

**AUDITED  
BASIC FINANCIAL STATEMENTS**

**WEST IRONDEQUOIT CENTRAL SCHOOL  
DISTRICT  
ROCHESTER, NEW YORK**

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**JUNE 30, 2021**

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
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## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

The President and Members of the  
Board of Education of  
West Irondequoit Central School District  
Rochester, New York

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Irondequoit Central School District (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***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 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 *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 District'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 District'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 the aggregate remaining fund information of the 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.

### ***Emphasis of Matter***

As stated in Note 1, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Our opinions will not be modified with respect to this matter.

### ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. 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 District's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 supplementary information, as listed in the table of contents; is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Freed Maxick CPAs, P.C.*

Batavia, New York  
October 4, 2021

## **Management's Discussion and Analysis West Irondequoit Central School District Fiscal Year ended June 30, 2021**

This section of West Irondequoit Central School District's (the District) annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2021. Please read it in conjunction with the District's financial statements, which immediately follow this section.

### **Financial Highlights**

The net position of the District decreased to (\$45,456,953). The net position of the District includes all of the governmental funds and the value of the District's land, buildings, and equipment (net of accumulated depreciation) and long term obligations. At June 30, 2021 unrestricted net position was a deficit of \$120,804,731. Other components of net position were net investment in capital assets of \$61,686,216, net position restricted for capital projects of \$4,030,974 restricted for worker's compensation of \$420,613 restricted for unemployment insurance of \$267,906 restricted for pension liability for \$8,059,761 and restricted for tax certiorari for \$882,308.

Other issues of significance for the fiscal year ended June 30, 2021 included:

- The General Fund's (the primary operating fund) fund balance increased by \$1,907,697
- The governmental activities revenues decreased by approximately \$344,000 (or 0.5%). The total cost of all the District's activities increased by approximately \$2,945,000 (or 3.6%).
- In 2019 the results of activities produced a deficit net position of \$32,326,831 while in 2020 the net position was a deficit of \$37,363,502.

### **Overview of the Financial Statements**

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the District-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.
- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

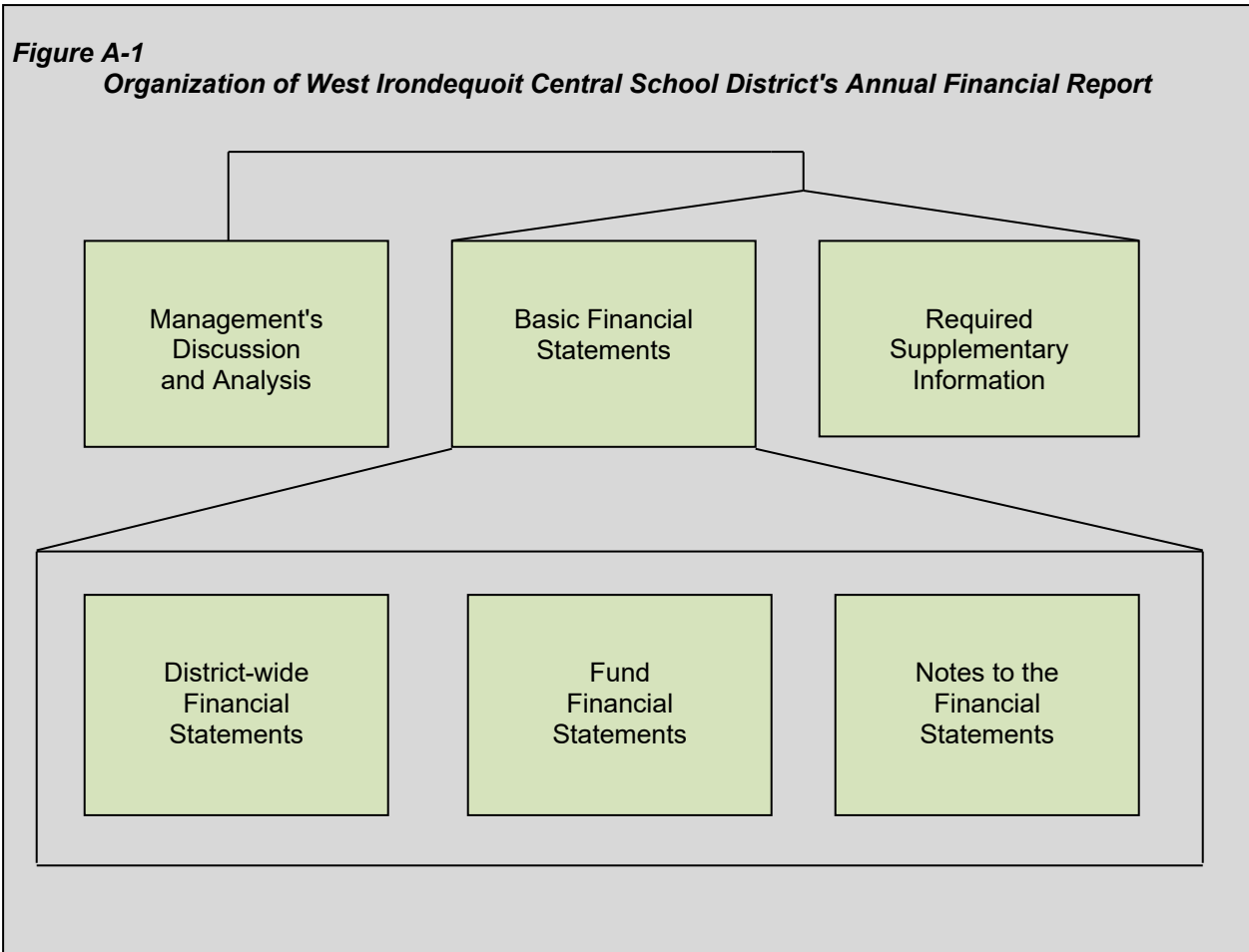


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.



<b>Figure A-2 Major Features of the District-wide and Fund Financial Statements</b>			
		Fund Financial Statements	
	District-wide Statements	Governmental Funds	Fiduciary Funds
Scope	Entire District (except Fiduciary funds)	The activities of the District that are not proprietary or fiduciary	Instances in which the District administers resources on behalf of someone else, such as student activities monies
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Net Position – Fiduciary Funds</li> <li>• Statement of Changes in Net Position – Fiduciary Fund</li> </ul>
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, deferred outflows, liabilities, and deferred inflows, both financial and capital, short-term and long-term	Generally assets and deferred outflows expected to be used up and liabilities and deferred inflows, that come due during the year or soon thereafter; generally 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/out-flow information	All revenues and expenditures during 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

**District-wide Statements**

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenues and expenditures are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the 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 is an indicator of whether its financial position is improving or deteriorating, respectively. In the current case however, the change in net position is due to the full adoption of GASB-75 rules regarding liabilities associated with retiree health care.
- 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.

In the district-wide financial statements, the District's activities are shown as governmental activities. Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state aid finance most of these activities.

### **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:

- Some funds are required by state law.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as Federal grants).

The District has two kinds of funds:

- **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 can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds 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 reported on the Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position explains the relationship (or differences) between them.
- **Fiduciary Funds:** The District is the trustee, or fiduciary, for assets that belong to others, such as student activities funds and certain funds held for employee benefits. The District is responsible for ensuring that the assets reported in these funds 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.

### **Financial Analysis of the District as a Whole**

Overall, the District's financial picture remains positive. Due to the volatility of state aid (particularly during the pandemic), the District responsibly took a conservative approach to its budgeting. Fortunately, this resulted in favorable budget variances.

Also, the District monitored the budget tirelessly and attempted to reduce controllable expenses. Keeping an eye on the future, the District also positioned itself to "weather" a continuation of conservative economics through providing funds to offset future tax increases related to future capital expenditures. In addition, the District funds an Employees' Retirement Reserve from available fund balance to utilize in upcoming budgets, pay a portion of the required ERS contributions, and thereby making additional funds available to pay for full-day kindergarten personnel costs which began in 2018-19. Additionally the District continued to fund a TRS subfund and therefore save for future required TRS contributions. Finally, as the District has continued to maximize staffing efficiency resulting in limiting personnel costs increases through retirement breakage.

Areas of expense over which the District has little control will most likely dictate the future of this District's budget. Retirement costs and other employee benefits are likely to increase disproportionately, requiring added revenues or reduction in appropriations in other areas. However by maintaining membership in the local health care consortium, the District has been successful in minimizing annual health insurance increases over the long-term.

Figure A-3

*Condensed Statement of Net Assets  
(in thousands of dollars)*

	Governmental Activities and Total District		Total Percentage Change
	2021	2020	2020-2021
Current and other assets	\$ 28,870	\$ 33,250	-13.17%
Capital assets not being depreciated	12,081	7,473	61.66%
Capital assets, net of accumulated depreciation	62,716	64,946	-3.43%
TRS pension asset	-	4,054	-100.00%
Total assets	<u>103,667</u>	<u>109,723</u>	<u>-5.52%</u>
Deferred outflow of resources - Pension	19,615	16,289	20.42%
Deferred outflow of resources - OPEB	30,951	28,174	9.86%
	<u>50,566</u>	<u>44,463</u>	<u>13.73%</u>
Current liabilities	5,760	9,862	-41.60%
Long term liabilities	167,661	151,106	10.96%
Total liabilities	<u>173,421</u>	<u>160,968</u>	<u>7.74%</u>
Deferred inflow of resources - Pension	8,341	5,729	45.59%
Deferred inflow of resources - OPEB	17,929	24,852	-27.86%
	<u>26,270</u>	<u>30,581</u>	<u>-14.10%</u>
Invested in capital assets, net of related debt	61,686	60,860	1.36%
Restricted for:			
Capital projects	4,031	3,097	30.16%
Workers' compensation	421	421	-0.09%
Retirement	8,060	6,080	32.56%
Tax certioari	882	1,233	-28.44%
Unemployment insurance	268	268	-0.04%
Unrestricted (deficit)	(120,805)	(109,322)	10.50%
Total net assets	<u>\$ (45,457)</u>	<u>\$ (37,363)</u>	<u>21.66%</u>

Figure A-4

*Changes in Net Position  
(in thousands of dollars)*

	Governmental Activities and Total District		Total Percentage Change
	2021	2020	2020-2021
<b>Revenues:</b>			
Real property taxes	\$ 40,921	\$ 40,233	1.71%
Real property tax items	179	166	8.13%
Non-property tax items	4,050	3,639	11.29%
Charges for services	161	263	-38.72%
Use of money and property	169	445	-61.95%
Sale of property and compensation for loss	32	99	-67.26%
Other miscellaneous revenues	896	1,049	-14.54%
State and federal aid	29,294	29,786	-1.65%
School lunch	18	385	-95.22%
Total revenues	<u>75,721</u>	<u>76,065</u>	<u>-0.45%</u>
<b>Expenses:</b>			
General support	12,375	12,080	2.44%
Instruction	65,053	62,472	4.13%
Pupil transportation	2,332	2,125	9.72%
Debt service - interest	497	485	2.38%
School lunch	1,139	1,300	-12.36%
Culture and recreation	106	98	7.96%
Depreciation	2,545	2,542	0.13%
Total expenses	<u>84,047</u>	<u>81,102</u>	<u>3.63%</u>
Changes in net positions	<u>\$ (8,325)</u>	<u>\$ (5,037)</u>	<u>65.28%</u>

**Governmental Activities**

This section presents the cost of seven major District activities: general support, instruction, pupil transportation, debt service, culture and recreation and school lunch. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

The total cost and net cost of services related to debt service in 2020-21 increased slightly as the District entered into long-term borrowing for the recently completed capital project (Renewal Project). Cost increases in the area of transportation via contractual bus service tied to CPI helped moderate cost increases. In addition, an intermunicipal agreement for some bussing services with a neighboring district has yielded increased efficiencies through a shared service model. This resulted in a continued cost control of contractual transportation costs. However, as compared to the prior-year Covid-related shut down in March, there were increases as "normal" transportation operations returned. In instruction, cost increases due to contractual agreements as well as costs associated with the requisite hiring of teachers and support staff in order to successfully implement the programmatic change contributed to the increase in net costs of services in the area of instruction and general support.

