



SWEET HOME CENTRAL SCHOOL DISTRICT

PRESENTATION TO THE
AUDIT COMMITTEE
October 12, 2021

Lumsden 
McCormick ^{LLP}

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)
 - \$5,090,500 in Federal Funds (\$3,500,000 in 2020)
 - Low-risk auditee
 - Child Nutrition Cluster (\$2,049,300) and Education Stabilization Fund (\$727,000) or 54.5%
- Data Collection Form
- Extraclassroom Activity Schedule of Additions and Deductions
 - Beginning net position \$107,000, additions \$60,000, deductions \$73,000, ending net position \$94,000
- Communication with those Charged with Governance
- Management Letter



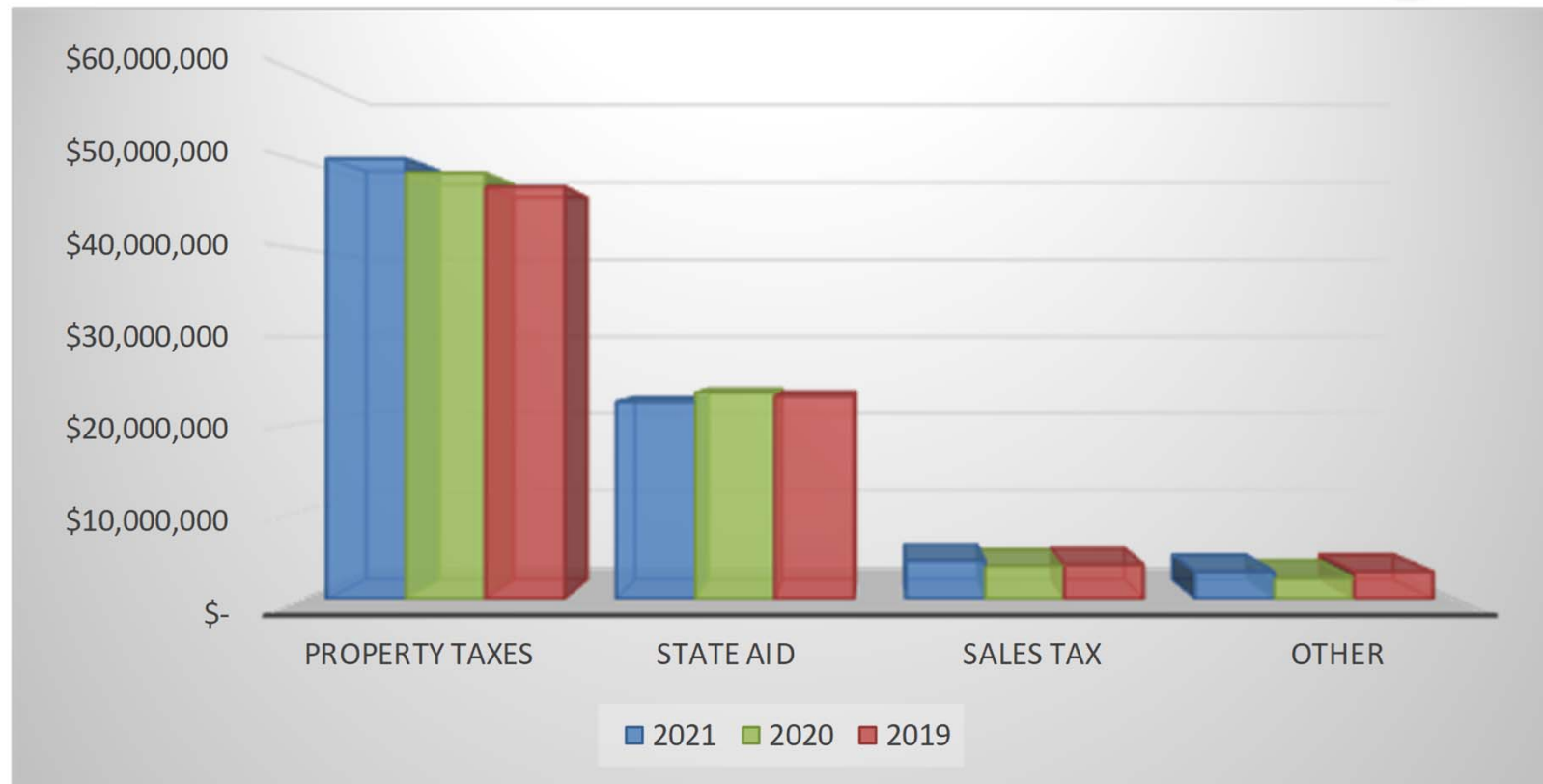
SUMMARY OF FUNDS



June 30, 2021	2021	2020	Change
Fund Balance - General Fund			
Restricted			
Employee benefits	\$ 632,000	\$ 632,000	\$ -
Workers' compensation	816,000	615,000	201,000
Retirement contribution	2,649,000	1,794,000	855,000
Unemployment	324,000	324,000	-
Debt service	2,800,000	3,663,000	(863,000)
Tax certiorari	617,000	617,000	-
Capital	2,101,000	1,600,000	501,000
Assigned			
Designated for subsequent year	2,420,000	2,420,000	-
Other purposes	3,393,000	2,905,000	488,000
Unassigned			
	4,779,000	4,569,000	210,000
	\$ 20,531,000	\$ 19,139,000	\$ 1,392,000
Fund Balance - Capital Projects			
	\$ (4,550,000)	\$ (591,000)	\$ (3,959,000)
Fund Balance - School Lunch			
	\$ 843,000	\$ 443,000	\$ 400,000
Total Fund Balance - All Funds			
	\$ 16,824,000	\$ 18,991,000	\$ (2,167,000)



