Auditor
Questar III

REPORT TO THE AUDIT COMMITTEE

ENTITY NAME	New York Mills Union Free School District
REPORT DATE	January 31, 2012
PROCESS REVIEWED	<p>Transportation Department:</p> <ul style="list-style-type: none"> • Article 19A Regulations; • Driver Daily Reports; • DOT Maintenance Schedules • Fuel Purchases; and • Bus Part Purchases.
PERSONNEL INTERVIEWED	<p>Mike Klenotiz - Transportation Director Lisa Stamboly – Business Administrator</p>
SCOPE OF WORK	<ul style="list-style-type: none"> • Reviewed record keeping and reporting of personnel and maintenance items. All 12 employees in relation to Article 19A and other DOT regulations. • Reviewed the driver daily reports (5 out of 10 vehicles). • Reviewed the DOT maintenance forms and schedules (5 out of 10 vehicles). • Reviewed internal controls over fuel and bus parts inventories. • Reviewed a systematic sample of fuel purchases (5 out of 13), and materials and supplies (20 out of 81), from the time period of 9/1/2010 through 8/31/2011
SCOPE RESTRICTIONS	None
AUDIT OBJECTIVES	<ul style="list-style-type: none"> • Evaluate the internal controls for safeguarding and controlling fuel purchases to ensure they are operating effectively and efficiently; • Evaluate the district’s process for tracking, reporting, and accounting for the fuel purchases to ensure the assets are used only for district purposes; • Evaluate the internal controls for safeguarding and controlling of bus parts inventory to ensure they are operating effectively and efficiently; • Evaluate the district’s process for tracking, reporting, and accounting for the bus parts inventory to ensure the assets are used only for district purposes; • Tested the completeness of bus drivers’ Article 19A files, as required by the Article 19A regulations; and • Tested the completeness of maintenance records and daily driver logs in relation to Department of Transportation regulations.
KEY PROGRAM CONTROLS	<ul style="list-style-type: none"> • The district maintains, at a minimum, three years of driver documentation in each bus driver’s Article 19A files. • The district maintains back files of driver documentation with respect to Article 19A regulations. • The district maintains separate Article 19A and employee personnel files for each driver. • Purchases are made through properly encumbered purchase orders. • The district purchases daily fuel from the Town of New Hartford. In order to gain access to fuel they must have a specific key as well as a individual pass code.

REPORT TO THE AUDIT COMMITTEE

<p>OBSERVATIONS AND RECOMMENDATIONS</p>	<p>INTERNAL CONTROLS:</p> <p><u>Observation:</u> A detailed report of fuel usage is not provided to the business office to ensure that their monthly bill from the Town of New Hartford is reasonable.</p> <p><u>Recommendation:</u> The transportation director should provide the district business office, on a monthly basis, a summary of fuel obtained to tie back to the bill that is received.</p> <p><u>Observation:</u> The district does not have a formalized method of tracking of supplies used at the bus garage. In addition a usage report for the transportation supplies is not prepared and presented to the business office for review.</p> <p><u>Recommendation:</u> The district should establish procedures to ensure formalized tracking of all supplies used at the bus garage. A report showing the usage of said supplies should be sent to the business office for review periodically.</p> <p><u>Observation:</u> The district has not implemented a program to identify vehicle costs that become too excessive and a system to track vehicle maintenance cost throughout the year.</p> <p><u>Recommendation:</u> The district should review the modules within EZ Maintenance and utilize the reporting mechanisms to their full potential. At the very minimum a quarterly report of vehicle maintenance cost should be reviewed for reasonableness.</p> <p><u>Management Response:</u> The district will try to establish through written logs and formalized tracking systems better control over fuel, supplies and vehicle maintenance. In addition, the district has already made efforts to ensure that all purchases are made through guidelines established in the districts policy on purchases.</p> <p>FIELDWORK:</p> <p><u>Observation:</u> During our review of 25 supply and 5 gas purchases we noted the following:</p> <ul style="list-style-type: none"> - One instance of a confirming purchase order - One instance of a missing purchase order; and - Two instances of a missing receiving copy <p><u>Recommendation:</u> The district should ensure that all purchases are made through a properly encumbered purchase order prior to the purchase taking place. In addition, once the items have been received, a receiving signature should be obtained and presented prior to the invoice being processed for payment.</p> <p><u>Observation:</u> In evaluating the districts 19A personnel files, we noted the following:</p> <ul style="list-style-type: none"> - One instance of a missing 2009 DS 875Y (Biennial Oral/Written Exam)
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REPORT TO THE AUDIT COMMITTEE

- Four instances where an employees DS 873 (Annual Defensive Driving) between 2008 & 2009 was not completed within the required 365 day timeframe.
- One instance where the employees DS 874 (Annual Physical) between 2010-2011 was not completed within the required 13 month timeframe.
- Three instances where the employees DS 875 (Biennial Behind the Wheel) between 2007 and 2009 was not completed within the required biennial timeframe;

- Eight instances where the employees DS 875Y between 2007 and 2009 was not completed within the required biennial timeframe; and
- Five instances where the employees DS 870 (Initial Application) was missing from their 19A Files.