*Figure A-5*

**Net Cost of Governmental Activities**  
*(in thousands of dollars)*

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2021	2020	2020-2021	2021	2020	2020-2021
General support	\$ 12,375	\$ 12,080	2.44%	\$ 12,214	\$ 11,817	3.36%
Instruction	65,053	62,472	4.13%	42,865	39,910	7.40%
Pupil transportation	2,332	2,125	9.72%	1,039	280	270.90%
Debt service - interest	497	485	2.38%	497	485	2.38%
School lunch	1,139	1,300	-12.36%	220	167	31.87%
Culture and recreation	106	98	7.96%	106	98	7.96%
Depreciation	2,545	2,542	0.13%	2,545	2,542	0.13%
<b>Total</b>	<b>\$ 84,047</b>	<b>\$ 81,102</b>	<b>3.63%</b>	<b>\$ 59,485</b>	<b>\$ 55,299</b>	<b>7.57%</b>

**Financial Analysis of The District's Funds**

**General Fund**

Revenues exceeded expenditures in the General Fund, resulting in an increase of fund balance of \$1,907,697 for the year ended June 30, 2021. Much of the increase in fund balance was tied to lowered costs associated with the hybrid instructional model as well as conservative budgeting tied to the potential loss of sales tax and state aid revenues as a result of the Covid-19 pandemic.

The key factors for budget variances in the general fund are listed below with explanations for each.

- Revenue
  - Nonproperty tax – County sales tax revenues exceeded expectations, despite the Covid-19 economic slow-down.
  - Interest – remains a near zero levels.
  - Facility use fees – due to the pandemic, facilities were not open to public rental.
  - School Lunch – the number of meals served were greatly reduced due to the hybrid instructional model as well as the lack of a la carte sales and catering revenues.

- Expenditures
  - Curriculum, Instruction and Inservice – Tighter budget controls, and maximization of grants that were reported in the special aid fund.
  - Contracted Transportation – The District continues to control costs through increases tied to a low CPI. In fiscal year 2020-2021, transportation costs were increased due to 10 months of operation vs. the school shut-down during the previous school year.
  - Employee Benefits – By participating in county-wide health and workers compensation consortiums, the District continues to keep cost increases well below the historical “community” average.

### **School Lunch Fund**

The issue of net cost related to school lunch is related to approved state and federal aid, SED approved contract renewal percentages, menu pricing and student participation. Operations of the school lunch program for 2020-21 year ended with a deficit of \$262,421. Maintaining a break-even level represents a successful focus over several years to eliminate an annual operating deficit in the fund that, in the past, had occurred repeatedly. However, the loss of revenue from the hybrid learning model coupled with the near-normal costs for classroom delivery of meals, promoted this Covid-related deficit. Our goal is to return to a break-even position moving forward as we emerge from these challenges. In the short-term the amount of funding from the general fund has increased to eliminate the accumulated deficit over the next 2-3 year.

### **Capital Projects Fund**

The capital fund has some activity during 2020-21. \$100,000 was tied to a capital outlay project focused on the preservation of assets at Seneca through the replacement of an out-of-warranty roof. Additional expenses were tied to the final phases of the Renewal Project as well as funding of a Monroe-1 BOCES project.

### **General Fund Budgetary Highlights**

A conservative approach to the budget process was taken for the 2020-21 school year due to the volatility of the economy and the uncertainty of state aid revenue due a warning of an up to 20% hold back of state aid from NYS. Cautious budget administration continued to be practiced to protect against revenue cuts by pulling back on certain expenditures and programs.

In addition, due to close and conservative monitoring of controllable expenses the District had the ability to control its reliance of reserve funds and fund balance. The District recognizes the need to continue to maintain minimal reduction in the reserves and reliance of fund balance as a revenue source and is looking to achieve a “steady-state” so that the change in fund balance in any fiscal year is approximately zero. By extending the “life” of these reserves the available reserves will assist with budgeting in future years and will assist in reducing the local share and providing taxpayer relief.

**Figure A-6**

**Revenues, Expenditures and Changes in Fund Balances - Governmental Major Funds  
(in thousands of dollars)**

	2021		Fund Balances
	Revenues	Expenditures	
General Fund	\$ 72,789	\$ 70,881	\$ 20,915
Special Aid Fund	1,886	1,886	-
	2020		Fund Balances
	Revenues	Expenditures	
General Fund	\$ 72,570	\$ 70,912	\$ 19,007
Special Aid Fund	2,114	2,114	-
Capital Projects Fund	1,547	4,497	3,059

**Capital Asset and Debt Administration**

There is an overall decrease in the valuation of the assets due to normal depreciation. Financing for the various completed projects continues to be paid through debt service with the consolidation of the debts ending in June 2027.

**Figure A-7**

**Capital Assets Net of Depreciation  
(in thousands of dollars)**

	Governmental Activities and Total District		Percentage Change
	2021	2020	2020-2021
Land	\$ 2,485	\$ 2,485	0.00%
Construction in process	9,597	4,988	92.37%
Buildings and improvements	62,143	64,409	-3.52%
Vehicles and equipment	572	536	6.73%
Total	<u>\$ 74,797</u>	<u>\$ 72,419</u>	<u>3.28%</u>

**Long-Term Debt**

In 2017, the District implemented the provisions of GASB Statement No. 75 *Accounting and Reporting by Employers for Post Employment Benefits Other than Pensions*. GASB Statement No. 75 required the recording of a liability for current and future retirees and their spouses for post employment health insurance. As of June 30, 2021, the most recent actuarial valuation, the total actuarial accrued liability for post-employment benefits was \$150 million dollars.

*Figure A-8*

**Outstanding Long-Term Debt**  
*(in thousands of dollars)*

	Governmental Activities and Total District		Percentage Change
	2021	2020	2020-2021
Serial bonds payable	\$ 13,165	\$ 11,559	13.89%
Pension - TRS	4,391	(4,055)	100.00%
Pension - ERS	20	4,809	-99.58%
Post employment benefits	150,085	134,737	11.39%
	<u>\$ 167,661</u>	<u>\$ 147,051</u>	<u>14.02%</u>

**Factors Bearing on the District's Future**

- Challenges posed to local sources of revenue due to the continuation of the property tax cap. Due to the small growth of the economy and assessed property values in the District, the District continues to be limited in the amount of revenue it can generate locally.
- Impact on the tax rate due to the continued reduction of taxable assessments. Although the District continues to control costs to maintain one of the lowest per pupil, expenditure rates in the County, the tax rate remains high due to the lack of assessment growth in the Town.
- Use of reserves as a revenue to bridge the gap in state aid remains an important part of future budgeting strategies. The amount used will be closely monitored in order to ensure this strategy is sustainable.
- Continued addition of unfunded federal and state mandates.
- Continued increases in health care costs and retirement contributions well in excess of inflation.

**Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, West Irondequoit Central School District, Rochester, New York.



**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

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**ASSETS**

Cash and cash equivalents	\$ 9,776,670
Cash and cash equivalents - restricted	13,715,438
Receivables	108,023
State and federal aid receivable	1,839,897
Due from other governments	2,298,388
Inventory	29,669
Prepaid items	1,102,158
Capital assets not being depreciated	12,081,184
Capital assets, net of accumulated depreciation	<u>62,715,931</u>
 Total assets	 <u>103,667,358</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred pension outflows	19,615,304
Deferred OPEB outflows	<u>30,950,769</u>
 Total deferred outflows of resources	 <u>50,566,073</u>

**LIABILITIES**

Accounts payable	739,961
Accrued liabilities	1,049,548
Accrued interest payable	25,288
Due to retirement systems	3,168,350
Due to other governments	1,767
Due to custodial funds	636,595
Unearned revenue	138,080
Non-current liabilities:	
Due and payable within one year	2,708,341
Due and payable after one year	<u>164,952,604</u>
 Total liabilities	 <u>173,420,534</u>

**DEFERRED INFLOWS OF RESOURCES**

Deferred pension inflows	8,341,009
Deferred OPEB inflows	<u>17,928,841</u>
 Total deferred inflows of resources	 <u>26,269,850</u>

**NET POSITION (DEFICIT)**

Net investment in capital assets	61,686,216
Restricted for:	
Capital projects	4,030,974
Workers' compensation	420,613
Retirement contributions	8,059,761
Tax certiorari	882,308
Unemployment insurance	267,906
Unrestricted (deficit)	<u>(120,804,731)</u>
 Total net position (deficit)	 <u>\$ (45,456,953)</u>



