

DRESCHER & MALECKI LLP

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October 6, 2025

The Board of Education
Lancaster Central School District, New York

Dear Board Members:

We have audited the financial statements of the Lancaster Central School District, New York (the “District”) as of and for the year ended June 30, 2025, and have issued our report thereon dated October 6, 2025 (which report includes an emphasis of matter paragraph regarding the implementation of GASB Statement No. 101, *Compensated Absences*). Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 22, 2025, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of the system of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control over financial reporting. Accordingly, as part of our audit, we considered the system of internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team; others in our firm, as appropriate; and our firm have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity’s Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. Except for the matters discussed below, there have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year ended June 30, 2025.

During the year ended June 30, 2025, the District implemented GASB Statement No. 101, *Compensated Absences*. As a result of the implementation, the District’s long-term liabilities were restated as of June 30, 2024. Accordingly, net position for governmental activities at June 30, 2024 has been restated. The effect of this implementation is shown in the table below:

	<u>Governmental Activities</u>
Net position–June 30, 2024, as previously stated	\$ 127,651,177
Implementation of GASB Statement No. 101	<u>(1,921,655)</u>
Net position–June 30, 2024, as restated	<u>\$ 125,729,522</u>

Additionally, during the year ended June 30, 2025, the District implemented GASB Statement No. 102, *Certain Risk Disclosures*. GASB Statement No. 102 improves financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The implementation of GASB Statement 102 did not have a material impact on the District’s financial position or results from operations.

No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates and Related Disclosures

Accounting estimates and related disclosures are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management’s current judgments.

The most sensitive accounting estimates affecting the financial statements for the year ended June 30, 2025 are the liabilities for compensated absences, other postemployment benefits, and the net pension liability/(asset).

Management's estimate of the liability for compensated absences is based on available information regarding eligibility, historical trends, leave balances accrued and current compensation rates. Management's estimates of the liability for other postemployment benefits and the net pension liability/(asset) are based on information obtained from actuarial valuations performed by consultants. We evaluated the key factors and assumptions used to develop these estimates and determined that they are reasonable in relation to the financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to significant accounting policies and disclosures relating to estimates, risk management and contingencies as described in Notes 1, 9, and 17 to the financial statements.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. We encountered no significant unusual transactions throughout our audit.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified material misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. Material misstatements that were identified as a result of our audit procedures were brought to the attention of, and corrected by management. Those items are included within the proposed adjusting journal entries for the year ended June 30, 2025, which are attached to the management representation letter dated October 6, 2025 as Exhibit I (copy attached).

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated October 6, 2025.

Management’s Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed results in a condition to our retention as the District’s auditors.

* * * * *

This report is intended solely for the information and use of the District’s Board of Education, the audit committee, and management of the District, and is not intended to be and should not be used by anyone other than these specified parties.

Drescher & Malecki LLP

October 6, 2025

Lancaster Central School District

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jphillips@lancasterschools.org*

*Jamie L. Phillips
Assistant Superintendent
for Business and Support Services*

October 6, 2025

Drescher & Malecki LLP
2721 Transit Road, Suite 111
Elma, New York 14059

This representation letter is provided in connection with your audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lancaster Central School District, New York (the "District"), as of June 30, 2025 and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position and results of operations of the various opinion units of the District in accordance with accounting principles generally accepted for governments in the United States of America ("U.S. GAAP").

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information such that, in the light of surrounding circumstances, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Except where otherwise stated below, immaterial matters collectively are not considered to be exceptions that require disclosure for the purpose of the following representations, which is not necessarily indicative of amounts that would require adjustment to or disclosure in the financial statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of October 6, 2025:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 22, 2025, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- The financial statements referred to above have been fairly presented in accordance with U.S. GAAP and include all properly classified funds, required supplementary information, and notes to the basic financial statements.
- We acknowledge our responsibility for the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

- The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures, are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP.
- All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- There are no identified material uncorrected misstatements.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All net position components and fund balance classifications have been properly reported and, if applicable, approved.
- All revenues within the statement of activities have been properly classified as program revenues or general revenues.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund transactions and balances have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated/amortized.
- All required supplementary information is measured and presented within the prescribed guidelines.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.

- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- With regard to pensions and OPEB:
 - We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
 - We are unable to determine the possibility of a withdrawal liability from the pension plans if which we are a sponsor and are not currently contemplating withdrawing from.
 - Increases in benefits, elimination of benefits and all similar amendments have been disclosed in accordance with U.S. GAAP and are included in the most recent actuarial valuation, or disclosed as a subsequent event.
- We have conducted a comprehensive risk assessment and disclosed all material concentrations and constraints in accordance with GASB Statement 102, *Certain Risk Disclosures*. These disclosures provide sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact associated with the concentration or constraint, if applicable.
- We have evaluated the concentrations and constraints, including those that occur subsequent to the statement of net position date but before the financial statements are issued and have been properly disclosed in the financial statements as subsequent events.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have provided to you our evaluation of the entity's ability to continue as a going concern, including significant conditions and events present, and we believe that our use of the going concern basis of accounting is appropriate.

- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a direct material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), analysts, regulators, or others.
- We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- We have a process to track the status of audit findings and recommendations.
- We have identified for you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of all the entity's related parties and the nature of all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, and deferred inflows or resources.
- We have disclosed to you all guarantees, whether written or oral, under which the District is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate, but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.

- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
 - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

Required Supplementary Information

With respect to the required supplementary information accompanying the financial statements, including Management's Discussion and Analysis:

- We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP.
- We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP.
- The methods of measurement or presentation have not changed from those used in the prior period and the basis for our assumptions and interpretations, underlying those measurements or presentations, are reasonable and appropriate in the circumstances.

Supplementary Information in Relation to the Financial Statements as a Whole

With respect to the supplementary information accompanying the financial statements:

- We acknowledge our responsibility for the presentation of the supplementary information in accordance with U.S. GAAP.
- We believe that the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP.
- The methods of measurement or presentation have not changed from those used in the prior period and the basis for our assumptions and interpretations underlying those measurements or presentations are reasonable and appropriate in the circumstances.
- When the supplementary information is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.
- We acknowledge our responsibility to include the auditors' report on the supplementary information in any document containing the supplementary information and that indicates the auditor reported on such supplementary information.
- We acknowledge our responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

Other Specific Representations

- The District has not completed the process of evaluating the impact that will result from adopting GASB Statement No. 103, *Financial Reporting Model Improvements*; and GASB Statement No. 104, *Disclosure of Certain Capital Asset*, effective for the year ending June 30, 2026. The District is, therefore, unable to disclose the impact that adopting GASB Statements No. 103 and 104 will have on its financial position and results of operations when such statements are adopted.
- During the year ended June 30, 2025, the District implemented GASB Statement No. 101, *Compensated Absences*. As a result of the implementation, the District's long-term liabilities were restated as of June 30, 2024. Accordingly, net position for governmental activities at June 30, 2024 has been restated. The effect of this implementation is shown in the table below:

	Governmental Activities
Net position—June 30, 2024, as previously stated	\$ 127,651,177
Implementation of GASB Statement No. 101	<u>(1,921,655)</u>
Net position—June 30, 2024, as restated	<u>\$ 125,729,522</u>

- Management has disclosed whether, subsequent to June 30, 2025, any changes in internal control or other factors that might significantly affect internal control, including any corrective action taken by management with regard to reportable conditions (including material weaknesses), have occurred.

- The District is responsible for determining and maintaining the adequacy of the allowance for doubtful notes, loans, interfund receivables, and accounts receivable, as well as estimates used to determine such amounts. Management believes an allowance is not necessary.
- Provision has been made to reduce excess or obsolete inventories to their estimated net realizable value. All inventories are the property of the District and do not include any items consigned to it, any items billed to customers, or any items for which the liability has not been recorded.
- We have no intention of withdrawing from our cost-sharing multi-employer retirement plans, or taking any other action that could result in an effective termination or reportable event for any of the plans. We are not aware of any occurrences that could result in the termination of any of our cost-sharing multi-employer retirement plan to which we contribute. We believe that the actuarial assumptions and methods used to measure pension liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- We are unable to determine the possibility of a withdrawal liability in a multi-employer benefit plan.
- We have received and approved the adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statements. The proposed adjusting entries are presented in Exhibit I.
- We agree with the finding of specialists in evaluating the other postemployment benefits obligation and net pension obligations, and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists. We believe that the actuarial assumptions and methods used to measure the other postemployment benefits obligation and the net pension obligations are appropriate in the circumstances.
- The District considers encumbrances in excess of \$20,000 to be significant. Significant encumbrances at June 30, 2025 are disclosed in the notes to the financial statements.
- The District reports nonspendable, restricted, assigned and unassigned fund balances. The District has nonspendable balances of \$162,873, restricted balances of \$66,488,954, assigned balances of \$5,816,456 and unassigned fund balances of \$(47,957,631) within its governmental funds for the year ended June 30, 2025. Within assigned fund balance, the District appropriated \$3,150,366 in the General Fund adopted budget for the subsequent fiscal year.
- In the opinion of management, all fund balance restrictions are appropriate and reasonable as of June 30, 2025. The deficit fund balance in the Capital Projects Fund of \$(53,603,869) will be remedied by proceeds from future bond issuances.
- In accordance with GASB Statements No. 87, *Leases*, and 96, *Subscription-Based Information Technology Arrangements*, the District has appropriately recognized and recorded all significant leases and subscription-based information technology arrangements.
- The District's labor agreements provide for sick leave, vacations, and miscellaneous other paid absences. Based on the agreements, upon retirement, certain eligible employees qualify for payment for fractional values of unused sick leave and vacation time. Payment of sick leave and

vacation time is dependent upon many factors; therefore, timing of future payments is not readily determinable. The value recorded in the government-wide financial statements at June 30, 2025 for governmental activities is \$11,895,324. Management estimates that \$1,154,351 of the liability is due within one year. Management believes that sufficient resources will be made available for the payments of sick leave, and vacation time when such payments become due.

