

**PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT  
FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
WITH INDEPENDENT AUDITOR'S REPORTS**

**JUNE 30, 2022**

# PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Plainview-Old Bethpage Central School District

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the fiduciary fund of the Plainview-Old Bethpage Central School District (the "District") as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the fiduciary fund of the District, as of June 30, 2022, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Emphasis of Matter***

As described in Note 1 to the financial statements, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases*, during the fiscal year ended June 30, 2022. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if 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.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the District's proportionate share of the net pension asset/(liability), the schedule of District's pension contributions, and schedule of changes in District's total other post-employment benefits liability and related ratios on pages 1 through 16 and 60 through 64 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion

or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary financial information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*R.S. Abrams & Co., LLP*

R.S. Abrams & Co., LLP  
Islandia, New York  
October 11, 2022

**PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

|  |                       |
|--|-----------------------|
| <b>ASSETS</b>  |                       |
| Current assets   |                       |
| Cash   |                       |
| Unrestricted   | \$28,732,244          |
| Restricted   | 34,860,365            |
| Receivables  |                       |
| Accounts receivable  | 16,753                |
| State and federal aid  | 4,950,870             |
| Due from other governments   | 1,221,381             |
| Taxes receivable   | 2,110,241             |
| Inventories  | 6,301                 |
| Non-Current Assets   |                       |
| Receivable due within one year   |                       |
| Lease receivable   | 662,371               |
| Receivable due within one year   |                       |
| Lease receivable   | 1,956,186             |
| Capital assets not being depreciated                                   | 20,129,743            |
| Capital assets being depreciated, net of accumulated depreciation      | 83,870,410            |
| Net pension asset - proportionate share - employees' retirement system | 4,117,613             |
| Net pension asset - proportionate share - teachers' retirement system  | 71,129,210            |
| <b>TOTAL ASSETS</b>  | <u>253,763,688</u>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                                  |                       |
| Pensions   | 50,101,080            |
| Other post-employment benefits obligation                              | 16,261,509            |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>                            | <u>66,362,589</u>     |
| <b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>                 | <u>320,126,277</u>    |
| <b>LIABILITIES</b>   |                       |
| Payables   |                       |
| Accounts payable   | 2,875,943             |
| Accrued liabilities  | 1,372,527             |
| Accrued interest payable   | 280,276               |
| Due to teachers' retirement system                                     | 7,600,752             |
| Due to employees' retirement system                                    | 662,990               |
| Compensated absences payable   | 588,992               |
| Due to other governments   | 2,821,354             |
| Unearned credits   |                       |
| Collections in advance   | 363,242               |
| Long-term liabilities  |                       |
| Due and payable within one year  |                       |
| Bonds payable (inclusive of unamortized premiums)                      | 3,008,760             |
| Compensated absences payable   | 258,647               |
| Due and payable after one year   |                       |
| Bonds payable (inclusive of unamortized premiums)                      | 37,021,900            |
| Compensated absences payable   | 7,742,252             |
| Total other post-employment benefits obligation                        | 152,211,295           |
| <b>TOTAL LIABILITIES</b>   | <u>216,808,930</u>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                   |                       |
| Leases   | 2,565,137             |
| Pensions   | 93,930,233            |
| Other post-employment benefits obligation                              | 23,722,715            |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>                             | <u>120,218,085</u>    |
| <b>NET POSITION</b>  |                       |
| Net investment in capital assets                                       | <u>64,046,893</u>     |
| Restricted   |                       |
| Unemployment   | 645,571               |
| Retirement contribution  | 11,240,479            |
| Employee benefit accrued liability                                     | 6,273,359             |
| Repairs  | 775,023               |
| Capital  | 14,977,268            |
| Debt   | 671,322               |
| Scholarships and donations   | 200,196               |
|  | <u>34,783,218</u>     |
| Unrestricted (deficit)   | <u>(115,730,849)</u>  |
| <b>TOTAL NET POSITION (DEFICIT)</b>                                    | <u>(\$16,900,738)</u> |

**PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

|  | <u>Expenses</u>        | <u>Program Revenues</u>         |   | <u>Net (Expense)<br/>Revenue and<br/>Changes in<br/>Net Position</u> |
|--|------------------------|---------------------------------|---|--|
|  |                        | <u>Charges for<br/>Services</u> | <u>Operating Grants<br/>and Contributions</u> |  |
| <b>FUNCTIONS / PROGRAMS</b>                                |                        |                                 |   |  |
| General support  | (\$19,694,124)         |                                 |   | (\$19,694,124)   |
| Instruction  | (127,884,482)          | \$1,357,422                     | 7,725,151                                     | (118,801,909)  |
| Pupil transportation                                       | (9,413,858)            |                                 | 100,868                                       | (9,312,990)  |
| Community service  | (302,326)              |                                 |   | (302,326)  |
| Debt service-interest                                      | (1,189,676)            |                                 |   | (1,189,676)  |
| Food service program                                       | (2,494,637)            | 222,636                         | 2,875,420                                     | 603,419  |
| <b>TOTAL FUNCTIONS AND PROGRAMS</b>                        | <u>(\$160,979,103)</u> | <u>\$1,580,058</u>              | <u>\$10,701,439</u>                           | <u>(148,697,606)</u>   |
| <br><b>GENERAL REVENUES</b>                                |                        |                                 |   |  |
| Real property taxes  |                        |                                 |   | 123,705,958  |
| Other tax items - including STAR reimbursement             |                        |                                 |   | 12,270,015   |
| Use of money and property                                  |                        |                                 |   | 816,266  |
| Sale of property and compensation for loss                 |                        |                                 |   | 18,027   |
| Miscellaneous  |                        |                                 |   | 906,221  |
| State sources  |                        |                                 |   | 23,451,148   |
| Federal sources  |                        |                                 |   | 98,321   |
| <b>TOTAL GENERAL REVENUES</b>                              |                        |                                 |   | <u>161,265,956</u>   |
| <br><b>SPECIAL ITEM (SEE NOTE 18)</b>                      |                        |                                 |   |  |
| Gain on the sale of property                               |                        |                                 |   | <u>2,303,146</u>   |
| <br><b>CHANGE IN NET POSITION</b>                          |                        |                                 |   | 14,871,496   |
| <br><b>TOTAL NET POSITION (DEFICIT) -BEGINNING OF YEAR</b> |                        |                                 |   | <u>(31,772,234)</u>  |
| <br><b>TOTAL NET POSITION (DEFICIT) - END OF YEAR</b>      |                        |                                 |   | <u>\$ (16,900,738)</u>   |

**PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**

|  | General              | Special<br>Aid      | Special Revenue<br>Child Care | School<br>Lunch     | Miscellaneous<br>Special Revenue | Debt<br>Service   | Capital<br>Projects  | Total<br>Governmental<br>Funds |
|--|----------------------|---------------------|-------------------------------|---------------------|----------------------------------|-------------------|----------------------|--------------------------------|
| <b>ASSETS</b>  |                      |                     |                               |                     |                                  |                   |                      |                                |
| Cash   |                      |                     |                               |                     |                                  |                   |                      |                                |
| Unrestricted   | \$ 22,443,296        | \$ 141,009          | \$ 85,453                     | \$ 158,514          | \$ 290,175                       |                   | \$ 5,613,797         | \$ 28,732,244                  |
| Restricted   | 24,043,461           |                     |                               |                     | 199,943                          | \$ 671,322        | 9,945,639            | 34,860,365                     |
| Receivables  |                      |                     |                               |                     |                                  |                   |                      |                                |
| Accounts receivable  | 16,240               |                     | 513                           |                     |                                  |                   |                      | 16,753                         |
| State and federal aid  | 1,556,892            | 1,409,045           |                               | 1,199,009           |                                  |                   | 785,924              | 4,950,870                      |
| Due from other governments   | 1,160,503            |                     |                               |                     |                                  |                   | 60,878               | 1,221,381                      |
| Taxes receivable   | 2,110,241            |                     |                               |                     |                                  |                   |                      | 2,110,241                      |
| Leases receivable  | 2,618,557            |                     |                               |                     |                                  |                   |                      | 2,618,557                      |
| Due from other funds   | 1,439,887            |                     |                               | 102,518             | 996                              |                   |                      | 1,543,401                      |
| Inventories  |                      |                     |                               | 6,301               |                                  |                   |                      | 6,301                          |
| <b>TOTAL ASSETS</b>  | <u>\$ 55,389,077</u> | <u>\$ 1,550,054</u> | <u>\$ 85,966</u>              | <u>\$ 1,466,342</u> | <u>\$ 491,114</u>                | <u>\$ 671,322</u> | <u>\$ 16,406,238</u> | <u>\$ 76,060,113</u>           |
| <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES,<br/>AND FUND BALANCES</b>       |                      |                     |                               |                     |                                  |                   |                      |                                |
| Payables   |                      |                     |                               |                     |                                  |                   |                      |                                |
| Accounts payable   | \$ 2,356,246         | \$ 76,412           | \$ 6,907                      | \$ 193,642          |                                  |                   | \$ 242,736           | \$ 2,875,943                   |
| Accrued liabilities  | 1,327,556            | 4,210               | 40,311                        | -                   | \$ 450                           |                   |                      | 1,372,527                      |
| Due to other governments   | 2,820,778            |                     | -                             | 576                 |                                  |                   |                      | 2,821,354                      |
| Due to other funds   | 103,514              | 1,386,934           | 50,685                        | 2,268               |                                  |                   |                      | 1,543,401                      |
| Due to teachers' retirement system   | 7,600,752            |                     |                               |                     |                                  |                   |                      | 7,600,752                      |
| Due to employees' retirement system  | 662,990              |                     |                               |                     |                                  |                   |                      | 662,990                        |
| Compensated absences payable   | 588,992              |                     |                               |                     |                                  |                   |                      | 588,992                        |
| Unearned credits   |                      |                     |                               |                     |                                  |                   |                      |                                |
| Collections in advance   |                      | 82,498              | 80,754                        | 199,990             |                                  |                   |                      | 363,242                        |
| <b>TOTAL LIABILITIES</b>   | <u>15,460,828</u>    | <u>1,550,054</u>    | <u>178,657</u>                | <u>396,476</u>      | <u>450</u>                       | <u>-</u>          | <u>242,736</u>       | <u>17,829,201</u>              |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                      |                     |                               |                     |                                  |                   |                      |                                |
| State aid  | 56,252               |                     |                               |                     |                                  |                   | 846,802              | 903,054                        |
| Leases   | 2,565,137            |                     |                               |                     |                                  |                   |                      | 2,565,137                      |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>                                     | <u>2,621,389</u>     | <u>-</u>            | <u>-</u>                      | <u>-</u>            | <u>-</u>                         | <u>-</u>          | <u>846,802</u>       | <u>3,468,191</u>               |
| <b>FUND BALANCES</b>   |                      |                     |                               |                     |                                  |                   |                      |                                |
| Nonspendable: Inventory  |                      |                     |                               | 6,300               |                                  |                   |                      | 6,300                          |
| Restricted   |                      |                     |                               |                     |                                  |                   |                      |                                |
| Unemployment insurance   | 645,571              |                     |                               |                     |                                  |                   |                      | 645,571                        |
| Retirement contribution  |                      |                     |                               |                     |                                  |                   |                      |                                |
| Employees' retirement system   | 7,063,621            |                     |                               |                     |                                  |                   |                      | 7,063,621                      |
| Teacher's retirement system  | 4,176,858            |                     |                               |                     |                                  |                   |                      | 4,176,858                      |
| Employee benefit accrued liability   | 6,273,359            |                     |                               |                     |                                  |                   |                      | 6,273,359                      |
| Repairs  | 775,023              |                     |                               |                     |                                  |                   |                      | 775,023                        |
| Capital  | 5,109,029            |                     |                               |                     |                                  |                   | 9,868,239            | 14,977,268                     |
| Unspent bond proceeds  |                      |                     |                               |                     |                                  |                   | 77,400               | 77,400                         |
| Debt service   |                      |                     |                               |                     |                                  | 671,322           |                      | 671,322                        |
| Scholarships and donations   |                      |                     |                               |                     | 200,196                          |                   |                      | 200,196                        |
| Assigned   |                      |                     |                               |                     |                                  |                   |                      |                                |
| Appropriated fund balance  | 2,600,000            |                     |                               |                     |                                  |                   |                      | 2,600,000                      |
| Unappropriated fund balance  | 825,913              |                     |                               | 1,063,566           | 290,468                          |                   | 5,371,061            | 7,551,008                      |
| Unassigned   |                      |                     |                               |                     |                                  |                   |                      |                                |
| Reserve for tax reduction  | 2,856,909            |                     |                               |                     |                                  |                   |                      | 2,856,909                      |
| Unassigned fund balance (deficit)  | 6,980,577            |                     | (92,691)                      |                     |                                  |                   |                      | 6,887,886                      |
| <b>TOTAL FUND BALANCES</b>   | <u>37,306,860</u>    | <u>-</u>            | <u>(92,691)</u>               | <u>1,069,866</u>    | <u>490,664</u>                   | <u>671,322</u>    | <u>15,316,700</u>    | <u>54,762,721</u>              |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES, AND FUND BALANCES</b> | <u>\$ 55,389,077</u> | <u>\$ 1,550,054</u> | <u>\$ 85,966</u>              | <u>\$ 1,466,342</u> | <u>\$ 491,114</u>                | <u>\$ 671,322</u> | <u>\$ 16,406,238</u> | <u>\$ 76,060,113</u>           |



**PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT  
RECONCILIATION OF GOVERNMENTAL FUNDS  
BALANCE SHEET TO STATEMENT OF NET POSITION  
JUNE 30, 2022**

Total Governmental Fund Balances \$ 54,762,721

Amounts reported for governmental activities in the Statement of Net Position are different because:

The cost of building and acquiring capital assets (land, buildings, equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the Balance Sheet. However, the Statement of Net Position includes those capital assets among the assets of the District as a whole, and their original costs are expensed annually over their useful lives.

|                                 |                     |             |
|---------------------------------|---------------------|-------------|
| Original cost of capital assets | \$ 177,017,093      |             |
| Accumulated depreciation        | <u>(73,016,940)</u> | 104,000,153 |

Deferred inflows of resources - The Statement of Net Position recognizes revenues and expenditures under the full accrual method. Governmental funds recognize revenue and expenditures under the modified accrual method. These amounts will be amortized in future years.

|  |                     |               |
|--|---------------------|---------------|
| Deferred inflows related to pensions                       | (93,930,233)        |               |
| Deferred inflows related to other post-employment benefits | <u>(23,722,715)</u> | (117,652,948) |

Deferred inflows of resources - The Statement of Net Position recognized revenues received under the full accrual method. Governmental funds recognize revenues under the modified accrual method. 903,054

Deferred outflows of resources - The Statement of Net Position recognizes expenditures incurred under the full accrual method. Governmental funds recognize expenditures under the modified accrual method. Deferred outflows that will be recognized as expenditures in future periods amounted to:

|   |                   |            |
|---|-------------------|------------|
| Deferred outflows related to pensions                       | 50,101,080        |            |
| Deferred outflows related to other post-employment benefits | <u>16,261,509</u> | 66,362,589 |

Certain disbursements previously expended in the governmental funds and invested with the pension system are treated as long term assets and increase net position. The teachers' retirement system and employees' retirement system pension asset - proportionate share amounted to: 75,246,823

Payables that are associated with long-term liabilities that are not payable in the current period are not reported as liabilities in the funds. Additional payables relating to long-term liabilities at year end consisted of accrued interest payable of: (280,276)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consisted of:

|   |                      |                      |
|---|----------------------|----------------------|
| Bonds payable (inclusive of unamortized premiums)       | (40,030,660)         |                      |
| Compensated absences payable                            | (8,000,899)          |                      |
| Total other post-employment benefits obligation payable | <u>(152,211,295)</u> | <u>(200,242,854)</u> |

Total Net Position (Deficit) \$ (16,900,738)

**PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

|  | General              | Special<br>Aid     | Special Revenue<br>Child Care | School<br>Lunch     | Miscellaneous<br>Special Revenue | Debt<br>Service    | Capital<br>Projects  | Total<br>Governmental<br>Funds |
|--|----------------------|--------------------|-------------------------------|---------------------|----------------------------------|--------------------|----------------------|--------------------------------|
| <b>REVENUES</b>  |                      |                    |                               |                     |                                  |                    |                      |                                |
| Real property taxes  | \$ 123,705,958       | \$ -               | \$ -                          | \$ -                | \$ -                             | \$ -               | \$ -                 | \$ 123,705,958                 |
| Other tax items - including STAR<br>reimbursement            | 12,270,015           |                    |                               |                     |                                  |                    |                      | 12,270,015                     |
| Charges for services   | 207,963              |                    | 1,149,459                     |                     |                                  |                    |                      | 1,357,422                      |
| Use of money and property                                    | 815,459              |                    | 426                           | 227                 | 154                              |                    |                      | 816,266                        |
| Sale of property and compensation for loss                   | 18,027               |                    |                               |                     |                                  |                    |                      | 18,027                         |
| Miscellaneous  | 429,143              | 93,333             |                               |                     | 493,960                          |                    |                      | 1,016,436                      |
| State sources  | 23,470,853           | 668,979            |                               | 44,829              |                                  |                    |                      | 24,184,661                     |
| Federal sources  | 98,321               | 7,046,825          |                               | 2,686,879           |                                  |                    |                      | 9,832,025                      |
| Surplus food   |                      |                    |                               | 143,712             |                                  |                    |                      | 143,712                        |
| Sales  |                      |                    |                               | 222,636             |                                  |                    |                      | 222,636                        |
| <b>TOTAL REVENUES</b>  | <u>161,015,739</u>   | <u>7,809,137</u>   | <u>1,149,885</u>              | <u>3,098,283</u>    | <u>494,114</u>                   | <u>-</u>           | <u>-</u>             | <u>173,567,158</u>             |
| <b>EXPENDITURES</b>  |                      |                    |                               |                     |                                  |                    |                      |                                |
| General support  | 17,577,416           |                    |                               |                     |                                  |                    |                      | 17,577,416                     |
| Instruction  | 90,013,375           |                    | 949,517                       |                     | 552,312                          |                    |                      | 97,112,645                     |
| Pupil transportation   | 8,989,399            | 100,868            |                               |                     |                                  |                    |                      | 9,090,267                      |
| Community service  | 261,626              |                    |                               |                     |                                  |                    |                      | 261,626                        |
| Employee benefits  | 36,208,430           |                    |                               |                     |                                  |                    |                      | 36,208,430                     |
| Debt service - principal                                     |                      |                    |                               |                     |                                  | 2,915,000          |                      | 2,915,000                      |
| Debt service - interest                                      |                      |                    |                               |                     |                                  | 1,218,988          |                      | 1,218,988                      |
| Cost of sales  |                      |                    |                               | 2,500,754           |                                  |                    |                      | 2,500,754                      |
| Capital outlay   |                      |                    |                               |                     |                                  |                    | 4,255,720            | 4,255,720                      |
| <b>TOTAL EXPENDITURES</b>                                    | <u>153,050,246</u>   | <u>5,698,309</u>   | <u>949,517</u>                | <u>2,500,754</u>    | <u>552,312</u>                   | <u>4,133,988</u>   | <u>4,255,720</u>     | <u>171,140,846</u>             |
| <b>EXCESS (DEFICIENCY)<br/>OF REVENUES OVER EXPENDITURES</b> | <u>7,965,493</u>     | <u>2,110,828</u>   | <u>200,368</u>                | <u>597,529</u>      | <u>(58,198)</u>                  | <u>(4,133,988)</u> | <u>(4,255,720)</u>   | <u>2,426,312</u>               |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                      |                    |                               |                     |                                  |                    |                      |                                |
| Operating transfers in                                       | 2,360,828            | 250,000            |                               | 15,000              |                                  | 4,268,175          | 2,065,000            | 8,959,003                      |
| Operating transfers (out)                                    | (6,598,175)          | (2,360,828)        |                               |                     |                                  |                    |                      | (8,959,003)                    |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                  | <u>(4,237,347)</u>   | <u>(2,110,828)</u> |                               | <u>15,000</u>       |                                  | <u>4,268,175</u>   | <u>2,065,000</u>     | <u>-</u>                       |
| <b>SPECIAL ITEM</b>  |                      |                    |                               |                     |                                  |                    |                      |                                |
| Proceeds from the sale of property (See Note 18)             | 2,991,096            |                    |                               |                     |                                  |                    |                      | 2,991,096                      |
| <b>NET CHANGE IN FUND BALANCES</b>                           | <u>6,719,242</u>     | <u>-</u>           | <u>200,368</u>                | <u>612,529</u>      | <u>(58,198)</u>                  | <u>134,187</u>     | <u>(2,190,720)</u>   | <u>5,417,408</u>               |
| <b>FUND BALANCES - BEGINNING OF YEAR</b>                     | <u>30,587,618</u>    | <u>-</u>           | <u>(293,059)</u>              | <u>457,337</u>      | <u>548,862</u>                   | <u>537,135</u>     | <u>17,507,420</u>    | <u>49,345,313</u>              |
| <b>FUND BALANCES - END OF YEAR</b>                           | <u>\$ 37,306,860</u> | <u>\$ -</u>        | <u>\$ (92,691)</u>            | <u>\$ 1,069,866</u> | <u>\$ 490,664</u>                | <u>\$ 671,322</u>  | <u>\$ 15,316,700</u> | <u>\$ 54,762,721</u>           |

**PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT  
RECONCILIATION OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

|   |                    |                            |
|---|--------------------|----------------------------|
| Net Change in Fund Balances   |                    | \$5,417,408                |
| Amounts reported for governmental activities in the Statement of Activities are different because:  |                    |                            |
| Long-Term Revenue and Expense Differences   |                    |                            |
| <p>In the Statement of Activities, certain operating expenses are measured by amounts earned or incurred during the year. In the governmental funds, expenditures for these items are measured by the amount of financial resources used.</p>   |                    |                            |
| Decrease in compensated absence payable   |                    | 265,151                    |
| <p>Changes in the proportionate share of net pension asset/liability, and total other post-employment benefits obligation and related deferred inflows and outflows reported in the Statement of Activities do not provide for or require use of financial resources and therefore are not reported as revenues or expenditures in the governmental funds.</p>  |                    |                            |
| Teachers' retirement system   | \$10,889,534       |                            |
| Employees' retirement system  | 1,928,267          |                            |
| Other post-employment benefits obligation   | <u>(4,879,888)</u> | 7,937,913                  |
| Deferred inflows of resources - The Statement of Net Position recognized revenue received under the full accrual method. Governmental funds recognize revenue under the modified accrual method.  |                    | (19,705)                   |
| Capital Related Differences   |                    |                            |
| <p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are capitalized and shown in the Statement of Net Position and allocated over their useful lives as annual depreciation expense in the Statement of Activities.</p>  |                    |                            |
| Capital outlays   | 4,516,066          |                            |
| Depreciation expense and loss on disposals  | <u>(6,189,649)</u> | (1,673,583)                |
| Long-Term Debt Transaction Differences  |                    |                            |
| Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.   |                    | 2,915,000                  |
| Interest on long-term debt in the Statement of Activities differs from the amounts reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, interest expense is recognized as it accrues. Accrued interest from June 30, 2021 to June 30, 2022 changed by |                    | 19,963                     |
| Governmental funds report the premiums, discounts and similar items when debt is first issued. These amounts are deferred and amortized in the Statement of Activities.   |                    |                            |
| Amortization on bond premiums   |                    | <u>9,349</u>               |
| Change in Net Position  |                    | <u><u>\$14,871,496</u></u> |

PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION -  
FIDUCIARY FUND  
JUNE 30, 2022

|   | <u>Custodial</u> |
|---|------------------|
| <b>ASSETS</b>                             |                  |
| Accounts receivable                       | \$ -             |
| <b>TOTAL ASSETS</b>                       | <u>\$ -</u>      |
| <br>                                      |                  |
| <b>LIABILITIES</b>                        |                  |
| Other liabilities                         | \$ -             |
| <b>TOTAL LIABILITIES</b>                  | <u>-</u>         |
| <br>                                      |                  |
| <b>NET POSITION</b>                       |                  |
| Restricted                                | -                |
| <b>TOTAL NET POSITION</b>                 | <u>-</u>         |
| <br>                                      |                  |
| <b>TOTAL LIABILITIES AND NET POSITION</b> | <u>\$ -</u>      |

**PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

|  | <b>Custodial</b> |
|--|------------------|
| <b>ADDITIONS</b>                               |                  |
| Real property tax collections for the Library  | \$ 6,834,200     |
| <b>TOTAL ADDITIONS</b>                         | 6,834,200        |
| <b>DEDUCTIONS</b>                              |                  |
| Payments of real property taxes to the Library | 6,834,200        |
| <b>TOTAL DEDUCTIONS</b>                        | 6,834,200        |
| <b>CHANGE IN NET POSITION</b>                  | -                |
| <b>NET POSITION - BEGINNING OF YEAR</b>        | -                |
| <b>NET POSITION - END OF YEAR</b>              | \$ -             |

**PLAINVIEW – OLD BETHPAGE CENTRAL SCHOOL DISTRICT    EXHIBIT 9**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES:**

The financial statements of Plainview- Old Bethpage Central School District (the “District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as they apply to governmental units. The Governmental Accounting Standards Board (GASB) prescribes those principles, which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Certain significant accounting principles and policies utilized by the District are described below:

**A)    Reporting entity:**

The laws of New York State govern the District. The District is an independent entity governed by an elected Board of Education consisting of seven members. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for, and controls all activities related to public school education within the District. The Board has authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

The reporting entity of the District is based upon criteria set forth by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-An Amendment of GASB Statements No. 14 and No. 34*. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the District. The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District’s reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, there are no other entities that would be included in the District’s reporting entity.

**B)    Joint venture:**

The District is a component district in the Nassau Board of Cooperative Educational Services (BOCES). BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs, which provide educational and support activities. There is no authority or process by which a school district can terminate its status as a BOCES component.

BOCES is organized under §1950 of the New York State Education Law. A BOCES Board is considered a corporate body. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of §1950 of the New York State Education Law. All BOCES property is held by the BOCES Board as a corporation (§1950(6)). In addition, BOCES Boards also are considered municipal corporations to permit them to contract

**PLAINVIEW – OLD BETHPAGE CENTRAL SCHOOL DISTRICT    EXHIBIT 9**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

with other municipalities on a cooperative basis under §119-n(a) of the New York State General Municipal Law.

A BOCES' budget is comprised of separate budgets for administrative, program, and capital costs. Each component district's share of administrative, program, and capital costs is determined by resident public school district enrollment, as defined in the New York State Education Law, §1950(4)(b)(7). In addition, component districts pay tuition or a service fee for programs in which its students participate.

**C) Basis of presentation:**

District-Wide Financial Statements:

The Statement of Net Position and the Statement of Activities present financial information about the District's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, state aid, intergovernmental revenues, and other exchange and non-exchange transactions. Operating grants and contributions include operating-specific and discretionary (either operating or capital) grants and contributions, while the capital grants and contributions include capital specific grants, if applicable.

The Statement of Net Position presents the financial position of the District at fiscal year end. The Statement of Activities presents a comparison between program expenses and revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund financial statements:

The Fund Financial Statements provide information about the District's funds, including the fiduciary fund. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The District reports the following major governmental funds:

**General Fund:** This fund is the District's primary operating fund. It accounts for all financial transactions that are not required to be accounted for in another fund.

