

Somers Central School District Audit Presentation



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- Overview & Required Communications
- 2021 General Fund Revenues & Expenditures Compared to Budget
- Major Revenues
- Major Expenditures
- 3 Year General Fund Balance Analysis
- Other Fund Balance Analysis
- Long-Term Liabilities
- Debt Service



- **Management & Those Charged With Governance Responsibility**

- Selecting and implementing appropriate accounting policies
- Fairly presenting the financial statements in accordance with U.S. GAAP
- Establishing and maintaining effective internal control over financial reporting
- Compliance with laws, regulations and provisions of contracts and agreements
- Providing all financial records and related information to the auditors
- Setting proper tone at the top



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Overview & Required Communications (Cont'd)

- **Our Responsibility**

- Deliverables

- Independent Auditor's Report
 - Extraclassroom Activities Report
 - Required Communications to TCWG
 - Management Letter

- We encountered no significant difficulties in the conduct of our audit
 - Uncorrected and correct misstatements-no uncorrected differences
 - No disagreements with management



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2021 Revenues & Expenditures Compared to Budget

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance With Final Budget</u>
Revenues	\$ 93,390,325	\$ 93,390,325	\$ 94,786,731	\$ -	\$ 1,396,406
Expenditures	<u>94,614,973</u>	<u>94,383,488</u>	<u>92,025,567</u>	<u>356,083</u>	<u>2,001,838</u>
Excess of Revenues Over Expenditures	<u>(1,224,648)</u>	<u>(993,163)</u>	<u>2,761,164</u>	<u>(356,083)</u>	<u>3,398,244</u>
Other Financing Uses	<u>(96,500)</u>	<u>(327,985)</u>	<u>(322,979)</u>	<u>-</u>	<u>5,006</u>
Net Change in Fund Balance	<u>(1,321,148)</u>	<u>(1,321,148)</u>	<u>2,438,185</u>	<u>\$ (356,083)</u>	<u>\$ 3,403,250</u>
Fund Balance - Beginning	<u>1,321,148</u>	<u>1,321,148</u>	<u>13,855,214</u>		
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,293,399</u>		



Major Revenues

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>	<u>2020</u>
Property Tax	\$ 73,028,713	\$ 73,028,713	\$ 73,028,713	\$ -	\$ 70,832,068
School Tax Relief Reimbursement	8,094,292	8,094,292	8,094,292	-	8,945,717
Non-property tax distribution from County	1,269,661	1,269,661	1,837,061	567,400	1,511,244
Earnings on investments	164,000	164,000	18,604	(145,396)	323,799
State Aid	9,544,679	9,544,679	10,251,159	706,480	10,475,548
Federal aid	<u>18,500</u>	<u>18,500</u>	<u>100,545</u>	<u>82,045</u>	<u>57,518</u>
	<u>\$ 92,119,845</u>	<u>\$ 92,119,845</u>	<u>\$ 93,330,374</u>	<u>\$ 1,210,529</u>	<u>\$ 92,145,894</u>
% of Total Revenues and Other Financing Sources	<u>98.64%</u>	<u>98.64%</u>	<u>98.46%</u>		



Major Expenditures

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance With Final Budget</u>	<u>2020</u>
General Government Support	\$ 9,124,599	\$ 9,429,198	\$ 8,824,197	\$ 230,683	\$ 374,318	\$ 8,399,735
Instruction	52,889,067	52,795,591	51,481,590	125,227	1,188,774	50,105,894
Transportation	5,616,040	5,192,062	5,011,214	173	180,675	5,078,942
Employee Benefits	22,127,180	22,108,550	21,854,681	-	253,869	21,054,729
Debt Service	<u>4,844,962</u>	<u>4,844,962</u>	<u>4,844,959</u>	<u>-</u>	<u>3</u>	<u>5,372,789</u>
	<u>\$ 94,601,848</u>	<u>\$ 94,370,363</u>	<u>\$ 92,016,641</u>	<u>\$ 356,083</u>	<u>\$ 1,997,639</u>	<u>\$ 90,012,089</u>



3 Year General Fund Balance Analysis

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Nonspendable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,398</u>
Restricted			
Tax certiorari	\$ 6,708,586	\$ 4,491,565	\$ 4,480,364
Employee benefit accrued liability	229,138	194,051	139,268
Retirement Contributions	5,100,164	4,828,804	1,737,899
Future Capital Projects	-	-	3,178,705
	<u>12,037,888</u>	<u>9,514,420</u>	<u>9,536,236</u>
Assigned			
Purchases on order	356,083	152,651	184,149
Subsequent year's expenditures	-	400,000	100,000
	<u>356,083</u>	<u>552,651</u>	<u>284,149</u>
Unassigned	<u>3,899,428</u>	<u>3,788,143</u>	<u>3,743,567</u>
Total Fund Balance	<u><u>\$ 16,293,399</u></u>	<u><u>\$ 13,855,214</u></u>	<u><u>\$ 13,565,350</u></u>