**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2021**

	<u>General</u>	<u>Special Aid</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 7,229,880	\$ 10,518	\$ 2,536,272	\$ 9,776,670
Cash and cash equivalents - restricted	13,661,562	-	53,876	13,715,438
Receivables	94,582	12,231	1,210	108,023
Due from other funds	996,242	-	-	996,242
State and federal aid receivable	1,033,750	573,412	232,735	1,839,897
Due from other governments	2,298,388	-	-	2,298,388
Inventory	9,171	-	20,498	29,669
Prepaid items	1,091,564	-	10,594	1,102,158
	<u>26,415,139</u>	<u>596,161</u>	<u>2,855,185</u>	<u>29,866,485</u>
Total assets	\$ <u>26,415,139</u>	\$ <u>596,161</u>	\$ <u>2,855,185</u>	\$ <u>29,866,485</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 707,825	\$ 3,719	\$ 28,417	\$ 739,961
Accrued liabilities	1,001,641	1,825	46,082	1,049,548
Due to other funds	636,595	567,934	428,308	1,632,837
Due to retirement systems	3,152,012	-	16,338	3,168,350
Due to other governments	285	-	1,482	1,767
Unearned revenue	2,380	22,683	113,017	138,080
	<u>5,500,738</u>	<u>596,161</u>	<u>633,644</u>	<u>6,730,543</u>
Total liabilities	<u>5,500,738</u>	<u>596,161</u>	<u>633,644</u>	<u>6,730,543</u>

See notes to basic financial statements.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
BALANCE SHEET – GOVERNMENTAL FUNDS  
JUNE 30, 2021 (CONTINUED)**

	<u>General</u>	<u>Special Aid</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>FUND BALANCES</b>				
Nonspendable	1,401,069	-	31,092	1,432,161
Restricted	13,661,562	-	-	13,661,562
Assigned	2,761,971	-	2,483,962	5,245,933
Unassigned (deficit)	3,089,799	-	(293,513)	2,796,286
Total fund balances	<u>20,914,401</u>	<u>-</u>	<u>2,221,541</u>	<u>23,135,942</u>
 Total liabilities and fund balances	 \$ <u>26,415,139</u>	 \$ <u>596,161</u>	 \$ <u>2,855,185</u>	

Amounts reported for governmental activities in the Statement of Net Position (page 13) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation

\$ 74,797,115

Long-term liabilities and assets are not due and payable in the current period and therefore are not reported in the funds:

Serial bonds payable	\$ (12,825,382)
Unamortized premium payable	(339,393)
Total OPEB liability	(150,085,488)
TRS pension liability	(4,390,596)
ERS pension liability	<u>(20,086)</u>

(167,660,945)

Deferred outflows and inflows are not assets or liabilities of the current period and therefore are not reported in the funds:

Net OPEB deferred outflows and inflows of resources	\$ 13,021,928
Net pension deferred outflows and inflows of resources	<u>11,274,295</u>
Total deferred outflows and inflows	24,296,223

Interest is accrued and reported in the district-wide Statement of Net Position but not on the fund basis Balance Sheet because it is not due and payable in the current period.

(25,288)

Net position of governmental activities

\$ (45,456,953)

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>General</u>	<u>Special Aid</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Real property taxes	\$ 40,920,630	\$ -	\$ -	\$ 40,920,630
Real property tax items	179,497	-	-	179,497
Non-property taxes	4,049,826	-	-	4,049,826
Charges for services	161,178	-	-	161,178
Use of money and property	168,920	-	422	169,342
Sale of property and compensation for loss	32,414	-	-	32,414
Miscellaneous local sources	603,595	48,208	244,625	896,428
State sources	26,013,481	472,500	31,166	26,517,147
Federal sources	609,231	1,297,679	869,557	2,776,467
School lunch	-	-	18,410	18,410
Total revenues	<u>72,738,772</u>	<u>1,818,387</u>	<u>1,164,180</u>	<u>75,721,339</u>
<b>EXPENDITURES</b>				
Current:				
General support	9,213,014	-	-	9,213,014
Instruction	37,637,725	1,810,123	341,140	39,788,988
Pupil transportation	2,248,969	-	-	2,248,969
School lunch	-	-	947,530	947,530
Culture and recreation	58,152	-	-	58,152
Employee benefits	18,941,529	75,856	256,871	19,274,256
Debt service:				
Principal	2,230,000	-	-	2,230,000
Interest	353,881	-	-	353,881
Capital outlay:				
General support	-	-	3,956,774	3,956,774
Instruction	-	-	1,851,458	1,851,458
Bond issue costs	-	-	196,086	196,086
Total expenditures	<u>70,683,270</u>	<u>1,885,979</u>	<u>7,549,859</u>	<u>80,119,108</u>

See notes to basic financial statements.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021 (CONTINUED)**

	<u>General</u>	<u>Special Aid</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Excess (deficit) of revenues over expenditures	2,055,502	(67,592)	(6,385,679)	(4,397,769)
<b>OTHER FINANCING SOURCES (USES)</b>				
Serial bonds issued	-	-	3,550,382	3,550,382
Refunding bonds issued	-	-	5,100,000	5,100,000
Payment to escrow agent	-	-	(5,060,000)	(5,060,000)
Bond issuance premium	-	-	308,376	308,376
Interfund transfers in	49,787	67,592	130,000	247,379
Interfund transfers out	(197,592)	-	(49,787)	(247,379)
Total other financing sources (uses)	<u>(147,805)</u>	<u>67,592</u>	<u>3,978,971</u>	<u>3,898,758</u>
Net change in fund balances	1,907,697	-	(2,406,708)	(499,011)
Fund balances - beginning, as restated (Note 7)	<u>19,006,704</u>	<u>-</u>	<u>4,628,249</u>	<u>23,634,953</u>
Fund balances - ending	<u>\$ 20,914,401</u>	<u>\$ -</u>	<u>\$ 2,221,541</u>	<u>\$ 23,135,942</u>

See notes to basic financial statements.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021**

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Amounts reported for governmental activities in the Statement of Activities (page 14) are different because:

Net change in fund balances - total governmental funds (page 18)	\$	(499,011)	
Governmental funds report capital outlays as expenditures. However in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$5,045,139) less construction placed in service (\$70,213) exceeded depreciation (\$2,545,361).			2,429,565
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trades) decrease net position			(51,094)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Also, governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.			
Repayment of serial bonds	\$	2,230,000	
Issuance of bonds		(3,550,382)	
Refunding bonds issued		(5,100,000)	
Payment to escrow agent		5,060,000	
Bond premium		(308,376)	
Amortization of debt premium		62,959	
Change in total OPEB liability		(15,348,145)	
Change in net TRS pension liability		(8,445,202)	
Change in net ERS pension liability		<u>4,789,168</u>	
			(20,609,978)
Interest on debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the fund when it is due and payable, and thus require current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.			(9,532)
Changes in deferred outflows and inflows reported in the Statement of Net Position during the measurement period between the District's contributions and its proportionate share to the total contributions subsequent to the measurement date do not provide for or require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in deferred outflows and inflows - OPEB	\$	9,699,888	
Change in deferred outflows and inflows - TRS pension - proportionate share		5,150,173	
Change in deferred outflows and inflows - ERS pension - proportionate share		<u>(4,435,249)</u>	
			<u>10,414,812</u>
Change in net position of governmental activities	\$		<u><u>(8,325,238)</u></u>

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS  
JUNE 30, 2021**

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	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents - restricted	\$ 570,080
Due from other funds	<u>636,595</u>
Total assets	<u>1,206,675</u>
<b>NET POSITION</b>	
Restricted for:	
Extraclassroom activities	111,121
Employee benefits	<u>1,095,554</u>
Total net position	<u>\$ 1,206,675</u>

See notes to basic financial statements.



**WEST IRONDQUOIT CENTRAL SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021**

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	<u>Custodial Funds</u>
<b>ADDITIONS</b>	
Extraclassroom activities	\$ 87,248
Employee contributions	<u>367,691</u>
Total additions	454,939
<b>DEDUCTIONS</b>	
Extraclassroom activities	93,898
Payment of employee benefits	<u>343,372</u>
Total deductions	<u>437,270</u>
Change in net position	17,669
Net position - beginning, as restated (Note 7)	<u>1,189,006</u>
Net position - ending	<u><u>\$ 1,206,675</u></u>

See notes to basic financial statements.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of West Irondequoit Central School District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's significant accounting policies are described below.

**A. REPORTING ENTITY**

The District is governed by the Education Law and other laws of the State of New York. The District is an independent entity governed by an elected Board of Education. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for, and controls all activities related to public school education within the District. Board members have authority to make decisions, power to appoint management, and are primarily accountable for all fiscal matters.

The scope of activities included within the accompanying financial statements are those transactions which comprise District operations and are governed by, or significantly influenced by, the Board of Education. Essentially, the primary function of the District is to provide education for pupils. Services such as transportation of pupils, administration, finance, and plant maintenance support the primary function. The financial reporting entity includes all funds, account groups, functions and organizations over which the District officials exercise oversight responsibility.

The reporting entity of the District is based upon criteria set forth by GASB. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the District. The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief description of certain entities included in the District's reporting entity.

**1. INCLUDED IN THE REPORTING ENTITY**

The Extraclassroom Activity Funds of the District represent funds of the students within the District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the District with respect to financial transactions and designation of student management. Separate audited financial statement (cash basis) of the Extraclassroom Activity Funds can be found in the District's business office. The District accounts for assets held as an agent for various student organizations in the Custodial Funds of the District.

**2. JOINT VENTURE**

The District is a component school district of the Board of Cooperative Educational Services First Supervisory District of Monroe County (BOCES). The 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.

BOCES is organized under Section 1950 of NYS Education Law. A BOCES Board is considered a corporate body. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of Section 1950 of New York State Education Law. All BOCES property is held by the BOCES Board as a corporation (Section 1950(6)). In addition, BOCES Boards are also considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under Section 119-n(a) of New York State General Municipal Law.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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A BOCES budget is comprised of separate budgets for administrative, program and capital costs. Each component school district's share of administrative and capital costs is determined by resident public school district enrollment as defined in Education Law Section 1950 (4)(b)(7). In addition, component districts pay tuition or a service fee for programs in which its students participate. During the year ended June 30, 2021, the District was billed \$2,228,365 for BOCES administrative and program costs. Financial statements for the BOCES are available from the BOCES administrative office at 41 O'Connor Road, Fairport, New York 14450.

The BOCES has initiated a capital project. The District is billed annually for their proportionate share of the cost of the capital project as part of their BOCES administrative costs. The total cost to the District is expected to be \$1,827,338.

**B. BASIS OF PRESENTATION**

**1. DISTRICT-WIDE STATEMENTS:**

While separate district-wide and fund financial statements are presented, they are interrelated. 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 District in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through property taxes, State aid, intergovernmental revenues, and other exchange and nonexchange transactions. Operating grants include specific operating and discretionary (either operating or capital) grants.

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

**2. FUND FINANCIAL STATEMENTS:**

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category—governmental and fiduciary—are presented. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

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

Special Aid Fund: This fund accounts for the proceeds received from Federal and State grants that are restricted for specific educational programs.