Recommendation: We recommend that an appropriate individual continually monitors the bus driver's annual evaluation dates as well as confirm that the required documents are included to ensure compliance with 19A regulations and time constraints.

Management Response: All instances of non compliance noted were prior to the new Transportation Supervisor maintaining the 19A files. The district will work to obtain the original DS870 applications to place in the drivers files. The district also expects most other areas have now fell under compliance.

Observation: In evaluating the 5 out of 10 buses DDR's (driver daily reports) we noted the following:

- Bus 55:
 - o Driver did not note fuel obtained on the DDR; and
 - o Two instances of missing mileage documentation in the amount of 2 and 43 miles.
- Bus 56:
 - o One instance where the driver did not note whether defects were noted or not noted on the Post Trip PM run;
 - o Two instances of missing mileage documentation in the amount of 30 and 34 miles;
 - o One instances where the driver did not check for students for PM runs and on all runs;
 - o One instances where the driver did not complete PM Pre Check; and
 - o One instance where ending mileage was not noted.
- Bus 59:
 - o Seven instances of missing mileage documentation in the amount of 2,4,6,8,8,34 and 35;
 - o One instance where the driver did not check for students after the PM run as well as a extra run;
 - o One instance where the driver did not perform pre and post trip inspections on a extra run; and
 - o One instance where the driver noted an incorrect date.

REPORT TO THE AUDIT COMMITTEE

	<p>- Bus 60:</p> <ul style="list-style-type: none"> ○ One instance of missing mileage documentation in the amount of 20 miles; ○ One instance where a driver did not complete the pre trip inspection on an extra run; ○ Four instances where a driver did not complete the post trip inspection on an extra run; ○ One instance where the driver did not complete the PM pre trip inspection; and ○ Three instances where the driver did not complete the AM post and PM post trip inspection. <p>- Bus 63:</p> <ul style="list-style-type: none"> ○ One instance where the driver did not check for students on the PM and extra run post check; ○ One instance where the driver did not check for students on all post trip inspections (AM and PM), and ○ One instance where the driver did not complete a PM post check. <p><u>Recommendation:</u> We recommend that the district spot check the driver daily reports for accuracy. In addition, we recommend that this review be documented.</p> <p><u>Management Response:</u> The district will see improvement in this area. The review of the DDR's will be spot checked and documented by the Transportation Supervisor.</p>
<p>SUBMITTED BY:</p>	<p>Kacey Sheppard, CFE Internal Auditor</p>
<p>DATED</p>	<p>January 31, 2012</p>



10 Empire State Blvd
Castleton, New York 12033

February 23, 2012

Board of Education
New York Mills Union Free School District
Maurader Blvd
New York Mills, NY

We have completed the annual update of the financial risk assessment for the New York Mills Union Free School District. One of the requirements of the 2005 School Financial Oversight and Accountability legislation is to update the risk assessment annually. Our engagement was designed to revisit the risks identified in the previously issued report and provide a report on the organization's steps taken to mitigate those risks, as well as, identify new risks as conditions change within the district.

The purpose of the financial risk assessment was to review the internal controls that the district has in place to prevent errors, detect fraud and ensure that financial reporting is accurate and that the district assets are safeguarded.

RELIABILITY OF INFORMATION

As noted, the purpose of our engagement was to assist you in improving the process by which you monitor and manage the risks that face the district. However, it is ultimately your responsibility to assess the adequacy of your risk management system.

In performing our engagement, we relied on the accuracy and reliability of information provided by district personnel. We have not audited, examined, or reviewed the information, and express no assurance on it.

DISTRIBUTION OF THE REPORT

This report is intended solely for the information and use of the Board of Education and management of New York Mills Union Free School District and should not be used for any other purpose.

We appreciate the opportunity to serve you and thank the individuals in your organization for their cooperation. Over time, it will be necessary to reassess your risks to ensure that they have not changed and to ensure that your risk management system is functioning properly. Through our ongoing involvement with you as a client and our knowledge of your district and its processes, we are in a unique position to assist you with that process. Please contact us at any time should you desire such services.

