

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT

***FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION***

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

***WITH REPORT OF
CERTIFIED PUBLIC ACCOUNTANTS***

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT

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INDEPENDENT AUDITOR'S REPORT

**To the President and Members of
The Board of Education
Bolivar-Richburg Central School District
Bolivar, New York**

We have audited the accompanying financial statements of the governmental activities and each major fund of **Bolivar-Richburg Central School District** as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the **Bolivar-Richburg Central School District's** basic financial statements as listed in the accompanying table of contents. We have also audited the fiduciary fund types of the **Bolivar-Richburg Central School District** as of June 30, 2021, as displayed in the District's basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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 the *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 aggregate remaining fund information of **Bolivar-Richburg Central School District** as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

Bolivar-Richburg Central School District has adopted the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities (GASB 84). As a result of the implementation of GASB 84, the District reported a restatement of the Governmental Funds beginning fund balance for the change in accounting principle, as described in Note 1 and Note 7 to the financial statements. Our opinion is not modified with respect to the restatement.

Report on Summarized Comparative Information

We have previously audited the **Bolivar-Richburg Central School District's** June 30, 2020 financial statements, and our report dated October 6, 2020, expressed unmodified opinions on the respective financial statements of the governmental activities and each major fund and aggregate remaining fund information. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 3 through 9), budgetary comparison information (pages 38 and 39), schedule of changes in the District's net OPEB liability and related ratios (page 45), schedule of District's contributions – OPEB (page 46), schedule of District's contributions for defined benefit pension plans (page 47) and schedule of the District's share of the net pension asset/liability (page 48). Such information, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the **Bolivar-Richburg Central School District's** basic financial statements. The combining and individual fund financial statements and other schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of *Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements, the schedule of expenditures of federal awards, and other schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 combining and individual fund financial statements, the schedule of expenditures of federal awards, and other schedules are 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 September 21, 2021 on our consideration of **Bolivar-Richburg Central School District's** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 **Bolivar-Richburg Central School District's** internal control over financial reporting and compliance.

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

**Olean, New York
September 21, 2021**

**BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

I. Discussion and Analysis

The following is a discussion and analysis of the *Bolivar-Richburg Central School District's* financial performance for the year ended June 30, 2021. This section is a summary of the District's financial activities based on currently known facts, decisions, or conditions. It is based on both the government-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the District's financial statements, which follows this section.

II. Financial Highlights

The following items are the financial highlights experienced by the *Bolivar-Richburg Central School District* during the fiscal year ended June 30, 2021:

- Overall net position of the District from operations decreased during the current year in the amount of \$139,000 as compared to an increase of \$681,000 during the prior fiscal year.
- The District's total revenue decreased 7% from \$21,818,000 during June 30, 2020 to \$20,246,000 during June 30, 2021. This decrease was primarily the result of a decrease in state aid, which was partially offset by an increase in federal aid related to CARES Act funding.
- The District's total expenses decreased 4% from \$21,137,000 during the year ended June 30, 2020 to \$20,385,000 during the year ended June 30, 2021. This decrease was mostly related to a decrease in depreciation expense, BOCES expenses and a decline in ERS pension costs related to an actuarial update.
- The District's had capital outlays during the current year in the amount of \$537,000, which primarily related to costs associated with the District's capital outlay project and purchase of transportation vehicles.

III. Overview of the Financial Statements

A. Reporting the School District as a Whole (District-wide Financial Statements):

This annual report consists of three parts: MD&A (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of *Bolivar-Richburg Central School District*.

The District-wide statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. Activities that are fiduciary in nature are not included in these statements.

1. Statement of Net Position

The Statement of Net Position (page 10) shows the "assets" (what is owned), "liabilities" (what is owed) and the "net position" (the resources that would remain if all obligations were settled) of the District. The Statement categorizes assets to show that some assets are very liquid, such as cash and cash equivalents. Some assets are restricted for certain purposes or reserved for emergencies and cash flow purposes. Some assets are invested in "fixed" or "capital" assets, such as buildings, equipment and other long-lived property; and some assets are available to fund budgets of the following year.

2. Statement of Activities

The Statement of Activities (page 11) shows the amounts of program-specific and general District revenue used to support the District's various functions.

The Statement of Net Position and Statement of Activities divide the activities of the District into two categories: governmental activities (the school functions, including general support, instruction, transportation, administration, etc.; property taxes, state and federal revenue usually support most of these functions) and proprietary activities. The District only had governmental activities during the current fiscal year.

The two District-wide statements report the School District's net position and how they have changed. Net position – the difference between the District's assets and liabilities – is one way to measure the District's financial health or position. Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively. To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

**III. Overview of the Financial Statements
(continued)**

B. Reporting the District's Most Significant Funds (Fund Financial Statements):

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or major funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Significance of funds is determined based on the proportional size of the funds, the relative importance of the activities of the funds to the District's operations, and the existence of legal budget requirements. Internal Service funds are never reported as major funds but are combined and presented in a separate column.

The District has two kinds of funds:

1. Governmental Funds

Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and the balances left at year-end that are available for spending. Consequently, the governmental funds

**III. Overview of the Financial Statements
(continued)**

B. Reporting the District's Most Significant Funds (Fund Financial Statements)(continued):

1. Governmental Funds (continued)

statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.

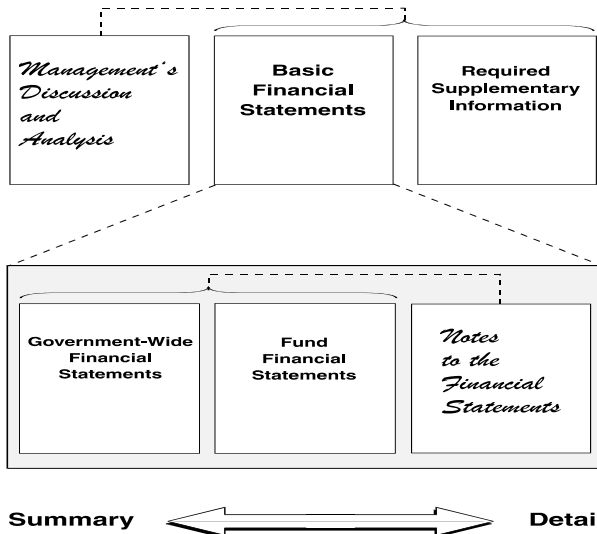
2. Fiduciary Funds

The District is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund. The District is responsible for ensuring that the assets reported in this fund are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

Figure A-1 - Major Features of the District-Wide Statements and Fund Financial Statements

	Fund Financial Statements		
	District-Wide	Governmental Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Funds used to account for resources held for the benefit of parties outside the District
Required financial statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenue, Expenditures, and Changes in Fund Balances	Statement of Fiduciary Net Position Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, all assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

Figure A-2 - Required Components of the District's Annual Financial Report



IV. Financial Analysis of the School District as a Whole

Net Position

The District's total reporting entity net position was approximately \$37,316,000. The components of net position include: net investment in capital assets, of \$21,910,000; restricted net position of \$11,547,000; and unrestricted net position of \$3,859,000 as of June 30, 2021.

Changes in Net Position

The District's total government-wide revenue decreased by approximately 7% to \$20,246,000. Approximately 13%, 6% and 77% of total revenue is derived from the property taxes, operating grants and state aid, respectively. The remaining 4% comes from federal aid, use of money and property, miscellaneous, charges for services and other operating grants and contributions.

The total cost of all programs and services of the District decreased 4% to \$20,385,000. The District's expenses cover a range of services, with 70% related to instruction and 19% related to general support. Figure A-4 through figure A-8 and the narrative that follows considers the operations of governmental activities, along with revenue and net costs percentages for governmental activities.

IV. Financial Analysis of the School District as a Whole (continued)

Governmental Activities

Revenue of the District's governmental activities decreased 7%, while total expenses decreased 4%. The District's total net position decreased approximately \$139,000 from operations during the fiscal year ended June 30, 2021.

Figure A-4 presents the major sources of revenue of the District. Revenue of the District totaled \$20,246,000 for the fiscal year ended June 30, 2021. The most significant changes in the District's governmental revenue are more thoroughly discussed as follows:

- Property tax revenue which represents approximately 13% of the District's total revenue for governmental activities increased less than 1% during the year ended June 30, 2021.
- The District's most significant revenue is state sources which represent \$15,510,000 or 77% of total governmental revenue. The District's state sources decreased approximately 8% which was primarily related to a decrease in basic aid and building aid.
- The District's federal sources increased due to additional monies received related to the COVID-19 pandemic in the form of CARES funding.
- During the year ended June 30, 2021, the District saw a decrease in program revenue in the amount of \$267,000 which primarily resulted from a decrease in operating grants and contributions in the amount of \$268,000. This decrease was primarily due to a decline in the number of meals served when students returned to the District.

IV. Financial Analysis of the School District as a Whole (continued)

Expenses

Figure A-8 presents the cost of each of the District's five largest expenditure-type, which include; general support, instruction, transportation, debt service and cost of sales; as well as each expenditure-type's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the financial burden that was placed on the District's taxpayers and NYS by each of these functions. Total costs of the District's governmental activities were \$20,385,000. The most significant changes in the District's governmental expenses are more thoroughly discussed as follows:

- The District's general support increased by approximately \$372,000 or 11% which was primarily due to an increase in person protective equipment and supplies and depreciation expense.
- The District's instruction costs decreased by approximately \$1,057,000 or 7%. This decrease was the result of a decrease in depreciation expense, BOCES expenses and a decline in ERS pension costs related to an actuarial update.
- Debt service of the District decreased approximately \$63,000 during the year ended June 30, 2021 related to a decrease in interest expense.
- Transportation costs of the District increased approximately \$95,000 during the year ended June 30, 2021 primarily due to an increase in depreciation expense.
- The District's cost of sales (food service fund) totaled \$460,000 during the current year as compared to \$559,000 during the fiscal year ended June 30, 2020. This decrease was primarily due to a decline in the number of meals served when students returned to the District.
- The District received approximately \$1,272,000 of operating grants and charges for services from its state and federal grants and tuition and transportation aid which subsidized certain programs of the District.
- Most of the District's net costs (\$19.1 million) were financed by real property taxes (14%) and state aid (81%).

Figure A-3 – Condensed Statement of Net Position

<i>Bolivar-Richburg Central School District</i>			
<i>Condensed Statement of Net Position (in thousands of dollars)</i>			
	Governmental Activities and Total District-wide		
	2021	2020	% Change
Assets			
Current and other assets	\$ 16,273	\$ 16,425	-1%
Capital assets	30,652	32,172	-5%
Total assets	46,925	48,597	-3%
Deferred outflows of resources			
Deferred outflows pensions, refunding, and OPEB	4,719	4,122	14%
Total deferred outflows of resources and assets	\$ 51,644	\$ 52,719	-2%
Liabilities			
Other liabilities	\$ 1,387	\$ 1,218	14%
Long-term debt outstanding	10,562	12,740	-17%
Total liabilities	11,949	13,958	-14%
Deferred inflows of resources			
Deferred inflows related to pensions and OPEB	2,379	1,367	74%
Total deferred inflows of resources and liabilities	14,328	15,325	-7%
Net Position			
Net investment in capital assets	21,910	21,970	0%
Restricted	11,547	10,492	10%
Unrestricted	3,859	4,932	-22%
Total net position	37,316	37,394	0%
Total liabilities, deferred inflows of resources and net position	\$ 51,644	\$ 52,719	-2%

Figure A-4 – Changes in Net Position

<i>Bolivar-Richburg Central School District</i>			
<i>Changes in Net Position from Operating Results (in thousands of Dollars)</i>			
	Governmental Activities and Total District-wide		
	2021	2020	% Change
Revenue			
Program revenue			
Charges for services	\$ 72	\$ 71	1%
Operating grants and contributions	1,200	1,468	-18%
General revenue			
Real property taxes	2,720	2,720	0%
Use of money & property	25	88	-72%
Sale of property & comp for loss	(27)	12	-334%
State sources	15,510	16,894	-8%
Federal sources	309	112	177%
Miscellaneous	437	453	-4%
Total revenue	20,246	21,818	-7%
Expenses			
General support	3,908	3,536	11%
Instruction	14,242	15,299	-7%
Transportation	1,490	1,395	7%
Community services	-	-	100%
Debt service - interest	285	348	-18%
Cost of sales	460	559	-18%
Total expenses	20,385	21,137	-4%
Change in net position	\$ (139)	\$ 681	

**BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Figure A-5 – Sources of Revenue

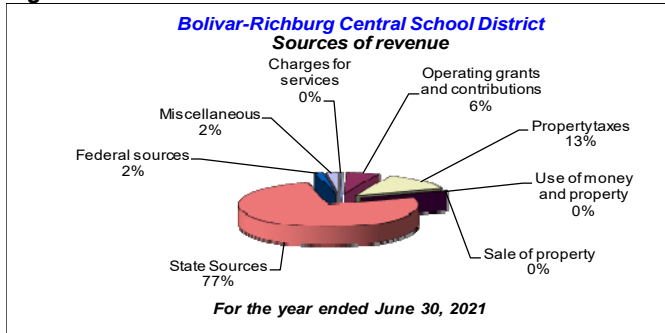


Figure A-6 - Expenses

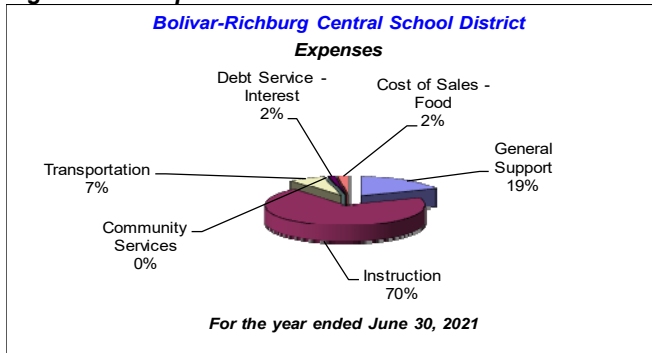


Figure A-7 – Expenditures Supported with Program Revenue

	Governmental Activities & Total District			
	2021		2020	
Expenditures supported with general revenue (from taxes & other sources)	\$ 19,113	94%	\$ 19,598	93%
Expenditures supported with program revenue	1,272	6%	1,539	7%
Total expenditures related to governmental activities	\$ 20,385	100%	\$ 21,137	100%