Other Fund Types:

Fiduciary Funds are used to account for certain trust funds and other custodial funds. Custodial funds report fiduciary activities not held in trust. These activities are not included in the district-wide financial statements because their resources do not belong to the District and are not available for use.

Custodial Funds – used for amounts held on behalf of others that are custodial in nature, neither of which are held in trust.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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During the course of operations the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the district-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included in the governmental activities column.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources or economic resources*. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

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 the timing of related cash flows. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, state aid, grants and donations. Property taxes are recognized in the fiscal year for which the taxes are levied. Revenue from state aid is recognized in the fiscal year it is appropriated by the State. Revenue from grants and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

The governmental fund statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within one year of the end of the current fiscal period with the exception of property taxes, which the period of availability is sixty days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in the governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes and sales taxes associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues in the current year. Real property taxes are levied annually by the Board of Education no later than September 1. Taxes are collected during the period of September through November. Uncollected real property taxes are subsequently enforced by the County of Monroe, in which the District is located. Uncollected real property taxes transmitted to the County for enforcement are paid by the County to the District no later than the forthcoming April 1.

Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within one year of year end).

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within one year of year end). All other revenue items are considered to be measurable and available only when cash is received by the District.

**D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE**

**1. CASH AND CASH EQUIVALENTS**

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

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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2. RESTRICTED ASSETS

Certain assets are classified on the Balance Sheet and Statement of Net Position as restricted because their use is limited. Funds supporting extraclassroom activities and employee benefits in the Custodial Funds are restricted specifically for those purposes. Certain proceeds from serial bonds and bond anticipation notes, as well as resources set aside for their repayment, are classified as restricted assets in the district-wide financial statements and their use is limited by applicable bond covenants. Amounts to support fund balance restrictions are also reported as restricted.

3. RECEIVABLES

Receivables are carried at their net realizable value. Receivables are written-off as uncollectible after the likelihood of payment is considered remote by management. Generally accepted accounting principles require the establishment of an allowance for uncollectible receivables, however, no allowance for uncollectible receivables has been provided since management believes that such allowance would not be material.

4. INVENTORY AND PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the district-wide and fund financial statements. The cost of prepaid items are recorded as expenditures/expenses when consumed rather than when purchased.

Inventories of food and/or supplies in the School Lunch Fund and school store in the General 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 and are considered immaterial.

These assets are classified as nonspendable to signify that portion of fund balance that is not in a spendable form.

5. INTERFUND TRANSACTIONS

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

In the district-wide statements, the amounts reported on the Statement of Net Position for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all interfund receivables and payables between the funds, with the exception of those due from or to the fiduciary funds.

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

Refer to Note 3.1. for a detailed disclosure by individual fund for interfund receivables, payables, expenditures, and revenues activity.

6. CAPITAL ASSETS

Capital assets, which include property and equipment are reported in the district-wide financial statements.

Capital assets are reported at actual cost for acquisitions subsequent to June 30, 2004. For assets acquired prior to June 30, 2004, estimated historical costs, based on appraisals conducted by independent third-party professionals were used. Donated assets are reported at estimated fair value at the time received. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life.

Land and construction in process are not depreciated. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the district-wide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings	\$ 50,000	straight-line	40 years
Building improvements	50,000	straight-line	40 years
Site improvements	50,000	straight-line	15 years
Vehicles	25,000	straight-line	10 years
Furniture and equipment	5,000	straight-line	5 years

**7. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the Statement of Net Position includes a separate section for *deferred outflows of resources*. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The District has two items that qualify for reporting in this category. The deferred amounts are related to pension and OPEB differences between estimated and actual investment earnings, changes in assumptions and other pension and OPEB related changes.

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify for reporting in this category. In the district-wide financial statements, the Districts reports deferred amounts related to pension and OPEB.

See details of deferred pension outflows and inflows in Note 3.E. and deferred OPEB outflows and inflows in Note 3.F.

**8. UNEARNED REVENUE**

The District reports unearned revenues on its Statement of Net Position and its Balance Sheet. Unearned revenue arises when resources are received by the District before it has legal claim to them, as when grant funds are received prior to the occurrence of qualifying expenditures. In subsequent periods when the District has legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized.

**9. ACCRUED LIABILITIES AND LONG-TERM LIABILITIES**

Payables, accrued liabilities and long-term obligations are reported in the district-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in full from current financial resources.

Claims and judgments, as well as, compensated absences that will be paid from governmental funds, are reported as a liability in the governmental fund financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the governmental fund financial statements when due.

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

Premiums received upon the issuance of debt are included as other financing sources in the governmental fund statements when issued. In the district-wide statements, premiums are recognized with the related debt issue and amortized on a straight-line basis as a component of interest expense over the life of the related obligation.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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10. POSTEMPLOYMENT BENEFITS/OTHER BENEFITS

In addition to providing pension benefits, the District provides postemployment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provision of various employment contracts in effect at the time of retirement. The obligation of the District and its retirees to contribute to the cost of providing these benefits has been established pursuant to Board resolution and various collective bargaining agreements. The District does not have assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* to pay OPEB benefits. Payments are budgeted annually without accrual and are based on the pay-as-you go method (see Note 3.F).

11. NET POSITION FLOW ASSUMPTION

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the district-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

12. FUND BALANCE FLOW ASSUMPTIONS

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the District's fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy that the District Board of Education will assess the current financial condition of the District and then determines the order of application of expenditures to which fund balance classifications will be charged.

13. FUND BALANCE POLICIES

Fund balance of the District's funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Education is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board of Education has by resolution authorized the Assistant Superintendent for Finance to assign fund balance. The Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

F. PROGRAM REVENUES

Amounts reported as *program revenues* include 1) charges to tax payers or others who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes and other internally dedicated resources are reported as general revenues rather than as program revenues.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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**G. USE OF ESTIMATES IN PREPARATION OF FINANCIAL STATEMENTS**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**H. ACCOUNTING PRONOUNCEMENTS**

During the fiscal year ended June 30, 2021, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. The primary objective of Statement No. 84 is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how these activities should be reported. The District reclassified certain activities, no longer considered fiduciary in nature, to the governmental funds to comply with this Statement in the current year.

The following are GASB Statements that have been issued recently and are currently being evaluated, by the District, for their potential impact in future years.

- Statement No. 87, *Leases*, which will be effective for the year ending June 30, 2022.
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which will be effective for the year ending June 30, 2022.
- Statement No. 91, *Conduit Debt Obligations*, which will be effective for the year ending June 30, 2023.
- Statement No. 92, *Omnibus 2020*, which will be effective for the year ending June 30, 2022.
- Statement No. 93, *Replacement of Interbank Offered Rates*, which will be effective for the year ending June 30, 2022
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which will be effective for the year ending June 30, 2023.
- Statement No. 96, *Subscription-Based Information Technology Arrangements*, which will be effective for the year ending June 30, 2023.
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and 84, and a supersession of GASB Statement No. 32*, which will be effective for the year ending June 30, 2022.

**NOTE 2 - STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY**

**A. LEGAL COMPLIANCE BUDGETS**

**BUDGET POLICIES**

The District's administration prepares a proposed budget for approval by the Board of Education for the general fund. The proposed appropriation budget is then approved by the voters within the District. Appropriations established by adoption of the budget constitute a limitation on expenditures (and encumbrances) which may be incurred.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted.



**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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

The General Fund is the only fund with a legally approved budget for the fiscal year ended June 30, 2021.

**B. DEFICIT FUND BALANCE**

At June 30, 2021, the School Lunch Fund, a nonmajor fund, had a deficit fund balance of \$262,421. The deficit is the result of an operating deficit due to the COVID-19 pandemic and a decrease in sales revenue. This deficit will be eliminated through an anticipated fiscal year 2021/2022 operating surplus.

**NOTE 3 - DETAIL NOTES ON ALL ACTIVITIES AND FUNDS**

**A. DEPOSITS AND INVESTMENTS**

The District's investment policies are governed by State statutes. In addition, the District has its own written investment policy. The District funds must be deposited in FDIC insured commercial banks or trust companies located within the State. Permissible investments include demand accounts and certificates of deposit, 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 deposits, 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, obligations of New York State and its municipalities and school districts, and obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

The District's aggregate bank balances were fully collateralized at June 30, 2021.

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute or contract to be reserved for various purposes. Restricted cash as of year end:

Restricted fund balance:		
Capital	\$	4,030,974
Retirement contribution		8,059,761
Tax certiorari		882,308
Unemployment insurance		267,906
Workers' compensation		420,613
Unspent bond proceeds		53,876
Restricted (Custodial Funds):		
Extraclassroom activities		111,121
Employee benefits		458,959
	\$	<u>14,285,518</u>

**Investment and Deposit Policy**

The District follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Assistant Superintendent for Finance of the District.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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Credit Risk

The District's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The District's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts.
- Certificates of deposit.
- Obligations of the United States Treasury and United States agencies.
- Obligations of New York State and its localities.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the District's investment and deposit policy, all deposits of the District including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 102% of the aggregate amount of deposits. The District restricts the securities to the following eligible items:

- Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies.
- Obligations issued or fully insured or guaranteed by New York State and its localities.
- Obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organizations.

**B. RECEIVABLES**

State and federal aid receivable, consist of the following at June 30, 2021:

General Fund:

State aid - excess cost aid	\$ 956,950
CARES Act funding	76,800
Total	<u>1,033,750</u>

Special Aid Fund:

State awards	333,060
Federal awards	240,352
Total	<u>573,412</u>

School Lunch Fund:

State awards	4,011
Federal awards	228,724
Total	<u>232,735</u>

Total state and federal aid receivable	<u>\$ 1,839,897</u>
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Due from other governments, consist of the following at June 30, 2021:

General Fund:

BOCES aid	\$ 1,283,388
Monroe County - sales tax	1,015,000
Total due from other governments	<u>\$ 2,298,388</u>

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

**C. CAPITAL ASSETS**

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

**Governmental Activities:**

	Balance 7/01/20	Increases	Decreases	Balance 6/30/21
<u>Capital assets not being depreciated:</u>				
Land	\$ 2,484,678	\$ -	\$ -	\$ 2,484,678
Construction work in progress	4,988,441	4,678,278	70,213	9,596,506
Total capital assets not being depreciated	<u>7,473,119</u>	<u>4,678,278</u>	<u>70,213</u>	<u>12,081,184</u>
<u>Capital assets being depreciated:</u>				
Buildings and improvements	103,029,071	170,213	-	103,199,284
Vehicles & equipment	2,153,878	196,648	171,073	2,179,453
Total capital assets, being depreciated	<u>105,182,949</u>	<u>366,861</u>	<u>171,073</u>	<u>105,378,737</u>
<u>Less accumulated depreciation:</u>				
Buildings and improvements	38,619,915	2,435,896	-	41,055,811
Vehicles & equipment	1,617,509	109,465	119,979	1,606,995
Total accumulated depreciation	<u>40,237,424</u>	<u>2,545,361</u>	<u>119,979</u>	<u>42,662,806</u>
Total capital assets being depreciated, net	<u>64,945,525</u>	<u>(2,178,500)</u>	<u>51,094</u>	<u>62,715,931</u>
Governmental activities capital assets, net	<u>\$ 72,418,644</u>	<u>\$ 2,499,778</u>	<u>\$ 121,307</u>	<u>\$ 74,797,115</u>

Depreciation has not been allocated to the individual functions of the District operation as no allocation methodology has been established.