Sincerely,



Kacey Sheppard-Thibault, CFE
Internal Auditor
Questar III BOCES

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INHERENT RISK

Below are inherent risks that should be addressed as part of conducting the annual independent audit and the ongoing internal audit function:

AREA IMPACTED	DESCRIPTION	RECOMMENDATION
Changing Environment***	The district operates under complex or frequently changing compliance requirements. The risk to the district is that as compliance regulations change complexities place task burdens on the district employees. The complexity of the tasks increases the risk that the district could feel adverse consequences if it were to loose a key person in the business office.	To mitigate this risk, the organization should require business office personnel to document all critical financial processes. These process documents should be reviewed for accuracy and completeness. Once the documents are prepared, employees should be required to maintain the documents in a manner that reflects any changes to the procedure. The initiative to document all critical process should be completed in the next 12 months. The update and review should be completed within 30 days of any changes to the procedure.
Budgeting	The proposed cuts in state aid and federal funding could cause financial hardship in future years as the district uses its available fund balance to offset the effects of that loss on the current tax levy.	The district should be planning for making necessary adjustments to compensate for the change in aid.

ASSESSMENT OF RISK

Below is an assessment of the district's internal controls for each functional area which are classified as low; moderate; or high risk. The assessment is based on the likelihood and impact that an unfavorable event would have on the district. The functions that we deemed to be high risk areas are critical to the operation of the district or are assets susceptible to misappropriation. In addition, this information may be used by the Board of Education for developing an audit plan for the upcoming year.

Functional Area	Risk Classification 2010-2011	Risk Classification 2011-2012	Comments
Cash – Business Office	Moderate	Moderate	
Cash – Lunch Program	N/A	N/A	The district contracts with OHM BOCES to provide school lunch services
Cash – Extraclassroom Activities	Moderate	Moderate	
Cash – Petty Cash	Low	Low	
Accounts Receivable – General	Moderate	Moderate	
Accounts Receivable - Medicaid	High	High	
Accounts Receivable – Federal Stimulus Money	High	Low	
Accounts Payable (disbursements and expenditures)	Moderate	Moderate	
Payroll	Moderate	Moderate	
Purchasing	Moderate	Moderate	
Fixed Assets Accountability	Moderate	Moderate	
Inventory - Fuel	N/A	N/A	The district does not hold fuel inventory.
Inventory – Lunch Program	N/A	N/A	The district contracts with OHM BOCES for school lunch services.
Inventory – Operations & Maintenance	Moderate	Moderate	
Inventory - Extraclassroom	Moderate	Moderate	
Employee Benefits	Low	Low	
Employee Expense Reimbursements	Low	Low	
Information Systems	Moderate	Moderate	
Capital Projects	Moderate	Low	No New Capital Projects
Budgeting	Low	Low	
Internal Claims Auditing	Moderate	Moderate	

COMMENTS AND RECOMMENDATIONS

We noted the following issues within functional areas that could use improvement to their internal controls. The comments and recommendations provide a tool for management to assist in developing or maintaining a risk management system that mitigates risk to an acceptable level as determined by the Board of Education. The issues are summarized in the table below along with our recommendations:

AREA IMPACTED	DESCRIPTION	RECOMMENDATION
Cash (Balances, Receipts and Disbursements)***	<p>The district has the following lack of segregation of duties:</p> <ul style="list-style-type: none"> - Retiree Health Insurance: The individual responsible for preparing invoices relating to retiree health insurance is also responsible for collecting all payments, and applying the payments against said invoices.*** - Receipts: <ul style="list-style-type: none"> o The same individual responsible for preparing the deposit slip is also responsible for preparing the treasurer's receipt. - Disbursements: <ul style="list-style-type: none"> o The individual responsible for signing checks is also responsible for cash receipts and approving of purchases. <p>As a compensating control, the district treasurer will review a vendor change report directly from finance manager</p>	<p>Segregation of duties issues can be addressed in several ways; the organization could reassign work so that checks and balances are put in place and no one person has a span of control that is too extensive or develop additional review procedures throughout business operations. Correcting these issues could include doing one or more of the following:</p> <ul style="list-style-type: none"> - An individual outside of the retiree health process should be responsible for noting all payments and tracking of the completed invoices; and - The district could implement some compensating controls, such as documented reviews over processes where the controls are less than ideal.
	Per our review of the districts board meeting minutes, we noted a lack of authorization of holders on all credit card accounts.***	At the reorganizational meeting the board should approve all credit cards used in the district and the authorized users on each account
	Per the districts policy, the cumulative limit allowed on the district credit cards is \$25,000. Per our review of the districts Citizens Bank credit card, we noted a cumulative limit of \$32,000.***	The district should reduce the limit allowable on their credit cards and/or change the allowable amount per the district policy.