- The District is self-insured for certain health, dental and vision benefits where the employees contribute monthly premiums. At June 30, 2025, the cumulative claims exceeded the premiums paid by the employees by \$195,974. The premiums collected are considered to be payable in the subsequent month and therefore, the District reports the assets and related liability within the General Fund. The District maintains that the excess collected from employees is being used and will continue to be used for future employee premiums. The District has utilized, and intends to continue utilizing the excess funds to discount the annual increases of premiums for employee contributions in their participation of the District's self-insured health insurance plan. The utilization of these funds has effectively maintained a flat premium for plan participants over the past seven years, with the anticipation of continuing discounts until the funds are exhausted. Current year activity resulted in an excess of claims over premiums by \$4,167. While the District considers the amount of former employees' health insurance contributions maintained to be of a trivial amount, based on an individual basis, the District considers the impact of the employee's share of this deposit balance upon employee separation.
- With respect to the preparation of the financial statements and federal financial assistance schedules, we have performed the following:
 - Made all management decisions and performed all management functions.
 - Assigned a competent individual to oversee the services.
 - Evaluated the adequacy of the services performed.
 - Evaluated and accepted responsibility for the results of the service performed.
 - Established and maintained controls, including a process to monitor the system of internal control.
- District management understands that Drescher & Malecki LLP has not performed any management functions or made management decisions on behalf of the District. Any nonattest services were performed in accordance with applicable professional standards issued by the American Institute of Certified Public Accountants



Dr. Andrew P. Kufel, Ph.D.,
Superintendent of Schools



Jamie L. Phillips,
Assistant Superintendent for Business and Support Services



Beth Ulbrich,
District Treasurer

Lancaster Central School District, New York
Proposed Adjusting Journal Entries
Year Ended June 30, 2025

Exhibit I

<u>Account</u>	<u>Description</u>	<u>Debit</u>	<u>Credit</u>
Proposed Adjusting Journal Entry # 1			
For reporting purposes: To reclassify CM accounts in accordance with GASB 84.			
AA200.13	Cash - Health Benefits	\$ 518,795	
CM489.00	Other (Specify)	3,640	
CM913.00	Committed Fund Balance Health/	323,348	
CMDENTAL-2770.000	Dental Insurance	85,574	
CMHEALTH-2770.000	Health Insurance	16,035,677	
CMINTERE-2401.000	Interest and Earnings	103,210	
CMVISION-2770.000	Vision Insurance	7,190	
AA720.01	Independent Health		\$ 518,795
CM200.00	Cash -Health Benefits		518,795
CMHEALTH-2989-400	Health Insurance		16,039,844
Total		<u>17,077,434</u>	<u>17,077,434</u>
Proposed Adjusting Journal Entry # 2			
For reporting purposes only: To reclassify journal entry to revenue instead of fund balance.			
HH917.00	Unassigned Fund Balance	2,042,493	
HSSBA7-3297.0000	State Aid		6,793
HSSBA7-3297.0000	State Aid		2,035,700
Total		<u>2,042,493</u>	<u>2,042,493</u>
Proposed Adjusting Journal Entry # 3			
To reclassify BAN principal to transfer to Capital Projects Fund.			
A9901-950-01-0000	TRANSFER TO CAPITAL	6,000,000	
HH626.00	Bond Anticipation Notes Payabl	6,000,000	
A9731-600-00-0000	PRINCIPAL		6,000,000
H77P2MS-5031.000	Interfund Transfers		6,000,000
Total		<u>12,000,000</u>	<u>12,000,000</u>
Proposed Adjusting Journal Entry # 4			
For reporting purposes only: To record debt payments in the Debt Service Fund.			
A9901-950-09-0000	Transfer to Debt Service Fund	6,419,631	
V9711.6	Principal - Serial Bonds	2,890,000	
V9711.7	Interest - Serial Bonds	1,047,206	
V9712.7	INTEREST - BANS	2,482,425	
A9711-600-00-0000	PRINCIPAL - SERIAL BOND		2,890,000
A9711-700-00-0000	INTEREST - SERIAL BOND		1,047,206
A9731-700-00-0000	INTEREST FOR CONSTR BANS		2,482,425
V5032.000	Interfund Transfers, Other		6,419,631
Total		<u>12,839,262</u>	<u>12,839,262</u>
Proposed Adjusting Journal Entry # 5			
To adjust net position to agree to prior year financial statements.			
TC923.00	Net Assets - Restricted for Other Purposes	489,939	
TC688.00	Other liabilities		489,939
Total		<u>\$ 489,939</u>	<u>\$ 489,939</u>