**D. ACCRUED LIABILITIES**

Accrued liabilities reported by the District at June 30, 2021, were as follows:

	General Fund
Salary and employee benefits	\$ 405,094
Accrued vacation	596,547
Total accrued liabilities	<u>\$ 1,001,641</u>

**E. PENSION OBLIGATIONS**

The District participates in the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS). These are cost-sharing multiple employer public employee retirement systems. The Systems offer a wide range of plans and benefits, which are related to years of service and final average salary, vesting of retirement benefits, death, and disability.

Provisions and Administration

The TRS System provides retirement benefits as well as, death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. The System is governed by a 10 member Board of Trustees. System benefits are established under New York State Law. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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The System's financial statements are prepared using the accrual basis of accounting. Contributions are recognized when due. Benefit payments are recognized when due and payable, and investments are recognized at fair value. TRS issues a publicly available financial report that contains financial statements and required supplementary information. 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 NYSTRS Comprehensive Annual Financial report which can be found on the System's website at [www.nystrs.org](http://www.nystrs.org).

The ERS 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. The System's financial statements are prepared using the accrual basis of accounting. Contributions are recognized when due. Benefit payments are recognized when due and payable, and investments are recognized at fair value. ERS issues a publicly available financial report that contains financial statements and required supplementary information. That report, including information with regard to benefits provided, may be found at [www.osc.state.ny.us/retire/publications/index.php](http://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.

Funding Policies

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 TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education law. 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<sup>st</sup>.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

At June 30, 2021, the District reported the following amount for its proportionate share of the net pension liability for each of the Systems. The net pension liabilities were measured as of June 30, 2020 for TRS and March 31, 2021 for ERS. The total pension amount used to calculate the net pension liabilities were determined by an actuarial valuation as of June 30, 2019 for TRS and April 1, 2020 for ERS. The District's proportionate share of the net pension liabilities were 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 TRS and ERS Systems in reports provided to the District.

	<u>TRS</u>	<u>ERS</u>
Measurement date	June 30, 2020	March 31, 2021
Net pension liability	\$ 4,390,596	\$ 20,086
District's portion of the Plan's total net pension liability	0.158891%	0.020172%
Change in proportion since the prior measurement date	0.001602	0.000700
Pension expense at June 30, 2021	\$ 5,870,547	\$ 140,416

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

At June 30, 2021, the District's reported deferred outflows of resources and deferred inflows of resources related to pensions arose from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	TRS	ERS	TRS	ERS
Differences between expected and actual experience	\$ 3,847,040	\$ 245,300	\$ 225,010	\$ -
Change of assumptions	5,553,082	3,693,106	1,979,383	69,653
Net difference between projected and actual earnings on pension plan investments	2,867,444	-	-	5,769,786
Changes in proportion and differences between the District's contributions and proportionate share of contributions	80,491	408,760	267,200	29,977
District's contributions subsequent to the measurement date	<u>2,655,936</u>	<u>264,145</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 15,003,993</u>	<u>\$ 4,611,311</u>	<u>\$ 2,471,593</u>	<u>\$ 5,869,416</u>

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

Year ended:	TRS	ERS
2022	\$ 1,669,639	\$ (215,412)
2023	3,411,936	(25,506)
2024	2,808,570	(234,500)
2025	1,740,204	(1,046,832)
2026	66,702	-
Thereafter	179,413	-

Actuarial Assumptions

The total pension 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 liability to the measurement date.

Significant actuarial assumptions used in the valuations were as follows:

	TRS	ERS
Measurement date	June 30, 2020	March 31, 2021
Actuarial valuation date	June 30, 2019	April 1, 2020
Interest rate	7.10%	5.90%
Salary scale	1.90% - 4.72%	4.40%
Inflation rate	2.20%	2.70%
Cost of living adjustments	1.30%	1.40%

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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. 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, annuitant mortality rates are based on July 1, 2009 – June 30, 2014 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP 2019. For ERS, annuitant mortality rates are based on April 1, 2010 – March 31, 2015 System's experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2020.

The long-term expected 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 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 on next page:

Measurement Date	Target Allocation		Long-Term Expected Real Rate of Return	
	TRS	ERS	TRS	ERS
			June 30, 2020	March 31, 2021
Asset Class:				
Domestic equity	33.0 %	32.0 %	7.1 %	4.1 %
International equity	16.0	15.0	7.7	6.3
Private equity	8.0	10.0	10.4	6.8
Real estate	11.0	9.0	6.8	5.0
Global equities	4.0	-	7.4	-
Credit	-	4.0	-	3.6
Opportunistic portfolio	-	3.0	-	4.5
Real estate debt	7.0	-	3.6	-
Real assets	-	3.0	-	6.0
Bond and mortgages	-	23.0	-	-
Cash/short term	1.0	1.0	0.7	0.5
Domestic fixed income securities	16.0	-	1.8	-
Global fixed income securities	2.0	-	1.0	-
Private debt	1.0	-	5.2	-
High yield income securities	1.0	-	3.9	-
Total	<u>100.0 %</u>	<u>100.0 %</u>		

**Discount Rate**

The discount rate used to calculate the total pension liability was 7.10% for TRS and 5.90% for ERS. 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 determined. 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 liability.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following tables present the District's proportionate share of the net pension liability calculated using the discount rate of 7.10% for TRS and 5.90% for ERS, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.10% for TRS and 4.90% for ERS) or 1-percentage point higher (8.10% for TRS and 6.90% for ERS) than the current rate:

	1% Decrease (6.10%)	Current Assumption (7.10%)	1% Increase (8.10%)
<u>TRS</u>			
Employer's proportionate share of the net pension (asset)/liability	\$ 27,733,880	\$ 4,390,596	\$ (15,200,335)
	1% Decrease (4.90%)	Current Assumption (5.90%)	1% Increase (6.90%)
<u>ERS</u>			
Employer's proportionate share of the net pension (asset)/liability	\$ 5,575,004	\$ 20,086	\$ (5,102,849)

Pension Plan Fiduciary Net Position

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

	(Dollars in Thousands)	
	<u>TRS</u>	<u>ERS</u>
Measurement date	<u>June 30, 2020</u>	<u>March 31, 2021</u>
Employers' total pension liability	\$ 123,247,776	\$ 220,680,157
Plan net position	120,479,505	220,580,583
Employers' net pension liability	<u>\$ 2,768,271</u>	<u>\$ 99,574</u>
Ratio of plan net position to the employers' total pension liability	97.75%	99.95%

Payables to the Pension Plan

For TRS, employer and employee contributions for the fiscal year ended June 30, 2021, are paid to the System in September, October and November 2020 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 and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2021, amounted to \$2,904,205.

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31<sup>st</sup>. 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 \$264,145.

**F. OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS (OPEB)**

Plan Description

The District administers the West Irondequoit Central School District Retiree Medical, Prescription Vision and Dental Plan (the Plan) as a single-employer defined benefit Other Postemployment Benefit Plan (OPEB). The Plan provides for continuation of medical, prescription vision and dental benefits for certain retirees and their spouses and can be amended by action of the District subject to applicable collective bargaining and employment agreements. The Plan does not issue a standalone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

Funding Policy

The obligations of the Plan members, employers and other entities are established by action of the District pursuant to applicable collective bargaining and employment agreements. The required contribution rates of the employer and the members vary depending on the applicable agreement.

The employer currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis. The costs of administering the Plan are paid by the District.

Employees Covered by Benefit Terms

As of June 30, 2021, the following employees were covered by the benefit terms:

Active employees, not eligible to retire	484
Active employees, eligible to retire	84
Retired employees and surviving spouses currently receiving benefit payments	547
Total	1,115

The District's total OPEB liability of \$150,085,488 was measured as of March 31, 2021 and was determined by an actuarial valuation as of June 30, 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.11%
Salary Increases	3.11%, average, including inflation
Discount Rate	2.27%
Healthcare Cost Trend Rates	4.00% as of 2020, with an ultimate rate of 4.08% for 2075 and later years
Retirees' Share of Benefit-Related Costs	100% of future retirees eligible for an employer subsidy.

The discount rate was based on the Fidelity Municipal General Obligation AA 20-year Bond rate as of the measurement date.

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables, Headcount-Weighted, distinct for Teachers, General and Safety, without separate Contingent Survivor mortality, fully generational using Scale MP-2020.

Retirement and termination assumptions reflect general published tables based on large-scale retirement plan population data. The plan's estimated termination and retirement experience is then analyzed, and the base table is adjusted accordingly as necessary. No formal experience study is prepared for this plan.

Changes in the Total OPEB Liability

Balance at July 1, 2020	\$ 134,737,343
<u>Changes for the year:</u>	
Service cost	3,998,844
Interest	3,356,636
Changes of benefit terms	(107,575)
Differences between expected and actual experience	8,158,849
Changes in assumptions or other inputs	3,345,491
Benefit payments	(3,404,100)
Net changes	15,348,145
Balance at June 30, 2021	\$ 150,085,488



**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
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Changes of assumptions and other inputs reflect a change in the discount rate from 2.48 percent in 2020 to 2.27 percent in 2021, changes in the salary scale from 3.22 percent in 2020 to 3.11 percent in 2021, and changes in the ultimate healthcare cost trend from 4.18 percent in 2020 to 4.08 percent in 2021.

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

The following present 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 or 1 percentage point higher (3.27%) than the current discount rate.