Other Fund Balance Analysis

Other Fund Balance Overview

	Capital Projects Fund	School Lunch Fund	Special Purpose Fund	Debt Service Fund	Total Other Funds
Fund balance - 6/30/2020	\$ 3,303,497	\$ 192,843	\$ 247,419 *	\$ 707,615	\$ 4,451,374
Revenues	8,283,342	873,442	164,587	219,360	9,540,731
Expenditures	9,473,211	947,856	88,856	100,000	10,609,923
Fund balance - 6/30/2021	<u>\$ 2,113,628</u>	<u>\$ 118,429</u>	<u>\$ 323,150</u>	<u>\$ 826,975</u>	<u>\$ 3,382,182</u>

* Restated for GASB No. 84, "Fiduciary Activities"

Other Fund Balance Analysis

Nonspendable Inventories	<u>\$ -</u>	<u>\$ 20,556</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,556</u>
Restricted					
Capital Projects	2,113,628	-	-	-	2,113,628
Debt service	-	-	-	826,975	826,975
Special purposes	-	-	323,150	-	323,150
Restricted	<u>2,113,628</u>	<u>-</u>	<u>323,150</u>	<u>826,975</u>	<u>3,263,753</u>
Assigned					
School Lunch Fund	-	97,873	-	-	97,873
Assigned	<u>-</u>	<u>97,873</u>	<u>-</u>	<u>-</u>	<u>97,873</u>
Fund balance - 6/30/2021	<u>\$ 2,113,628</u>	<u>\$ 118,429</u>	<u>\$ 323,150</u>	<u>\$ 826,975</u>	<u>\$ 3,382,182</u>



Long-Term Liabilities

	Balance July 1, 2020	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2021	Due Within One-Year
General Obligation Bonds Payable	\$ 37,205,000	\$ 6,985,000	\$ 2,890,000	\$ 41,300,000	\$ 3,490,000
Plus - Unamortized premium on bonds	2,782,364	799,536	313,008	3,268,892	-
	39,987,364	7,784,536	3,203,008	44,568,892	3,490,000
Installment Purchase Debt Payable	526,035	713,571	593,382	646,224	408,373
Other Non-current Liabilities:					
Compensated Absences	332,715	48,207	33,000	347,922	35,000
Claims Payable	-	1,600,000	-	1,600,000	1,600,000
Net Pension Liability - ERS	5,964,004	-	5,942,734	21,270	-
Net Pension Liability (Asset) - TRS	(6,126,189)	12,540,849	-	6,414,660	-
Other Postemployment Benefit Liability	185,195,945	17,757,740	5,688,190	197,265,495	-
Total Long-Term Liabilities	<u>\$ 225,879,874</u>	<u>\$ 40,444,903</u>	<u>\$ 15,460,314</u>	<u>\$ 250,864,463</u>	<u>\$ 5,533,373</u>

Debt Service

Outstanding Debt Summary

		Original Issue Amount	Balance at 6/30/2021
Refunding Bond	2015	\$ 17,150,000	\$ 10,895,000
Refunding Bond	2016	15,275,000	10,495,000
Reconstruction	2020	13,155,000	12,925,000
Reconstruction	2020	6,985,000	6,985,000
			<u>41,300,000</u>
Installment purchase debt			<u>646,224</u>
			<u>\$ 41,946,224</u>

Long Term Debt Scheduled Payments

Year Ending June 30,	Bonds		Installment purchase debt		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 3,490,000	\$ 1,324,207	\$ 408,373	\$ 8,170	\$ 3,898,373	\$ 1,332,377
2023	3,775,000	1,056,271	237,851	2,149	4,012,851	1,058,420
2024	3,940,000	887,171	-	-	3,940,000	887,171
2025	4,095,000	756,378	-	-	4,095,000	756,378
2026	4,205,000	641,403	-	-	4,205,000	641,403
2027-2031	11,930,000	1,750,234	-	-	11,930,000	1,750,234
2032-2036	6,500,000	748,429	-	-	6,500,000	748,429
2037-2040	3,365,000	181,250	-	-	3,365,000	181,250
	<u>\$ 41,300,000</u>	<u>\$ 7,345,343</u>	<u>\$ 646,224</u>	<u>\$ 10,319</u>	<u>\$ 41,946,224</u>	<u>\$ 7,355,662</u>



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