Figure A-8 – Net Cost of Governmental Activities

	Total cost of services			Net cost of services		
	2021	2020	Change	2021	2020	Change
General support	\$ 3,908	\$ 3,536	\$ 372	\$ 3,908	\$ 3,536	\$ 372
Instruction	14,242	15,299	(1,057)	13,373	14,349	(976)
Transportation	1,490	1,395	95	1,490	1,395	95
Debt service - interest	285	348	(63)	285	348	(63)
Cost of sales - food	460	559	(99)	57	(30)	87
Total	\$ 20,385	\$ 21,137	\$ (752)	\$ 19,113	\$ 19,598	\$ (484)

V. Financial Analysis of the School District's Funds

It is important to note that variances between years for the governmental fund financial statements (Balance Sheets and Statement of Revenue, Expenditures and Changes in Fund Equity) are not the same as variances between years for the District-wide financial statements (Statement of Net Position and Statement of Activities). The District's governmental funds are presented on the current financial resources measurement focus and the modified accrual basis of accounting, while the statement of net position is presented on the full accrual method of accounting. Therefore, governmental funds do not include long-term debt liabilities for the funds' projects and capital assets purchased by the funds. Governmental funds will include the proceeds received from the issuance of debt, the current payments for capital assets, and the current payments for debt. Below is a description of the most significant changes to the fund financial statements from that reported in the previous year.

General Fund

- The District's general fund revenue and other sources exceeded its expenditures and other uses by approximately \$515,000.
- The District's general fund unassigned fund balance equated to approximately \$2,561,000 at June 30, 2021.
- The District maintained many fund balance reserves during the year ended June 30, 2021, and had a total restricted fund balance approximated \$9,915,000.
- The District's total assets increased approximately \$1,009,000 as of June 30, 2021, primarily from an increase in cash. The District's liabilities increased approximately \$493,000. The increase in liabilities was the result of an increase in interfund payables.
- Total revenue in the District's general fund decreased \$773,000, primarily relating to a decrease in state building aid which was partially offset by an increase in CARES Act federal aid. Total expenditures in the District's general fund increased by \$7,000.

Food Service Fund

- The District's food service fund experienced a \$18,000 decrease in fund equity during the current year.
- Revenue in the District's food service fund was \$442,000 during 2021 as compared with \$629,000 in 2020. Expenditures decreased approximately \$99,000 as a result of a decrease in food costs. These decrease were primarily due to a decline in the number of meals served when students returned to the District.

**BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**V. Financial Analysis of the School District's Funds
(continued)**

Special Aid Fund

- The District's special aid fund revenue and expenditures decreased approximately \$122,000 or 13% which was primarily a result of a decrease in summer school funding. The District did not offer summer school during the Pandemic.

Capital Projects Fund

- The District had expenditures, including interfund transfers, in the amount of \$735,000 in capital projects during the year ended June 30, 2021, which was primarily related to costs associated with the District's capital outlay project, purchase of transportation vehicles and transfer of accumulated funds from old projects to the debt service fund. More detailed information about the District's capital assets is presented in the notes of the financial statements.

VI. General Fund Budgetary Highlight

Over the course of the year, the District makes many budget transfers, which is the common method utilized to manage the budget throughout the year. Actual expenditures were approximately \$2,117,000 below the revised budget. The most significant positive variances were in the area of instruction and employee benefits which totaled \$1,298,000 and \$322,000, respectively, below that budgeted. On the other hand, resources available for appropriations were approximately \$329,000, below the final budgeted amount. Significant variances of revenue items consisted of local and federal sources which were approximately \$72,000 and \$224,000, respectively, above that budgeted, while interfund revenue and federal sources were approximately \$290,000 and \$335,000, respectively, below that budgeted.

Figure A-9 – Budget vs. Actual Comparison

<i>Bolivar-Richburg Central School District</i>				
<i>General Fund - Budget vs Actual Comparison (in thousands of dollars)</i>				
	Revised Budget	Actual	Difference	%
Revenue				
Local sources	\$ 3,132	\$ 3,204	\$ 72	2%
State sources	15,846	15,511	(335)	-2%
Federal sources	85	309	224	264%
Interfund revenue	290	-	(290)	-100%
Total revenue	\$ 19,353	\$ 19,024	\$ (329)	-2%
Expenditures				
General support	\$ 3,071	\$ 2,886	\$ 185	6%
Instruction	10,664	9,366	1,298	12%
Transportation	1,001	784	217	22%
Employee benefits	3,516	3,194	322	9%
Debt service	1,814	1,752	62	3%
Operating transfers	559	526	33	6%
Total expenditures	\$ 20,625	\$ 18,508	\$ 2,117	10%

VII. Capital Assets and Debt Administration

Capital Assets

As depicted in Figure A-10, as of June 30, 2021, the District had invested approximately \$30,652,000 in a broad range of capital assets, including reconstruction projects, transportation vehicles and other equipment. Capital additions made during the year ended June 30, 2021, totaled approximately \$537,000 and consisted primarily of costs associated with the District's capital outlay project and purchase of transportation vehicles. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Long-term Debt

As depicted in Figure A-11, as of June 30, 2021, the District had approximately \$10,562,000 in bonds, net pension liabilities, other post-employment benefits liabilities and compensated absences, a decrease of approximately 17% as compared with the previous year. The decrease in bonds payable and installment purchase debt was the result of the District making regularly scheduled principal payments. Compensated absences decreased from the prior fiscal year as a result of a decline in accumulated sick days. The net pension liability related to New York State ERS system decreased while the New York State TRS system changed from a net pension asset to a net pension liability in the current year as a result of actuarial updates. Also increasing as a result of actuarial updates were other post-employment benefits.

Figure A-10 – Capital Assets

<i>Bolivar-Richburg Central School District</i>			
<i>Capital Assets (net of depreciation)</i>			
	Governmental Activities & Total District-wide		
	2021	2020	Change
Land	\$ 92,686	\$ 92,686	0%
Buildings	62,824,138	62,808,290	0%
Construction in progress	92,600	-	n/a
Equipment	5,848,492	5,820,694	0%
Accumulated depreciation	(38,205,928)	(36,549,533)	5%
Total Capital Assets, net	\$ 30,651,988	\$ 32,172,137	-5%

Figure A-11 – Outstanding Long-term Debt

<i>Bolivar-Richburg Central School District</i>			
<i>Outstanding Long-Term Debt and Liabilities</i>			
	Governmental Activities & Total District-wide		
	2021	2020	Change
Bonds payable	\$ 7,583,584	\$ 8,959,965	-15%
Installment purchase debt	1,401,864	1,485,621	-6%
Net pension liabilities	951,534	1,733,133	-45%
Other post-employment benefits	372,396	305,430	22%
Compensated absences	252,843	256,861	-2%
Total Long-Term Debt	\$ 10,562,221	\$ 12,741,010	-17%

VIII. Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was not aware of any existing circumstances that could significantly affect its financial health in the future.

Due to the COVID-19 Pandemic, the Federal Government has issued funds to be spent on learning loss as well as other expenses deemed necessary by the School District. Grant funds are to be spent by 9/30/2024.

IX. Contacting the District's Financial Management

This financial report is designed to provide citizens, taxpayers, customers and investors and creditors with a general overview of the finances of the District and to demonstrate our accountability with the money we receive. If you have any questions about this report or need additional financial information, please contact:

Bolivar-Richburg Central School District
Attention: Ms. Kristin Woodhead
Business Administrator
100 School Street
Bolivar, New York 14715

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021

Schedule 1

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	<u>2021</u>	<u>2020</u>
Assets		
Cash		
Unrestricted	\$ 4,168,274	\$ 2,436,883
Restricted	11,547,489	10,491,999
Receivables		
State and federal aid	522,712	787,679
Other receivables	2,145	1,170
Due from other governments	17,876	1,782,040
Due from other fiduciary funds	-	11,948
Inventories	14,760	16,341
Net pension asset - NYS Teachers' Retirement System	-	896,475
Capital assets, net	30,651,988	32,172,137
Total assets	<u>46,925,244</u>	<u>48,596,672</u>
Deferred Outflows of Resources		
Deferred outflows related to pensions	4,600,383	4,061,801
Deferred outflows related to bond refunding	-	3,068
Deferred outflows related to OPEB	118,491	57,691
Total deferred outflows of resources	<u>4,718,874</u>	<u>4,122,560</u>
Total assets and deferred outflows of resources	<u>\$ 51,644,118</u>	<u>\$ 52,719,232</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 243,041	\$ 312,574
Accrued liabilities	262,976	206,471
Accrued interest	28,125	38,239
Due to other governments	83	31
Due to other fiduciary funds	154,393	-
Due to retirement systems	687,397	649,370
Unearned revenue	11,223	11,105
Long-term liabilities		
Portion due or payable within one year		
Bonds payable	785,000	1,175,000
Installment purchase debt	86,730	83,757
Portion due or payable after one year		
Bonds payable	6,798,584	7,784,965
Installment purchase debt	1,315,134	1,401,864
Net pension liability - NYS Employees' Retirement System	6,003	1,733,133
Net pension liability - NYS Teachers' Retirement System	945,531	-
Other post-employment benefits	372,396	305,430
Compensated absences	252,843	256,861
Total liabilities	<u>11,949,459</u>	<u>13,958,800</u>
Deferred Inflows of Resources		
Deferred inflows related to pensions	2,332,868	1,314,515
Deferred inflows related to OPEB	45,302	52,302
Total deferred inflows of resources	<u>2,378,170</u>	<u>1,366,817</u>
Total liabilities and deferred inflows of resources	<u>14,327,629</u>	<u>15,325,617</u>
Net Position		
Net investment in capital assets	21,909,811	21,969,822
Restricted	11,547,489	10,491,999
Unrestricted	3,859,189	4,931,794
Total net position	<u>37,316,489</u>	<u>37,393,615</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 51,644,118</u>	<u>\$ 52,719,232</u>

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Schedule 2

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	Expenses	Indirect Expenses Allocation	Program Revenues		2021 Net (Expense) Revenue and Changes in Net Position	2020 Net (Expense) Revenue and Changes in Net Position
			Charges for Services	Operating Grants		
Functions/Programs						
General support	\$ 3,337,433	\$ 570,464	\$ -	\$ -	\$ (3,907,897)	\$ (3,535,847)
Instruction	13,239,910	1,002,110	67,476	801,115	(13,373,429)	(14,348,581)
Pupil transportation	1,041,740	448,538	-	-	(1,490,278)	(1,395,445)
Debt service	284,878	-	-	-	(284,878)	(347,640)
Food service program	460,019	-	4,036	398,791	(57,192)	29,710
Depreciation	2,021,112	(2,021,112)	-	-	-	-
Total functions and programs	<u>\$ 20,385,092</u>	<u>\$ -</u>	<u>\$ 71,512</u>	<u>\$ 1,199,906</u>	<u>(19,113,674)</u>	<u>(19,597,803)</u>
General Revenues						
Real property taxes					2,720,247	2,719,884
Use of money and property					24,786	88,482
Sale of property and compensation for gain (loss)					(27,383)	11,710
Miscellaneous					436,522	452,565
State sources					15,511,026	16,894,290
Federal sources					309,195	111,753
Total general revenues					<u>18,974,393</u>	<u>20,278,684</u>
Change in net position					(139,281)	680,881
Net position - beginning of year					37,393,615	36,712,734
Prior period adjustment					62,155	-
Net position - end of year					<u>\$ 37,316,489</u>	<u>\$ 37,393,615</u>

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
COMBINED BALANCE SHEET – GOVERNMENTAL FUNDS
AS OF JUNE 30, 2021

Schedule 3

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	Governmental Funds						2021	2020
	General	Special Aid	Food Service	Debt Service	Capital Projects	Miscellaneous Special Revenue	(Memo only) Total	(Memo only) Total
Assets								
Unrestricted cash	\$ 4,344,643	\$ -	\$ 15,324	\$ -	\$ -	\$ -	\$ 4,359,967	\$ 2,453,668
Restricted cash	9,915,254	-	-	1,372,179	-	68,363	11,355,796	10,475,214
Due from other funds	214,152	2,758	6,550	260,056	407,231	-	890,747	1,601,681
State and federal aid receivable	284,275	154,035	84,402	-	-	-	522,712	787,679
Other receivables	2,145	-	-	-	-	-	2,145	1,170
Due from other governments	17,876	-	-	-	-	-	17,876	1,782,040
Inventories	-	-	14,760	-	-	-	14,760	16,341
Total assets	\$ 14,778,345	\$ 156,793	\$ 121,036	\$ 1,632,235	\$ 407,231	\$ 68,363	\$ 17,164,003	\$ 17,117,793
Liabilities and Fund Equity								
Liabilities								
Accounts payable	\$ 143,581	\$ -	\$ 12,060	\$ -	\$ 87,400	\$ -	\$ 243,041	\$ 312,574
Accrued liabilities	260,519	1,757	700	-	-	-	262,976	206,471
Due to other funds	571,936	153,373	-	-	319,831	-	1,045,140	1,589,733
Unearned revenue	-	1,663	9,560	-	-	-	11,223	11,105
Due to other governments	-	-	83	-	-	-	83	31
Due to Teachers' Retirement System	607,795	-	-	-	-	-	607,795	577,680
Due to Employees' Retirement System	78,684	-	918	-	-	-	79,602	71,690
Total liabilities	1,662,515	156,793	23,321	-	407,231	-	2,249,860	2,769,284
Fund Equity								
Nonspendable	-	-	14,760	-	-	-	14,760	16,341
Restricted	9,915,254	-	-	1,632,235	-	-	11,547,489	10,491,999
Committed	-	-	-	-	-	68,363	68,363	-
Assigned	639,526	-	82,955	-	-	-	722,481	1,117,647
Unassigned	2,561,050	-	-	-	-	-	2,561,050	2,722,522
Total fund equity	13,115,830	-	97,715	1,632,235	-	68,363	14,914,143	14,348,509
Total liabilities and fund equity	\$ 14,778,345	\$ 156,793	\$ 121,036	\$ 1,632,235	\$ 407,231	\$ 68,363	\$ 17,164,003	\$ 17,117,793