AREA IMPACTED	DESCRIPTION	RECOMMENDATION
Cash (Balances, Receipts and Disbursements)***	Aged outstanding checks are not handled according to NYS regulations. Checks that are aged may be voided and reversed back into the fund in which they were expensed from.***	In the event that it appears that a check will not be presented for payment, the school should undertake efforts to ensure that the funds go to the intended recipient. This could include turning the funds over to the NYS Controllers Unclaimed Funds Division; or establishing a liability account; voiding these checks should be discouraged.
	Controls over the districts cash processes could use some improvement. We noted the following: <ul style="list-style-type: none"> - There is no documented review over the state aid reconciliation (other than the districts external auditors);*** and - There is no documented review over the cash receipt log to the amount deposited and noted in the general ledger. 	A documented review over all processes should be completed.
	The district does not cancel invoices and/or payment requests upon payment.***	All supporting invoices and payment requests should be cancelled upon payment to help reduce the risk of duplicate payments.
	Receivables outside of taxes and state aid are only tracked through paper invoices. In addition, there is not a formal review of all write offs to receivable prior to the write off being performed.	The district should implement a electronic tracking system to ensure that all receivables properly backed up and easily reconciled. A documented review of all write offs should be performed prior to the write off being performed.
Cash / Policies***	It was noted that the districts purchasing policy needs to be updated. In addition, the district should also implement a policy surrounding cash kept in buildings.	Policies and procedures should be developed in a way that allows the actual practices of the business office to be reflected in the board approved policy. When the business practices change, the board should be advised so that they can revise the formal policy or require other action by the business office. This review should be documented on the face of the policy.

AREA IMPACTED	DESCRIPTION	RECOMMENDATION
Claim Auditing***	<p>Certain elements of the claim auditing procedure could use improvement, we noted that the claim auditor does not perform the following:</p> <ul style="list-style-type: none"> - Validate ledger / budget coding; - Verify that bidding has been completed if required; - Read the terms and conditions for any payments being made under leases or contracts for the purpose of determining the accuracy of the payment; and - Verify that appropriations are available for payment of the claim 	<p>The board of education should determine the exact steps required by the districts claim auditor. These steps should be documented in a formal checklist provided to the claim auditor for inclusion in her review.</p>
Medicaid	<p>During our review of the district Medicaid process we noted the following:</p> <ul style="list-style-type: none"> - The district has yet to bill for any services during the 2011-2012 fiscal year, this is due to a lack of clear track training provided to the BOCES employees that the district has contracted with to provide such services; - Reconciliation between Medicaid billing and the amount received is not performed. 	<p>The district should contact BOCES to ensure they have provided their employee's proper training to ensure that all applicable information needed is entered into clear track. Once the billing has been completed a copy of the bill should be forwarded to the district to use in reconciliation to the amount of funds received.</p>
Payroll***	<p>Controls over the payroll process could use some improvement. We noted a lack of documentation on the review over paid time off versus approved requests and timesheets.***</p>	<p>Although there are some compensating controls in place over certain aspects of payroll, the district should further develop compensating controls such as:</p> <ul style="list-style-type: none"> - Performing documented reviews over the paid time off liability, first and final pay calculations, and payroll bank reconciliation; • Performing a reconciliation of substitutes timesheets to employees attendance cards and ensure that this reconciliation is reviewed, and this review is documented, by an appropriate individual

AREA IMPACTED	DESCRIPTION	RECOMMENDATION
Payroll***	Personnel files are kept unlocked during normal business hours.***	We recommend that these files be locked when the individual responsible for maintaining these files leave the office for any reason.
	Employees are covered by union agreements. We observed that the high school and elementary principal has been working under the terms of an expired contract since July 1, 2011.	The district should make attempts to resolve the issues that prevent concluding negotiations. The district is currently in the negotiation process.
Fixed Assets***	The district does not have a formal process and tracking form in place for the re location of fixed assets, with the exception of IT related assets.***	Require the use of a form to be completed when an assets is to be relocated.
	There district lacks formal policies with respect to fixed assets and capitalization. Policy 4503 – Inventory- does not specify a threshold for capitalizing fixed assets.***	
Inventory Controls***	The district does not have a formalized method of tracking of supplies used at the bus garage. In addition a usage report for both custodial supplies as well as transportation supplies is not prepared and presented to the business office for review.***	The district should establish procedures to ensure formalized tracking of all supplies used at the bus garage. A report showing the use of said supplies should be sent to the business office for review periodically.
	The bus garage does not provide any fuel usage reports to the districts business office for comparison to the amount of fuel used during a given period of time.	The transportation director should provide a monthly fuel / mileage usage report to the districts business office to compare to the amount of fueled billed to the district or reasonableness.
IT Controls***	We noted that all computers do not lock down after an allotted time of inactivity.***	All computers should be required to lock down after ten to fifteen minutes of inactivity.

AREA IMPACTED	DESCRIPTION	RECOMMENDATION
IT Controls***	Users are not required to reset their passwords on regular basis. User passwords are initially assigned by the IT department. It is good business practice to require, by default, that all new users will establish a unique password at the time they log into the system the first time.***	Recommend that the district changes its practice to require mandatory password changes at a very minimum, on an annual basis.
	The district does not have a written disaster recovery plan for its IT system.***	The district should have a plan for recovering from a potential disaster. This plan should include offsite storage of critical data and a complete backup of all information that the school needs to operate the business office.
Policies & Procedures***	Per Board Policy 4038: "the Superintendent is authorized to make transfers in the amount of \$5,000 or less without board approval", however, the districts business manager is the individual who is making such transfers.	The district should review their policy to match current practice or a designee should be approved on an annual basis at the districts re organizational meeting.