**Special Aid Fund:** This fund accounts for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes.

**PLAINVIEW – OLD BETHPAGE CENTRAL SCHOOL DISTRICT    EXHIBIT 9**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

These legal restrictions may be imposed either by governments that provide the funds, or by outside parties.

**Special Revenue Child Care Fund:** This fund is used to account for activities of the child care program.

**School Lunch Fund:** This fund is used to account for the activities of the District's food service operations. The school lunch operations are supported by federal and state grants and charges to participants for its services.

**Miscellaneous Special Revenue Fund:** This fund is used to account for assets held by the District in accordance with grantor or contributor stipulations. Other activities included in this fund are extraclassroom activities.

**Debt Service Fund:** This fund accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of governmental activities.

**Capital Projects Fund:** This fund is used to account for the financial resources used for acquisition, construction, or major repair of capital facilities.

The District reports the following fiduciary fund:

**Fiduciary Fund:** This fund is used to account for fiduciary activities. Fiduciary activities are those in which the District acts as trustee or custodian for resources that belong to others. These activities are not included in the District-Wide Financial Statements because their resources do not belong to the District and are not available to be used. The District's fiduciary fund include the custodial fund, where assets and liabilities are held by the District as a custodian. This fund reports real property taxes collected on behalf of other governments and disbursed to those governments and utilizes the economic resources measurement focus and the accrual basis of accounting.

**D) Measurement focus and basis of accounting:**

The District-Wide Financial Statements and Fiduciary Fund Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the District gives or receives value without directly, receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Fund Financial Statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within six months after the end of the fiscal year,



**PLAINVIEW – OLD BETHPAGE CENTRAL SCHOOL DISTRICT    EXHIBIT 9**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

except for real property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences, net pension liability, and other post-employment benefits obligation, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principals generally accepted in the United States of America.

**E) Real property taxes:**

Calendar

Real property taxes are levied annually by the Board in August and become a lien on October 1<sup>st</sup> and April 1<sup>st</sup>. Taxes are collected by the Town of Oyster Bay and remitted to the District from December to June.

Enforcement

Uncollected real property taxes are subsequently enforced by Nassau County in June.

**F) Payments in Lieu of Taxes (PILOT):**

The District reports PILOT revenues in the general fund as part of other tax items revenues. These PILOT revenues are often the result of tax abatements granted by industrial development agencies of the Town and/or the County to help promote local economic development. Property owners make PILOT payments to the government agencies, which in turn remit the collected payments to the District. The District's PILOT revenues also include payments from the Long Island Power Authority (LIPA) remitted by Nassau County. Beginning in the 2015-2016 fiscal year, the Nassau County Legislature removed properties owned by LIPA from the assessment and tax rolls and, instead, allowed LIPA to make payments in lieu of taxes with annual increases of no more than 2.00% in response to the New York State Public Authorities Law §1020-q (the "LIPA Reform Act") enacted by the state in 2013. These LIPA PILOT payments are not the result of tax abatement agreements as defined by GASB Statement No. 77, *Tax Abatement Disclosures*, under which an entity receiving a reduction in tax revenues promises to take specific action that contributes to economic development or otherwise benefits the governments or residents of the governments. The District received \$2,720,737 in LIPA PILOT revenue during the 2021-2022 fiscal year.

**PLAINVIEW – OLD BETHPAGE CENTRAL SCHOOL DISTRICT    EXHIBIT 9**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**G)    Restricted resources:**

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District's policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these Notes.

**H)    Interfund transactions:**

The operations of the District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The District typically loans resources between funds for the purpose of providing cash flows. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditures and revenues to provide financing or other services.

In the District-Wide Financial Statements, the amounts reported on the Statement of Net Position for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary fund). Eliminations have been made for all interfund receivables and payables between the funds.

The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables may be netted on the accompanying governmental funds balance sheet when it is the District's practice to settle these amounts at a net balance based upon the right of legal offset.

Refer to Note 11 for a detailed disclosure by individual fund for interfund receivables, payables, expenditures and revenues activity.

**I)    Estimates:**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and deferred outflows, liabilities and deferred inflows, disclosure of contingent items at the date of the financial statements, and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of compensated absences, workers' compensation claims liability, other post-employment benefits, potential contingent liabilities, lease receivable, and useful lives of capital assets.

**J)    Cash and cash equivalents:**

The District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

**K)    Receivables:**

Receivables are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**L)    Inventories:**

Inventories of food in the school lunch fund are recorded at cost on a first-in, first-out basis, or in the case of surplus food donated by the U.S. Department of Agriculture, at the Government’s stated value, which approximates market.

Purchases of inventoriable items in other funds are recorded as expenses/expenditures at the time of purchase and are considered immaterial in amount.

A non-spendable fund balance for these non-liquid assets (inventories) has been recognized in the school lunch fund as non-spendable under GASB Statement No. 54 to signify that a portion of fund balance is not available for other subsequent expenditures.

**M)    Capital assets:**

Capital assets are reported at actual cost for acquisitions within the last 20 years. For assets acquired prior to 20 years, estimated historical costs, are based on appraisals conducted by independent third-party professionals. Donated assets are reported at acquisition value at the time received.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the District-Wide statements are as follows:

|                                  | Capitalization<br>Threshold | Depreciation<br>Method | Estimated<br>Useful Life |
|----------------------------------|-----------------------------|------------------------|--------------------------|
| Building & Building Improvements | \$10,000                    | Straight-line          | 20-50 years              |
| Land Improvements                | \$10,000                    | Straight-line          | 20 years                 |
| Furniture & Equipment            | \$5,000                     | Straight-line          | 5-20 years               |
| Vehicles                         | \$1,000                     | Straight-line          | 2-5 years                |

**N)    Collections in advance:**

Collections in advance arise when the District receives resources before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the District has legal claim to the resources, the liability for collections in advance is removed and revenues are recorded. See Note 9 for further detail.

**O)    Deferred outflows and inflows of resources:**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category. These amounts are related to pensions and the

**PLAINVIEW – OLD BETHPAGE CENTRAL SCHOOL DISTRICT    EXHIBIT 9**  
**NOTES TO FINANCIAL STATEMENTS**  
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other post-employment benefits liability reported in the District-Wide Statement of Net Position, which are detailed further in Notes 14 and 16.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reported deferred inflows of resources related to pensions and OPEB reported in the District-Wide Statement of Net Position, and are detailed further in Notes 14 and 16. The District also reported deferred inflows of resources related to lease receivable, which are reported in the District-Wide Statement of Net Position as well as in the general fund, and is detailed further in Note 8.

In addition to liabilities, the Governmental Funds Balance Sheet will sometimes report deferred inflows of resources when potential revenues do not meet the availability criterion for recognition in the current period. These amounts are recorded as deferred inflows of resources. In subsequent periods, when the availability criterion is met, deferred inflows of resources are classified as revenues. The District-Wide Financial Statements, however, report these deferred inflows of resources as revenues in accordance with the accrual basis of accounting and economic resources measurement focus. The general fund reported unavailable revenues of \$56,252, representing general building aid restoration. The capital projects fund reported unavailable revenues of \$846,802 representing Smart Schools Bond Act state aid, capital grants receivable from the Dormitory Authority of the State of New York (DASNY) state aid and Nassau County local grant due at June 30, 2022.

**P)    Vested employee benefits:**

Compensated absences

Compensated absences consist of unpaid accumulated annual sick leave, vacations, and sabbatical time.

Sick leave eligibility and accumulation is specified in negotiated labor contracts and in individual employment contracts. Upon retirement, resignation or death, employees may contractually receive a payment based on unused accumulated sick leave. Certain collectively bargained agreements require these termination payments to be paid in the form of non-elective contributions into the employees 403(b) plan.

The District employees are granted vacation in varying amounts, based primarily on length of service and service position. Some earned benefits may be forfeited if not taken within varying time periods.

Consistent with GASB Statement No. 16, *Accounting for Compensated Absences*, the liability has been calculated using the vesting method and an accrual for that liability is included in the District-Wide Financial Statements. The compensated absences liability is calculated based on the pay rates in effect at year-end.

**PLAINVIEW – OLD BETHPAGE CENTRAL SCHOOL DISTRICT    EXHIBIT 9**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

In the Fund Financial Statements, only the amount of matured liabilities is accrued within the general fund based upon expendable and available financial resources. These amounts are expensed on a pay-as-you-go basis.

**Q)    Other benefits:**

District employees participate in the New York State Employees' Retirement System and the New York State Teachers' Retirement System.

District employees may choose to participate in the District's elective deferred compensation plans established under Internal Revenue Code Section 403(b) and 457.

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits for retired employees and their survivors in accordance with the provision of various employment contracts in effect at the time of retirement. Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure in the governmental funds as the liabilities for premiums mature (come due for payments). In the District-Wide Financials Statements, the cost of post-employment insurance coverage is recognized on the accrual basis of accounting in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. See Note 16 for additional information.

**R)    Short-term debt:**

The District may issue Revenue Anticipation Notes (RAN) and Tax Anticipation Notes (TAN) in anticipation of the receipt of revenues. These notes are recorded as liabilities of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent liabilities that will be extinguished by the use of expendable, available resources of the fund.

The District may issue budget notes up to an amount not to exceed 5% of the amount of the annual budget during any fiscal year for expenditures for which there is an insufficient or no provision made in the annual budget. The budget note must be repaid no later than the close of second fiscal year succeeding the year in which the note was issued.

The District may issue Bond Anticipation Notes (BAN), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue dated, seven years if originally issued during the calendar year 2015 through 2021. The notes, or renewal thereof, may not extend more than two years beyond the original date of issue, unless a portion is redeemed within two years and within each twelve month period thereafter.

The District did not issue any short term debt during the fiscal year ending June 30, 2022.

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**NOTES TO FINANCIAL STATEMENTS**  
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**S)    Accrued liabilities and long-term obligations:**

Payables, accrued liabilities and long-term obligations are reported in the District-Wide Financial Statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Compensated absences, claims payable, net pension asset/(liability), and other post-employment benefit obligations that will be paid from governmental funds, are reported as a liability in the funds financial statements only to the extent that they are due for payment in the current year. Bonds, energy performance contract debt, and other long-term obligations that will be paid from governmental funds are recognized as a liability in the Fund Financial Statements when due.

Long-term obligations represent the District's future obligations or future economic outflows. The liabilities are reported as due within one year or due after one year in the Statement of Net Position.

**T)    Equity classifications:**

i) District-Wide Financial Statements:

In the District-Wide Financial Statements there are three classes of net position:

Net investment in capital assets consists of net capital assets (cost less accumulated depreciation) plus reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets, as well as the unamortized premiums on bonds.

Restricted net position – reports net position when constraints placed on the assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – reports all other net position that do not meet the definition of the above two classifications and are deemed to be available for general use by the District.

ii) Fund Financial Statements:

There are five classifications of fund balance as detailed below; however, in the Fund Financial Statements there are four classifications of fund balance presented:

- 1) **Non-spendable fund balance** – includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Non-spendable fund balance includes the inventory recorded in the school lunch fund of \$6,300.
- 2) **Restricted fund balance** – includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

The District has established the following as restricted:

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Unemployment Insurance Reserve

Unemployment insurance reserve (GML§6-m), must be used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the employer has elected to use the benefit reimbursement method. The reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. If the District elects to convert to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the general fund.

Retirement Contribution Reserve

Retirement Contribution Reserve (GML§6-r), must be used for financing retirement contributions to the New York State and Local Employees' Retirement System. In addition, a subfund of this reserve may also be created to allow for financing retirement contributions to the New York State Teachers' Retirement System. The reserve must be accounted for separate and apart from all other funds, and a detailed report of the operation and condition of the fund must be provided to the Board. The reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. This reserve is accounted for in the general fund.

Employee Benefit Accrued Liability Reserve

Employee benefit accrued liability reserve (GML§6-p), must be used for the payment of accrued employee benefit due an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board, and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. The reserve is accounted for in the general fund.

Repair Reserve

Repair reserve (GML§6-d), is used to pay the cost of repairs to capital improvements or equipment, which repairs are of a type not recurring annually. The Board of Education without voter approval may establish a repair reserve fund by a majority vote of its members. Voter approval is required to fund this reserve (Opinion of the New York State Comptroller 81-401). Expenditures from this reserve may be made only after a public hearing has been held, except in emergency situations. If no hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years. This reserve is accounted for in the general fund.

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Capital Reserve

Capital reserve (EL§3651), must be used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of the reserve, the ultimate amount, its probable term, and the source of the funds. Expenditures may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. This reserve is accounted for in the general fund and the capital projects fund.

Unspent bond proceeds

Unspent long-term bond proceeds are recorded as restricted fund balance because they are subject to external constraints contained in the debt agreement. These restricted funds are accounted for in the capital projects fund.

Restricted for Debt

The unexpended balances of proceeds of borrowings for capital projects, interest and earning from investing proceeds of borrowings, and borrowing premiums can be recorded as amounts restricted for debt service. These restricted funds are accounted for in the debt service fund.

Restricted for Scholarships and Donations

Amounts restricted for scholarships and donations are used to account for monies donated for scholarship purposes, net of earnings and awards. These restricted funds are accounted in the miscellaneous special revenue fund.

- 3) **Committed fund balance** – Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the District’s highest level of decision-making authority (i.e. Board). The District has no committed fund balances as of June 30, 2022.
  
- 4) **Assigned fund balance** – Includes amounts that are constrained by the District’s intent to be used for specific purposes, but are neither restricted nor committed. This intent can be expressed by the Board or through the Board delegating this responsibility to the District management through Board policies. This classification also includes the remaining positive fund balance for all governmental funds except for the general fund.
  