	1% Decrease (1.27%)	Discount Rate (2.27%)	1% Increase (3.27%)
Total OPEB Liability	\$ <u>178,798,788</u>	\$ <u>150,085,488</u>	\$ <u>127,633,459</u>

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 rate:

	1% Decrease (3.0% increasing to 3.08%)	Healthcare Cost Trend Rates (4.00% increasing to 4.08%)	1% Increase (5.00% increasing to 5.08%)
Total OPEB Liability	\$ <u>125,481,173</u>	\$ <u>150,085,488</u>	\$ <u>182,347,634</u>

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 of \$9,113,141. At June 30, 2021, the District reported deferred outflows of resources and deferred inflow of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 14,500,881	\$ 13,603,898
Changes of assumptions	15,598,863	4,324,943
Contributions subsequent to the measurement date	851,025	-
Total	\$ <u>30,950,769</u>	\$ <u>17,928,841</u>

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

<u>Year Ended June 30:</u>	<u>Amount</u>
2022	\$ 1,606,203
2023	1,820,014
2024	4,647,518
2025	2,371,511
2026	454,119
Thereafter	1,271,538

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

**G. SHORT-TERM LIABILITIES**

The purpose of all of the short-time borrowings was to provide resources for various capital improvement projects. The form of financing used in all cases was bond anticipation notes (BAN). The amounts issued are accounted for in the Capital Projects Fund.

The schedule below details the changes in short-term capital borrowings during the year ended June 30, 2021:

	Balance 7/1/2020	Issued	Redeemed	Balance 6/30/2021
BAN maturing 8/14/19 at 2.25%	\$ 3,625,382	\$ -	\$ 3,625,382	\$ -

**H. LONG-TERM LIABILITIES**

**1. General Obligation Bonds**

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Further, the unmatured principal of general long-term debt does not require current appropriation and expenditure of governmental fund financial resources.

**2. Serial Bonds**

The District borrows money in order to acquire land or equipment, construct buildings, or make improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the District. The provisions will be in the General Fund's future budgets for capital indebtedness.

The following is a summary of maturities of indebtedness:

<u>Description</u>	<u>Original Issue Date</u>	<u>Original Borrowing</u>	<u>Final Maturity</u>	<u>Interest Rates to Maturity</u>	<u>Outstanding Balance 6/30/2021</u>
Governmental activities					
Promise Project	6/15/2016	5,610,000	6/15/2036	2.32%	\$ 4,220,000
Refunding	3/25/2021	5,100,000	4/15/2027	0.69%	5,055,000
Promise Project	5/18/2021	3,550,382	6/15/2035	2.00%	3,550,382
					<u>\$ 12,825,382</u>

**3. Other Long-Term Liabilities**

In addition to the above long-term debt, the District had a non-current liability for pensions (Note 3.E.) and other postemployment benefits (See Note 3.F.).

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

4. Changes in Long-Term Liabilities

Changes in the District's long-term liabilities for the year ended June 30, 2021, are as follows:

	Balance 7/1/2020	Additions	Reductions	Balance 6/30/2021	Due Within One Year
Government activities:					
Bonds Payable:					
Serial bonds	\$ 11,465,000	\$ 8,650,382	\$ 7,290,000	\$ 12,825,382	\$ 2,645,382
Unamortized premium	93,976	308,376	62,959	339,393	62,959
Total bonds payable	11,558,976	8,958,758	7,352,959	13,164,775	2,708,341
Other liabilities:					
Net pension liabilities (asset)					
TRS - proportionate share	(4,054,606)	8,445,202	-	4,390,596	-
ERS - proportionate share	4,809,254	-	4,789,168	20,086	-
Total OPEB liability	134,737,343	18,752,245	3,404,100	150,085,488	-
Total long-term liabilities	\$ 147,050,967	\$ 36,156,205	\$ 15,546,227	\$ 167,660,945	\$ 2,708,341

\*\*Addition/reductions to net pension liability are shown net.

The General Fund has typically been used to liquidate long-term liabilities such as compensated absences and postemployment benefit obligations. Payment of retirement contributions are typically from the funds in which the individuals are employed. Those operating funds include the General, Special Aid and School Lunch Funds.

The following is a summary of maturing debt service requirements for the District's serial bonds:

<u>Year Ended June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Premium</u>
2022	\$ 2,645,382	\$ 221,683	\$ 62,959
2023	2,615,000	194,425	62,958
2024	1,385,000	165,175	19,848
2025	610,000	141,450	19,849
2026	625,000	129,250	19,848
2027-2031	3,045,000	456,150	83,952
2032-2037	1,900,000	138,550	69,979
Total	\$ 12,825,382	\$ 1,446,683	\$ 339,393

During 2021, \$5,060,000 of serial bonds were refunded at an interest rate of .69%. A net savings of \$191,409 occurred as a result of the debt refinancing. The outstanding amount of this debt at June 30, 2021 was \$5,060,000

I. INTERFUND ACTIVITY

Interfund activity at June 30, 2021, is as follows:

	Interfund <u>Receivables</u>	Interfund <u>Payables</u>	Interfund <u>Revenues</u>	Interfund <u>Expenditures</u>
General Fund	\$ 996,242	\$ 636,595	\$ 49,787	\$ 197,592
Capital Projects Fund	-	27	100,000	49,787
Special Aid Fund	-	567,934	67,592	-
Miscellaneous Fund	-	-	-	-
School Lunch Fund	-	428,281	30,000	-
Custodial Funds	636,595	-	-	-
Total	\$ 1,632,837	\$ 1,632,837	\$ 247,379	\$ 247,379

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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Interfund receivables and payables, other than between governmental activities and Custodial Funds, are eliminated on the Statement of Net Position.

Interfund receivables and payables were incurred primarily due to salaries paid by General Fund on behalf of the Special Aid Fund, and operating deficits of the School Lunch Fund funded by the General Fund.

The majority of the interfund revenues and expenditures were transfers from the General Fund to fund the current year capital outlay project, School Lunch Fund operating subsidy, and Special Aid Fund for the local share of summer school handicap program costs.

**J. NET POSITION AND FUND BALANCE**

**1. Net Position**

For district-wide reporting, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components net investment in capital assets, restricted and unrestricted.

*Net investment in capital assets* – consists of capital assets, net of accumulated depreciation and debt used to fund capital asset purchases.

*Restricted net position* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation. Restricted net position is consistent with restricted fund balance at June 30, 2021.

*Unrestricted net position* – represents net position of the District not restricted for any project or other purpose.

**2. Fund Balance**

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called “fund balance.” The District’s governmental funds reports the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes.

*Nonspendable* – represents amounts that cannot be spent because they are either not in spendable form are contractually required to be maintained intact. Nonspendable fund balances maintained by the District at June 30, 2021, include:

- *Prepaid items* – represents miscellaneous items that are applicable to future accounting periods. This balance is nonspendable as the asset does not represent an available resource.
- *Long-term receivable* – represents the noncurrent portion of the due from the School Lunch Fund reported in the General Fund.
- *Inventory* – represents nonspendable inventory in the School Lunch Fund and school store in the General Fund.

*Restricted* – represents amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or listed only with the consent of the resource providers.

- *Restricted for capital projects* – represents funds to be used for construction, reconstruction and/or acquisition of capital improvements and equipment
- *Restricted for tax certiorari claims* – represents funds set aside for tax certiorari claims
- *Restricted for workers’ compensation* – represents funds to be used to pay workers’ compensation claims
- *Restricted for unemployment claims* - represents funds to be used to pay unemployment claims
- *Restricted for retirement contributions* - represents funds to be used to pay contributions to the TRS and ERS retirement systems

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

Committed – represents amounts that can be used only for the specific purposes determined by the adoption of a resolution committing fund balance for a specified purpose by the District’s Board prior to the end of the fiscal year. Once adopted, the limitation imposed by the resolution remains in place until the resources have been spent for the specified purpose or the Board adopts another resolution to remove or revise the limitation. As of June 30, 2021, the District had no committed fund balances.

Assigned – represents amounts that are intended to be used by the District for specific purposes, but do not meet the criteria to be classified as either restricted nor committed.

- *Assigned for subsequent years’ expenditure* – represents available fund balance being appropriated to meet expenditure requirements in the 2022 fiscal year.
- *Assigned for encumbrances* – represents amounts related to unperformed contracts for goods and services.
- *Assigned for specific use* – Represents fund balance within the special revenue funds, Debt Service and Capital Project Funds that are assigned for a specific purpose. The assignment’s purpose related to each fund’s operations and represents amounts within funds that are not restricted or committed.

Unassigned – represents all amounts not included in other spendable classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Additionally, any deficit fund balance within other governmental funds is also reported as unassigned.

As of June 30, 2021, fund balances were classified as follows:

	General	Nonmajor Funds	Total
<u>Nonspendable</u>			
Inventory	\$ 9,171	\$ 31,092	\$ 40,263
Long-term receivable	300,331	-	300,331
Prepaid items	1,091,567	-	1,091,567
<u>Restricted:</u>			
Capital	4,030,974	-	4,030,974
Retirement contribution	8,059,761	-	8,059,761
Tax certiorari	882,308	-	882,308
Unemployment insurance	267,906	-	267,906
Workers' compensation	420,613	-	420,613
<u>Assigned:</u>			
Subsequent years' expenditures	971,306	-	971,306
Debt Service Fund	-	998,118	998,118
Capital Projects Fund	-	851,260	851,260
Miscellaneous Special Revenue Fund	-	634,584	634,584
<u>Encumbrances:</u>			
General support	1,251,174	-	1,251,174
Instruction	535,476	-	535,476
Transportation	4,015	-	4,015
<u>Unassigned:</u>			
General Fund	3,089,799	-	3,089,799
School Lunch Fund (deficit)	-	(293,513)	(293,513)
<b>Total</b>	<b>\$ 20,914,401</b>	<b>\$ 2,221,541</b>	<b>\$ 23,135,942</b>

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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NYS Real Property Tax Law 1318 limits the amount of unexpended surplus funds a school district can retain to no more than 4% of the school district's budget for the General Fund for the ensuing fiscal year. Nonspendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances are also excluded from the 4% limitation.

**NOTE 4 - RISK MANAGEMENT**

**A. GENERAL**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, personal injury liability, and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. Settled claims from these risks has not yet exceeded commercial insurance coverage for the past three fiscal years.

**B. WORKERS' COMPENSATION PLAN**

The District incurs costs related to the Rochester Area School Workers' Compensation Plan (the Plan) sponsored by the Board of Cooperative Educational Services, Second Supervisory District of Monroe and Orleans Counties and its component districts. The Plan's objectives are to furnish workers' compensation benefits to participating districts at a significant cost savings. Membership in the Plan may be offered to any component district of Monroe #1 and Monroe #2 BOCES with the approval of the Board of Directors. Voluntary withdrawal from the Plan may be effective only once annually on the last day of the Plan year as may be established by the Board of Directors. Notice of Intention to Withdraw must be given in writing to the Chairman of the Board of Directors and the Treasurer not less than one year prior to the end of the Plan year.