AREA IMPACTED	DESCRIPTION	RECOMMENDATION
Extraclassroom Activity Funds***	<p>During our review of extra classroom controls we noted the following:</p> <ul style="list-style-type: none"> - The individual responsible for receipting and disbursing of funds is also responsible for reconciling the bank statement; - The individual responsible for reconciling the bank statement is not signing off as preparer; - Clubs are not consistently completing ticket reconciliations as appropriate backup for cash receipts collected (when applicable);*** - Clubs are not consistently completing and using inventory control forms for items purchased for resale, activity budgets and profit and loss forms and;*** - Clubs are not consistently reconciling their books back to the central treasurer's books.*** 	<p>An appropriate individual independent of the cash receipt and cash disbursement processes of the extraclassroom activity fund should be responsible for preparing the monthly bank reconciliation.</p> <p>The clubs have vastly improved over the past fiscal year, however additional improvement is recommended. We recommend the District follow the requirements of SED's Pamphlet 2. To further place importance on these requirements the District should consider providing training to club advisors, student treasurers and other faculty on the accounting and safeguarding of extra classroom activity funds on an annual basis. In addition, Elementary extra classroom accounts are prohibited. The district should close these funds and move the money to the appropriate organization, i.e.- PTO, Boosters Club, etc.</p>
	<p>The district holds one elementary extraclassroom club.***</p>	<p>We recommend the District follow the requirements of SED's Pamphlet 2. To further place importance on these requirements the District should consider providing training to club advisors, student treasurers and other faculty on the accounting and safeguarding of extra classroom activity funds on an annual basis. In addition, Elementary extra classroom accounts are prohibited. The district should close these funds and move the money to the appropriate organization, i.e.- PTO, Boosters Club, etc.</p>
	<p>The extraclassroom central treasurer does not sign off as preparer on the report that is prepared for the board of education.</p>	<p>The individual who prepares such report should sign off as such.</p>

AREA IMPACTED	DESCRIPTION	RECOMMENDATION
<p>Extraclassroom Activity Funds***</p>	<p>During our 2011-2012 review we noted the following inactive clubs:</p> <ul style="list-style-type: none"> - SADD: \$20.57; and - Foreign Language Club: \$15.63*** 	<p>In the event that a club becomes inactive, the district should transfer inactive club balances under the direction of the Board of Education.</p>
<p>General***</p>	<p>During our review we noted that the districts Board of Education does not consistently meet with the external auditors prior to the commencement of the annual audit.***</p>	<p>Matters for consideration by the audit committee in 2012 – 2013:</p> <ol style="list-style-type: none"> 1. The audit committee should be meeting with the financial statement auditors to plan the annual audits. 2. Minutes should be kept for all committee meetings. 3. The audit committee should work with the business office to determine the appropriate actions to take with respect to this risk assessment. 4. The Committee should assist in planning goals and objectives for the internal audit function in the 2012-2013 school year. This plan should include timing for the work and related reports and identify cycles to be reviewed. 5. Meet with the financial statement auditors at the conclusion of the annual audit. The purpose of this meeting is to review the financial statements and management letter comments; if any. In the event that the auditor issues a management letter, the committee should take responsibility for presenting a corrective action plan.

ISSUES PREVIOUSLY IDENTIFIED AND ADEQUATELY ADDRESSED:

We noted the following issues within functional areas that were noted in previous reports and subsequently corrected. Below is a listing of such items and their solutions.