GENERAL FUND REVENUE

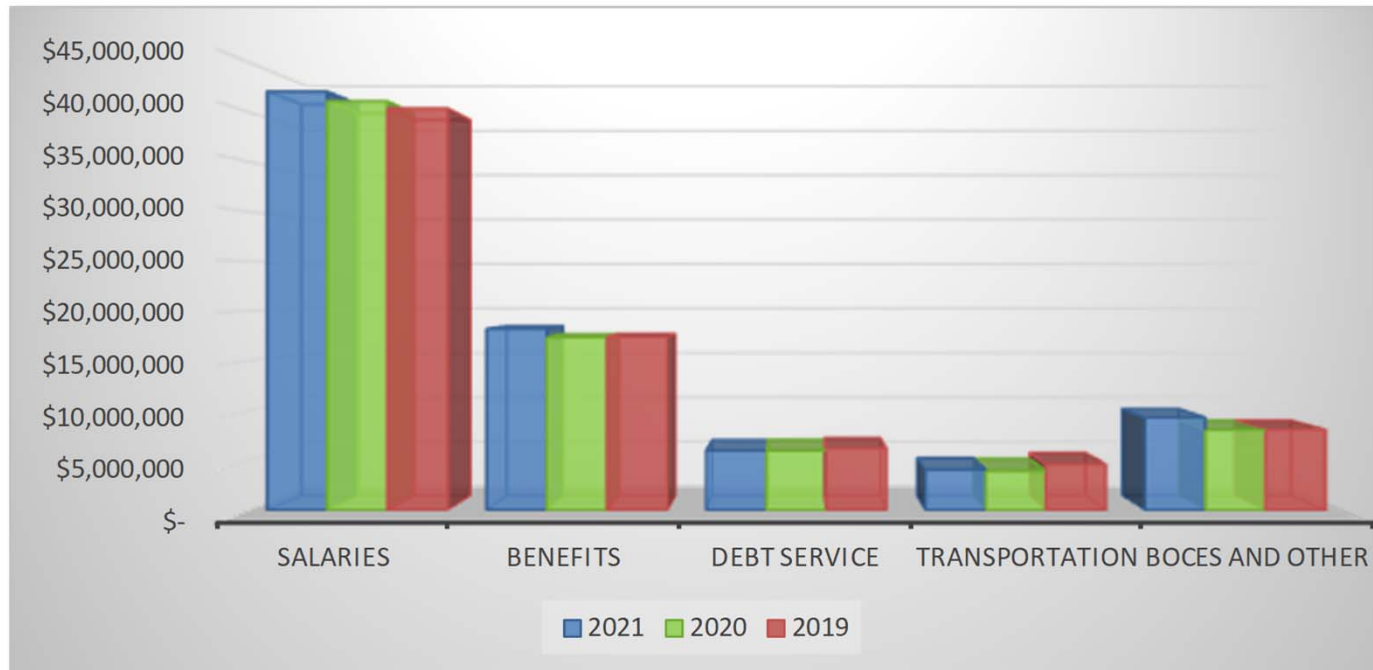


For the years ended June 30,

	2021	2020	2019
Property taxes	\$ 50,322,000	\$ 48,711,000	\$ 47,108,000
State aid	22,525,000	23,593,000	23,207,000
Sales tax	4,346,000	3,766,000	3,922,000
Other	3,092,000	2,380,000	3,120,000
	\$ 80,285,000	\$ 78,450,000	\$ 77,357,000



GENERAL FUND EXPENDITURES



For the years ended June 30,	2021	2020	2019
Salaries	\$ 42,027,000	\$ 41,046,000	\$ 40,336,000
Employee benefits			
Health insurance	9,825,000	9,581,000	9,211,000
Retirement systems	4,299,000	3,966,000	4,550,000
Payroll taxes and other	4,106,000	3,836,000	3,644,000
Debt service	6,007,000	6,015,000	6,210,000
Transportation	4,076,000	3,977,000	4,610,000
BOCES and other	9,329,000	8,088,000	8,097,000
	\$ 79,669,000	\$ 76,509,000	\$ 76,658,000



SUMMARY: GOVERNMENT-WIDE



June 30, 2021	2021	2020	Change
Current assets	\$ 30,884,000	\$ 24,034,000	\$ 6,850,000
Capital assets	89,763,000	87,605,000	2,158,000
	120,647,000	111,639,000	9,008,000
Pension, OPEB, and deferred resources, net	1,268,000	5,112,000	(3,844,000)
Long-term liabilities	35,304,000	40,601,000	5,297,000
Other liabilities	14,315,000	5,351,000	(8,964,000)
	49,619,000	45,952,000	(3,667,000)
Net position	\$ 72,296,000	\$ 70,799,000	\$ 1,497,000

For the years ended June 30, 2021	2021	2020
Net revenue (loss) governmental funds	\$ (3,981,000)	\$ 922,000
