



SWEET HOME CENTRAL SCHOOL DISTRICT

FINANCIAL STATEMENT AUDIT PRESENTATION

FOR THE YEAR ENDED JUNE 30, 2023

SETH D. HENNARD, CPA

Lumsden 
McCormick 

CERTIFIED PUBLIC ACCOUNTANTS

Cyclorama Building | 369 Franklin Street | Buffalo, NY 14202

p: 716.856.3300 | f: 716.856.2524 | www.LumsdenCPA.com

AUDIT SCOPE AND RESULTS



DELIVERABLES

- Auditors' Report on Financial Statements (unmodified opinion)
- Auditors' Report required by *Government Auditing Standards*
- Auditors' Report on Compliance for Each Major Federal Program and on Internal Control required by the Uniform Guidance (no matters)
 - \$9,148,000 in Federal Funds (\$8,141,000 in 2022)
 - Low-risk auditee
 - Tested total of \$4,683,000 or 51.2% – Title I (\$1,036,000) and Education Stabilization Fund (\$3,647,000)
- Data Collection Form
- Extraclassroom Activity Schedule of Additions and Deductions
 - Beginning net position \$105,800, additions \$262,600, deductions \$242,800, ending net position \$125,600
- Communication with those Charged with Governance
- Management Letter



REQUIRED COMMUNICATIONS

AUDITOR RESPONSIBILITY

PLANNED SCOPE AND TIMING

COMPLIANCE WITH ETHICS REQUIREMENTS REGARDING INDEPENDENCE

SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES, AND DISCLOSURES

- Adoption of GASB 96 – *Subscription-Based Information Technology Arrangements*
- Accounting estimates – Capitalization and depreciation of capital assets, accrual of compensated absences, leases, total Other Postemployment Benefits (OPEB) liability and net pension position with related disclosures, and reserves
- Footnote disclosures: Note 2 – Stewardship and Compliance, Note 7 – Long-Term Liabilities, Note 8 – Pensions, Note 9 – OPEB, and Note 10 – Risk Management

DIFFICULTIES ENCOUNTERED DURING THE AUDIT (NONE)

DISAGREEMENTS WITH MANAGEMENT (NONE)

UNCORRECTED AND CORRECTED MISSTATEMENTS (ALL RECORDED)

CIRCUMSTANCES AFFECTING THE FORM AND CONTENT OF THE AUDITORS' REPORT (NONE)

REPRESENTATIONS REQUESTED FROM MANAGEMENT

MANAGEMENT'S CONSULTATION WITH OTHER ACCOUNTANTS (NONE)

OTHER SIGNIFICANT MATTERS, FINDINGS, OR ISSUES (NONE)



MANAGEMENT LETTER



COMMENTS AND OBSERVATIONS

- No material weaknesses
- Current year observation
 - Excess fund balance – food service fund
 - Extraclassroom activity clubs
- Informational points
 - GASB 100 – *Accounting Changes and Error Corrections* (2024)
 - GASB 101 – *Compensated Absences* (2025)