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND EQUITY – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

Schedule 4

Page 13

	Governmental Funds						2021	2020
	General	Special Aid	Food Service	Debt Service	Capital Projects	Miscellaneous Special Revenue	(Memo only) Total	(Memo only) Total
Revenue								
Real property taxes	\$ 2,720,247	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,720,247	\$ 2,719,884
Charges for services	67,476	-	-	-	-	-	67,476	49,403
Use of money and property	24,785	-	1	-	-	-	24,786	88,482
Sale of property compensation for loss	8,588	-	-	-	-	-	8,588	16,385
Miscellaneous	382,933	-	9,132	-	-	44,457	436,522	1,376,756
State sources	15,511,026	321,818	10,343	-	-	-	15,843,187	17,312,769
Federal sources	309,195	479,297	372,149	-	-	-	1,160,641	1,146,964
Surplus food	-	-	16,299	-	-	-	16,299	14,401
Sales (school food service)	-	-	4,036	-	-	-	4,036	21,550
Total revenue	19,024,250	801,115	411,960	-	-	44,457	20,281,782	22,746,594
Expenditures								
General support	2,886,065	-	173,077	-	-	-	3,059,142	2,958,858
Instruction	9,365,726	768,564	-	-	-	-	10,134,290	10,426,397
Pupil transportation	784,266	-	-	-	398,632	-	1,182,898	1,147,531
Employee benefits	3,194,343	37,777	111,483	-	-	-	3,343,603	3,262,804
Debt service								
Principal	1,258,757	-	-	-	-	-	1,258,757	1,375,885
Interest	493,305	-	-	-	-	-	493,305	513,426
Capital outlay	-	-	-	-	92,600	-	92,600	620,545
Cost of sales	-	-	151,415	-	-	-	151,415	230,936
Other expenses	-	-	24,044	-	-	38,249	62,293	15,923
Total expenditures	17,982,462	806,341	460,019	-	491,232	38,249	19,778,303	20,552,305
Excess (deficiency) of revenue over expenditures	1,041,788	(5,226)	(48,059)	-	(491,232)	6,208	503,479	2,194,289
Other sources and uses								
BANS redeemed from appropriations	-	-	-	-	-	-	-	350,000
Proceeds from issuance of debt	-	-	-	-	-	-	-	4,585,000
Operating transfers in	-	5,226	30,000	243,271	491,232	-	769,729	517,922
Operating transfers out	(526,458)	-	-	-	(243,271)	-	(769,729)	(517,922)
Total other sources (uses)	(526,458)	5,226	30,000	243,271	247,961	-	-	4,935,000
Excess (deficiency) of revenue and other sources over expenditures and other uses	515,330	-	(18,059)	243,271	(243,271)	6,208	503,479	7,129,289
Fund equity, beginning of year	12,600,500	-	115,774	1,388,964	243,271	-	14,348,509	7,219,220
Prior period adjustment	-	-	-	-	-	62,155	62,155	-
Fund equity, end of year	\$ 13,115,830	\$ -	\$ 97,715	\$ 1,632,235	\$ -	\$ 68,363	\$ 14,914,143	\$ 14,348,509

See accompanying independent auditor's report and notes to financial statements.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2021

Schedule 5

Page 14

	Private Purpose Trusts	(Memo only) Total 6/30/2020
Assets		
Cash	\$ 22,311	\$ 22,309
Investments	3,470,178	2,965,541
Due from other funds	154,393	103,643
	<hr/>	<hr/>
Total assets	\$ 3,646,882	\$ 3,091,493
	<hr/> <hr/>	<hr/> <hr/>
Net position		
Reserved for scholarships	\$ 3,646,882	\$ 3,091,493
	<hr/>	<hr/>
Total liabilities and net position	\$ 3,646,882	\$ 3,091,493
	<hr/> <hr/>	<hr/> <hr/>

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

Schedule 6

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	6/30/2021	(Memo only)	6/30/2020
Additions			
Gifts and contributions	\$ 7,700	\$	6,816
Interest and dividends	43,854		127,127
Gain (loss) on investments	648,705		33,968
Total additions	700,259		167,911
Deductions			
Scholarships awarded	144,870		149,170
Total deductions	144,870		149,170
Change in net position	555,389		18,741
Net position - beginning of year	3,091,493		3,072,752
Net position - end of year	\$ 3,646,882	\$	3,091,493

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2021

Total fund balances - governmental funds \$ 14,914,143

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. Capital assets consist of the following at year-end:

Cost of the assets	\$ 68,857,916	
Accumulated depreciation	<u>(38,205,928)</u>	30,651,988

Interest on long-term liabilities is not accrued in governmental funds, but rather is recognized as an expenditure when due. (28,125)

Deferred inflows/outflows of resources related to actuarial pension differences are reported on the statement of net position and amortized over the average members' years of service. In the governmental funds, pension expense is based on required contributions. 2,267,515

Deferred inflows/outflows of resources related to actuarial OPEB differences are reported on the statement of net position and amortized over the average members' years of service. In the governmental funds, OPEB expense is based on required contributions. 73,189

Long-term liabilities, including bonds payable, 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 consist of the following:

Bonds payable	(7,583,584)	
Installment purchase debt	(1,401,864)	
Net pension liability - ERS	(6,003)	
Net pension liability - TRS	(945,531)	
Other post-employment benefits	(372,396)	
Compensated absences	<u>(252,843)</u>	<u>(10,562,221)</u>

Total net position - governmental activities \$ 37,316,489

	Total Governmental Funds	Long-term Asset and Outflow Transactions	Long-term Liability and Inflow Transactions	Reclassification and Eliminations	Statement of Net Position
Assets					
Cash	\$ 15,715,763	\$ -	\$ -	\$ -	\$ 15,715,763
Due from other funds	890,747	-	-	(890,747)	-
State and federal aid receivable	522,712	-	-	-	522,712
Other receivables	2,145	-	-	-	2,145
Due from other governments	17,876	-	-	-	17,876
Inventories	14,760	-	-	-	14,760
Capital assets, net	-	30,651,988	-	-	30,651,988
Total assets	17,164,003	30,651,988	-	(890,747)	46,925,244
Deferred Outflows of Resources					
Deferred outflows related to pensions	-	4,600,383	-	-	4,600,383
Deferred outflows related to OPEB	-	118,491	-	-	118,491
Total assets and deferred outflows of resources	\$ 17,164,003	\$ 35,370,862	\$ -	\$ (890,747)	\$ 51,644,118
Liabilities, Deferred Inflows of Resources and Fund Equity/Net Position					
Liabilities					
Accounts payable	\$ 243,041	\$ -	\$ -	\$ -	\$ 243,041
Accrued liabilities	262,976	-	-	-	262,976
Accrued interest	-	-	28,125	-	28,125
Due to other funds	1,045,140	-	-	(890,747)	154,393
Unearned revenue	11,223	-	-	-	11,223
Due to other governments	83	-	-	-	83
Due to retirement systems	687,397	-	-	-	687,397
Bonds payable	-	-	7,583,584	-	7,583,584
Installment purchase debt	-	-	1,401,864	-	1,401,864
Net pension liability - NYS ERS	-	-	6,003	-	6,003
Net pension liability - NYS TRS	-	-	945,531	-	945,531
Other post-employment benefits	-	-	372,396	-	372,396
Compensated absences	-	-	252,843	-	252,843
Total liabilities	2,249,860	-	10,590,346	(890,747)	11,949,459
Deferred Inflows of Resources					
Deferred inflows related to pensions	-	-	2,332,868	-	2,332,868
Deferred inflows related to OPEB	-	-	45,302	-	45,302
Total liabilities and deferred inflows of resources	2,249,860	-	12,968,516	(890,747)	14,327,629
Fund equity and net position	14,914,143	35,370,862	(12,968,516)	-	37,316,489
Total liabilities, deferred inflows of resources and fund equity/net position	\$ 17,164,003	\$ 35,370,862	\$ -	\$ (890,747)	\$ 51,644,118

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS REVENUE, EXPENDITURES
AND CHANGES IN FUND EQUITY TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Total net change in fund balances - governmental funds \$ 503,479

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. Activity for the current fiscal year ended was as follows:

Capital outlays	\$ 536,934	
Depreciation expense	<u>(2,021,112)</u>	(1,484,178)

Proceeds from the sale of assets are reported as revenue in the governmental funds, whereas in the statement of activities a gain or loss on sale is reported. (35,971)

Repayment of bond principal, including bond refundings, bond anticipation notes principal is an expenditure the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 1,258,757

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus required the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. In addition, premiums on debt obligations are recorded as revenue in the governmental funds, whereas in the statement of activities, premiums are amortized into interest expense. Lastly, amortization of deferred outflows related to bond refundings are also reflected in the statement of activities. 208,427

District's proportionate share of actuarial calculated pension expense and net amortization of deferred outflows and inflows related to pension are recorded in the statement of activities, whereas in the governmental funds pension expense is based on District's required contribution to pension plans. (594,647)

District's actuarial calculated OPEB expense and net amortization of deferred outflows and inflows related to OPEB are recorded in the statement of activities, whereas in the governmental funds OPEB expense is based on District's required contribution to the OPEB plan. 834

In the statement of activities, certain operating expenses - compensated absences, and special termination benefits - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, compensated absences and special termination benefits changed by this amount. 4,018

Change in net position of governmental activities \$ (139,281)

	Total Governmental Funds	Long-term Asset and Outflow Transactions	Long-term Asset and Inflow Transactions	Reclassification and Eliminations	Statement of Activities Totals
Revenue					
Real property taxes	\$ 2,720,247	\$ -	\$ -	\$ -	\$ 2,720,247
Charges for services	67,476	-	-	(67,476)	-
Use of money and property	24,786	-	-	-	24,786
Sale of property compensation for loss	8,588	(35,971)	-	-	(27,383)
Miscellaneous	436,522	-	-	-	436,522
State sources	15,843,187	-	-	(332,161)	15,511,026
Federal sources	1,160,641	-	-	(851,446)	309,195
Surplus food	16,299	-	-	(16,299)	-
Sales (school food service)	4,036	-	-	(4,036)	-
Total revenue	20,281,782	(35,971)	-	(1,271,418)	18,974,393
Expenditures					
General support	3,059,142	570,464	-	278,291	3,907,897
Instruction	10,134,290	956,408	(4,018)	2,286,749	13,373,429
Pupil transportation	1,182,898	49,906	-	257,474	1,490,278
Employee benefits	3,343,603	-	593,813	(3,937,416)	-
Debt service	1,752,062	-	(1,467,184)	-	284,878
Capital outlay	92,600	(92,600)	-	-	-
Cost of sales	151,415	-	-	(94,223)	57,192
Other expenses	62,293	-	-	(62,293)	-
Total expenditures	19,778,303	1,484,178	(877,389)	(1,271,418)	19,113,674
Excess (deficiency) of revenue over expenditures	503,479	(1,520,149)	877,389	-	(139,281)
Other sources and uses					
Operating transfers in	769,729	-	-	(769,729)	-
Operating transfers out	(769,729)	-	-	769,729	-
Total other sources (uses)	-	-	-	-	-
Net change for year	\$ 503,479	\$ (1,520,149)	\$ 877,389	\$ -	\$ (139,281)

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Significant Accounting Policies

The accompanying financial statements of the *Bolivar-Richburg Central School District* have been prepared in conformity with generally accepted accounting principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB) which is the standard setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The financial statements include all funds and account groups of the School District as well as the component units and other organizational entities determined to be includable in the School District's financial reporting entity.

The decision to include a potential component unit in the School District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities included in the School District's reporting entity:

1. The Extraclassroom Activity Funds

The extraclassroom activity funds of the *Bolivar-Richburg Central School District* represents funds of the students of the School District. The Board of Education exercises general oversight of these funds and has adopted the guidance prescribed by the New York State Education Department for safeguarding, accounting and auditing of extraclassroom activity funds. As a result, these funds do not meet the criteria required to be reported as fiduciary funds and are now being reported in a governmental fund. The cash and investment balances as well as revenues and expenditures are now reported in a miscellaneous special revenue fund of the District. Under previous guidance the cash and investment balances were reported as agency funds. The audited financial statements (cash basis) of the extraclassroom activity funds are available at the District's offices.

B. Joint Venture

The *Bolivar-Richburg Central School District* is one of 22 component school districts in the Cattaraugus-Allegany Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that share planning, services, and programs which provide educational and support activities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Joint Venture (continued)

BOCES are organized under Section 1950 of the Education Law. A BOCES Board is considered a corporate body. All BOCES property is held by the BOCES Board as a corporation (Section 1950(6)). In addition, BOCES Boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under Section 119-n(a) of the General Municipal Law.