- 5) **Unassigned fund balance** – Includes the residual fund balance for the general fund and includes residual fund balance deficits of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts. Assignments of fund balance cannot cause a negative unassigned fund balance.

The reserve for tax reduction included in unassigned fund balance is for the gradual use of the proceeds of the sale of school district real property where such proceeds are not required to be



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placed in a mandatory reserve for debt service. Specifically, the District is permitted to retain the proceeds of the sale for a period not to exceed ten years and to use them during that period for tax reduction.

NYS Real Property Tax Law §1318 limits the amount of unexpended surplus funds a District can retain to no more than 4% of the District's budget for the general fund for the ensuing fiscal year. Non-spendable and restricted fund balance of the general fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances included in assigned fund balance are also excluded from the 4% limitation.

Deficit Fund Balance

The special revenue child care fund had a deficit unassigned fund balance of \$92,691. With the full reopening of schools and increased childcare rates, the District anticipates generating higher revenues in the 2022-2023 school year that would eliminate the deficit.

Order of Use of Fund Balance

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the general fund are classified as unassigned fund balance. In the general fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned.

**U)    New accounting pronouncements:**

GASB has issued Statement No. 87, *Leases*, effective for fiscal year ended June 30, 2022. This Statement establishes a single model for lease accounting based on the idea that leases are financings of the right-to-use an underlying asset. As such, under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and the lessor is required to recognize a lease receivable and a deferred inflow of resources. The District has adopted and implemented GASB Statement No. 87, *Leases*, in 2022. See Note 21 for further consideration.

**V)    Future changes in accounting standards:**

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, defines a subscription-based technology arrangement as a contract that conveys control of the right to use a vendor's software, alone or in combination with tangible capital assets requiring governments to recognize a right-to-use subscription asset and a corresponding subscription liability. The requirements of this Statement are effective for periods beginning after June 15, 2022.

This is the Statement that the District feels may have an impact on these financial statements and is not an all-inclusive list of GASB statements issued. The District will evaluate the impact each

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of these pronouncements may have on its financial statements and will implement them as applicable and when material.

**NOTE 2 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN FUND**

**STATEMENTS AND DISTRICT-WIDE STATEMENTS:**

Due to the differences in the measurement focus and basis of accounting used in the Fund Financial Statements and the District-Wide Financial Statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources focus of the governmental funds.

**(A)    Total fund balances of governmental funds vs. net position of governmental activities:**

Total fund balances of the District’s governmental funds differ from “net position” of governmental activities reported in the Statement of Net Position. The difference primarily results from additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets.

**(B)    Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities:**

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities fall into one of the three broad categories. The amounts shown below represent:

**(i)    Long-term revenue and expense differences:**

Long-term revenue differences arise because governmental funds report revenues only when they are considered “available”, whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accruals basis, whereas the accrual basis of accounting is used on the Statement of Activities.

**(ii)    Capital related differences:**

Capital related differences include the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets reported on the Statement of Activities, and the difference between recording an expenditure for the purchase of capital items in the fund statements and depreciation expense on those items as recorded in the Statement of Activities.

**(iii)    Long-term debt transaction differences:**

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the fund statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

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**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:**

**A) Budgets:**

The District administration prepares a proposed budget for approval by the Board for the following governmental funds for which legal (appropriated) budgets are adopted. The voters of the District approved the proposed appropriation budget for the general fund. Appropriations are adopted at the program line item level.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances), which may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. Supplemental appropriations, if any, that occurred during the fiscal year are shown on the other supplemental information – schedule of change from adopted budget to final budget, if any.

Budgets are adopted annually on a basis consistent with GAAP. Appropriations authorized for the year are increased by the amount of encumbrances carried forward.

Budgets are established and used for individual capital project funds expenditures as approved by a special referendum of the District’s voters. The maximum project amount authorized is based primarily upon the cost of the project, plus any requirements for external borrowings, not annual appropriations. These budgets do not lapse and are carried over to subsequent fiscal years until the completion of the projects.

**B) Encumbrances:**

Encumbrance accounting is used for budget control and monitoring purposes and is reported as a part of the governmental funds. Under this method, purchase orders, contracts, and other commitments for the expenditure of monies are recorded to reserve applicable appropriations. Outstanding encumbrances as of year-end are presented as amounts assigned in the fund balance and do not represent expenditures or liabilities. These commitments will be honored in the subsequent period. Related expenditures are recognized at that time, as the liability is incurred or the commitment is paid.

**NOTE 4 – DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS:**

**A) Cash and Cash Equivalents:**

New York State law governs the District’s investment policies. Resources must be deposited in Federal Deposit Insurance Company (FDIC) insured commercial banks or trust companies located within the state. Permissible investments include obligations of the United States Treasury, United States agencies, repurchase agreements and obligations of New York State or its

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localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and districts.

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are as follows:

- A) Uncollateralized;
- B) Collateralized with securities held by the pledging financial institution in the District's name; or
- C) Collateralized with securities held by the pledging financial institution's trust department or custodian, but not in the District's name.

All of the District's aggregate bank balances were covered by depository insurance or collateralized with securities held by the pledging financial institution in the District's name at year end.

**B) Restricted cash and Cash Equivalents:**

Restricted cash and equivalents represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash and cash equivalents at June 30, 2022 included \$34,860,365 within the governmental funds for general reserve purposes, scholarships and donations, debt service, and capital projects.

Investments:

The District does not typically purchase investments for a long enough duration to cause it to believe that it is exposed to any material interest rate risk. The District also does not typically purchase investments denominated in a foreign currency, and is not exposed to foreign currency risk.

**NOTE 5 – PARTICIPATION IN BOCES:**

During the fiscal year ended June 30, 2022, the District was billed \$7,304,689 for BOCES administrative and program costs. The District's share of BOCES aid amounted to \$2,445,405. Financial statements for the BOCES are available from the BOCES administrative office at 71 Clinton Road, Garden City, NY 11530.

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**NOTE 6 – DUE FROM OTHER GOVERNMENTS:**

Due from other governments in the general fund at June 30, 2022 consisted of the following:

|  |                       |
|--|-----------------------|
| General Fund                                 |                       |
| Other districts- tuition and health services | \$     31,725         |
| BOCES aid                                    | 1,128,778             |
| Total General Fund                           | <u>1,160,503</u>      |
| Capital Projects Fund                        |                       |
| Nassau County - HVAC                         | 60,878                |
| Total Capital Projects Fund                  | <u>60,878</u>         |
| Total-All Funds                              | <u>\$   1,221,381</u> |

District management has deemed the amounts to be fully collectible.

**NOTE 7 – STATE AND FEDERAL AID RECEIVABLES:**

State and federal aid receivables at June 30, 2022 consisted of the following:

|                                    |                       |
|------------------------------------|-----------------------|
| General fund                       |                       |
| State Aid                          | \$   1,464,803        |
| CARES Act - ESSER and GEER         | 92,089                |
| Total - General Fund               | <u>1,556,892</u>      |
| Special aid fund                   |                       |
| State and local grants             | 782,523               |
| Federal grants                     | 626,522               |
| Total - Special Aid Fund           | <u>1,409,045</u>      |
| School lunch fund                  |                       |
| Federal reimbursement              | 1,179,567             |
| State reimbursement                | 19,442                |
| Total - School Lunch Fund          | <u>1,199,009</u>      |
| Capital projects fund              |                       |
| State aid - Smart Schools Bond Act | 785,924               |
| Total - All Funds                  | <u>\$   4,950,870</u> |

District management has deemed the amounts to be fully collectible.

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**NOTE 8 – LEASE RECEIVABLE:**

As a result of adopting and implementing GASB Statement No. 87, *Leases*, the District recognized a lease receivable and deferred inflow of resources – leases, for an agreement whereby the District leases building space to another entity, with an interest rate from 0.4350% to 0.8140%, and an annual payment escalation from 3.00% to 4.72%. The lease receivable and associated deferred inflow of resources will be reduced as the lease revenue is earned in future periods.

Principal and interest income received for the District’s lease receivable amounted to \$630,787 and \$14,997, respectively, for the fiscal year ended June 30, 2022.

The following is a summary of the principal and interest requirements to maturity for the District’s lease receivable:

| Fiscal Year Ended<br>June 30, | Principal           | Interest         | Total               |
|-------------------------------|---------------------|------------------|---------------------|
| 2023                          | \$ 662,371          | \$ 12,737        | \$ 675,108          |
| 2024                          | 605,052             | 8,958            | 614,010             |
| 2025                          | 629,968             | 5,214            | 635,182             |
| 2026                          | 354,390             | 2,431            | 356,821             |
| 2027                          | 366,776             | 865              | 367,641             |
|                               | <u>\$ 2,618,557</u> | <u>\$ 30,205</u> | <u>\$ 2,648,762</u> |

District management has deemed the amounts to be fully collectible.

**NOTE 9 – COLLECTIONS IN ADVANCE:**

Collections in advance at June 30, 2022 consisted of:

|  |                       |
|--|-----------------------|
| Special aid fund   |                       |
| Unearned revenues from federal, state,<br>and local grants | <u>\$ 82,498</u>      |
| Special revenue child care fund                            |                       |
| Unearned revenue from child care program                   | <u>80,754</u>         |
| School lunch fund  |                       |
| Prepaid meals  | 97,472                |
| Supply chain assistance                                    | <u>102,518</u>        |
| Total - School Lunch Fund                                  | <u>199,990</u>        |
| <br>Total collections in advance                           | <br><u>\$ 363,242</u> |

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**NOTE 10 – CAPITAL ASSETS:**

Capital asset balances and activity for the fiscal year ended June 30, 2022 were as follows:

|   | Beginning<br>Balance  | Additions           | Retirements/<br>Reclassifications | Ending<br>Balance     |
|---|-----------------------|---------------------|-----------------------------------|-----------------------|
| Governmental activities:                    |                       |                     |                                   |                       |
| Capital assets that are not depreciated:    |                       |                     |                                   |                       |
| Land  | \$ 1,864,870          | \$                  | \$ (71)                           | \$ 1,864,799          |
| Construction in progress                    | 14,252,992            | 4,255,720           | (243,768)                         | 18,264,944            |
| Total capital assets not being depreciated  | 16,117,862            | 4,255,720           | (243,839)                         | 20,129,743            |
| Capital assets being depreciated:           |                       |                     |                                   |                       |
| Buildings                                   | 145,034,470           |                     | (2,979,409)                       | 142,055,061           |
| Improvements other than buildings           | 9,890,198             | 87,255              |                                   | 9,977,453             |
| Equipment                                   | 4,681,674             | 173,162             |                                   | 4,854,836             |
| Total capital assets being depreciated      | 159,606,342           | 260,417             | (2,979,409)                       | 156,887,350           |
| Less accumulated depreciation:              |                       |                     |                                   |                       |
| Buildings                                   | 61,807,288            | 4,358,208           | (2,535,298)                       | 63,630,198            |
| Improvements other than buildings           | 5,754,945             | 178,000             |                                   | 5,932,945             |
| Equipment                                   | 2,488,235             | 965,562             |                                   | 3,453,797             |
| Total accumulated depreciation              | 70,050,468            | 5,501,770           | (2,535,298)                       | 73,016,940            |
| Total capital assets being depreciated, net | 89,555,874            | (5,241,353)         | (444,111)                         | 83,870,410            |
| Total capital assets, net                   | <u>\$ 105,673,736</u> | <u>\$ (985,633)</u> | <u>\$ (687,950)</u>               | <u>\$ 104,000,153</u> |

Depreciation expense and loss on disposals was charged to governmental functions as follows:

|  |                     |
|--|---------------------|
| Instruction                                      | \$ 5,987,165        |
| General support                                  | 115,598             |
| Pupil Transportation                             | 84,666              |
| Food Service                                     | 2,220               |
| Total depreciation expense and loss on disposals | <u>\$ 6,189,649</u> |

The District disposed of the Fern Place school building, land, and related improvements, resulting in a gain on sale of property. Refer to Note 18 for more information.

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**NOTE 11 – INTERFUND TRANSACTIONS – GOVERNMENTAL FUNDS:**

The District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. It is expected that all interfund payables should be repaid within one year.

|                                    | Interfund           |                     | Interfund           |                     |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                    | Receivable          | Payable             | Revenues            | Expenditures        |
| General fund                       | \$ 1,439,887        | \$ 103,514          | \$ 2,360,828        | \$ 6,598,175        |
| Special aid fund                   |                     | 1,386,934           | 250,000             | 2,360,828           |
| Special Revenue child care fund    |                     | 50,685              |                     |                     |
| School lunch fund                  | 102,518             | 2,268               | 15,000              |                     |
| Miscellaneous special revenue fund | 996                 |                     |                     |                     |
| Debt service fund                  |                     |                     | 4,268,175           |                     |
| Capital projects fund              |                     |                     | 2,065,000           |                     |
| Totals                             | <u>\$ 1,543,401</u> | <u>\$ 1,543,401</u> | <u>\$ 8,959,003</u> | <u>\$ 8,959,003</u> |

The District transferred from the general fund to the special aid fund to fund the District's share of summer program for students with disabilities and the State supported Section 4201 schools. The District transferred from the general fund to the school lunch fund to cover the negative school lunch balances and to assist in subsidizing the program. The District transferred from the general fund to the capital fund to finance capital projects. The District transferred from the general fund to the debt service fund to offset debt service expenditures. The District transferred from the special aid fund to the general fund to reimburse grant expenditures paid by the general fund in the prior year for CRRSA and ARP grants.

**NOTE 12 – SHORT-TERM DEBT:**

The District did not issue or redeem any short-term debt during the year.