AREA IMPACTED	DESCRIPTION	RISK PREVIOUSLY ADEQUATELY ADDRESSED
Commitments and Contingencies	<p>The district has off balance sheet liabilities with respect to its post retirement benefits that it offers its retirees. This liability will need to be calculated under an accounting regulation known as GASB 45. This requires engaging an actuary to complete the computation. In addition, there are several steps the school will need to take to be ready to implement this accounting regulation in 2008 – 2009. These off balance sheet liabilities could be significant.</p>	<p>The district has contracted with Questar III BOCES to provide GASB 45 services.</p>
Cash (Balances, Receipts and Disbursements)	<p>The district has the following lack of segregation of duties:</p> <ul style="list-style-type: none"> - Receipts: <ul style="list-style-type: none"> o The same individual responsible for receiving payments is also responsible for general ledger activity such as preparation of journal entries. - Disbursements: <ul style="list-style-type: none"> o The individual responsible for processing payables is also responsible for following up on unmatched purchase orders. o The individual responsible for processing payable also has access to add vendors in the vendor master file. - External Billing and Collection: <ul style="list-style-type: none"> o The Individual responsible for preparing invoices relating to external billings is also responsible for receipting in all payments, and applying the payments against said invoices. 	<p>The district has implemented the following changes:</p> <ul style="list-style-type: none"> - Receipts: <ul style="list-style-type: none"> o OHM BOCES, central business office is responsible for the posting and reviewing of all journal entries entered into the districts ledger, this also applies to any non cash credits that would occur. - Disbursements: <ul style="list-style-type: none"> o As a compensating control surrounding the vendor master file, the district treasurer is responsible for reviewing a vendor change report directly from finance manager on a periodic basis. o The building secretaries are responsible for following up on unmatched purchase orders, receiving reports and invoices. o An individual responsible for processing payable also has access to add vendors in the vendor master file. - External Billing and Collection: <ul style="list-style-type: none"> o The Superintendents secretary is currently responsible for preparing all invoices for any external billings that occur within the district.

AREA IMPACTED	DESCRIPTION	RISK PREVIOUSLY ADEQUATELY ADDRESSED
Cash (Balances, Receipts and Disbursements)	<p>Controls over the districts cash processes could use some improvement. We noted the following:</p> <ul style="list-style-type: none"> - The individual who prepares the bank reconciliation does not sign off as preparer; - The cash receipt log is prepared manually; therefore the district does not have proper backup of this log. 	<p>The individual who prepares bank reconciliation signs off as preparer. In addition, an electronic cash receipt log is being prepared, therefore allowing proper backup of this log.</p>
	<p>The district does not have a process in place to ensure that deposits are adequately collateralized.</p>	<p>Currently the district will be 100% collateralized through FDIC coverage until December of 2012 or until interest rate exceeds one half percent.</p>
	<p>The district does not perform a documented review of journal entries.</p>	<p>The districts treasurer will perform a documented review over all journal entries.</p>
Claim Auditing	<p>Certain elements of the claim auditing procedure could use improvement, we noted that the claim auditor does not perform the following:</p> <ul style="list-style-type: none"> - Compare the dates of the purchase order to the date of the invoice to check for confirming purchase orders; - Validate the meal receipts submitted for reimbursement list all attendees and purpose of the meeting; - Review the physical check drawn to pay the approved claim; and - Report to the Board of Education in person. 	<p>The districts claim auditor has now implemented the following steps into her claim auditing process:</p> <ul style="list-style-type: none"> - Compare the dates of the purchase order to the date of the invoice to check for confirming purchase orders; - Validate that meal receipts submitted for reimbursement list all attendees and the purpose of the meeting; - Review the physical check drawn to pay the approved claim; and - Meet with the Board of Education in person, at least annually.

AREA IMPACTED	DESCRIPTION	RISK PREVIOUSLY ADEQUATELY ADDRESSED
Payroll	<p>Controls over the payroll process could use some improvement. We noted the following:</p> <ul style="list-style-type: none"> - A lack of documentation on the review performed over the first and final pay calculation; - A lack of documented review performed over the paid time off liability; and - The individual who prepared the bank reconciliation does not sign off as preparer. 	<p>The district has implemented the following changes surrounding the payroll process:</p> <ul style="list-style-type: none"> - The district treasurer is documenting her review over the first and final pay calculations; - A documented review is performed over the paid time off liability; and - A periodic review over paid time off versus approved requests and timesheets is performed; however this review is not documented.
	<p>The payroll certification process could use some improvement.</p>	<p>On a biweekly basis, the district Superintendent will select one to two individuals per page on the payroll register and match their gross pay back to their applicable salary notice for completeness. If that individual was getting any additional pay, inquiries to their appropriate supervisor is performed to ensure these were legitimate reasons.</p>
	<p>Employees are covered by union agreements. We observed that one of the collective bargaining unit, New York Mills Union Free Teachers Association has been working under the terms of an expired contract since July 1, 2008.</p>	<p>The New York Mills Union Free Teachers Association contract has been settled and retroactive payments were made during June 2010.</p>
	<p>The individual assigned to process payroll also is responsible for inputting employee's rates of pay.</p>	<p>The Superintendents secretary is responsible for inputting all rates of pay into Finance Manager.</p>
Inventory Controls	<p>The district does not have a formalized method of tracking custodial supplies.</p>	<p>The district has implemented a tracking system in relation to their custodial supplies.</p>
Financial Reporting and Budgeting	<p>During our review of the districts financial reporting, we noted that the individual who prepares monthly reports to the Board of Education does not sign off as preparer.</p>	<p>The individuals preparing reports for the Board of Education currently is signing off as such.</p>

AREA IMPACTED	DESCRIPTION	RISK PREVIOUSLY ADEQUATELY ADDRESSED
Policies and Procedures	Per our review of the districts Board meeting minutes we noted the following: <ul style="list-style-type: none"> - Lack of appointment of the districts claim auditor; - Lack of establishing annual approval over the amount of funds to be transferred via a wire approval without Board approval 	Per our review of July 2011, reorganizational meeting minutes we noted the appointment of the districts claim auditor as well as a annual approval over the amount of funds to be transferred via a wire transfer without Board approval.
	IT was noted that the districts fiscal management policies have not been updated in recent years. The district is currently in the processing of performing a complete policy review.	The district updated their financial policies.