A BOCES budget is comprised of separate budgets for administrative, program, and capital costs. Each component school district's share of the administrative and capital cost is determined by resident public school district enrollment as defined in Education Law, Section 1950(4)(b)(7).

There is no authority or process by which a school district can terminate its status as a BOCES component. In addition, component school districts pay tuition or a service fee for programs in which its students participate. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of Section 1950 of the Education Law.

During the year, the District was billed \$4,187,000 for BOCES administration and program costs. The District's share of BOCES aid and refunds amounted to \$2,296,000 for the year ended June 30, 2021. Financial statements for the Cattaraugus-Allegany BOCES are available at the BOCES administrative offices in Olean, New York.

C. Basis of Presentation

1. District-wide 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 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 include operating-specific and discretionary (either operating or capital) grants.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

1. District-wide Statements (continued)

The Statement of Activities presents a comparison between direct expenses and program 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. 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.

2. Fund Financial Statements

The fund statements provide information about the District's funds, including fiduciary funds. 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 - is the general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund.

Special Aid - is used to account for the proceeds of specific revenue sources such as Federal and State grants, which are legally restricted to expenditures for specified purposes, whose funds are restricted as to use. These legal restrictions may be imposed by either governments that provide the funds or outside parties.

Food Service - is used to account for all revenue and expenditures pertaining to the cafeteria operations.

Capital Projects - is used to account for the financial resources used for acquisition, construction, or major repair of capital facilities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

2. Fund Financial Statements (continued)

Debt Service - is used to account for the accumulation of resources and the payment of general long-term debt principal and interest.

Miscellaneous Special Revenue - is used to account for and report revenues that are restricted and committed to expenditures for student activities.

3. Fiduciary Fund Types

This fund is used to account for fiduciary activities. Fiduciary activities are those in which the District acts as trustee or agent 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. Included in the Fiduciary Fund are Private Purpose Trust Funds. Private Purpose Trust Funds are accounted for on the accrual basis of accounting.

D. Measurement Focus and Basis of Accounting

The District-wide 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 governmental fund 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 the current period or soon enough thereafter to be used to pay liabilities of the current period, 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. Non-expendable trust funds are accounted for on the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recorded when incurred.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Measurement Focus and Basis of Accounting (continued)

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, 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.

E. Cash and Cash Equivalents

For financial statement purposes, all highly liquid investments of three months or less are considered as cash equivalents. New York State law governs the District's investment policies. Resources must be deposited in 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 localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance.

F. Inventory

Inventories of food in the School Food Service Fund are recorded at cost on a first-in, first-out basis or in the case of surplus food, at stated value which approximates market. Purchases of inventoriable items in other funds are recorded as expenditures at the time of purchase.

G. Investments

Investments are stated at current market value.

H. Capital Assets

Capital assets are reported at estimated historical costs, based on appraisals conducted by independent third-party professionals. Donated assets are reported at estimated fair market 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 as follows:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Capital Assets (continued)

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings	\$ 2,000	Straight-line	15-40 years
Land improvements	2,000	Straight-line	15-40 years
Furniture and equipment	2,000	Straight-line	5-20 years
Transportation Vehicles	2,000	Straight-line	8 years

I. Due To/From Other Funds

The amounts reported on the Statement of Net Position for due to and from other funds represent amounts due between different fund types (governmental activities, and fiduciary funds). Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the individual fund balances at year-end is provided subsequently in these notes.

J. Deferred Inflows and Outflows 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 four items that qualify for reporting in this category. First is the deferred charge on refunding reported in the District-wide Statement of Net Position. The second item is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The third item is the District contributions to the pension systems (TRS and ERS Systems) subsequent to the measurement date. The fourth item relates to OPEB reporting in the District-wide Statement of Net Position. This represents the effect of the net changes of assumptions or other outputs, differences between expected and actual experience, along with benefit payments made subsequent to the measurement date.

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, deferred inflows of resources, 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Deferred Inflows and Outflows of Resources (continued)

The District has two items that qualify for reporting in this category. First is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability (TRS and ERS Systems) and difference during the measurement periods between the District's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The second item is related to OPEB reported in the District-wide Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs and differences between expected and actual experience.

K. Compensated Absences

Sick leave and Retirement Incentive Pay - certain of the District's employee groups have negotiated retirement incentive benefits payable based on accumulated unused sick days. Generally, the employee must have accumulated minimum years of service with the District and must be eligible for retirement under the provisions of either the teacher or employee retirement systems. The District has recorded an estimated liability in the District-wide financial statement amounting to \$252,843 to recognize the cost of the incentive benefits for those employees eligible to receive such a benefit. Payment of these benefits is dependent on many factors; therefore, the timing of future payments is not readily determinable.

The District believes sufficient resources and budgetary appropriations will be available as the benefits become payable in future years. The liability for compensated absences is calculated at rates in effect as of the balance sheet date and is recorded in the governmental funds.

L. Post-Employment Benefits

In addition to the retirement benefits described in Note 3VIB, the District provides post-employment health insurance coverage to its retired employees and their survivors in accordance with the provisions of the employment contracts negotiated between the School District and its employee groups.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Unearned Revenue

Unearned revenue is reported on the District's combined balance sheet. Unearned revenue arises when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Unearned revenue also arises when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence 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 deferred revenue is removed and revenue is recognized.

N. Fund Equity

1. Governmental Funds

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be reported within one of the fund balance categories listed below:

A. Nonspendable

Fund balance associated with assets that are inherently nonspendable in the current period because of their form or because they must be maintained intact, including inventories, prepaids, long-term loans and notes receivable, and property held for relate (unless the proceeds are restricted, committed, or assigned). Nonspendable Fund Balance includes the following category:

1. Inventory Reserve

This reserve is used to limit the investment in inventory and to restrict that portion of fund balance which is unavailable for appropriation. This reserve is accounted for in the School Food Service Fund.

B. Restricted

Fund balance amounts that can be spent only for specific purposes stipulated by constitutional, external resource providers including creditors, grantors, contributors, etc., or through enabling legislation. Restricted Fund Balance includes the following categories:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Fund Equity (continued)

1. Governmental Funds (continued)

B. Restricted (continued)

1. Capital and Transportation Reserves

This reserve is used to accumulate funds to finance all or a portion of future capital projects and vehicles for which bonds may be issued. Voter authorization is required for both the establishment of the reserve and payments from the reserve. These reserves are accounted for in the General Fund.

2. Insurance Reserve

This reserve is used to pay liability, casualty and other types of losses, except losses incurred for which the following type of insurance may be purchased: life, accident, health, annuities, fidelity and surety, credit, title residual value and mortgage guarantee. The reserve is recorded in the General Fund.

3. Reserve for Employee Benefits

The purpose of this reserve is to reserve funds for the payment of any accrued employee benefit due an employee upon termination of service. This reserve fund may be established by a majority vote of the board of education and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. This reserve is accounted for in the General Fund.

4. Unemployment Reserve

Unemployment Insurance Reserve is used to pay the cost of reimbursement to the State Unemployment 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 be either 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 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Fund Equity (continued)

1. Governmental Funds (continued)

B. Restricted (continued)

5. Employee Retirement Contribution Reserve

This reserve is used to accumulate funds for employee retirement system contributions. The reserve may be established by a majority vote of the Board of Education and is accounted for in the General Fund.

6. Teachers' Retirement System Reserve Subfund

This reserve is used to accumulate funds for teachers' retirement system contributions and has limits of 2% annually and 10% in total of teacher retirement system salaries. The reserve may be established by a majority vote of the Board of Education and is accounted for in the General Fund.

7. Debt Service Reserve

This reserve is used to account for proceeds from the sale of property that was financed by obligations still outstanding, interest and earnings on outstanding obligations, and remaining bond proceeds not to be utilized for the intended purpose. These monies must be used to pay the debt service of the obligations from which they originated or were designated by Board resolution. These reserves are accounted for in the Debt Service Fund.

8. Reserve for Repairs

This reserve is used to accumulate funds to finance future costs of major repairs to capital improvements or equipment. Voter authorization is required to fund the reserve. Expenditures from this reserve may be made only after a public hearing has been held. In an emergency, expenditures may be made from the reserve fund without a public hearing with approval of two-thirds of the Board of Education. The emergency expenditure must be repaid within the next two succeeding years. This reserve is accounted for in the General Fund.

9. Endowment Scholarships Reserve

This reserve is used to account for endowments, scholarships and other funds held by the School District. These monies and earnings must be used for the specific purpose of the original contribution. This reserve is accounted for in the private purpose trust fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Fund Equity (continued)

1. Governmental Funds (continued)

B. Restricted (continued)

10. Liability Reserve

This reserve is used to accumulate funds to pay liability claims incurred. The total amount accumulated in the reserve may not exceed 3% of the total annual budget. The reserve is accounted for in the General Fund.

C. Committed

Fund balance amounts that can be used only for specific purposes determined by a formal action of the District's Board of Education, which is the District's highest level of decision-making authority. The District reports the fund balance of the extraclassroom activities as committed fund balance as of June 30, 2021.

D. Assigned

Fund balance intended to be used by the District for specific purposes but does not meet the criteria to be restricted or committed. Along with the District's Board of Education, the Business Manager and Treasurer has been authorized to assign fund balance amounts for specific purposes through the establishment of an encumbrance.

1. Encumbrance Reserve

Encumbrance accounting, under which purchase orders, contracts, and other commitments of the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is used in the General Fund, Special Revenue Funds, and Capital Projects Fund.

The cost of construction contract commitments generally is recorded as an encumbrance of Capital Projects Fund and is presented as a reserve for encumbrances. These committed amounts generally will become liabilities in future periods as the construction work is performed by the contractors. Encumbrances outstanding at year-end are reported as reservations of fund equity since they do not constitute expenditures or liabilities. Reserve for encumbrances totaled \$39,526 as of June 30, 2021.

2. Appropriated Fund Equity

General Fund - The amount of \$600,000 has been designated as the amount estimated to be appropriated to reduce taxes for the year ending June 30, 2022 as allowed by Section 1318 of the Real Property Tax Law.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Fund Equity (continued)

1. Governmental Funds (continued)

E. Unassigned

The residual classification of the general fund and includes all spendable amounts not contained in the other classifications.

2. Government-wide Financial Statements

A. Net investment in capital assets

This designation of net position is used to accumulate the capital asset balance in the statement of net position less accumulated depreciation and outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

B. Restricted

This category represents amounts that can be spent only for specific purposes stipulated by constitutional, external resource providers including creditors, grantors, contributors, etc., or through enabling legislation.

C. Unrestricted

This category represents net position of the District not restricted for any other purpose

3. Order of Fund Balance Spending Policy

When more than one classification of fund balance of the District are eligible to be utilized for an expenditure of the District, the order in which the fund balance classifications will be utilized will be as follows:

- a. Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation;
- b. Committed fund balance for which action has been taken by the Board of Education, a designated school official, or by the voters of the District, specifically designating funds to the expenditure;
- c. Assigned fund balance created specifically for the expenditure (encumbered fund balance)
- d. Assigned fund balance within funds other than the General Fund of the District to which the expenditure relates;
- e. Unassigned fund balance.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Budgetary Procedures and Budgetary Accounting

1. Budget Policies

The budget policies are as follows:

- a) The School District administration prepares a proposed budget for approval by the Board of Education for the General Fund and the School Food Service Fund.
- b) The proposed appropriations budget is approved by the voters within the District.
- c) Appropriations are adopted at the program level.
- d) Appropriations established by adoption of the budget constitute a limitation on expenditures and encumbrances which may be incurred. Appropriations lapse at the fiscal year end. Supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need which exists which was not determined at the time the budget was adopted. The District had no supplemental appropriations during the fiscal year ended June 30, 2021.

2. Budget Basis for Accounting

Budgets are adopted annually on a basis consistent with the fund financial statements and the modified accrual basis of accounting. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

The budget and actual comparison for the Food Service Fund reflects budgeted and actual amounts for funds with legally authorized (appropriated) budgets.

Budgetary controls for the special revenue and capital funds are established in accordance with the applicable grant agreement or authorized project limit which may cover a period other than the District's fiscal year. Consequently, the budgets for such funds have been excluded from the combined schedule of revenue, expenditures and changes in fund equity - budget and actual.

P. Property Taxes

1. Calendar

Real property taxes are levied annually by the Board of Education no later than September 1 and become a lien on October 31.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Property Taxes (continued)

2. Enforcement

Uncollected real property taxes are subsequently enforced by the County, in which the School District is located. An amount representing uncollected real property taxes transmitted to the County for enforcement is paid by the County to the District no later than the forthcoming April 1.

Q. Interfund Transfers

The operations of the School District give rise to certain transactions between funds, including transfers to provide services and construct assets.

R. Deferred Compensation Plan

Bolivar-Richburg Central School District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b) - Tax Sheltered Annuities (TSA). The plan is available to all school employees and permits them to defer taxation on a portion of their salary until future years. The deferred portion is withheld by the District and disbursed to the employees' TSA plan administrator. The TSA plans are owned by the individuals and held in trust by the plan administrator. The School District has a fiduciary responsibility for funds withheld and remittance to trustees.

S. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses.

T. New Accounting Pronouncement

Effective July 1, 2020, the District implemented the provisions of GASB Statement No. 84, Fiduciary Activities. This statement changes the definition of fiduciary activities, providing more refined guidance on how to determine if an activity is fiduciary in nature and therefore should be reported as such. The statement defines types of fiduciary funds, eliminating agency funds and replacing them with custodial funds. Under this guidance, extraclassroom activity will now report a net position and a statement of changes in net position. Implementation of this guidance resulted in reclassification of extraclassroom activities and payroll transactions in fiduciary activities to governmental activities and the creation of the miscellaneous special revenue fund to account for these activities.