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**NOTE 13 – LONG-TERM LIABILITIES:**

Long-term liability balances and activity for the fiscal year are summarized below:

|  | Beginning<br>Balance  | Issued               | Redeemed               | Ending<br>Balance     | Due Within<br>One Year |
|--|-----------------------|----------------------|------------------------|-----------------------|------------------------|
| Long-term debt:                                    |                       |                      |                        |                       |                        |
| Bonds payable                                      | \$ 42,880,000         | \$ -                 | \$ (2,915,000)         | \$ 39,965,000         | \$ 3,000,000           |
| Plus: unamortized premiums on bonds                | 75,009                | -                    | (9,349)                | 65,660                | 8,760                  |
|  | <u>42,955,009</u>     | -                    | <u>(2,924,349)</u>     | 40,030,660            | 3,008,760              |
| Other long-term liabilities:                       |                       |                      |                        |                       |                        |
| Compensated absences payable                       | 8,266,050             | 323,841              | (588,992)              | 8,000,899             | 258,647                |
| Total other post-employment<br>benefits obligation | 168,693,974           | 10,162,005           | (26,644,684)           | 152,211,295           |                        |
| Net pension liability - proportionate share        |                       |                      |                        |                       |                        |
| Employees' retirement system                       | 44,299                |                      | (44,299)               | -                     |                        |
| Teachers' retirement system                        | 10,631,889            |                      | (10,631,889)           | -                     |                        |
| Total long-term liabilities                        | <u>\$ 219,959,332</u> | <u>\$ 10,485,846</u> | <u>\$ (30,202,324)</u> | <u>\$ 200,242,854</u> | <u>\$ 3,267,407</u>    |

The general fund has typically been used to liquidate the long-term liabilities such as bonds payable, compensated absences payable, and total other post-employment benefits obligation.

**A) Bonds Payable:**

Bonds payable is comprised of the following:

| Description                    | Issue<br>Date | Final<br>Maturity | Interest<br>Rate | Outstanding<br>at Year End |
|--------------------------------|---------------|-------------------|------------------|----------------------------|
| Construction serial bond       | 7/15/2009     | 7/15/2023         | 2.25-3.75%       | \$ 150,000                 |
| Refunding serial bond          | 11/29/2011    | 11/1/2022         | 2.00-4.00%       | 550,000                    |
| Construction serial bond       | 9/20/2018     | 10/1/2035         | 3.00-3.50%       | 35,040,000                 |
| Public improvement serial bond | 6/24/2021     | 6/15/2036         | 1.00-2.00%       | 4,225,000                  |
|                                |               |                   |                  | <u>\$ 39,965,000</u>       |

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The following is a summary of debt service requirements for the bond payable:

| Fiscal Year Ended<br>June 30, | Principal            | Interest            | Total                |
|-------------------------------|----------------------|---------------------|----------------------|
| 2023                          | \$ 3,000,000         | \$ 1,135,716        | \$ 4,135,716         |
| 2024                          | 2,640,000            | 1,057,475           | 3,697,475            |
| 2025                          | 2,675,000            | 982,969             | 3,657,969            |
| 2026                          | 2,700,000            | 907,844             | 3,607,844            |
| 2027                          | 2,775,000            | 831,594             | 3,606,594            |
| 2028-2032                     | 14,275,000           | 2,969,453           | 17,244,453           |
| 2033-2036                     | 11,900,000           | 785,468             | 12,685,468           |
|                               | <u>\$ 39,965,000</u> | <u>\$ 8,670,519</u> | <u>\$ 48,635,519</u> |

Upon default of the payment of principal or interest on the serial bonds, the bond holders have the right to litigate and the New York State Comptroller is required, under the conditions and to the extent prescribed by Section 99-b of the New York State Finance Law, to withhold state aid and assistance and apply the amount withheld to the payment of the defaulted principal or interest.

**Unissued Debt**

On December 9, 2014, the voters approved a bond not to exceed \$49,816,257 for District-wide infrastructure upgrades and reconstruction projects. As of June 30, 2022, the District has issued a total of \$44,940,000 in serial bonds. The District also provided \$700,000 funding during the 2018-2019 fiscal year when it partially redeemed the outstanding bond anticipation notes at the time with general fund appropriations. Total permanent financing obtained to date is \$45,640,000; the balance of authorized but unissued debt was \$4,176,257 as of June 30, 2022. Work is near completion and expenditures are recorded in the capital projects fund.

**B) Long-Term Interest:**

Interest on long-term debt for the fiscal year was comprised of:

|   |                     |
|---|---------------------|
|   | <u>Total</u>        |
| Interest paid                             | \$ 1,218,988        |
| Less interest accrued in the prior year   | (300,239)           |
| Plus interest accrued in the current year | 280,276             |
| Less amortization of bond premiums        | <u>(9,349)</u>      |
| Total expense                             | <u>\$ 1,189,676</u> |

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**C) Premium on Bonds:**

The District received \$75,009 of bond premium from the issuance of the June 24, 2021 bonds. The premium will be amortized as a reduction of bond interest expense over the life of the bonds in the District-Wide financial statements as follows:

| Year ending June 30, | Amortization of<br>Premium |
|----------------------|----------------------------|
| 2023                 | \$        8,760            |
| 2024                 | 8,171                      |
| 2025                 | 7,581                      |
| 2026                 | 6,992                      |
| 2027                 | 6,376                      |
| 2028-2032            | 22,208                     |
| 2033-2036            | 5,572                      |
|                      | \$        65,660           |

**NOTE 14 – PENSION PLANS:**

**A) Plan Description and Benefits Provided:**

i) Teachers’ Retirement System

The District participates in the New York State Teachers’ Retirement System (TRS) (the System). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. The System is governed by a 10 member Board of Trustees. System benefits are established under New York State Law. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors, and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. Additional information regarding the System may be obtained by writing to the New York State Teachers’ Retirement System, 10 Corporate Woods Drive, Albany NY 12211-2395 or by referring to the TRS Comprehensive Annual Financial report which can be found on the System’s website at [www.nystrs.org](http://www.nystrs.org).

ii) Employees’ Retirement System

The District participates in the New York State and Local Employees’ Retirement System (ERS) (the System). This is a cost-sharing multiple –employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the

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System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all new assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The District also participates in the Public Employees' Group Life Insurance Plan which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. ERS issues a publicly available report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany NY 12244 or by referring to the ERS Comprehensive Annual Report, which can be found at [www.osc.state.ny.us/retire](http://www.osc.state.ny.us/retire).

**B) Funding Policies:**

The Systems are noncontributory, except as follows:

1. New York State Teachers' Retirement System:
  - a. Employees who joined the system after July 27, 1976
    - i. Employees contribute 3% of their salary, except that employees in the system more than ten years are no longer required to contribute.
  - b. Employees who joined the system on or after January 1, 2010 before April 1, 2012
    - i. Employees contribute 3.5% of their salary throughout active membership.
  - c. Employees who joined the system on or after April 1, 2012
    - i. Employees contribute between 3% and 6% dependent upon their salary throughout active membership.
  
2. New York State Employees' Retirement System
  - a. Employees who joined the system after July 27, 1976
    - i. Employees contribute 3% of their salary, except that employees in the system more than ten years are no longer required to contribute.
  - b. Employees who joined the system on or after January 1, 2010 before April 1, 2012
    - i. Employees contribute 3% of their salary throughout active membership.
  - c. Employees who joined the system on or after April 1, 2012
    - i. Employees contribute between 3% and 6% dependent upon their salary throughout active membership.

For ERS, the Comptroller annually certifies the rates expressed as proportions of members' payroll annually, which are used in computing the contributions required to be made by employers to the pension accumulation fund, for the ERS' fiscal year ended March 31. The District's contribution rates for ERS' fiscal year ended March 31, 2022 for covered payroll was 18.3% for Tiers 3 & 4, 15.3% for Tier 5, and 10.7% for Tier 6.

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Pursuant to Article 11 of the Education Law, the New York State Teachers’ Retirement Board establishes rates annually for TRS. The District’s contribution rate for the TRS’ fiscal year ended June 30, 2022 was 9.80% of covered payroll.

The District contributions made to the Systems were equal to 100% of the contributions required for each year. The required contributions for the current year and two preceding years based on covered payroll for the District’s year end were:

|      | NYSERS       | NYSTRS       |  |
|------|--------------|--------------|--|
| 2022 | \$ 2,729,995 | \$ 6,847,276 |  |
| 2021 | \$ 2,383,651 | \$ 6,639,421 |  |
| 2020 | \$ 2,272,080 | \$ 5,786,070 |  |

**C) Pension Assets, Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions:**

At June 30, 2022, the District reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for each of the Systems. The net pension asset/(liability) was measured as of March 31, 2022 for ERS and June 30, 2021 for TRS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The District’s proportion of the net pension asset/(liability) was based on a projection of the District’s long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS Systems in reports provided to the District.

|  | ERS            | TRS           |
|--|----------------|---------------|
| Measurement date   | March 31, 2022 | June 30, 2021 |
| Net pension asset/(liability)  | \$ 4,117,613   | \$ 71,129,210 |
| District's portion of the Plan's total net pension asset/(liability) | 0.0503709%     | 0.410462%     |
| Change in proportion since the prior measurement date                | 0.005882%      | 0.025705%     |

For the fiscal year ended June 30, 2022, the District recognized pension expense (credit) of \$801,729 for ERS, and (\$4,038,603) for TRS. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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|   | Deferred Outflows of Resources |               | Deferred Inflows of Resources |               |
|---|--------------------------------|---------------|-------------------------------|---------------|
|   | ERS                            | TRS           | ERS                           | TRS           |
| Differences between expected and actual experience  | \$ 311,833                     | \$ 9,804,407  | \$ 404,465                    | \$ 369,547    |
| Net difference between projected and actual earnings on pension plan investments                                    |                                |               | 13,483,458                    | 74,444,078    |
| Changes of assumptions  | 6,871,836                      | 23,395,885    | 115,955                       | 4,143,067     |
| Changes in proportion and differences between the District's contributions and proportionate share of contributions | 1,580,949                      | 625,904       | 88,629                        | 881,034       |
| District's contributions subsequent to the measurement date   | 662,990                        | 6,847,276     |                               |               |
|   | \$ 9,427,608                   | \$ 40,673,472 | \$ 14,092,507                 | \$ 79,837,726 |

District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

|                    | ERS            | TRS             |
|--------------------|----------------|-----------------|
| Fiscal year ended: |                |                 |
| 2022               |                | \$ (9,142,710)  |
| 2023               | (548,935)      | (10,790,948)    |
| 2024               | (1,100,078)    | (13,584,751)    |
| 2025               | (3,166,835)    | (18,020,018)    |
| 2026               | (512,041)      | 3,262,991       |
| Thereafter         |                | 2,263,906       |
|                    | \$ (5,327,889) | \$ (46,011,530) |

**Actuarial Assumptions**

The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension asset/(liability) to the measurement date. The actuarial valuations used the following actuarial assumptions:

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|                            | ERS                               | TRS                             |
|----------------------------|-----------------------------------|---------------------------------|
| Measurement date           | March 31, 2022                    | June 30, 2021                   |
| Actuarial valuation date   | April 1, 2021                     | June 30, 2020                   |
| Investment rate            | 5.90%                             | 6.95%                           |
| Salary scale               | 4.40%                             | 5.18% - 1.95%                   |
| Cost of living adjustments | 1.4% annually                     | 1.3%, annually                  |
| Decrement tables           | April 1, 2015 -<br>March 31, 2020 | July 1, 2015 -<br>June 30, 2020 |
|                            | System's Experience               | System's Experience             |
| Inflation rate             | 2.70%                             | 2.40%                           |

For ERS, annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System’s experience with adjustments for mortality improvements based on MP-2020. For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2020, applied on a generational basis. Active member mortality rates are based on plan experience.

For ERS, the actuarial assumptions used in the April 1, 2021, valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020. For TRS, the actuarial assumptions used in the June 30, 2021, valuation are based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2020.

The long-term rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, *Selections of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of investment expense and inflation) for each major asset class, as well as historical investment data and plan performance. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of the measurement date are summarized below:

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| <u>Measurement Date</u>                | ERS                  |  | TRS                  |  |
|--|----------------------|--|----------------------|--|
|  | March 31, 2022       |  | June 30, 2021        |  |
|  | Target<br>Allocation | Long-Term<br>Expected Real<br>Rate of Return | Target<br>Allocation | Long-Term<br>Expected Real<br>Rate of Return |
| <u>Asset type</u>                      |                      |  |                      |  |
| Domestic equity                        | 32%                  | 3.30%  | 33%                  | 6.80%  |
| International equity                   | 15%                  | 5.85%  | 16%                  | 7.60%  |
| Global equity                          |                      |  | 4%                   | 7.10%  |
| Private equity                         | 10%                  | 6.50%  | 8%                   | 10.00%                                       |
| Real estate                            | 9%                   | 5.00%  | 11%                  | 6.50%  |
| Opportunistic/Absolute return strategy | 3%                   | 4.10%  | -                    | -  |
| Credit                                 | 4%                   | 3.78%  | -                    | -  |
| Real assets                            | 3%                   | 5.58%  | -                    | -  |
| Fixed income                           | 23%                  | 0.00%  | -                    | -  |
| Cash                                   | 1%                   | -1.00%                                       | -                    | -  |
| Domestic fixed income securities       | -                    | -  | 16.0%                | 1.30%  |
| Global bonds                           | -                    | -  | 2.0%                 | 0.80%  |
| High-yield bonds                       | -                    | -  | 1.0%                 | 3.80%  |
| Private debt                           | -                    | -  | 1.0%                 | 5.90%  |
| Real Estate Debt                       | -                    | -  | 7.0%                 | 3.30%  |
| Cash equivalents                       | -                    | -  | 1.0%                 | -0.20%                                       |
|  | <u>100.0%</u>        |  | <u>100.0%</u>        |  |

The expected real rate of return is net of long-term inflation assumptions of 2.50% for ERS, and 2.40% for TRS.