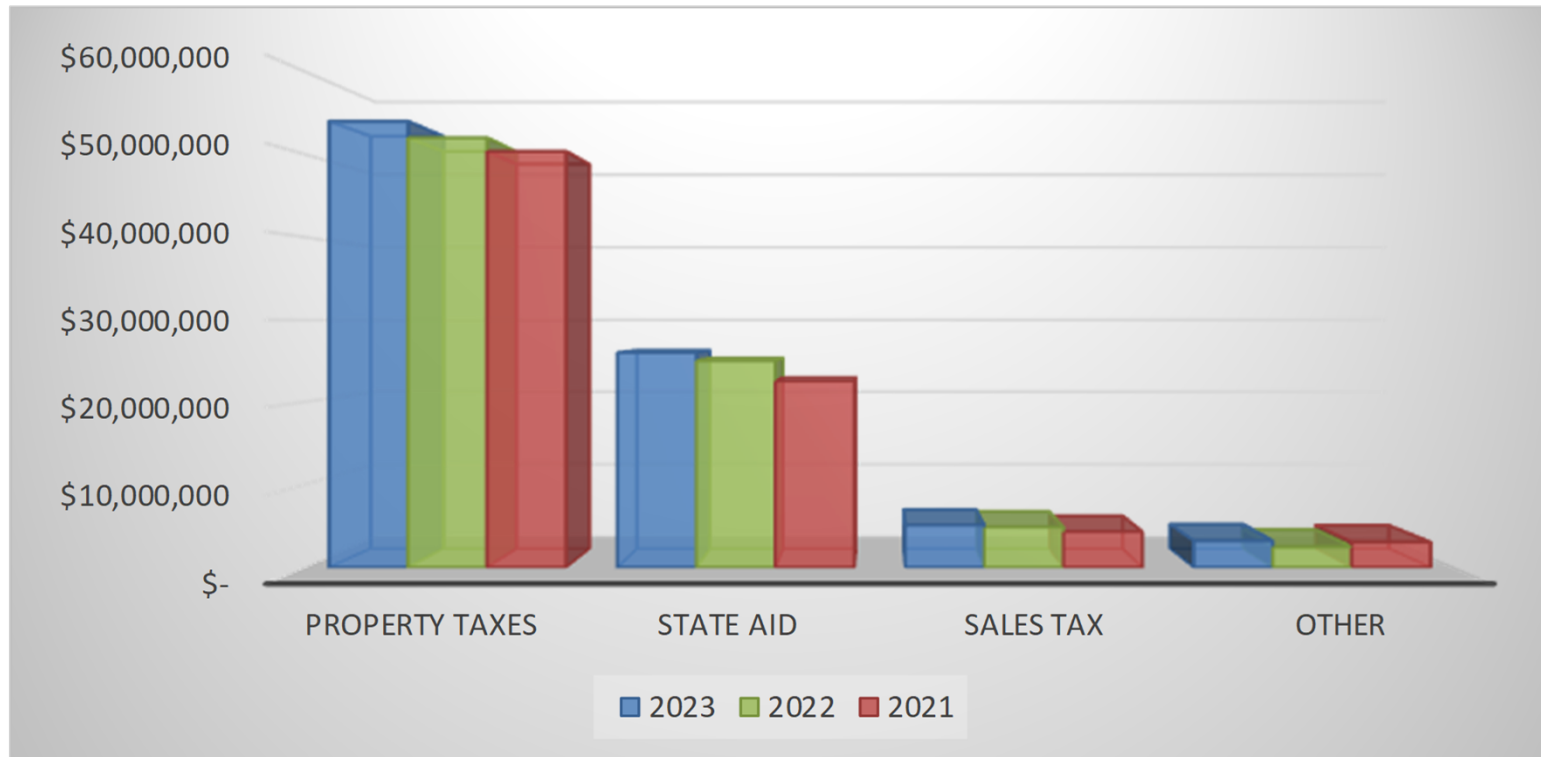
SUMMARY OF FUNDS



<u>Years ended June 30,</u>	<u>2023</u>	<u>2022</u>	<u>Change</u>
Fund Balance - General Fund			
Restricted			
Employee benefits	\$ 640,000	\$ 632,000	\$ 8,000
Workers' compensation	851,000	841,000	10,000
Retirement contribution	2,741,000	2,700,000	41,000
Unemployment	433,000	324,000	109,000
Debt service	1,703,000	2,313,000	(610,000)
Tax certiorari	1,018,000	789,000	229,000
Capital	2,870,000	2,602,000	268,000
Assigned			
Designated for subsequent year	2,420,000	2,420,000	-
Other purposes	2,766,000	4,274,000	(1,508,000)
Unassigned	3,876,000	5,092,000	(1,216,000)
	<u>\$ 19,318,000</u>	<u>\$ 21,987,000</u>	<u>\$ (2,669,000)</u>
Fund Balance (Deficit) - Capital Projects	<u>\$ (32,348,000)</u>	<u>\$ (17,214,000)</u>	<u>\$ (15,134,000)</u>
Fund Balance - Food Service	<u>\$ 2,885,000</u>	<u>\$ 2,052,000</u>	<u>\$ 833,000</u>
Total Fund Balance - All Funds	<u>\$ (10,145,000)</u>	<u>\$ 6,825,000</u>	<u>\$ (16,970,000)</u>