NOTE 2 - EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the District-wide 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. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheet.

B. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities

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

1. Long-term Revenue 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 accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.

2. 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 as reported on the Statement of Activities and the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the Statement of Activities.

NOTE 2 - EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS (continued)

B. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities (continued)

3. Long-term Debt Transaction Differences

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental 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.

4. Pension Differences

Pension difference occur as a result of changes in the District's proportion of the collective net pension asset/liability and differences between the District's contributions and its proportionate share of the total contributions to the pension systems.

5. OPEB Differences

OPEB differences occur as a result of changes in the District's total OPEB liability and differences between the District's contributions and OPEB expense.

NOTE 3 - DETAIL NOTES ON ALL FUNDS

I. Cash

The *Bolivar-Richburg Central School District's* investment policies are governed by State statutes. School District monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The District treasurer is authorized to use demand accounts and certificates of deposits. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit 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 School 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. While the District does not have a specific policy with regards to custodial credit risk, New York State statutes govern the District's investment policies. At June 30, 2021, the District's deposits were fully collateralized.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

I. Cash (continued)

A. Deposits

Deposits are valued at cost or cost plus interest and are categorized as either:

- (1) Insured through the Federal Deposit Insurance Corporation or collateralized with securities held by the entity or by its agent in the entity's name;
- (2) Collateralized with securities held by the pledging financial institution's trust department or agency in the entity's name; or
- (3) Uncollateralized

Total financial institution (bank) balances at June 30, 2021 per the bank were approximately \$15,767,000. Deposits on hand at June 30, 2021 are categorized as follows:

Category 1	Category 2	Category 3	Carrying Value
\$ 750,000	\$ 15,017,000	\$ -	\$ 15,767,000

II. Investments

Investments are stated at current market value and are categorized as either:

- (1) Insured or registered, or investments are held by the School District or by the School District's agent in the School District's name,
- (2) Uninsured and unregistered, with the investments held by the financial institutions trust department in the School District's name;
- (3) Uninsured and unregistered, with investments held by the financial institution or its trust department, but not in the School District's name.

Private Purpose Trust	Market Value
Mutual Funds	\$ 3,470,178

These investments are held in the School District's name. The market value of the investments as of June 30, 2021 is based on unadjusted quoted prices in active markets for identical assets and liabilities.

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

III. Interfund Transactions

Interfund balances and transactions as of and during the year ended June 30, 2021 are as follows:

	Interfund Receivable	Interfund Payable
General Fund	\$ 214,152	\$ 571,936
Debt Service Fund	260,056	-
School Lunch Fund	6,550	-
Special Aid Fund	2,758	153,373
Capital Fund	407,231	319,831
Private Purpose Trust Fund	154,393	-
Total	\$ 1,045,140	\$ 1,045,140

	Interfund Revenue	Interfund Expenditures
General Fund	\$ -	\$ 526,458
School Lunch Fund	30,000	-
Special Aid Fund	5,226	-
Capital Fund	491,232	243,271
Debt Service Fund	243,271	-
Total	\$ 769,729	\$ 769,729

During the year ended June 30, 2021, the District transferred \$30,000 from the general fund to the school lunch fund as budgeted to subsidize operations. The District transferred \$491,232 from the general fund to the capital fund for the purchase of transportation vehicles and the 2021 capital outlay project. The District also transferred \$5,226 from general fund to the special aid fund representing the local share of the summer school program. Lastly, the District transferred \$243,271 from capital projects fund to debt service fund to close out prior year capital projects.

IV. Receivables

Receivables at June 30, 2021 consisted of the following, which are stated at net realizable value. District management has deemed the amounts to be fully collectible.

Fund	Description	Amount
Special Aid	State and Federal Aid	\$ 154,035
Food Service	State and Federal Aid	84,402
General	State and Federal Aid	284,275
General	Other Receivables	2,145
General	Due from Other Governments	17,876
		\$ 542,733

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 – DETAIL NOTES ON ALL FUNDS (continued)

V. Capital Assets

Capital asset balances and activity for the year ended June 30, 2021 were as follows:

Governmental activities:	Beginning Balance 06/30/20	Net change	Ending Balance 06/30/21
Capital assets that are not depreciated:			
Land	\$ 92,686	\$ -	\$ 92,686
Construction-in-progress	-	92,600	92,600
Capital assets that are depreciated:			
Buildings and improvements	62,808,290	15,848	62,824,138
Furniture and Equipment	5,820,694	27,798	5,848,492
Total historical cost	68,721,670	136,246	68,857,916
Less accumulated depreciation:			
Buildings and improvements	33,159,998	1,724,522	34,884,520
Furniture and equipment	3,389,535	(68,127)	3,321,408
Total accumulated depreciation	36,549,533	\$ 1,656,395	38,205,928
Total net book value	\$ 32,172,137		\$ 30,651,988

Depreciation expense was charged to governmental functions during the current year as follows:

General support	\$ 570,464
Instruction	1,002,110
Pupil transportation	448,538
	<u>\$ 2,021,112</u>

Total additions during the current year amounted to \$536,934.

VI. Liabilities

A. Pension Plans

1. Plan Descriptions and Benefits Provided

a. Teachers' Retirement System (TRS)

The District participates in the New York State Teachers' Retirement System (TRS). 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

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities

A. Pension Plans (continued)

1. Plan Descriptions and Benefits Provided (continued)

a. Teachers' Retirement System (TRS) continued

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 NYSSTR Comprehensive Annual Financial report which can be found on the System's website at www.nystrs.org.

b. Employees' Retirement System (ERS).

The District participates in the New York State and Local Employees' Retirement System (ERS). 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 System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net 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 (RSSL). 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 (GLIP), 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. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

A. Pension Plans (continued)

2. Contributions

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education law.

Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

Year	TRS	ERS
2021	\$ 569,000	\$ 278,000
2020	\$ 522,000	\$ 275,000
2019	\$ 612,000	\$ 278,000

ERS has provided additional disclosures through entities that elected to participate in Chapter 260, 57, and 105.

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

3. Pension Asset (Liability), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, 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, 2021 for ERS and June 30, 2020 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.

Measurement date	ERS 3/31/2021	TRS 6/30/2020
Net pension asset (liability)	\$ (6,003)	\$ (945,531)
District's portion of the Plan's total net pension liability	0.0060291%	0.034218%

For the year ended June 30, 2021, the District's recognized pension expense of \$153,747 for ERS and \$1,281,550 for TRS. At June 30, 2021 the District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience	\$ 73,319	\$ 828,474	\$ -	\$ 48,457
Changes of assumptions	1,103,834	1,195,876	20,819	426,267
Net difference between projected and actual earnings on pension plan investments	-	617,514	1,724,548	-
Changes in proportion and differences between the Districts contributions and proportionate share of contributions	59,453	80,366	46,835	65,942
District's contributions subsequent to the measurement date	72,170	569,377	-	-
Total	\$ 1,308,776	\$ 3,291,607	\$ 1,792,202	\$ 540,666

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

A. Pension Plans (continued)

3. Pension Asset (Liability), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

District contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, including pension contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

	ERS	TRS
Year ending:		
2022	\$ (90,019)	\$ 376,869
2023	(31,601)	752,079
2024	(96,068)	613,002
2025	(337,908)	383,094
2026	-	11,028
Thereafter	-	45,492

4. 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:

Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement date	3/31/21	6/30/20
Actuarial valuation date	4/1/20	6/30/19
Interest rate	5.9%	7.1%
Salary scale	4.4% average 4/1/15 – 3/31/20 System's	1.90% - 4.72% 7/1/09 – 6/30/14 System's
Decrement tables	Experience	Experience
Inflation rate	2.7%	2.2%

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

A. Pension Plans (continued)

4. Actuarial Assumptions (continued)

For ERS, annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale 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-2019, applied on a generational basis.

For ERS, the actuarial assumptions used in the April 1, 2020 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, 2019 valuation are based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014.

The long-term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

Measurement date	ERS 3/31/21	Expected Rate of Return	TRS 6/30/20	Expected Rate of Return
Asset Type:				
Domestic equity	32%	4.05%	33%	7.1%
International equity	15%	6.30%	16%	7.7%
Global equity	-	-	4%	7.4%
Private equity	10%	6.75%	8%	10.4%
Real Estate	9%	4.95%	11%	6.8%
Opportunistic/ARS portfolio	3%	4.50%	-	-
Credit	4%	3.63%	-	-
Real assets	3%	5.95%	-	-
Domestic fixed income securities	-	-	16%	1.8%
Global fixed income securities	-	-	2%	1.0%
Real estate debt	-	-	7%	3.6%
Private debt	-	-	1%	5.2%
High-yield fixed income	-	-	1%	3.9%
Fixed Income	23%	-	-	-
Cash	1%	0.5%	1%	0.7%
Total:	<u>100%</u>		<u>100%</u>	

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

A. Pension Plans (continued)

5. Discount Rate

The discount rate used to calculate the total pension asset (liability) was 5.9% for ERS and 7.1% 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).

6. 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 5.9% for ERS and 7.1% 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 (4.9% for ERS and 6.1% for TRS) or 1-percentage point higher (6.9% for ERS and 8.1% for TRS) than the current rate:

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
ERS			
Employer's proportionate share of the net pension asset/ (liability)	\$ (1,666,316)	\$ (6,003)	\$ 1,525,193

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

A. Pension Plans (continued)

6. Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption (continued)

	1% Decrease (6.1%)	Current Assumption (7.1%)	1% Increase (8.1%)
TRS			
Employer's proportionate share of the net pension asset (liability)	\$ (5,972,592)	\$ (945,531)	\$ 3,273,447

7. Pension Plan Fiduciary Net Position

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

Measurement date	(Dollars in Thousands)	
	ERS 3/31/21	TRS 6/30/20
Employers' total pension liability	\$ 220,680,157	\$ 123,242,776
Plan net position	\$ 220,580,583	\$ 120,479,505
Employers' net pension asset (liability)	\$ (99,574)	\$ (2,763,271)
Ratio of plan net position to be Employers' total pension asset (liability)	99.95%	97.8%

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

A. Pension Plans (continued)

8. Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of June 30, 2021 represent the projected employer contribution for the period of April 1, 2021 through June 30, 2021 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2021 amounted to \$72,170.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2021 are paid to the System in September, October and November 2021 through a state aid intercept. Accrued retirement contributions as of June 30, 2021 represent employee and employer contributions for the fiscal year ended June 30, 2021 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2021 amounted to \$ 607,795 (employer contribution \$569,377 and employee contributions of \$46,530).

B. Other Post-Employment Benefits

Plan Description

The District maintains a single-employer defined benefit healthcare plan (the Plan). The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefit provisions are based on bargaining agreements as negotiated from time to time. The Plan does not issue a publicly available financial report. Eligibility for the Plan is established by the District and specified in the District's employment contracts.

Employees Covered by Benefit Terms

For the fiscal year ended June 30, 2021 the plan had total active employees of 173 and retirees of 20.

Total OPEB Liability

The District's total OPEB liability of \$372,396 was measured as of July 1, 2020.

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

B. Other Post-Employment Benefits (continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2020 measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5% per year Based on NYSTRS and NYSERS valuations as of June 30, 2019 and March 31, 2020, respectively
Salary increases	2.66% as of June 30, 2021
Discount rate	8.0% for 2021, decreasing 0.5% to 4.5% for 2028 and later.
Healthcare cost trend rates	Retirees pay the full cost of coverage with the exception of certain administrators
Retirees' share of benefit-related costs	

The discount rate was based on a yield for 20-year tax-exempt general obligation municipal bonds.

The discount rate was based on Fidelity 20-Year 6 Municipal Bond Index.

Mortality rates were based on the MP-2020 Headcount Weighted Mortality Tables.

The actuarial assumptions used for the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2019 - July 1, 2020.

Changes in the Total OPEB Liability

Service cost	\$	11,865
Interest		10,718
Differences between expected and actual experience		32,563
Changes in assumptions		35,885
Benefit payments		(24,065)
Net changes		66,966
Net OPEB liability – beginning of year		305,430
Net OPEB liability – end of year	\$	372,396

Changes of assumptions and other inputs reflect a change in the discount rate from 3.51% in 2020 to 2.66% in 2021. Health care trend rate from 7.5%-4.5% in 2020 to 8.0%-4.5% in 2021. From RPH-2018 Total Dataset Mortality Table fully generational using Scale MP-2018 in 2019 to SOA Pub-2010 Headcount Weighted Mortality Table fully generational using Scale MP-2020 in 2020.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

B. Other Post-Employment Benefits (continued)

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 (1.66%) or 1 percentage point higher (3.66%) that the current discount rate:

	1% Decrease (1.66%)	Current Assumption (2.66%)	1% Increase (3.66%)
Total OPEB liability	\$ 395,702	\$ 372,396	\$ 350,071

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:

	1% Decrease (initial rate of 7.0% decreasing by .5% annually until reaching 3.5%)	Current Assumption (initial rate of 8.0% decreasing by .5% annually until reaching 4.5%)	1% Increase (initial rate of 9.0% decreasing by .5% annually until reaching 5.5%)
Total OPEB liability	\$ 340,796	\$ 372,396	\$ 408,756

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the District recognized OPEB expense in the amount of \$28,106. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

B. Other Post-Employment Benefits (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 37,309	\$ 26,753
Benefit payments subsequent to the measurement date	28,940	-
Changes in assumptions	52,242	18,549
Total	\$ 118,491	\$ 45,302

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending:	
2022	\$ 5,523
2023	5,523
2024	5,523
2025	5,523
2026	5,523
Thereafter	16,634

C. Indebtedness

1. Short-Term Debt

a. Bond Anticipation Notes

The District may issue Bond Anticipation Notes, 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 bond anticipation notes issued for capital purposes be converted to long-term financing within five years after the original issue date.