Discount Rate

The discount rate used to calculate the total pension asset/(liability) was 5.90% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset/(liability.)

Sensitivity of the Proportionate Share of the Net Pension Asset/(Liability) to the Discount Rate Assumption

The following presents the District's proportionate share of the net pension asset/(liability) calculated using the discount rate of 5.90% for ERS and 6.95% for TRS, as well as what the District's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1-percentage point lower (4.90% for ERS and 5.95% for TRS) or 1-percentage point higher (6.90% for ERS and 7.95% for TRS) than the current rate:



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| ERS  | 1%<br>Decrease<br>(4.90%) | Current<br>Assumption<br>(5.90%) | 1%<br>Increase<br>(6.90%) |
|--|---------------------------|----------------------------------|---------------------------|
| District's proportionate share<br>of the net pension asset/(liability) | \$ (10,598,692)           | \$ 4,117,613                     | \$ 16,427,092             |

  

| TRS  | 1%<br>Decrease<br>(5.95%) | Current<br>Assumption<br>(6.95%) | 1%<br>Increase<br>(7.95%) |
|--|---------------------------|----------------------------------|---------------------------|
| District's proportionate share<br>of the net pension asset/(liability) | \$ 7,463,973              | \$ 7,129,210                     | \$ 124,635,221            |

**Pension Plan Fiduciary Net Position**

The components of the current-year net pension asset/(liability) of the employers as of the respective valuation dates, were as follows:

|  | (Dollars in Thousands) |                  |
|--|------------------------|------------------|
|  | ERS                    | TRS              |
| Measurement date                           | March 31, 2022         | June 30, 2021    |
| Employers' total pension asset/(liability) | \$ (223,874,888)       | \$ (130,819,415) |
| Plan Net Position                          | 232,049,473            | 148,148,457      |
| Employers' net pension asset/(liability)   | \$ 8,174,585           | \$ 17,329,042    |

|   |         |         |
|---|---------|---------|
| Ratio of plan net position to the<br>Employers' total pension asset/(liability) | 103.65% | 113.25% |
|---|---------|---------|

**Payables to the Pension Plan**

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31. Accrued retirement contributions as of June 30, 2022, represent the projected employer contribution for the period of April 1, 2022, through June 30, 2022, based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2022, amounted to \$662,990.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2022, are paid to the System in September, October and November 2022 through a state aid intercept, with a balance to be paid by the District, if necessary. Accrued retirement contributions as of June 30, 2022, represent employee and employer contributions for the fiscal year ended June 30, 2022, based on paid TRS wages multiplied by the employer's contribution rate, and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2022, amounted to \$7,600,752.

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**NOTE 15 – OTHER RETIREMENT PLANS:**

**A)    Tax Sheltered Annuities:**

The District has adopted a 403(b) plan covering all eligible employees. Employees may defer up to 100% of their compensation subject to Internal Revenue Code elective deferral limitations. The District may also make non-elective contributions of certain termination payments based on collectively bargained agreements. Contributions made by the District and the employees for the fiscal year ended June 30, 2022, totaled \$571,388 and \$4,885,643 respectively.

**B)    Deferred Compensation Plan:**

The District has established a deferred compensation plan in accordance with Internal Revenue Code §457 for eligible employees. The District makes no contributions into this Plan. The amount deferred by eligible employees for the fiscal year ended June 30, 2022 totaled \$527,457.

**NOTE 16 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB):**

**A)    General Information about the OPEB Plan:**

Plan Description

The District’s OPEB Plan (the “OPEB Plan”), defined as a single employer defined benefit plan, primarily provides post-employment health insurance coverage to retired employees, their spouses, and their covered dependents in accordance with the provisions of various employment contracts. Benefits are provided through the New York State Health Insurance Program, Empire Plan, and HIP Health Plan and is defined as a single-employer defined benefit healthcare plan administered by New York State. Article 37 of the Statutes of the State assigns the authority to establish and amend benefit provisions to the District. The Plan does not issue a stand-alone, publicly available report since there are no assets legally segregated for the sole purpose of paying benefits under the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided

Authorization for the District to pay a portion of retiree health insurance premiums was enacted through various contracts, which were ratified by the Board. The District assumes a portion of premium costs and recognizes the cost of the healthcare plan annually as expenditures in the fund financial statements as payments are accrued. For fiscal year 2022, the District contributed an estimated \$4,211,359 to the Plan, including \$4,211,359 for current premiums and \$0 to prefund benefits. Currently, there is no provision in the law to permit the District to fund OPEB by any other means than the “pay as you go” method.

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Employees Covered by Benefit Terms

At July 1, 2021, the following employees were covered by the benefit terms:

|  |       |
|--|-------|
| Inactive employees or beneficiaries/spouses currently receiving benefit payments | 674   |
| Inactive employees entitled to but not yet receiving benefit payments            | -     |
| Active employees   | 762   |
|  | 1,436 |

**Total OPEB Liability:**

The District’s total OPEB liability of \$152,211,295 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|  |   |  |
|--|---|--|
| Inflation                                | 2.60%   |  |
| Salary increases                         | 2.60%   |  |
| Discount rate                            | 3.54%   |  |
| Healthcare cost trend rates:             | 5.10% for 2021 decreasing to an ultimate rate of 4.1% over 54 years                   |  |
| Retirees' share of benefit-related costs | 50% to 100% of projected health insurance premiums for retirees and surviving spouses |  |

The discount rate was based on the 20-Bond GO Index as of July 1, 2021, which tracks the average yields of 20 general obligation municipal bonds. The average rating of the 20 bonds that make up the index are grade Aa2 (Moody’s) or grade AA (Standards & Poor’s).

Mortality rates were based on the Pub-2010 Mortality Table (from RP-2014 Adjusted to 2006 Total Dataset Mortality Table) with generational projection of future improvements per the MP-2021 Ultimate Scale.

The actuarial assumptions used in the July 1, 2021, valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable. The Plan does not have credible date on which to perform an experience study. As a result, a full actuarial experience study is not applicable.

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**B) Changes in the Total OPEB Liability:**

|  |                |
|--|----------------|
| Balance at June 30, 2021                           | \$ 168,693,974 |
| Changes for the fiscal year:                       |                |
| Service cost                                       | 6,424,682      |
| Interest   | 3,737,323      |
| Changes of benefit terms                           | -              |
| Differences between expected and actual experience | (8,982,903)    |
| Changes in assumptions or other inputs             | (13,450,422)   |
| Benefit payments                                   | (4,211,359)    |
| Net changes  | (16,482,679)   |
| Balance at June 30, 2022                           | \$ 152,211,295 |

There were no significant plan changes since the last valuation.

Changes in assumptions or other inputs include a change in discount rate from 2.16% to 3.54%.

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54%) or 1-percentage-point higher (4.54%) than the current discount rate:

|                      | 1%<br>Decrease<br>(2.54%) | Discount<br>Rate<br>(3.54%) | 1%<br>Increase<br>(4.54%) |
|----------------------|---------------------------|-----------------------------|---------------------------|
| Total OPEB liability | \$ 177,738,600            | \$ 152,211,295              | \$ 131,629,179            |

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

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|  | Healthcare<br>Cost Trend                   |  |
|--|--|--|
| 1% Decrease<br>(4.10%<br>decreasing to<br>3.10%) | Rates<br>(5.10%<br>decreasing to<br>4.10%) | 1% Increase<br>(6.10%<br>decreasing to<br>5.10%) |
|  |  |  |

|                      |                |                |                |
|----------------------|----------------|----------------|----------------|
| Total OPEB liability | \$ 133,749,413 | \$ 152,211,295 | \$ 176,112,960 |
|----------------------|----------------|----------------|----------------|

**C) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:**

For the fiscal year ended June 30, 2022, the District recognized OPEB expense of \$9,091,247 at June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | Deferred Outflows of<br>Resources | Deferred Inflows of<br>Resources |
|---|-----------------------------------|----------------------------------|
| Differences between expected and actual experience          | \$ (8,013,021)                    | \$ 1,514,092                     |
| Changes of assumptions or other inputs                      | (15,709,694)                      | 14,747,417                       |
| District's contributions subsequent to the measurement date | \$ (23,722,715)                   | \$ 16,261,509                    |

The District's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

|                            |                |
|----------------------------|----------------|
| Fiscal Year ended June 30: |                |
| 2023                       | \$ (1,070,758) |
| 2024                       | (1,070,758)    |
| 2025                       | (229,836)      |
| 2026                       | 692,554        |
| 2027                       | (2,306,827)    |
| Thereafter                 | (3,475,581)    |
|                            | \$ (7,461,206) |

**NOTE 17 – RISK MANAGEMENT:**

**A) General:**

The District is exposed to various risks of loss related to torts, theft, damage, injuries, errors and omissions, natural disasters, and other risks. These risks are covered by commercial insurance

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purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

**B) Public Entity Risk Pool:**

The District participated in New York Schools Insurance Reciprocal, a non-risk-retained public entity risk pool for its District property and liability insurance coverage through June 30, 2022. The pool is operated for the benefit of individual governmental units located within the pool's geographic area, and is considered a self-sustaining risk pool that will provide coverage for its members. The pool obtains independent coverage for insured events and the District has essentially transferred all related risk to the pool.

The District participates in the Nassau County Workers Compensation Self-Insured Plan (the Workers' Compensation Plan), a risk sharing pool, to insure workers' compensation claims. This is a public entity risk pool created under Article 5 of the Workers' Compensation Law to administer claims, finance liability and manage risks related to workers' compensation claims. The District pays an annual assessment determined by the Plan's Board of Trustees. In the event that the Plan has insufficient funds to meet its obligations, the Plan's Board of Trustees may issue supplemental assessments to the Plan's members. Plan members who withdraw or are terminated from the Plan's membership will assume responsibilities for all open and unpaid claims associated with them. As of June 30, 2022, the discounted Workers' Compensation Plan's total liability for unbilled and open claims was \$18,122,866 at a 2.00% discount rate. The Workers' Compensation Plan has plan assets of \$24,787,526 to pay these liabilities.

**NOTE 18- SPECIAL ITEM**

On July 30, 2021, the District sold the Fern Place property and a portion of the associated land to ACDS, Inc., as authorized by the Board on August 19, 2019, for sales proceeds of \$2,991,096. The sales proceeds are recognized in the governmental Statement of Revenues, Expenditures, and Changes in Fund Balance. The District recognized \$134,187 of the proceeds from the sale to general fund revenue, and \$2,856,909 was allocated to the reserve for tax reduction to be used to reduce property taxes in future years. The gain on the sale of the property in the amount of \$2,303,146 is reflected on the District-Wide Financial Statements – Statement of Activities.

**NOTE 19 - TAX ABATEMENTS:**

The Nassau County Industrial Development Agency, established by Article 18-A of General Municipal Law of New York State, under the authority of New York State General Municipal Law Section 922, entered into various property tax abatement programs for the purpose of economic development, and general prosperity and economic welfare of the Town. The District's property tax revenue was reduced by \$2,064,861 for these programs. The District received Payment in Lieu of Tax (PILOT) payments totaling \$1,536,681 for these programs during the fiscal year.

The District also received PILOT from the County related to the Long Island Power Authority. These PILOT are not considered tax abatements as the purpose of this agreement was not to abate taxes.

**PLAINVIEW – OLD BETHPAGE CENTRAL SCHOOL DISTRICT    EXHIBIT 9**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 20 – COMMITMENTS AND CONTINGENCIES:**

**A) Encumbrances:**

All encumbrances are classified as assigned or restricted fund balance. At June 30, 2022, the District encumbered the following amounts:

Assigned: Unappropriated Fund Balance

General fund

|                   |           |                |
|-------------------|-----------|----------------|
| General support   | \$        | 322,516        |
| Instruction       |           | 503,317        |
| Employee benefits |           | 80             |
|                   | <u>\$</u> | <u>825,913</u> |

School lunch fund

|                      |    |        |
|----------------------|----|--------|
| Food service program | \$ | 18,439 |
|----------------------|----|--------|

Capital projects fund

|                  |           |                  |
|------------------|-----------|------------------|
| Capital projects | <u>\$</u> | <u>5,631,236</u> |
|------------------|-----------|------------------|

**B) Grants:**

The District has received grants, which are subject to audit by agencies of the state and federal governments. Such audits may result in disallowances and a request for a return of funds. Based on prior audits, the district’s administration believes disallowances, if any, will be immaterial.

**C) Litigation:**

The District is involved in lawsuits arising from the normal conduct of its affairs. Some of these lawsuits seek damages which may be in excess of the District’s insurance coverage. However, it is not possible to determine the District’s potential exposure, if any, at this time.