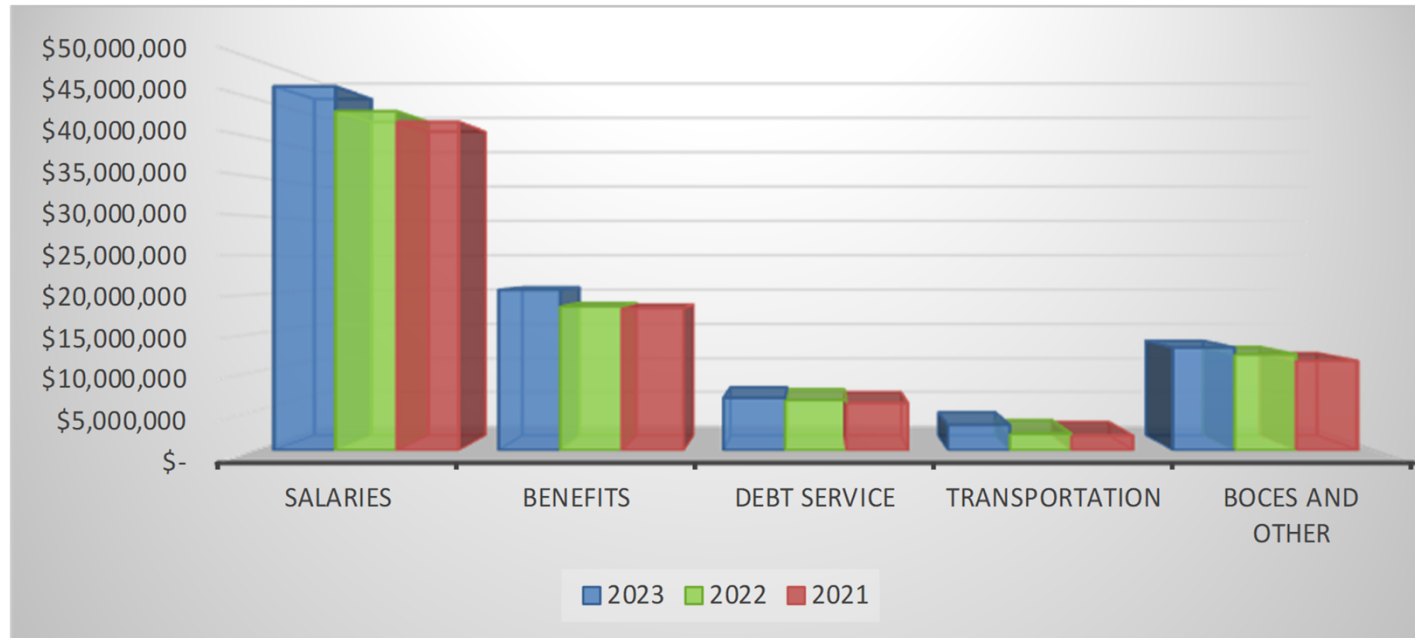


GENERAL FUND REVENUE



For the years ended June 30,	2023	2022	2021
Property taxes	\$ 53,947,000	\$ 51,961,000	\$ 50,322,000
State aid	26,088,000	25,099,000	22,525,000
Sales tax	5,144,000	4,911,000	4,346,000
Other	3,252,000	2,543,000	3,092,000
	<u>\$ 88,431,000</u>	<u>\$ 84,514,000</u>	<u>\$ 80,285,000</u>

GENERAL FUND EXPENDITURES



For the years ended June 30,	2023	2022	2021
Salaries	\$ 46,546,000	\$ 43,380,000	\$ 42,027,000
Employee benefits			
Health insurance	11,086,000	10,094,000	9,825,000
Retirement systems	4,640,000	4,447,000	4,299,000
Payroll taxes and other	4,872,000	3,930,000	4,106,000
Debt service	6,693,000	6,409,000	6,007,000
Transportation	3,236,000	2,142,000	1,873,000
BOCES and other	13,235,000	12,370,000	11,532,000
	<u>\$ 90,308,000</u>	<u>\$ 82,772,000</u>	<u>\$ 79,669,000</u>

GOVERNMENT-WIDE SUMMARY AND RECONCILIATION



For the years ended June 30,	2023	2022	Change
Current assets	\$ 35,997,000	\$ 33,712,000	\$ 2,285,000
Capital assets	115,672,000	101,731,000	13,941,000
	151,669,000	135,443,000	16,226,000
Pension, OPEB, and deferred resources, net	5,604,000	7,019,000	(1,415,000)
Long-term liabilities	27,092,000	30,623,000	3,531,000
Other liabilities	46,311,000	26,969,000	(19,342,000)
	73,403,000	57,592,000	(15,811,000)
Net position	\$ 83,870,000	\$ 84,870,000	\$ (1,000,000)

For the years ended June 30,	2023	2022
Net loss governmental funds	\$ (16,970,000)	\$ (9,999,000)
Add back capital expenditures (net)	13,941,000	10,778,000
Net impact of long-term liabilities	3,531,000	4,996,000
Impact of GASB 87	-	320,000
Net impact of pension, OPEB, and other	(1,502,000)	6,479,000
	\$ (1,000,000)	\$ 12,574,000



QUESTIONS AND DISCUSSION