The District had no Bond Anticipation Notes outstanding as of June 30, 2021.

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

C. Indebtedness (continued)

1. Short-Term Debt (continued)

b. Short-Term Debt Interest

The District had interest on short-term debt for the year ended June 30, 2021 in the amount of \$-0-.

2. Long-Term Debt

a. Debt Limit

At June 30, 2021, total indebtedness represents 46% of its debt limit.

b. Serial Bonds

The District borrows money in order to acquire or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of capital assets. These long-term liabilities, which are full faith and credit debt of the District, are recorded in the Statement of Net Position. The provisions to be made in future budgets for capital indebtedness represents the amount, exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities. The District also has issued installment purchase debt over the years to finance the purchase of transportation vehicles and buses.

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

C. Indebtedness (continued)

2. Long-Term Debt (continued)

c. Changes

The changes in the School District's indebtedness during the year ended June 30, 2021 and 2020 are as follows:

	Balance		Balance
	June 30, 2021		June 30, 2020
2012 Serial Bonds	\$ 1,525,760	\$	1,973,353
2015 Serial Bonds	-		490,000
2016 Serial Bonds	896,524		987,421
2020 Serial Bonds	5,161,300		5,509,191
Installment Purchase			
Debt	1,401,864		1,485,621
Other post-			
employment benefits	372,396		305,430
Compensated			
absences	252,843		256,861
Net pension liability -			
ERS	6,003		1,733,133
Net pension liability -			
TRS	945,531		-
	<u>\$ 10,562,221</u>	\$	<u>12,741,010</u>

During the year, the District made principal payments on its serial bonds in the amount of \$1,175,000 and made payments on an equipment lease related to the energy performance contract in the amount of \$83,757. The District had amortization of bond premiums in the amount of \$201,381. The change in compensated absences was a net decrease of \$4,018 during the fiscal year ended June 30, 2021. The net change in other post-employment benefits was an increase of \$66,966 during the fiscal year ended June 30, 2021. Lastly, the District's proportionate share of the NYSERS net pension liability - ERS decreased by \$1,727,130 during the current year, while the District's proportionate share of the NYSTRS went from a net pension asset to a net pension liability of \$945,531.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

C. Indebtedness (continued)

2. Long-Term Debt (continued)

d. Maturity

1. The following is a summary of long-term debt outstanding:

Serial Bonds, issued in 2012 with a maturity date of 2028, bonds carry interest at 3.0%-5.0%.	\$	1,470,000
Plus: unamortized bond premium on bond issuance.		55,760
	\$	<u>1,525,760</u>

Serial Bonds, issued in 2016 through DASNY with a maturity date of 2030, bonds carry interest at 2.0%-5.0%.	\$	795,000
Plus: unamortized bond premium on bond issuance.		101,524
	\$	<u>896,524</u>

Serial Bonds, issued in 2020 through DASNY with a maturity date of 2033 bonds carry interest at 5.0%.	\$	4,385,000
Plus: unamortized bond premium on bond issuance.		776,300
	\$	<u>5,161,300</u>

Installment Purchase Debt related to energy performance project, issued in 2019 with a final renewal term ending in 2034, carry interest at 3.550% per annum.	\$	<u>1,401,864</u>
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2. The following is a summary of maturing debt service requirements for serial bonds and installment purchase debt:

Year	Serial Bonds – 2012	
	Principal	Interest
2022	\$ 435,000	\$ 72,188
2023	455,000	50,438
2024	480,000	27,688
2025	25,000	3,688
2026	25,000	2,438
2027-2028	50,000	4,406
Total	<u>\$ 1,470,000</u>	<u>\$ 160,846</u>

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

C. Indebtedness (continued)

2. Long-Term Debt (continued)

d. Maturity (continued)

Year	Serial Bonds – 2016	
	Principal	Interest
2022	\$ 75,000	\$ 38,850
2023	75,000	35,100
2024	80,000	31,350
2025	85,000	27,350
2026	90,000	23,100
2027-2030	390,000	50,000
Total	<u>\$ 795,000</u>	<u>\$ 205,750</u>

Year	Serial Bonds – 2020	
	Principal	Interest
2022	\$ 275,000	\$ 219,250
2023	290,000	205,500
2024	305,000	191,000
2025	320,000	175,750
2026	335,000	159,750
2027-2031	1,940,000	530,250
2032-2033	920,000	69,500
Total	<u>\$ 4,385,000</u>	<u>\$ 1,551,000</u>

Year	Installment Purchase Debt	
	Principal	Interest
2022	\$ 86,730	\$ 49,766
2023	89,809	46,687
2024	92,997	43,499
2025	96,298	40,198
2026	99,717	36,779
2027-2031	554,265	128,215
2032-2034	382,048	27,441
Total	<u>\$ 1,401,864</u>	<u>\$ 372,585</u>

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

C. Indebtedness (continued)

2. Long-Term Debt (continued)

e. Refunding of Long-Term Debt

In prior years, the District defeased other general obligations and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and liability or the defeased bonds are not included in the District's financial statements.

f. Long-Term Debt Interest

Interest expense on long-term debt amounted to \$493,305 for the year ended June 30, 2021.

g. Premiums, Debt Issuance Costs and Amortization

Net premiums resulting from bond and other debt refinancing are being amortized over the life of the relating debt using the interest method. These premiums are accordingly included in the outstanding principal balances for the bonds. Debt issuance costs related to the bonds were expensed in accordance with GASB 65.

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VII. Fund Equity

A. Classifications

The District's fund equity is comprised of the follow components:

Fund	Reservation Purposes	Balance June 30, 2021
Nonspendable:		
Food Service	Inventory	\$ 14,760
Restricted:		
General	Liability reserve	\$ 501,816
	Unemployment reserve	209,697
	Reserve for insurance	1,275,008
	Reserve for retirement system contributions	628,413
	TRS contribution reserve subfund	334,718
	Capital reserve	4,635,135
	Capital transportation reserve	1,460,232
	Repair reserve	66,575
	Employee benefits reserve	803,660
		<u>\$ 9,915,254</u>
Debt Service	Reserve for debt service	\$ 1,632,235
Private Purpose	Reserve for endowment scholarships	<u>\$ 3,646,882</u>
Committed:		
Miscellaneous Special Revenue	Extraclassroom fund balance	\$ 68,363
Assigned:		
General	Appropriated fund balance	\$ 600,000
	Reserve for encumbrances	39,526
		<u>\$ 639,526</u>
Food Service	Assigned fund balance	<u>\$ 82,955</u>

B. District-wide Net Position

Net position of the District include restricted net position of \$11,547,489 which represent restricted amounts in the general and debt service funds as presented above.

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VIII. Commitments and Contingencies

A. Risk Financing and Related Insurance

1. General Information

The *Bolivar-Richburg Central School District* is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; natural disasters, etc. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past two years.

2. Risk Sharing Pools

For its employee health and accident coverage, *Bolivar-Richburg Central School District* is a participant in the Cattaraugus-Allegany Regional Medical Plan, a public entity risk pool operated for the benefit of 22 individual governmental units located within Allegany and Cattaraugus Counties. The School District pays monthly premiums to the Plan for this health coverage.

The Plan is authorized to assess supplemental premiums to the participating districts. The Plan provides coverage for its members up to \$100,000 per insured event. The Cattaraugus-Allegany Regional Medical Plan obtains independent coverage for insured events in excess of this amount.

The *Bolivar-Richburg Central School District* also participates in a risk sharing pool, Cattaraugus-Allegany BOCES, to insure Workers' Compensation claims. This is a public entity risk pool created under Article 5, Workers' Compensation Law, to finance liability and risks related to Workers' Compensation claims. Administrators of the Plan have indicated that the Plan's reserves are believed to be in excess of estimated unbilled and open claims.

B. Federal and State Grants

The District has received grants reported in the special aid fund which are subject to audit by agencies of the state and federal government. Such audits may result in disallowances and a request for a return of funds.

Based on past audits and no known significant areas of non-compliance, the District believes disallowances, if any, will not be material.

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VIII. Commitments and Contingencies (continued)

C. Compensated Absences

The District does not accrue a liability for accumulating, non-vesting sick leave, since payment is based on an uncontrollable future event (sickness). In accordance with the provisions of Governmental Accounting Standards Board Statement No. 16, the value for accumulating, non-vesting sick leave is considered a contingent liability. The District reports approximately \$379,000 as of June 30, 2021 for accumulating non-vesting sick leave.

D. Contingencies

The District, in the normal course of its operations, is involved in various other litigation and arbitration cases. Management is of the opinion that any unfavorable outcome resulting from these actions would not have a material effect on the District's financial position.

NOTE 4 - CAPITAL PROJECTS

On October 6, 2015, the voters of the District approved an \$8,200,000 renovation and energy project. The proposed budget of this capital project included expenditures for architectural and improvement costs to its Bolivar, Richburg and Pre-Kindergarten campuses in the amount of \$6,630,000 and an energy performance contract in the amount of \$1,570,000. The projects have been completed and the District transferred the remaining fund balance of \$243,194 to the debt service fund during the year ended June 30, 2021.

The District also had costs associated with a capital outlay project in the amount of \$92,600 during the year ended June 30, 2021.

Lastly, during the current year the District purchased transportation vehicles in the amount of \$398,632 with capital reserve funds transferred from the general fund. The District also closed our prior year equity from vehicle purchases in the amount of \$77.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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NOTE 5 – FAIR VALUE MEASUREMENTS

As noted in Note 3II, the District has investments that are reported at fair value in the Statement of Fiduciary Net Position. GASB 72, *Fair Value Measurements and Application*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels. Level 1 inputs on the hierarchy consist of unadjusted quoted prices in active markets and have the highest priority. Level 2 inputs consist of quoted prices in active markets for similar assets or liabilities or quoted prices in inactive markets for identical or similar assets or liabilities. Level 3 inputs have the lowest priority and consist of assets and liabilities that are measured on a recurring basis using unobservable inputs. The District had \$3,470,178 of investments in mutual funds related to a scholarship endowment that is considered to be a level 1 input.

NOTE 6 – COVID-19 PANDEMIC

In March 2020, the World Health Organization declared the novel strain of COVID-19 (coronavirus) a global pandemic and has become increasingly widespread in the United States. The coronavirus outbreak has had a significant impact on financial markets and general economic conditions.

Also, in March 2020, the Coronavirus Aid, Relief and Economic Security (CARES) Act was passed which provides funding and emergency assistance to Organizations including public school Districts. The New York State Department of Education has allocated approximately \$242,000 of CARES Act assistance to the District which is for the funding period of March 13, 2020 through September 30, 2022. During the year ending June 30, 2021, the District spent the full amount of its CARES Act allocation.

In December 2020, the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act was passed which provides additional assistance to school districts. The New York State Department of Education has allocated approximately \$727,000 of CRRSA Act assistance to the District. As of June 30, 2021, the District has spent \$-0- of the CRRSA funds.

Lastly, in March 2021, the American Rescue Plan (ARP) Act was passed which provided further assistance to school districts. The New York State Department of Education has allocated approximately \$3,341,000 of ARP Act assistance to the District. As of June 30, 2021, the District has spent \$-0- of the CRRSA funds.

The District also provided free breakfast and lunches to all students (except those who opted out) through the Summer Food Service Program.

Given the uncertainty regarding the COVID-19 Pandemic, the overall financial impact to the District cannot be reasonably predicted or estimated at this time.

NOTE 7 – PRIOR PERIOD ADJUSTMENT

Implementation of GASB No. 84 required prior period adjustments for the governmental and fiduciary funds. This adjustment was needed to move the beginning balances of amounts previously reported as fiduciary funds to the respective governmental funds. Total extraclassroom activity funds of \$62,155 were reclassified from fiduciary funds to governmental funds as of July 1, 2020.