1 Marauder Boulevard
New York Mills, NY 13417

Kathy S. Houghton
Superintendent of Schools

Tel: (315) 768-8127
Fax: (315) 768-3521
E-mail: khoughton@newyorkmills.org

March 8, 2012

Kacey Sheppard, CFE, Internal Auditor
Questar III BOCES
4747 Middle Settlement Road
New Hartford, New York 13413

Dear Kacey:

Please find below New York Mills Union Free School District's Response and Corrective Action Plan for the fiscal period report dated January 31, 2012 as pertains to the Audit on Internal Controls over Transportation as performed by your office:

1. Finding :Internal Controls :

Response:

- The District will try to establish through written logs and formalized tracking systems better controls over fuel, supplies and vehicle maintenance.

2. Finding :Purchases:

Response :

-The District has already made efforts to ensure that all purchases are made through guidelines established in the Districts policy on Purchases.

3. Finding:19A files:

Response:

-All instances of non-compliance noted were prior to the new Transportation Supervisor maintaining the 19A files. The District will work to obtain the original DS870 applications to place in the driver's files. The District also expects most other areas have now fell under compliance.

4. Finding: DDR :

Response:

The District will seek improvement in this area. The review of the DDR's will be spot checked and documented by the Transportation Supervisor

Should you have any questions or concerns please feel free to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Lisa Stamboly". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Lisa Stamboly
Business Official

**NEW YORK MILLS
UNION FREE SCHOOL DISTRICT**

**SHARED SERVICE AGREEMENT FOR
TRANSPORTATION SUPERVISOR**

DATED: April 3, 2012

BE IT RESOLVED that the New York Mills Union Free School District authorizes the Superintendent of Schools to enter into the “Shared Services Agreement” with the Whitesboro Central School District to share a Transportation Supervisor for the 2012-13 school year.

Motion:

Second:

Yes:

No:

**SHARED SERVICE AGREEMENT
BETWEEN NEW YORK MILLS UNION FREE SCHOOL DISTRICT AND
WHITESBORO CENTRAL SCHOOL DISTRICT**

July 1, 2012 – June 30, 2013

New York Mills Union Free School District and Whitesboro Central School District have agreed to share the services of the Transportation Supervisor. The Transportation Supervisor will be employed by the New York Mills Union Free School District and will be shared equally between the New York Mills Union Free School District and Whitesboro Central School District. Whitesboro Central School District will be billed for .5 FTE of total compensation of salary and benefits.

Salary with benefits: \$76,674

Calculation **Estimate** for 2012-13, fee will be \$38,337

The Transportation Supervisor is supervised by the New York Mills Union Free School District Superintendent of Schools. Any issue pertaining to his performance in Whitesboro Central School District will be channeled from the Whitesboro Central School District Superintendent of Schools to the New York Mills Union Free School District Superintendent of Schools. Periodic meetings will be held between the designated representatives of each school district to discuss goals and objectives of the Transportation Supervisor.

New York Mills Union Free School District

Date

Whitesboro Central School District

Date

**NEW YORK MILLS
UNION FREE SCHOOL DISTRICT**

**INTERMUNICIPAL AGREEMENT FOR THE
PURCHASE OF FUEL AND
TRANSPORATATION SUPPLIES**

DATED: April 3, 2012

BE IT RESOLVED that the New York Mills Union Free School District authorizes the Superintendent of Schools to enter into the "Intermunicipal Agreement" with the Whitesboro Central School District to purchase gasoline, diesel and fuel oil products as well as other transportation supplies at the price which Whitesboro Central School District pays for such products for the 2012-13 school year.