Plan membership is currently comprised of nineteen districts. If a surplus of participants' assessments exists after the close of a Plan year, the Board may retain from such surplus an amount sufficient to establish and maintain a claim contingency fund. Surplus funds in excess of the amount transferred to or included in such contingency fund shall be applied in reduction of the next annual assessment or to the billing of Plan participants. All monies paid to the Treasurer by participants shall be commingled and administered as a common fund. No refunds shall be made to a participant and no assessments are charged to a participant other than the annual premium equivalent. However, if it appears to the Board of Directors that the liabilities of the Plan will exceed its cash assets, after taking into account any "excess insurance", the Board shall determine the amount needed to meet such deficiency and shall assess such amount against all participants pro-rata per enrollee.

The Plan purchases, on an annual basis, stop-loss insurance policies to limit its exposure for claims paid.

The Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported.

Adjustments to claims liabilities are charged or credited to expenses in the periods in which they are made. During the year ended June 30, 2021, the District incurred premiums or contribution expenditures totaling \$359,356.

The Plan is audited on an annual basis and is available at the BOCES administrative offices. The most recent audit available for the year ended June 30, 2020, indicated that the Plan was fully funded.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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**C. HEALTH INSURANCE PLAN**

The District incurs costs related to the Rochester Area School Health Plan (Plan I and Plan II) sponsored by the Board of Cooperative Educational Services, Second Supervisory District of Monroe and Orleans Counties and its component districts. The Plans objectives are to formulate, develop and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program. Membership in the Plans may be offered to any component district of the Monroe #1 and Monroe #2 BOCES with the unanimous approval of the Board of Directors. Voluntary withdrawal from the Plans may be effective only once annually on the last day of the Plans year as may be established by the Board of Directors. Notice of Intention to Withdraw must be given in writing to the Chairman of the Board of Directors and the Treasurer not less than thirty days prior to the end of the Plans' year. Plan members bear an equal proportionate share of the Plans assets and claim liabilities.

Pursuant to the Municipal Cooperative Agreement the Plans are a risk sharing pool and all monies paid to the Treasurer shall be pooled and administered as a common fund. No refunds shall be made to a participant and no assessments are charged to a participant other than the annual premium equivalent. If surplus funds exist at the end of the fiscal year, the distribution of such funds shall be determined by the Board of Directors.

**PLAN I**

This Plan's members include seventeen districts and two BOCES with the District and BOCES bearing an equal proportionate share of the Plan's assets and claim liabilities.

The Plan purchases, on an annual basis, stop-loss insurance policies to limit its exposure for claims paid within any one fiscal year.

This Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expenses in the periods in which they are made.

The Plan is audited on an annual basis and is available at the BOCES administrative offices. The most recent audit available for the year ended June 30, 2020, indicated that the Plan was fully funded.

**PLAN II**

This Plan's members include eighteen districts with the BOCES bearing an equal proportionate share of the Plan's assets and claim liabilities. The Plan was established as a Municipal Cooperative under the authorization of Article 5-G of the General Municipal Law In 2004. The plan received a Certificate of Authority to operate as a self-funded plan under Article 47 of the New York State Insurance Law, effective January 1, 2019.

The Plan arrangement includes a pooling point to limit its exposure. The pooling point provides additional protection in the form of an experience credit in the subsequent year.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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The insurer will determine whether there is a deficit or a surplus for the Plan year. If a deficit occurs in a Plan year, the Insurer will fund payment of the deficit. If there is a surplus in the Plan year, the surplus may not be applied to off-set a deficit in a subsequent Plan year or Plan years. If a surplus occurs in a Plan year that follows the year in which a deficit occurred, the surplus may be applied to fund the deficit.

Any medical claims expenses that are not paid by the Insurer (either with Plan money representing the net premium or with the Insurer's money if a deficit occurred) during the term of the agreement with the insurer, will be the financial responsibility of the Plan. If the Insurer is processing medical claims expenses during part or all of the 12-month period referred to above, it will pay those medical claims expenses provided that the Plan provides adequate funding for the medical claims expenses.

The administrative services that will be provided by the Insurer during the 12-month period referred to above will be provided for an additional charge determined by first dividing the Insurer administrative fee paid in the last Plan year by the total of the medical claims expenses paid during the last Plan year to determine an administrative cost percentage (the "Admin Percentage"). Then, for each medical claims expense paid during the subsequent 12-month period, the Plan will pay the Insurer an additional charge determined by multiplying the amount of the medical claims expense by the admin percentage.

The Plan is audited on an annual basis and is available at the BOCES administrative offices. The most recent audit available for the year ended June 30, 2020, indicated that the Plan was fully funded.

**NOTE 5 - COMMITMENTS AND CONTINGENCIES**

**A. CONTINGENCIES**

1. Grant Awards

The District participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, the District's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the District anticipates such amounts, if any, will be immaterial.

2. Litigation

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the government.

3. COVID-19 Pandemic

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include forced closures for certain types of public places, including public schools. The District's administration has assessed these events and the impact of these restrictions and closures related to the District's operations. The District's administration believes that state aid will be lower in 2021 than anticipated in the adopted 2020/2021 budget. The District's administration has assessed the financial condition and the potential impact on revenues and has determined that the District has assets and fund balances to absorb this potential decrease in revenues for 2020/2021.

**B. ENCUMBRANCES**

Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year-end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were \$1,790,665 recorded in the General Fund.



**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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**C. CONSTRUCTION COMMITMENTS**

The District has active construction projects as of June 30, 2021. Outstanding construction commitments are estimated at \$797,384.

The District has entered into a joint agreement with Monroe #1 BOCES and its ten component school districts for the construction of improvements to various BOCES school facilities, pursuant to section 1950 of education law. The District's portion of total capital project costs is \$1,827,338. This will be paid in three installments between years ended 2022 through 2024.

**NOTE 6 - TAX ABATEMENTS**

The County of Monroe Industrial Development Agency created by Chapter 55 of the Laws of 1972 of the State of New York pursuant to Title I of Article 18-A of General Municipal Law of the State of New York (collectively "the Act"), has four real property tax abatement agreements with various businesses in the District under Section 412-a of the New York State Real Property Tax Law and Section 874 of the Act for the purpose of economic development in the District.

Generally, these agreements provide for a 100 percent abatement of real property taxes in exchange for a payment in lieu of taxes (PILOT) based on the requirements noted in said individual agreements. Should the property owner not comply with the policies and laws as set forth in each agreement, the PILOT will discontinue as outlined in each agreement.

As a result of these tax abatement agreements, for the year ended June 30, 2021, the District's total tax revenues were reduced by \$24,596.

Copies of the agreements may be obtained from the West Irondequoit Central School District, 321 List Avenue, Rochester, NY 14617.

**NOTE 7 – RESTATEMENT OF NET POSITION/FUND BALANCE**

For the year ended June 30, 2021, the District implemented GASB Statement No.84, *Fiduciary Activities*. The implementation of Statement No. 84 resulted in the reporting of net position of the Custodial Funds and increases in fund balance and net position in the General Fund and Government Activities, respectively.

	General Fund	Miscellaneous Special Revenue Fund
	<u>                    </u>	<u>                    </u>
Fund balance - beginning, as previously stated	\$ 19,001,629	\$ 581,058
GASB Statement No. 84 implementation	5,075	226,712
Fund balance - beginning of year, as restated	<u>\$ 19,006,704</u>	<u>\$ 807,770</u>
	Governmental Activities	Custodial Funds
	<u>                    </u>	<u>                    </u>
Net position - beginning, as previously stated	\$ 37,363,502	\$ -
GASB Statement No. 84 implementation	(231,787)	1,189,006
Net position - beginning of year, as restated	<u>\$ 37,131,715</u>	<u>\$ 1,189,006</u>
Beginning fund balance		

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 8 – SUBSEQUENT EVENTS**

In August 2021, the District's CRRSA grant application was approved for \$3,475,596. The ARP grant application totaling \$5,091,674 is in progress and will be submitted to the State Education Department by September 30, 2021. It is expected that the successful award of these funds will adequately offset the negative impact of the pandemic.

Management has evaluated subsequent events through September 28, 2021, which is the date the financial statements are available for issuance and have determined there are no subsequent events that require disclosure under generally accepted accounting principles other than that noted above.

**REQUIRED SUPPLEMENTARY INFORMATION**

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (NON-GAAP BASIS)  
AND ACTUAL GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Current Year's Revenues</u>	<u>Over (Under) Amended Budget</u>
<b>REVENUES</b>				
Local sources:				
Real property taxes	\$ 40,978,320	\$ 40,978,320	\$ 40,920,630	\$ (57,690)
Real property tax items	177,516	177,516	179,497	1,981
Nonproperty taxes	2,800,000	2,800,000	4,049,826	1,249,826
Charges for services	170,000	170,000	161,178	(8,822)
Use of money and property	312,000	312,000	168,920	(143,080)
Sale of property and compensation for loss	-	-	32,414	32,414
Miscellaneous local sources	561,050	561,050	603,595	42,545
State sources:				
Basic formula	23,322,694	23,322,694	22,778,815	(543,879)
BOCES	3,419,599	3,419,599	2,765,821	(653,778)
Other	70,866	70,866	468,845	397,979
Federal sources	180,000	180,000	609,231	429,231
Total revenues	71,992,045	71,992,045	72,738,772	746,727
Other financing sources:				
Interfund transfers in	120,000	120,000	49,787	(70,213)
Appropriated fund balance	4,476,179	4,558,679	-	(4,558,679)
Total revenues and other financing sources	<u>\$ 76,588,224</u>	<u>\$ 76,670,724</u>	<u>\$ 72,788,559</u>	<u>\$ (3,882,165)</u>