Add back (depreciation) capital expenditures (net)	2,158,000	(1,429,000)
Add back debt service	4,927,000	5,261,000
Impact of GASB 84	1,813,000	-
Net impact of pension, OPEB, and other	(3,420,000)	(5,365,000)
	\$ 1,497,000	\$ (611,000)



COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE



- Significant Accounting Practices
 - Adoption of GASB 84, *Fiduciary Activities*
 - Accounting estimates – Capitalization and depreciation of capital assets, accrual of compensated absences, total Other Postemployment Benefits (OPEB) liability and net pension position with related disclosures, and reserves in the general fund
 - Footnote disclosures: Note 2 – Change in Accounting Principle, Note 8 – Long-Term Liabilities, Note 9 – Pensions, Note 10 – OPEB, and Note 11 – Risk Management
- Difficulties Encountered in Performing the Audit (none)
- Corrected and Uncorrected Misstatements (no material misstatements)
- Disagreements with Management (none)
- Management Representations (open)
- Management Consultations with Other Independent Accountants (none)
- Other Audit Findings or Issues (none)



MANAGEMENT LETTER



- No material weaknesses
- Current year observation
 - Fund balance – 5.6%
 - Excess fund balance – school lunch fund
 - Extraclassroom activity clubs
- Informational points
 - GASB 87 – *Lease Accounting* (2022)
 - GASB 96 – *Subscription-Based Information Technology Arrangements* (2023)



QUESTIONS AND DISCUSSION