Motion:

Second:

Yes:

No:

**INTERMUNICIPAL AGREEMENT
BETWEEN THE
NEW YORK MILLS UNION FREE SCHOOL DISTRICT
AND THE
WHITESBORO CENTRAL SCHOOL DISTRICT**

THIS AGREEMENT made this 3rd day of April 2012 by and between the WHITESBORO CENTRAL SCHOOL DISTRICT, with its administrative offices at 67 Whitesboro Street, Yorkville, New York, 13495 (hereinafter referred to as “WHITESBORO”) and the NEW YORK MILLS UNION FREE SCHOOL DISTRICT, with offices at 1 Marauder Boulevard, New York Mills, New York 13417 (hereinafter referred to as “NEW YORK MILLS”),

WITNESSETH:

WHEREAS, NEW YORK MILLS wishes to purchase gasoline, diesel and fuel oil products as well as other transportation supplies from WHITESBORO at the price which WHITESBORO pays for such products; and

WHEREAS, WHITESBORO has requested that NEW YORK MILLS utilize a security system to access such products which does not require the use of any individual's social security number for identification purposes and NEW YORK MILLS has agreed to contribute an amount not exceeding Two Hundred Fifty Dollars and 00/100 (\$250.00) for such purposes.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, WHITESBORO and NEW YORK MILLS hereby agree as follows:

1. WHITESBORO will allow and permit NEW YORK MILLS to purchase gasoline, diesel, and other fuel oil products from WHITESBORO at the cost of such products to WHITESBORO.

2. On the first (1st) day of each month, WHITESBORO will calculate the fuel use and cost for the previous month, submit a voucher, with supporting documentation, to NEW YORK MILLS for payment by the fifth (5th) day of the month and NEW YORK MILLS will provide payment by the end of the month. Payments not received by the tenth (10th) day of the following month will be subject to a two percent (2%) late fee.

3. NEW YORK MILLS shall indemnify and hold WHITESBORO harmless from any damage, claim or injury which occurs or arises from or during the course of the performance of this agreement. NEW YORK MILLS shall also provide WHITESBORO with evidence of insurance coverage insuring against such damage, claim or injury with WHITESBORO being named as an additional insured on such policy or policies.

4. The term of this agreement shall be for a one year period commencing upon the execution of this agreement by both parties; however, either party may terminate this agreement upon thirty (30) days written notice.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

WHITESBORO CENTRAL SCHOOL DISTRICT

BY: _____

NEW YORK MILLS SCHOOL DISTRICT

By: _____

6.1a



1 Marauder Boulevard
New York Mills, NY 13417

René Wilson
Elementary Principal

(315) 768-8129
FAX (315) 768-3396
email: rwilson@newyorkmills.org

April 3, 2012

Dear Kindergarten Parent,

During the spring of 2001, the New York Mills Board of Education accepted a grant from the Donna and George E. Herthum Family Fund of the Community Foundation of Herkimer and Oneida Counties, Inc. Interest earned annually is used each year by the Kindergarten class to plant a tree on school grounds in order to beautify our school environment. We are grateful to the Herthums for their generosity, and our students are very excited about planting their special tree.

On Friday, April 27th at 2:15 p.m., the graduating class of 2024 will plant a tree on our school grounds in honor of Arbor Day. The teachers and children are planning our annual tree dedication ceremony in order to commemorate the occasion, and parents are invited to attend. In case of inclement weather, our raindate for this outdoor ceremony will be Monday, April 30th.

We hope you will be able to join us on April 27th. Please call your child's teacher or the office at 768-8129 if you have questions about the ceremony.

Sincerely,

Romana Davis
Romana Davis
Kindergarten Teacher

Kristin Kohn
Kristin Kohn
Kindergarten Teacher

cc: Mr. and Mrs. George E. Herthum
Ms Kathy Houghton, Superintendent of Schools
Board of Education

Enrollment

NY Mills UFSD : 2011-2012 (3/30/2012)

Grade	Male	Female	Total
Elementary			
PK	0	0	0
K am	0	0	0
K pm	0	0	0
K ad	26	19	45
1	24	20	44
2	25	24	49
3	26	28	54
4	23	29	52
5	23	33	56
6	16	19	35
13	0	0	0
PS	0	0	0
Elementary Total:	163	172	335
High School			
7	23	25	48
8	22	25	47
9	28	16	44
10	21	17	38
11	22	25	47
12	27	19	46
14	0	0	0
High School Total:	143	127	270
NY Mills UFSD Total:	306	299	605
Outside Sp. Ed (K-6) Placements			4
Outside Sp. Ed (7-3) Placements			18
Alternative Ed. Placements			3
Incarcerated Youth			0
NY Mills Total Enrollment			<u>630</u>

TEACHERLOAD 2011-2012 SCHOOL YEAR

<u>Teacher</u>	<u>Grade</u>	<u># of Students</u>	<u>Grade Total</u>
Davis	K	23	
Kohn	K	22	45
<hr/>			
Pearsall	1	22	
Robertson	1	22	44
<hr/>			
Goodfriend	2	25	
Zbytniewski	2	24	49
<hr/>			
Dunn	3	19	
Massoud	3	17	
Steffen	3	18	54
<hr/>			
Schmidt	4	26	
Sroka	4	26	52
<hr/>			
Hall	5	28	
Hamarowicz	5	28	56
<hr/>			
Kuhn	6	19	
Sacco	6	16	35
<hr/> <hr/>			

Total Students:

335

3/30/2012