NOTE 8 – SUBSEQUENT EVENTS

Subsequent events were evaluated through September 21, 2021, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Adopted Budget	Final Budget	Current Year's Revenue	Over (Under) Revised Budget
Revenues				
Local Sources:				
Real property taxes and tax items	\$ 2,714,763	\$ 2,714,763	\$ 2,714,763	\$ -
Real property tax items	6,000	6,000	5,484	(516)
Charges for services	10,000	10,000	67,476	57,476
Use of money and property	100,000	100,000	24,785	(75,215)
Sale of property and compensation for loss	500	500	8,588	8,088
Miscellaneous	301,000	301,000	382,933	81,933
State Sources:				
Basic formula	13,796,979	13,796,979	13,490,002	(306,977)
BOCES	1,977,343	1,977,343	1,942,140	(35,203)
Textbooks	41,183	41,183	41,183	-
All other aid	30,449	30,449	37,701	7,252
Federal Sources:				
Medicaid reimbursement	85,000	85,000	66,840	(18,160)
CARES Act	-	-	242,355	242,355
Total revenue	19,063,217	19,063,217	19,024,250	(38,967)
Other Sources				
Operating transfer in	290,000	290,000	-	(290,000)
Total revenue and other sources	19,353,217	19,353,217	<u>\$ 19,024,250</u>	<u>\$ (328,967)</u>
Appropriated fund equity and carryover encumbrances	1,096,702	1,271,645		
Total revenue, other sources and appropriated fund equity	<u>\$ 20,449,919</u>	<u>\$ 20,624,862</u>		

	Adopted Budget	Final Budget	Current Year's Expenditures	Encumbrances	Unencumbered Balances
Expenditures					
General Support:					
Board of education	\$ 16,768	\$ 16,768	\$ 14,323	\$ -	\$ 2,445
Central administration	213,647	213,647	209,636	-	4,011
Finance	223,588	249,387	231,331	8,600	9,456
Staff	383,731	387,220	354,728	-	32,492
Central services	1,662,514	1,890,589	1,772,987	2,434	115,168
Special items	313,604	313,604	303,060	-	10,544
Instructional:					
Instruction, administration and improvement	843,319	846,583	699,207	-	147,376
Teaching - regular school	4,717,725	4,839,763	4,402,626	27,662	409,475
Programs for children with handicapping conditions	2,760,617	2,660,616	2,200,360	-	460,256
Teaching - special schools	18,820	-	-	-	-
Occupational education	743,337	743,337	682,870	-	60,467
Instructional media	669,925	679,064	610,151	330	68,583
Pupil services	872,226	894,962	770,512	-	124,450
Pupil Transportation	979,261	1,001,221	784,266	500	216,455
Community services	-	-	-	-	-
Employee Benefits	3,672,152	3,515,783	3,194,343	-	321,440
Debt Service:					
Debt service principal	1,373,757	1,373,757	1,258,757	-	115,000
Debt service interest	439,928	439,928	493,305	-	(53,377)
Total expenditures	19,904,919	20,066,229	17,982,462	39,526	2,044,241
Other Uses:					
Transfer to other funds	545,000	558,633	526,458	-	32,175
Total other uses	545,000	558,633	526,458	-	32,175
Total expenditures and other uses	\$ 20,449,919	\$ 20,624,862	18,508,920	\$ 39,526	\$ 2,076,416
Excess of revenue and other sources over expenditures and other uses			\$ 515,330		

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

Schedule SS1A

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	School Food Service Fund		
	Budget (Amended)	Actual	Variance Fav. (Unf.)
Revenue			
State sources	\$ 11,500	\$ 10,343	\$ (1,157)
Federal sources	427,500	372,149	(55,351)
Sales	35,100	4,036	(31,064)
Miscellaneous	19,150	9,132	(10,018)
Surplus food	20,000	16,299	(3,701)
Use of money and property	20	1	(19)
Total revenue	<u>513,270</u>	<u>411,960</u>	<u>(101,310)</u>
Expenditures			
General support	180,000	173,077	6,923
Employee benefits	134,770	111,483	23,287
Cost of sales	215,000	151,415	63,585
Other expenses	13,500	24,044	(10,544)
Total expenditures	<u>543,270</u>	<u>460,019</u>	<u>83,251</u>
Deficiency of revenue over expenditures	<u>(30,000)</u>	<u>(48,059)</u>	<u>(18,059)</u>
Other sources			
Transfer from general fund	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Deficiency of revenue and other sources over expenditures and other uses	<u>\$ -</u>	<u>(18,059)</u>	<u>\$ (18,059)</u>
Fund equity, beginning of year		<u>115,774</u>	
Fund equity, end of year		<u>\$ 97,715</u>	

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET
AND THE REAL PROPERTY TAX LIMIT
FOR THE YEAR ENDED JUNE 30, 2021

Schedule SS2

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CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted budget	\$ 20,449,919
Additions:	
Prior year encumbrances	<u>174,943</u>
Original Budget	20,624,862
Final budget	<u><u>\$ 20,624,862</u></u>

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2021-22 voter-approved expenditure budget	\$ 20,481,690
Maximum allowed (4% of 2021-22 budget)	\$ 819,268

General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law*:

Unrestricted fund balance:	
Committed fund balance	\$ -
Assigned fund balance	639,526
Unassigned fund balance	<u>2,561,050</u>
Total unrestricted fund balance	<u>3,200,576</u>
Less:	
Appropriated fund balance	600,000
Insurance recovery reserve	-
Tax reduction reserve	-
Encumbrances included in committed and assigned fund balance	<u>39,526</u>
Total adjustments	<u>639,526</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 2,561,050</u></u>
Actual percentage	<u><u>12.5%</u></u>

* Per Office of State Comptroller's "Fund Balance Reporting and Governmental Type Definitions", Updated April 2011 (Originally Issued November 2010), the portion of the General Fund fund balance subject to Section 1318 of the Real Property Tax Law is: unrestricted fund balance (i.e., the total of the committed, assigned, and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF PROJECTS EXPENDITURES - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2021

Schedule SS3

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Project Title	Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total	(Overexpended) Balance	Proceeds of Obligations	State Sources	Local Sources	Total	Balance June 30, 2021	
2015 Capital Project	\$ 6,630,000	\$ 6,630,000	\$ 6,598,960	\$ -	\$ 6,598,960	\$ 31,040	\$ 5,859,191	\$ 82,962	\$ 900,000	\$ 6,842,153	\$ 243,193	
2021 Capital Outlay	100,000	100,000	-	92,600	92,600	7,400	-	-	92,600	92,600	-	
2016 Energy Performance Project	1,570,000	1,570,000	1,566,505	-	1,566,505	3,495	1,566,506	-	-	1,566,506	1	
Smart Schools Bond Act Project	533,951	533,951	531,591	-	531,591	2,360	-	531,591	-	531,591	-	
Buses - prior year	380,000	380,000	379,870	-	379,870	130	-	-	379,947	379,947	77	
Buses - current year	415,000	415,000	-	398,632	398,632	16,368	-	-	398,632	398,632	-	
	<u>\$ 9,628,951</u>	<u>\$ 9,628,951</u>	<u>\$ 9,076,926</u>	<u>\$ 491,232</u>	<u>\$ 9,568,158</u>	<u>\$ 60,793</u>	<u>\$ 7,425,697</u>	<u>\$ 614,553</u>	<u>\$ 1,771,179</u>	<u>\$ 9,811,429</u>	<u>243,271</u>	
											Less: Interfund transfer to close out equity on completed projects	(243,271)
											Ending fund equity (deficit) balance as of June 30, 2021	<u>\$ -</u>

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
BUDGET COMPARISON STATEMENT FOR STATE AND
OTHER GRANT PROGRAMS - SPECIAL AID AND FOOD SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

Schedule SS4A

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Grant Title	Grantors Project No.	Grant Period	Award/ Program Budget	Total Revenue	Total Expenditures
Summer school*	N/A	2021	\$ 26,130	\$ 26,130	\$ 26,130
Teachers of Tomorrow grant	0644-21-0002	2021	17,000	17,000	17,000
Early Pre-Kindergarten - Age 3-4	0539-21-4002	2021	1,004	1,004	1,004
Universal Pre-kindergarten	0409-21-7053	2021	269,657	269,657	269,657
Mentor Teacher	0663-21-0117	2021	14,400	13,253	13,253
Summer Food Service Program	N/A	2021	10,343	10,343	10,343
			<u>\$ 338,534</u>	<u>\$ 337,387</u>	<u>\$ 337,387</u>

* Revenue includes transfer of \$5,226 from general fund for local share toward applicable expenditures.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Schedule SS4B

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the **Bolivar-Richburg Central School District** and is presented on the modified accrual basis of accounting. The information in the schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Therefore, some amounts presented in the schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

Basis of Accounting

The basis of accounting varies by Federal program consistent with underlying regulations pertaining to each program. The amounts reported as Federal expenditures generally were obtained from the appropriate Federal financial reports for the applicable program and periods. The amounts reported in these Federal financial reports are prepared from records maintained for each program, which are periodically reconciled with the District's financial reporting system.

Note 2 - Non-monetary Federal Program

The accompanying **Bolivar-Richburg Central School District** is the recipient of a non-monetary federal award program. During the year ended June 30, 2021, the District reported in the Schedule of Federal Awards \$16,299 of donated commodities at fair market value received and disbursed.

Note 3 - Indirect Cost Rate

The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance in the current year.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Schedule SS4C

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Federal Program Title	Federal CFDA Number	Agency or Pass-through Number	Program or Award Amount	Revenue	Expenditures
Passed through NYS					
Department of Education:					
Title I, Part A	84.010A	0021-21-0140	\$ 222,099	\$ 221,799	\$ 221,799
Title IIA	84.367A	0147-21-0140	34,385	34,385	34,385
Title IV - SSAE Allocation	84.424A	0204-21-0140	17,179	17,179	17,179
Title V - Part B - Rural and Low Income Schools	84.358B	0006-21-0140	19,887	1,095	1,095
Title V - Part B - Rural and Low Income Schools	84.358B	0006-20-0140	7,861	7,861	7,861
COVID-19 - CARES Act - ESSERF	84.425D	5890-21-0140	207,233	207,233	207,233
COVID-19 - CARES Act - GEER	84.425C	5895-21-0140	35,122	35,122	35,122
IDEA Part B, Section 611 *	84.027A	0032-21-0039	192,155	192,155	192,155
IDEA Part B, Section 619 *	84.173A	0033-21-0039	4,823	4,823	4,823
Total U.S. Department of Education				<u>721,652</u>	<u>721,652</u>
U.S. Department of Agriculture:					
Passed through NYS					
Department of Education:					
COVID-19 - National Summer Food Program **	10.559	N/A	N/A	372,149	372,149
Passed through NYS Office of General Services (Division of Donated Foods):					
National School Lunch Program **					
Non-Cash Assistance (Commodities)	10.555	N/A	N/A	16,299	16,299
Total U.S. Department of Agriculture				<u>388,448</u>	<u>388,448</u>
Total expenditures and revenue				<u>\$ 1,110,100</u>	<u>\$ 1,110,100</u>

* Constitutes a cluster of Federal programs named Special Education Cluster with revenue and expenditures of 196,978
 ** Constitutes a cluster of Federal programs named Child Nutrition Cluster with revenue and expenditures of 388,448

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF NET INVESTMENT IN CAPITAL ASSETS
AS OF JUNE 30, 2021

Schedule SS5

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Capital Assets	\$ 30,651,988
Less:	
Serial bonds	(7,583,584)
Installment purchase debt	(1,401,864)
Plus:	
Assets in capital project less related payables, excluding BAN's	<u>243,271</u>
Net investment in capital assets	<u>\$ 21,909,811</u>

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S NET
OPEB LIABILITY AND RELATED RATIOS
FOR THE YEARS ENDED JUNE 30, 2017 THROUGH 2021

Schedule SS6

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As of the measurement date of July 1,	2020	2019	2018	2017	2016
Total OPEB Liability					
Service cost	\$ 11,865	\$ 11,366	\$ 10,689	\$ 12,441	\$ 9,969
Interest	10,718	12,467	12,216	11,982	15,826
Differences between expected and actual experience	32,563	(17,661)	11,949	(21,696)	-
Changes in assumptions	35,885	7,799	(13,430)	(15,248)	26,111
Benefit payments	(24,065)	(38,283)	(47,832)	(58,036)	(53,244)
Net change in total OPEB liability	66,966	(24,312)	(26,408)	(70,557)	(1,338)
Total OPEB liability - beginning	305,430	329,742	356,150	426,707	25,024
Prior period adjustment	-	-	-	-	403,021
Total OPEB liability - ending	<u>\$ 372,396</u>	<u>\$ 305,430</u>	<u>\$ 329,742</u>	<u>\$ 356,150</u>	<u>\$ 426,707</u>
Plan fiduciary net position					
Contributions - employer	\$ 24,065	\$ 38,283	\$ 47,832	\$ 58,036	\$ 53,244
Net investment income	-	-	-	-	-
Benefit payments	(24,065)	(38,283)	(47,832)	(58,036)	(53,244)
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's net OPEB liability	<u>\$ 372,396</u>	<u>\$ 305,430</u>	<u>\$ 329,742</u>	<u>\$ 356,150</u>	<u>\$ 426,707</u>
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	<u>\$ 7,690,196</u>	<u>\$ 7,147,735</u>	<u>\$ 6,973,400</u>	<u>\$ 7,195,130</u>	<u>\$ 7,102,794</u>
District's net OPEB liability as a percentage of covered-employee payroll	4.84%	4.27%	4.73%	4.95%	6.01%

Notes to Schedule:

Benefit Changes: None

Changes in assumptions: Discount rate from 3.51% as of 7/1/19 to 2.66% as of 7/1/20

Health care trend rates from 7.50% to 4.50% as of 7/1/19 to 8.00% to 4.50% as 7/1/20
 SOA RPH-2018 Total Dataset Mortality Table fully generational using Scale MP-2018 to SOA Pub-2010
 Headcount Weighted Mortality Table fully generational using Scale MP-2020

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS - OPEB
FOR THE YEARS ENDED JUNE 30, 2017 THROUGH 2021

Schedule SS7

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For the year ended June 30,	2021	2020	2019	2018	2017
Actuarially determined contributions	\$ 24,065	\$ 38,283	\$ 47,832	\$ 58,036	\$ 53,244
Contributions in relation to the actuarially determined contribution	(24,065)	(38,283)	(47,832)	(58,036)	(53,244)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 7,690,196	\$ 7,147,735	\$ 6,973,400	\$ 7,195,130	\$ 7,102,794
Contributions as a percentage of District's covered-employee payroll	0.31%	0.54%	0.69%	0.81%	0.75%

Notes to Schedule:

Valuation date: 7/1/2020

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Level % of Salary Method
Discount Rate	3.51% as of July 1, 2019 and 2.66% as of July 1, 2020
Inflation	2.50% per year
Health care cost trend rates	Health care trend rates have been reset to an initial rate of 8.00% decreasing by 0.50% annually to an ultimate rate of 4.50%.
Salary increases	The salary scale for Teachers and Administrators is based on the NYSTRS valuation as of June 30, 2019. Payroll growth for Support Staff employees is based on the NYERS valuation as of March 31, 2020.
Mortality	Mortality table has been updated from SOA RPH-2018 Total Dataset Mortality Table fully generational using Scale MP-2018 to SOA Pub-2010 Headcount Weighted Mortality Table fully generational using Scale MP-2020
Retiree Cost Sharing	Retirees are required to contribute the portion of premiums not covered by the District's explicit subsidy.
Participants	173 Active and 20 Retirees

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS – NYSTRS AND NYSLERS
FOR THE YEARS ENDED JUNE 30, 2013 THROUGH JUNE 30, 2021

Schedule SS8

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New York State Teachers' Retirement System

For the year ended June 30,	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contributions	\$ 569,377	\$ 521,777	\$ 611,676	\$ 536,673	\$ 651,423	\$ 700,697	\$ 919,367	\$ 841,100	\$ 599,979
Contributions in relation to the contractually required contribution	(569,377)	(521,777)	(611,676)	(536,673)	(651,423)	(700,697)	(919,367)	(841,100)	(599,979)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 5,974,575	\$ 5,889,131	\$ 5,759,661	\$ 5,476,255	\$ 5,558,217	\$ 5,284,291	\$ 5,244,535	\$ 5,176,000	\$ 5,067,390
Contributions as a percentage of District's covered-employee payroll	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%	16.25%	11.84%

New York State Local Employees' Retirement System

For the year ended March 31,	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contributions	\$ 277,711	\$ 275,028	\$ 278,019	\$ 286,102	\$ 275,993	\$ 311,838	\$ 327,156	\$ 364,198	\$ 328,075
Contributions in relation to the contractually required contribution	(277,711)	(275,028)	(278,019)	(286,102)	(275,993)	(311,838)	(327,156)	(364,198)	(328,075)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 2,005,927	\$ 1,999,469	\$ 2,011,708	\$ 1,956,830	\$ 1,907,366	\$ 1,801,098	\$ 1,765,763	\$ 1,754,043	\$ 1,763,157
Contributions as a percentage of District's covered-employee payroll	13.84%	13.76%	13.82%	14.62%	14.47%	17.31%	18.53%	20.76%	18.61%

See accompanying independent auditor's report.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION
ASSET/LIABILITY – NYSTRS AND DISTRICT'S PROPORTIONATE SHARE OF
NET PENSION LIABILITY - NYSLERS
FOR THE YEARS ENDED JUNE 30, 2013 THROUGH JUNE 30, 2021

New York State Teachers' Retirement System - Net Pension Asset (Liability)

As of the measurement date of June 30,	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension asset (liability)	n/a	0.034218%	0.034506%	0.033620%	0.034862%	0.034245%	0.034914%	0.035040%	0.034604%
District's proportionate share of the net pension asset (liability)	n/a	\$ (945,531)	\$ 896,475	\$ 607,931	\$ 264,989	\$ (366,774)	\$ 3,626,436	\$ 3,903,274	\$ 227,781
District's covered-employee payroll	n/a	\$ 5,889,131	\$ 5,759,661	\$ 5,476,255	\$ 5,558,217	\$ 5,284,291	\$ 5,244,535	\$ 5,176,000	\$ 5,067,390
District's proportionate share of the net pension asset (liability) as a percentage of its covered employee payroll	n/a	-16.06%	15.56%	11.10%	4.77%	-6.94%	-69.15%	-75.41%	-4.50%
Plan fiduciary net position as a percentage of the total pension asset (liability)	n/a	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%	100.70%

New York State Local Employees' Retirement System - Net Pension (Liability)

As of the measurement date of March 31,	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension (liability)	0.0060291%	0.0065449%	0.0065369%	0.0063104%	0.0063389%	0.0068004%	0.0063293%	n/a	n/a
District's proportionate share of the net pension (liability)	\$ (6,003)	\$ (1,733,133)	\$ (463,158)	\$ (203,665)	\$ (595,616)	\$ (1,092,123)	\$ (213,822)	\$ (286,014)	n/a
District's covered-employee payroll	\$ 2,005,927	\$ 1,999,469	\$ 2,011,708	\$ 1,956,830	\$ 1,907,366	\$ 1,801,098	\$ 1,765,763	\$ 1,754,043	n/a
District's proportionate share of the net pension (liability) as a percentage of its covered employee payroll	-0.30%	-86.68%	-23.02%	-10.41%	-31.23%	-60.64%	-12.11%	-16.31%	n/a
Plan fiduciary net position as a percentage of the total pension (liability)	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%	n/a	n/a



**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 President and
Members of the Board of Education
Bolivar-Richburg Central School District
Bolivar, New York**

We have audited 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, the financial statements of the governmental activities and each major fund of *Bolivar-Richburg Central School District* as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise *Bolivar-Richburg Central School District's* basic financial statements and have issued our report thereon dated September 21, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered *Bolivar-Richburg Central School District's* internal control over financial reporting (internal control) to determine the 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 *Bolivar-Richburg Central School District's* internal control. Accordingly, we do not express an opinion on the effectiveness of *Bolivar-Richburg Central School 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District'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 over financial reporting was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we considered to be a material weakness. We did identify one deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we considered to be a significant deficiency as item II.A.2021-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether *Bolivar-Richburg Central School's* financial statements are free of 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 determination of financial statement amounts. 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 one instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs as item II.B.2021-002.

Bolivar-Richburg Central School District's Responses to Findings

Bolivar-Richburg Central School's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. *Bolivar-Richburg Central School's* responses were not subjected to auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 result of that testing, and not provided 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.

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

Olean, New York
September 21, 2021



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY *THE UNIFORM GUIDANCE***

**To the President and
Members of the Board of Education
Bolivar-Richburg Central School District
Bolivar, New York**

Report on Compliance for Each Major Federal Program

We have audited *Bolivar-Richburg Central School's* compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of *Bolivar-Richburg Central School's* major federal programs for the year ended June 30, 2021. *Bolivar-Richburg Central School's* major federal programs are identified in the Summary of Audit Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of *Bolivar-Richburg Central School's* major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulation Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about *Bolivar-Richburg Central School's* compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide legal determination on *Bolivar-Richburg Central School's* compliance.

Opinion on Each Major Federal Program

In our opinion, *Bolivar-Richburg Central School* complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of *Bolivar-Richburg Central School* is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered *Bolivar-Richburg Central School's* internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal award program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance and its operation that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

**Olean, New York
September 21, 2021**

**BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's opinion(s) issued or whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u> </u> yes	<u> </u> x	<u> </u> no
Significant deficiency(ies) identified?	<u> </u> x	<u> </u> yes	<u> </u> none reported
Noncompliance material to financial statements noted?	<u> </u> x	<u> </u> yes	<u> </u> no

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	<u> </u> yes	<u> </u> x	<u> </u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> </u> x	<u> </u> none reported

Type of auditor's opinion issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR-200.516(a)

 yes x no

Federal Program Title	Federal CFDA Number	Amount
Total expenditures of Federal Awards		<u>\$ 1,110,100</u>

Identification of Major Programs Tested:

COVID-19 - National Summer Food Program **	10.559	\$ 372,149
National School Lunch Program - Noncash Assistance (Donated Commodities) **	10.555	<u>16,299</u>
Total major programs tested		<u>\$ 388,448</u>
% of Federal programs tested		<u>35%</u>

** Constitutes a cluster of Federal programs

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low risk?

 x yes no

II. FINANCIAL STATEMENTS AUDIT - FINDINGS

A. INTERNAL CONTROL OVER FINANCIAL REPORTING

2021-001 Adjusting Journal Entries and Required Disclosures to the Financial Statements

Year ended June 30, 2021

Condition and Criteria: During the current year, adjusting journal entries, along with footnote disclosures were proposed by the auditors and accepted by the District to properly reflect the financial statements in accordance with generally accepted accounting principles. Some of the adjustments and footnotes were related to converting to the full accrual method for GASB 34 purposes and implementation of GASB 84. In addition, a draft of the financial statements was prepared by the auditors and reviewed and approved by the District.

Cause and Effect: AU-C Section 265 entitles Communicating Internal Control related Matters Identified in an Audit, issued by the American Institute of Certified Public Accountants (AICPA) considers the need for significant adjusting journal entries and assistance when preparing the financial statement to be indicative of an internal controls deficiency. Without assistance, the potential risk exists of the District's financial statements not conforming to GAAP.

Auditor's Recommendation: Although auditors may continue to provide such assistance both now and, in the future, under the new pronouncement, the District should continue to review and accept both proposed adjusting journal entries and footnote disclosures, along with the draft financial statements.

School District's Response: As of the date of the audit report (9/21/2021), the School Business Administrator has received, reviewed and approved all journal entries, footnote disclosures and draft financial statements proposed for the current year audit and will continue to review similar information in future years. Further, the School Business Administrator believes she has a thorough understanding of these financial statements and the ability to make informed judgments based on these financial statements.

B. COMPLIANCE AND OTHER MATTERS

2021-002 Unassigned Fund Balance

Year ended June 30, 2021

Conditions and criteria: **Bolivar-Richburg Central School District's** unassigned fund balance in the general fund as of June 30, 2021 amounted to \$2,561,050 . This amount constitutes 12.5% of the 2021-2022 school budget.

In addition, the District also has certain reserves (insurance, liability, retirement and repair) whose balances are at levels that could not be substantiated with supporting documentation.

Cause and Effect: The District's unassigned fund balance violated New York State Education Law, which limits school districts from retaining an unassigned fund balance not greater than 4% of the subsequent year's budget.

In addition, dollar amounts of certain reserves were not substantiated.

Auditor's Recommendation: **Bolivar-Richburg Central School District** should continue to monitor fund balance throughout the year and continue to review its options with regards to reservation and designation of fund balance. We recommend that the District ensure that as reserves are established and utilized, New York State required procedures are closely followed. Further, for existing and future reserves we recommend that the District document its rationale to support the purpose and dollar level of reserves.

School District's Response: The District Administration, School Business Administrator and Superintendent of Schools, and Board of Education, has and will continue to closely monitor fund equity in the future and will review all options with regard to reservation and designation of fund balance. Due to past uncertainty related to State Aid, the District Administration and Board of Education determined it would be prudent to maintain unappropriated fund balance in excess of the recommended levels. The District allocated \$1.3 million dollars of fund balance to four separate reserves during the year ended June 30, 2021. These reserves include the Teachers Retirement System (TRS) reserve, both capital reserves, and the Transportation reserve.

**BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

II. FINANCIAL STATEMENTS AUDIT – FINDINGS (continued)

B. COMPLIANCE AND OTHER MATTERS (continued)

2021-002 Unassigned Fund Balance (continued)

Year ended June 30, 2021 (continued)

School District's Response: The District will continue to manage future fund balance in accordance with recommendations. In addition, the District Administration has reviewed each of its reserves and documented the rationale for their levels. The Business Administrator and Superintendent works in collaboration with the Board of Education in order to develop this Reserve Plan, which was last updated by the Board and Administration and adopted in February 2021. This plan is to be updated and adopted annually by March 1.

III. MAJOR FEDERAL AWARD PROGRAMS AUDIT - FINDINGS AND QUESTIONED COSTS

A. COMPLIANCE

Year ended June 30, 2021

There are no findings related to compliance being reported upon during the fiscal year June 30, 2021.

B. INTERNAL CONTROL OVER COMPLIANCE

Year ended June 30, 2021

There are no findings related to internal control over compliance being reported upon during the fiscal year June 30, 2021.

I. FINANCIAL STATEMENTS AUDIT - FINDINGS

A. INTERNAL CONTROL OVER FINANCIAL REPORTING

2020-001 Adjusting Journal Entries and Required Disclosures to the Financial Statements

Year ended June 30, 2020

Summary of Prior Year Finding: Adjusting journal entries, along with footnote disclosures. During the year, adjusting journal entries, along with footnote disclosures were proposed by the auditors and accepted by the District to properly reflect the financial statements in accordance with generally accepted accounting principles. In addition, a draft of the financial statements was prepared by the auditors and reviewed and accepted by the District. AU-C Section 265 entitled Communicating Internal Control Related Matters Identified in an Audit, issued by the American Institute of Certified Public Accountants (AICPA) considers the need for significant adjusting journal entries and assistance when preparing the financial statements to be indicative of an internal control deficiency.

Current Status: Similar finding related to internal control over financial reporting is being reported upon during the year ended June 30, 2021 as finding 2021-001.

B. COMPLIANCE AND OTHER MATTERS

2020-002 Unassigned Fund Balance

Year ended June 30, 2020

Summary of Prior Year Finding: *Bolivar-Richburg Central School District's* unassigned fund balance as of June 30, 2020 amounted to \$2,722,522. This amount constituted approximately 13.3% of the 2020-2021 school budget. The District's unassigned fund balance violated New York State Education Law, which limits school districts from retaining an unassigned fund balance not greater than 4% of the subsequent year's budget.

In addition, the District also has certain reserves (insurance, liability, retirement and repair) whose balances were at levels that could not be substantiated with supporting documentation.

Current Status: Similar finding related to compliance and other matters is being reported upon during the year ended June 30, 2021 as finding 2021-002.

II. MAJOR FEDERAL AWARD PROGRAMS AUDIT - FINDINGS AND QUESTIONED COSTS

A. COMPLIANCE

Year ended June 30, 2020

There were no findings related to compliance being reported upon during the fiscal year June 30, 2020.

B. INTERNAL CONTROL OVER COMPLIANCE

Year ended June 30, 2020

There were no findings related to internal control over compliance during the fiscal year June 30, 2020.