**NOTE 21 – RESTATEMENT**

During the year ended June 30, 2022, the District implemented GASB Statement No. 87, *Leases*. The adoption and implementation of this Statement resulted in the restatement of opening balances of non-current assets and long-term liabilities. There was no impact on the opening net position. These changes have been restated as follows:

**PLAINVIEW – OLD BETHPAGE CENTRAL SCHOOL DISTRICT    EXHIBIT 9**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

|                                    | Statement of<br>Net Position |
|------------------------------------|------------------------------|
| Net Deficit, Beginning of the Year | \$    (31,772,234)           |
| Lease receivable                   | 3,249,344                    |
| Total Assets                       | 3,249,344                    |
| Deferred inflows of resources      | 3,249,344                    |
| Net Deficit, Beginning of the Year | \$    (31,772,234)           |

**NOTE 22 – SUBSEQUENT EVENTS:**

Events that occur after the Statement of Net Position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position date require disclosure in the accompanying notes. Management evaluated the activity of the District through the date of this report and concluded that the following subsequent events have occurred that would require disclosure in the notes to financial statements:



**SUPPLEMENTARY INFORMATION**

PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-  
 BUDGET AND ACTUAL - GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

|   | <u>Original Budget</u> | <u>Final Budget</u>   | <u>Actual<br/>(Budgetary Basis)</u> | <u>Final Budget<br/>Variance<br/>with Budgetary<br/>Actual</u> |
|---|------------------------|-----------------------|-------------------------------------|--|
| <b>REVENUES</b>   |                        |                       |                                     |  |
| Local Sources   |                        |                       |                                     |  |
| Real property taxes   | \$ 122,923,953         | \$ 122,923,953        | \$ 123,705,958                      | \$ 782,005   |
| Other real property tax items   | 12,983,420             | 12,983,420            | 12,270,015                          | (713,405)  |
| Charges for services  | 433,281                | 433,281               | 207,963                             | (225,318)  |
| Use of money & property   | 989,643                | 989,643               | 815,459                             | (174,184)  |
| Sale of property and compensation for loss  |                        |                       | 18,027                              | 18,027   |
| Miscellaneous   | 675,000                | 697,500               | 429,143                             | (268,357)  |
| State Sources   | 22,951,164             | 22,951,164            | 23,470,853                          | 519,689  |
| Federal Sources   | 20,000                 | 20,000                | 98,321                              | 78,321   |
| Other Financing Sources   |                        |                       |                                     |  |
| Transfers from other funds  | 65,000                 | 65,000                | 2,360,828                           | 2,295,828  |
| <b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>   | <u>161,041,461</u>     | <u>161,063,961</u>    | <u>\$ 163,376,567</u>               | <u>\$ 2,312,606</u>  |
| Appropriated Fund Balance   | 2,600,000              | 2,600,000             |                                     |  |
| Prior Year's Encumbrances   | 409,888                | 409,888               |                                     |  |
| Appropriated Reserves   | 4,500,694              | 4,500,694             |                                     |  |
| <b>TOTAL REVENUES, OTHER FINANCING SOURCES &amp;<br/>APPROPRIATED FUND BALANCE<br/>&amp; RESERVES</b> | <u>\$ 168,552,043</u>  | <u>\$ 168,574,543</u> |                                     |  |

Note to Required Supplementary Information

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

|  | Original Budget | Final Budget   | Actual<br>(Budgetary Basis) | Year-End<br>Encumbrances | Final Budget<br>Variance with<br>Budgetary Actual<br>and Encumbrances |
|--|-----------------|----------------|-----------------------------|--------------------------|---|
| <b>EXPENDITURES</b>                                |                 |                |                             |                          |   |
| General Support                                    |                 |                |                             |                          |   |
| Board of education                                 | \$ 187,152      | \$ 191,855     | \$ 182,375                  | \$ -                     | \$ 9,480  |
| Central administration                             | 434,585         | 439,040        | 435,921                     |                          | 3,119   |
| Finance  | 1,558,803       | 1,597,646      | 1,433,636                   |                          | 164,010   |
| Staff  | 1,243,656       | 1,315,866      | 1,277,940                   | 93                       | 37,833  |
| Central services                                   | 13,191,498      | 13,725,712     | 12,658,952                  | 322,423                  | 744,337   |
| Special items                                      | 1,530,143       | 1,605,368      | 1,588,592                   |                          | 16,776  |
| Total general support                              | 18,145,837      | 18,875,487     | 17,577,416                  | 322,516                  | 975,555   |
| Instructional                                      |                 |                |                             |                          |   |
| Instruction, admin. & improvement                  | 7,699,493       | 7,793,284      | 7,128,710                   | 500                      | 664,074   |
| Teaching - regular school                          | 52,808,854      | 51,335,756     | 49,657,427                  | 38,597                   | 1,639,732   |
| Programs for children with handicap conditions     | 18,656,112      | 19,696,087     | 18,375,602                  | 86,702                   | 1,233,783   |
| Occupational education                             | 224,883         | 224,883        | 195,159                     |                          | 29,724  |
| Teaching special schools                           | 363,570         | 365,543        | 248,083                     |                          | 117,460   |
| Instructional media                                | 5,103,900       | 5,089,294      | 4,318,703                   | 372,796                  | 397,795   |
| Pupil services                                     | 10,874,590      | 11,201,611     | 10,089,691                  | 4,722                    | 1,107,198   |
| Total instructional                                | 95,731,402      | 95,706,458     | 90,013,375                  | 503,317                  | 5,189,766   |
| Pupil transportation                               | 9,520,993       | 9,711,554      | 8,989,399                   |                          | 722,155   |
| Community services                                 | 243,428         | 310,784        | 261,626                     |                          | 49,158  |
| Employee benefits                                  | 37,951,101      | 36,876,791     | 36,208,430                  | 80                       | 668,281   |
| Debt service - principal                           |                 | -              | -                           |                          | -   |
| Debt service - interest                            | 70,000          | 70,000         | -                           |                          | 70,000  |
| Total debt service                                 | 70,000          | 70,000         | -                           | -                        | 70,000  |
| <b>TOTAL EXPENDITURES</b>                          | 161,662,761     | 161,551,074    | 153,050,246                 | 825,913                  | 7,674,915   |
| Other Financing Uses                               |                 |                |                             |                          |   |
| Transfers to other funds                           | 6,889,282       | 7,023,469      | 6,598,175                   |                          | 425,294   |
| <b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b> | \$ 168,552,043  | \$ 168,574,543 | 159,648,421                 | \$ 825,913               | \$ 8,100,209  |
| <b>SPECIAL ITEM</b>                                |                 |                |                             |                          |   |
| Proceeds from the sale of property (See Note 18)   |                 |                | 2,991,096                   |                          |   |
| Net change in fund balances                        |                 |                | 6,719,242                   |                          |   |
| Fund balances - beginning of year                  |                 |                | 30,587,618                  |                          |   |
| Fund balances - end of year                        |                 |                | \$ 37,306,860               |                          |   |

Note to Required Supplementary Information

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

**PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY  
AND RELATED RATIOS  
FOR THE FISCAL YEAR ENDED JUNE 30,**

| <b>TOTAL OPEB LIABILITY</b>   | <b><u>2022</u></b>           | <b><u>2021</u></b>           | <b><u>2020</u></b>           | <b><u>2019</u></b>           | <b><u>2018</u></b>           |
|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Service cost  | \$ 6,424,682                 | \$ 6,557,683                 | \$ 5,052,164                 | \$ 5,430,388                 | \$ 5,272,221                 |
| Interest  | 3,737,323                    | 3,662,412                    | 4,628,666                    | 4,124,437                    | 3,953,446                    |
| Changes of benefit terms  |                              |                              |                              | -                            | -                            |
| Differences between expected and actual experience                      | (8,982,903)                  | -                            | 2,595,586                    | -                            | (804,481)                    |
| Changes of assumptions or other inputs                                  | (13,450,422)                 | 1,358,987                    | 23,657,563                   | (10,799,614)                 | -                            |
| Benefit payments  | <u>(4,211,359)</u>           | <u>(4,072,631)</u>           | <u>(3,850,625)</u>           | <u>(3,378,746)</u>           | <u>(2,387,924)</u>           |
| <b>NET CHANGE IN TOTAL OPEB LIABILITY</b>                               | <b>(16,482,679)</b>          | <b>7,506,451</b>             | <b>32,083,354</b>            | <b>(4,623,535)</b>           | <b>6,033,262</b>             |
| <b>TOTAL OPEB LIABILITY - BEGINNING</b>                                 | <b><u>168,693,974</u></b>    | <b><u>161,187,523</u></b>    | <b><u>129,104,169</u></b>    | <b><u>133,727,704</u></b>    | <b><u>127,694,442</u></b>    |
| <b>TOTAL OPEB LIABILITY - ENDING</b>                                    | <b><u>\$ 152,211,295</u></b> | <b><u>\$ 168,693,974</u></b> | <b><u>\$ 161,187,523</u></b> | <b><u>\$ 129,104,169</u></b> | <b><u>\$ 133,727,704</u></b> |
| <b>COVERED-EMPLOYEE PAYROLL</b>   | <b>81,240,146</b>            | <b>\$ 77,588,696</b>         | <b>\$ 77,588,696</b>         | <b>\$ 73,790,805</b>         | <b>\$ 73,790,805</b>         |
| <b>TOTAL OPEB LIABILITY AS A PERCENTAGE OF COVERED-EMPLOYEE PAYROLL</b> | <b>187.36%</b>               | <b>217.42%</b>               | <b>207.75%</b>               | <b>174.96%</b>               | <b>181.23%</b>               |

**NOTES TO SCHEDULE:***Trust Assets*

There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No.75 to pay related benefits.

*Changes of Assumptions*

The discount rate was 3.54% as of June 30, 2022.

The discount rate was 2.16% as of June 30, 2021.

The discount rate was 2.21% as of June 30, 2020.

The discount rate was 3.50% as of June 30, 2019.

The discount rate was 3.00% as of June 30, 2018.

**PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET/(LIABILITY)  
FOR THE FISCAL YEARS ENDED JUNE 30, \***

| <b>NYSERS Pension Plan</b>  |                    |                    |                    |                    |                    |                    |                    |                    |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | <b><u>2022</u></b> | <b><u>2021</u></b> | <b><u>2020</u></b> | <b><u>2019</u></b> | <b><u>2018</u></b> | <b><u>2017</u></b> | <b><u>2016</u></b> | <b><u>2015</u></b> |
| District's proportion of the net pension asset/(liability)  | 0.050371%          | 0.0444890%         | 0.0473612%         | 0.0461802%         | 0.0488033%         | 0.0465303%         | 0.046742%          | 0.048884%          |
| District's proportionate share of the net pension asset/(liability)   | \$ 4,117,613       | \$ (44,299)        | \$(11,588,224)     | \$ (3,272,009)     | \$ (1,575,100)     | \$ (4,372,093)     | \$ (7,502,270)     | \$ (1,651,410)     |
| District's covered payroll  | \$ 17,421,595      | \$ 18,147,685      | \$ 16,578,677      | \$ 15,816,720      | \$ 15,997,030      | \$ 15,995,564      | \$ 14,763,453      | \$ 14,249,916      |
| District's proportionate share of the net pension asset/(liability)<br>as a percentage of its covered payroll | 23.64%             | 0.24%              | 69.90%             | 20.69%             | 9.85%              | 27.33%             | 50.82%             | 11.59%             |
| Plan fiduciary net position as a percentage of the total pension asset/(liability)                            | 103.65%            | 99.95%             | 86.39%             | 96.27%             | 98.24%             | 94.70%             | 90.70%             | 97.95%             |
| <b>NYSTRS Pension Plan</b>  |                    |                    |                    |                    |                    |                    |                    |                    |
|   | <b><u>2022</u></b> | <b><u>2021</u></b> | <b><u>2020</u></b> | <b><u>2019</u></b> | <b><u>2018</u></b> | <b><u>2017</u></b> | <b><u>2016</u></b> | <b><u>2015</u></b> |
| District's proportion of the net pension asset/(liability)  | 0.410462%          | 0.384757%          | 0.387764%          | 0.388946%          | 0.399735%          | 0.395048%          | 0.399656%          | 0.405289%          |
| District's proportionate share of the net pension asset/(liability)   | \$ 71,129,210      | \$(10,631,889)     | \$ 10,074,142      | \$ 7,033,163       | \$ 3,038,379       | \$ (4,231,126)     | \$ 41,511,558      | \$ 45,146,638      |
| District's covered payroll  | \$ 69,668,640      | \$ 65,305,531      | \$ 64,724,161      | \$ 63,345,833      | \$ 63,344,753      | \$ 61,950,567      | \$ 59,863,060      | \$ 59,867,458      |
| District's proportionate share of the net pension asset/(liability)<br>as a percentage of its covered payroll | 102.10%            | (16.28%)           | 15.56%             | 11.10%             | 4.80%              | (6.83%)            | 69.34%             | 75.41%             |
| Plan fiduciary net position as a percentage of the total pension asset/(liability)                            | 113.25%            | 97.76%             | 102.17%            | 101.53%            | 100.66%            | 99.01%             | 110.46%            | 111.48%            |

\*The amounts presented for each fiscal year were determined as of the measurement dates of the plans.

**PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT'S CONTRIBUTIONS  
FOR THE LAST TEN FISCAL YEARS ENDED JUNE 30,**

| <b>NYSERS Pension Plan</b>   |                  |                  |                  |                  |                  |                  |                  |                   |                  |                  |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|
|  | <b>2022</b>      | <b>2021</b>      | <b>2020</b>      | <b>2019</b>      | <b>2018</b>      | <b>2017</b>      | <b>2016</b>      | <b>2015</b>       | <b>2014</b>      | <b>2013</b>      |
| Contractually required contribution                                  | \$ 2,729,995     | \$ 2,383,651     | \$ 2,272,080     | \$ 2,350,265     | \$ 2,405,572     | \$ 2,278,687     | \$ 2,260,773     | \$ 2,813,347      | \$ 2,689,056     | \$ 3,160,703     |
| Contributions in relation to the contractually required contribution | <u>2,729,995</u> | <u>2,383,651</u> | <u>2,272,080</u> | <u>2,350,265</u> | <u>2,405,572</u> | <u>2,278,687</u> | <u>2,260,773</u> | <u>2,813,347</u>  | <u>2,689,056</u> | <u>3,160,703</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>       | <u>\$ -</u>      | <u>\$ -</u>      |
| District's covered payroll   | \$ 18,553,619    | \$ 17,871,374    | \$ 16,784,771    | \$ 16,204,443    | \$ 16,684,844    | \$ 14,906,576    | \$ 14,906,576    | \$ 14,664,362     | \$ 14,500,079    | \$ 15,122,096    |
| Contributions as a percentage of covered payroll                     | 14.71%           | 13.34%           | 13.54%           | 14.50%           | 14.42%           | 15.29%           | 15.17%           | 19.18%            | 18.55%           | 20.90%           |
| <b>NYSTRS Pension Plan</b>   |                  |                  |                  |                  |                  |                  |                  |                   |                  |                  |
|  | <b>2022</b>      | <b>2021</b>      | <b>2020</b>      | <b>2019</b>      | <b>2018</b>      | <b>2017</b>      | <b>2016</b>      | <b>2015</b>       | <b>2014</b>      | <b>2013</b>      |
| Contractually required contribution                                  | \$ 6,847,276     | \$ 6,639,421     | \$ 5,786,070     | \$ 6,873,706     | \$ 6,199,856     | \$ 7,424,005     | \$ 8,083,275     | \$ 10,523,926     | \$ 9,728,462     | \$ 7,306,396     |
| Contributions in relation to the contractually required contribution | <u>6,847,276</u> | <u>6,639,421</u> | <u>5,786,070</u> | <u>6,873,706</u> | <u>6,199,856</u> | <u>7,424,005</u> | <u>8,083,275</u> | <u>10,523,926</u> | <u>9,728,462</u> | <u>7,306,396</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>       | <u>\$ -</u>      | <u>\$ -</u>      |
| District's covered payroll   | 69,870,158       | 69,668,640       | 65,305,531       | \$ 64,724,161    | \$ 63,345,833    | \$ 63,344,753    | \$ 61,950,567    | \$ 59,863,060     | \$ 59,867,458    | \$ 61,709,426    |
| Contributions as a percentage of covered payroll                     | 9.80%            | 9.53%            | 8.86%            | 10.62%           | 9.79%            | 11.72%           | 13.05%           | 17.58%            | 16.25%           | 11.84%           |

**PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT  
OTHER SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET -GENERAL FUND  
AND SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET**

|                                |                             |
|--------------------------------|-----------------------------|
| Adopted Budget                 | \$168,142,155               |
| Add: Prior year's encumbrances | <u>409,888</u>              |
| Original Budget                | 168,552,043                 |
| Donations                      | <u>22,500</u>               |
| Final Budget                   | <u><u>\$168,574,543</u></u> |

**SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION**

|   |                             |
|---|-----------------------------|
| 2022-23 voter approved expenditure budget                                     | <u><u>\$174,514,722</u></u> |
| Maximum allowed (4% of 2022-2023 budget)                                      | <u><u>\$6,980,589</u></u>   |
| General fund fund balance subject to Section 1318 of<br>Real Property Tax Law |                             |
| Unrestricted fund balance:  |                             |
| Assigned fund balance   | \$3,425,913                 |
| Unassigned fund balance   | <u>9,837,486</u>            |
| Total unrestricted fund balance   | 13,263,399                  |
| Less:   |                             |
| Appropriated fund balance   | 2,600,000                   |
| Encumbrances included in assigned fund balance                                | 825,913                     |
| Unassigned - reserve for tax reduction  | <u>2,856,909</u>            |
| Total adjustments   | <u><u>6,282,822</u></u>     |
| General fund fund balance subject<br>to Section 1318 of Real Property Tax Law | <u><u>\$6,980,577</u></u>   |
| Actual percentage   | 4.00%                       |

**PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT**  
**Schedule of Project Expenditures and Financing Resources - Capital Projects Fund**  
For the Year Ended June 30, 2022

| PROJECT TITLE                       | Budget               |                       | Expenditures         |                  |                     |                      | Unexpended Balance   | Methods of Financing    |                     |                      |                       | Fund Balance June 30, 2022 |
|-------------------------------------|----------------------|-----------------------|----------------------|------------------|---------------------|----------------------|----------------------|-------------------------|---------------------|----------------------|-----------------------|----------------------------|
|                                     | June 30, 2021        | June 30, 2022         | Prior Years          | Reclassification | Current Year        | Total                |                      | Proceeds of Obligations | State Aid           | Local Sources        | Total                 |                            |
| General fund appropriations 2012-13 | \$ 930,140           | \$ 930,140            | \$ 449,992           |                  | \$ 375              | \$ 450,367           | \$ 479,773           |                         |                     | \$ 930,140           | \$ 930,140            | \$ 479,773                 |
| General fund appropriations 2013-14 | 1,434,966            | 1,434,966             | 1,306,668            |                  | 128,298             | 1,434,966            | -                    |                         | 1,434,966           | 1,434,966            | -                     | -                          |
| General fund appropriations 2014-15 | 1,898,770            | 1,898,770             | 1,687,867            |                  |                     | 1,687,867            | 210,903              |                         | 1,898,770           | 1,898,770            | 210,903               | 210,903                    |
| General fund appropriations 2015-16 | 2,700,000            | 2,700,000             | 1,528,347            |                  | 128,380             | 1,656,727            | 1,043,273            |                         | 2,700,000           | 2,700,000            | 1,043,273             | 1,043,273                  |
| General fund appropriations 2016-17 | 2,000,000            | 2,000,000             | 2,109,777            |                  |                     | 2,109,777            | (109,777)            |                         | 2,000,000           | 2,000,000            | (109,777)             | (109,777) *                |
| General fund appropriations 2017-18 | 2,000,000            | 2,000,000             | 1,991,215            |                  |                     | 1,991,215            | 8,785                |                         | 2,000,000           | 2,000,000            | 8,785                 | 8,785                      |
| General fund appropriations 2018-19 | 2,100,000            | 2,100,000             | 1,691,609            |                  | 43,472              | 1,735,081            | 364,919              |                         | 2,100,000           | 2,100,000            | 364,919               | 364,919                    |
| General fund appropriations 2019-20 | 2,641,110            | 2,641,110             | 732,431              |                  | 164,977             | 897,408              | 1,743,702            |                         | 2,641,110           | 2,641,110            | 1,743,702             | 1,743,702                  |
| General fund appropriations 2020-21 | 1,000,000            | 1,000,000             |                      |                  | 394,758             | 394,758              | 605,242              |                         | 1,000,000           | 1,000,000            | 605,242               | 605,242                    |
| General fund appropriations 2021-22 |                      | 2,065,000             |                      |                  | 193,957             | 193,957              | 1,871,043            |                         | 2,065,000           | 2,065,000            | 1,871,043             | 1,871,043                  |
| Capital Reserve Projects 2010       |                      |                       |                      |                  |                     | -                    |                      |                         |                     |                      |                       |                            |
| District-wide improvements          | 4,364,500            | 4,364,500             | 4,364,500            |                  |                     | 4,364,500            | -                    |                         | 4,364,500           | 4,364,500            | -                     | -                          |
| Maitlin MS skylights                | 439,000              | 439,000               | 407,507              |                  |                     | 407,507              | 31,493               |                         | 439,000             | 439,000              | 31,493                | 31,493                     |
| Capital Reserve Projects 2014       |                      |                       |                      |                  |                     | -                    |                      |                         |                     |                      |                       |                            |
| District-wide improvements          | 5,000,000            | 5,000,000             | 4,732,095            |                  | 8,700               | 4,740,795            | 259,205              |                         | 5,000,000           | 5,000,000            | 259,205               | 259,205                    |
| Capital Reserve Projects 2015       |                      |                       |                      |                  |                     | -                    |                      |                         |                     |                      |                       |                            |
| District-wide improvements          | 5,000,000            | 5,000,000             | 2,819,594            |                  | 891,589             | 3,711,183            | 1,288,817            |                         | 5,000,000           | 5,000,000            | 1,288,817             | 1,288,817                  |
| Capital Reserve Projects 2017       |                      |                       |                      |                  |                     | -                    |                      |                         |                     |                      |                       |                            |
| District-wide improvements (May 21) | 4,600,000            | 4,600,000             | 4,318,125            |                  | 113,299             | 4,431,424            | 168,576              |                         | 4,600,000           | 4,600,000            | 168,576               | 168,576                    |
| District-wide improvements (May 21) | 7,000,000            | 7,000,000             | 449,026              |                  | 2,095,586           | 2,544,612            | 4,455,388            |                         | 7,000,000           | 7,000,000            | 4,455,388             | 4,455,388                  |
| District-wide improvements (June 2) | 3,800,000            | 3,800,000             | 40,837               |                  | 94,403              | 135,240              | 3,664,760            |                         | 3,800,000           | 3,800,000            | 3,664,760             | 3,664,760                  |
| Grant-funded Projects               |                      |                       |                      |                  |                     | -                    |                      |                         |                     |                      |                       |                            |
| High school bleachers               | 31,950               | 31,950                | 31,950               |                  | -                   | 31,950               | -                    | 31,950                  |                     | 31,950               | -                     | -                          |
| Jamaica Ave Parking Lot Sitework    | 125,791              | 125,791               | 125,791              |                  | -                   | 125,791              | -                    | 125,791                 |                     | 125,791              | -                     | -                          |
| Improvement to Security System      | 125,000              | 125,000               | 113,915              |                  | -                   | 113,915              | 11,085               | 125,000                 |                     | 125,000              | 11,085                | 11,085                     |
| Districtwide HVAC Upgrades          | 100,000              | 100,000               | 60,878               |                  | -                   | 60,878               | 39,122               |                         | 100,000             | 100,000              | 39,122                | 39,122                     |
| Smart Schools Bond Act              | 1,635,653            | 1,635,653             | 1,328,717            |                  | -                   | 1,328,717            | 306,936              | 1,635,653               |                     | 1,635,653            | 306,936               | 306,936                    |
| Bond Projects                       |                      |                       |                      |                  |                     | -                    |                      |                         |                     |                      |                       |                            |
| Old Bethpage School                 | 2,500,311            | 2,500,311             | 2,299,551            |                  | -                   | 2,299,551            | 200,760              | 2,500,311               |                     | 2,500,311            | 200,760               | 200,760                    |
| Jamaica Avenue School               | 666,212              | 666,212               | 428,291              |                  | -                   | 428,291              | 237,921              | 666,212                 |                     | 666,212              | 237,921               | 237,921                    |
| Judy Jacobs Parkway School          | 3,872,854            | 3,872,854             | 4,455,964            |                  | 3,361               | 4,459,325            | (586,471)            | 3,872,854               |                     | 3,872,854            | (586,471)             | (586,471) *                |
| Stratford Road School               | 8,832,458            | 8,832,458             | 8,904,169            |                  | (4,963)             | 8,899,206            | (66,748)             | 8,832,458               |                     | 8,832,458            | (66,748)              | (66,748)                   |
| Plainview-Old Bethpage Middle Sch   | 11,723,331           | 11,723,331            | 11,163,770           |                  | (22,239)            | 11,141,531           | 581,800              | 11,723,331              |                     | 11,723,331           | 581,800               | 581,800                    |
| H.B. Mattlin Middle School          | 10,190,041           | 10,190,041            | 8,512,175            |                  | 19,086              | 8,531,261            | 1,658,780            | 10,190,041              |                     | 10,190,041           | 1,658,780             | 1,658,780                  |
| Plainview-Old Bethpage High School  | 5,948,653            | 5,948,653             | 5,574,793            |                  | 7,576               | 5,582,369            | 366,284              | 5,948,653               |                     | 5,948,653            | 366,284               | 366,284                    |
| Pasadena School                     | 3,375,289            | 3,375,289             | 4,090,284            |                  | 311                 | 4,090,595            | (715,306)            | 3,375,289               |                     | 3,375,289            | (715,306)             | (715,306) *                |
| Fern Place                          | 741,828              | 741,828               | 135,677              |                  | -                   | 135,677              | 606,151              | 741,828                 |                     | 741,828              | 606,151               | 606,151                    |
| Districtwide - Construction Manager | 1,965,280            | 1,965,280             |                      |                  | (5,206)             | (5,206)              | 1,970,486            | 1,265,280               |                     | 700,000              | 1,965,280             | 1,970,486                  |
| <b>Total</b>                        | <b>\$ 98,743,137</b> | <b>\$ 100,808,137</b> | <b>\$ 75,855,515</b> | <b>\$ -</b>      | <b>\$ 4,255,720</b> | <b>\$ 80,111,235</b> | <b>\$ 20,696,902</b> | <b>\$ 49,116,257</b>    | <b>\$ 1,918,394</b> | <b>\$ 49,773,486</b> | <b>\$ 100,808,137</b> | <b>\$ 20,696,902</b>       |

|                                   |             |
|-----------------------------------|-------------|
| Unissued long-term debt           | (4,176,257) |
| Unrealized DASNY grant            | (125,000)   |
| Unrealized County grant           | (100,000)   |
| Unrealized SSBA state aid revenue | (978,945)   |

\* The deficit will be eliminated once permanent financing is obtained

**\$ 15,316,700**



**PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT**  
**OTHER SUPPLEMENTARY INFORMATION**  
**NET INVESTMENT IN CAPITAL ASSETS**  
**JUNE 30, 2022**

|   |                     |                                 |
|---|---------------------|---------------------------------|
| <b>Capital assets, net</b>  |                     | \$ 104,000,153                  |
| <b>Add:</b>   |                     |                                 |
| Unspent bond proceeds   |                     | 77,400                          |
| <b>Deduct:</b>  |                     |                                 |
| Short-term portion of bonds payable (inclusive of unamortized premiums) | \$ (3,008,760)      |                                 |
| Long-term portion of bonds payable (inclusive of unamortized premiums)  | <u>(37,021,900)</u> | <u>(40,030,660)</u>             |
| <br><b>Net investment in capital assets</b>                             |                     | <br><u><u>\$ 64,046,893</u></u> |



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT  
AUDITING STANDARDS*

To the Board of Education  
Plainview-Old Bethpage Central School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the fiduciary fund of the Plainview-Old Bethpage Central School District (the "District"), as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 11, 2022.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*R. S. Abrams & Co., LLP*

R.S. Abrams & Co., LLP  
Islandia, New York  
October 11, 2022