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (NON-GAAP BASIS)  
AND ACTUAL GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021 (CONTINUED)**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Current Year's Expenditures</u>	<u>Encumbrances</u>	<u>Unencumbered Balances</u>
<b>EXPENDITURES</b>					
General support:					
Board of education	\$ 58,297	\$ 57,115	\$ 44,416	\$ -	\$ 12,699
Central administration	294,291	305,142	302,006	24	3,112
Finance	698,409	748,203	678,721	390	69,092
Staff	578,195	640,724	569,728	24,804	46,192
Central services	7,640,880	8,167,881	6,452,184	1,212,255	503,442
Special items	1,021,850	1,208,481	1,165,959	13,700	28,822
Instruction:					
Instruction, administration and improvements	2,889,229	2,932,450	2,485,213	381	446,856
Teaching - regular school	18,330,765	18,348,043	17,591,715	83,255	673,073
Programs for children with handicaps	11,077,921	10,238,721	9,976,448	7,758	254,515
Instructional media	3,558,681	3,657,558	3,264,758	302,258	90,542
Pupil services	4,285,605	4,588,405	4,319,591	141,825	126,989
Pupil transportation	3,117,090	3,058,490	2,248,969	4,015	805,506
Culture and recreation	58,279	58,279	58,152	-	127
Employee benefits	20,009,607	19,692,107	18,941,529	-	750,578
Debt service - principal	2,185,000	2,230,000	2,230,000	-	-
Debt service - interest	524,125	479,125	353,881	-	125,244
	<u>76,328,224</u>	<u>76,410,724</u>	<u>70,683,270</u>	<u>1,790,665</u>	<u>3,936,789</u>
Total expenditures					
Other financing uses:					
Interfund transfers out	<u>260,000</u>	<u>260,000</u>	<u>197,592</u>	<u>-</u>	<u>62,408</u>
	<u>76,588,224</u>	<u>76,670,724</u>	<u>70,880,862</u>	<u>1,790,665</u>	<u>3,999,197</u>
Total expenditures and other financing uses					
Net change in fund balance			<u>\$ 1,907,697</u>		

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET) LIABILITY -  
EMPLOYEES' AND TEACHERS' RETIREMENT SYSTEMS  
LAST TEN FISCAL YEARS\***

	Year Ended June 30,						
	2015	2016	2017	2018	2019	2020	2021
<b>Teachers' Retirement System (TRS)</b>							
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
District's proportion of the net pension (asset) liability	0.152321%	0.152598%	0.155398%	0.157104%	0.157398%	0.156066%	0.158891%
District's proportionate share of the net pension (asset) liability	\$ <u>(16,967,660)</u>	\$ <u>(15,850,017)</u>	\$ <u>1,664,374</u>	\$ <u>(1,194,146)</u>	\$ <u>(2,846,175)</u>	\$ <u>(4,054,606)</u>	\$ <u>4,390,596</u>
District's covered payroll	\$ 23,303,844	\$ 22,922,213	\$ 25,007,462	\$ 25,948,020	\$ 26,642,741	\$ 27,101,535	\$ 27,892,051
District's proportionate share of the net pension (asset) liability as a percentage of its covered payroll	-72.81%	-69.15%	6.66%	-4.60%	-10.68%	-14.96%	15.74%
Plan fiduciary net position as a percentage of the total pension (asset)/liability	-111.50%	-110.50%	99.07%	-100.70%	-101.50%	-102.20%	97.75%

	Year Ended June 30,						
	2015	2016	2017	2018	2019	2020	2021
<b>Employees' Retirement System (ERS)</b>							
Measurement date	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018	March 31, 2019	March 31, 2020	March 31, 2021
District's proportion of the net pension liability	0.021352%	0.019903%	0.018801%	0.019185%	0.018659%	0.018161%	0.020172%
District's proportionate share of the net pension liability	\$ <u>721,332</u>	\$ <u>3,194,409</u>	\$ <u>1,766,605</u>	\$ <u>619,175</u>	\$ <u>1,322,014</u>	\$ <u>4,809,254</u>	\$ <u>20,086</u>
District's covered payroll	\$ 5,516,910	\$ 5,582,893	\$ 6,053,728	\$ 5,857,655	\$ 5,918,380	\$ 5,901,388	\$ 6,695,575
District's proportionate share of the net pension liability as a percentage of its covered payroll	13.075%	57.218%	29.182%	10.570%	22.337%	81.494%	0.300%
Plan fiduciary net position as a percentage of the total pension liability	97.9%	90.7%	94.700%	98.200%	96.300%	86.400%	99.955%

\* This Schedule is intended to show information for ten years. Additional years will be included as they become available.

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS - EMPLOYEES' AND TEACHERS' RETIREMENT SYSTEMS  
LAST TEN FISCAL YEARS\***

	Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Teachers' Retirement System (TRS)</b>										
Contractually required contribution	\$ 2,266,559	\$ 2,834,562	\$ 3,786,875	\$ 4,018,264	\$ 3,179,672	\$ 3,041,108	\$ 2,610,962	\$ 2,777,174	\$ 2,358,574	\$ 2,578,646
Contributions in relation to the contractually required contribution	<u>2,266,559</u>	<u>2,834,562</u>	<u>3,786,875</u>	<u>4,018,264</u>	<u>3,179,672</u>	<u>3,041,108</u>	<u>2,610,962</u>	<u>2,777,174</u>	<u>2,358,574</u>	<u>2,578,646</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 23,410,651	\$ 23,970,534	\$ 23,303,844	\$ 22,922,213	\$ 25,007,462	\$ 25,948,020	\$ 26,642,741	\$ 27,101,535	\$ 27,892,051	\$ 27,869,202
Contributions as a percentage of covered payroll	9.68%	11.83%	16.25%	17.53%	12.71%	11.72%	9.80%	10.25%	8.46%	9.25%
<b>Employees' Retirement System (ERS)</b>										
Contractually required contribution	\$ 928,312	\$ 1,249,264	\$ 1,219,575	\$ 979,432	\$ 849,137	\$ 853,422	\$ 882,426	\$ 885,111	\$ 789,731	\$ 961,000
Contributions in relation to the contractually required contribution	<u>928,312</u>	<u>1,249,264</u>	<u>1,219,575</u>	<u>979,432</u>	<u>849,137</u>	<u>853,422</u>	<u>882,426</u>	<u>885,111</u>	<u>789,731</u>	<u>961,000</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 6,197,722	\$ 6,163,763	\$ 5,850,150	\$ 5,748,437	\$ 5,434,089	\$ 5,556,457	\$ 5,839,407	\$ 6,259,986	\$ 6,524,477	\$ 6,502,290
Contributions as a percentage of covered payroll	14.98%	20.27%	20.85%	17.04%	15.63%	15.36%	15.11%	14.14%	12.10%	14.78%

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS  
LAST TEN FISCAL YEARS\***

Measurement Date	Year ended June 30,				
	2017 April 1, 2017	2018 April 1, 2018	2019 April 1, 2019	2020 April 1, 2020	2021 April 1, 2021
<b>Total OPEB Liability</b>					
Service cost	\$ 2,681,262	\$ 2,894,185	\$ 3,249,341	\$ 3,671,609	\$ 3,998,844
Interest	3,212,397	3,994,406	4,816,337	4,122,107	3,356,236
Changes in benefit terms	-	20,512,904	752,245	6,579	(107,575)
Differences between expected and actual experience	12,910,071	1,173,088	(20,298,058)	(10,272,216)	8,158,849
Changes of assumptions or other inputs	(7,097,343)	2,891,414	638,058	21,052,182	3,345,491
Benefit payments	<u>(2,415,314)</u>	<u>(2,695,806)</u>	<u>(3,520,565)</u>	<u>(3,168,043)</u>	<u>(3,404,100)</u>
Net change in total OPEB liability	9,291,073	28,770,191	(14,362,642)	15,412,218	15,347,745
Total OPEB liability - beginning	<u>95,626,503</u>	<u>104,917,576</u>	<u>133,687,767</u>	<u>119,325,125</u>	<u>134,737,343</u>
Total OPEB liability - ending	<u>\$ 104,917,576</u>	<u>\$ 133,687,767</u>	<u>\$ 119,325,125</u>	<u>\$ 134,737,343</u>	<u>\$ 150,085,088</u>
Covered-employee payroll	\$ 25,451,767	\$ 25,451,767	\$ 26,294,220	\$ 27,140,894	\$ 29,714,445
Total OPEB liability as a percentage of covered-employee payroll	412.22%	525.26%	453.81%	496.44%	505.09%

\* This Schedule is intended to show information for ten years. Additional years will be included as they become available.



**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)**

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**NOTE 1 - BUDGETARY INFORMATION**

**BUDGETARY BASIS OF ACCOUNTING**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

The General Fund is the only fund with a legally approved budget for the fiscal year ended June 30, 2021, and therefore, is the only fund presented in the Budgetary Comparison Schedule.

Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions if the Board approves them because of a need that exists that was not determined at the time the budget was adopted.

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

Other special revenue funds and the Custodial Funds do not have appropriated budgets since other means control the use of these resources (e.g., grant awards and endowment requirements) and sometimes span a period of more than one fiscal year.

**NOTE 2 - FACTORS AFFECTING TRENDS IN OTHER POSTEMPLOYMENT BENEFITS AND PENSIONS**

**A. RETIREMENT SYSTEMS**

The District's proportionate share of the net pension liability of the pension systems is significantly dependent on the performance of the stock market and the funds that the retirement system invests in. The discount rate in effect at each measurement date is as follows:

<u>Year ended June 30:</u>	<u>TRS</u>	<u>ERS</u>
2021	7.10%	5.90%
2020	7.10%	6.80%
2019	7.25%	7.00%
2018	7.25%	7.00%
2017	7.50%	7.00%
2016	8.00%	7.50%
2015	8.00%	7.50%

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)**

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**B. POSTEMPLOYMENT BENEFIT PLAN**

The District's retiree health plan's most significant factor and assumptions affecting the total OPEB liability are as follows:

	Discount Rate	Salary Scale	Inflation Rate	Ultimate Healthcare Cost Trend Rate
Year ended June 30:	<hr/>	<hr/>	<hr/>	<hr/>
2021	2.27%	3.11%	2.11%	4.08%
2020	2.48%	3.22%	2.20%	4.18%
2019	3.44%	3.36%	2.31%	4.32%
2018	3.61%	3.31%	2.37%	4.23%
2017	3.80%	3.31%	2.20%	4.23%

## **SUPPLEMENTARY INFORMATION**

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
COMBINING BALANCE SHEET- NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2021**

	Capital Projects	Debt Service	Special Revenue Funds		Total
			School Lunch	Miscellaneous	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 797,411	\$ 998,118	\$ 16,594	\$ 724,149	\$ 2,536,272
Cash and cash equivalents - restricted	53,876	-	-	-	53,876
Receivables	-	-	1,210	-	1,210
State and federal aid receivable	-	-	232,735	-	232,735
Inventory	-	-	20,498	-	20,498
Prepaid items	-	-	10,594	-	10,594
Total assets	<u>\$ 851,287</u>	<u>\$ 998,118</u>	<u>\$ 281,631</u>	<u>\$ 724,149</u>	<u>\$ 2,855,185</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ 28,417	\$ -	\$ 28,417
Accrued liabilities	-	-	31,878	14,204	46,082
Due to other funds	27	-	428,281	-	428,308
Due to retirement systems	-	-	8,189	8,149	16,338
Due to other governments	-	-	1,482	-	1,482
Unearned revenue	-	-	45,805	67,212	113,017
Total liabilities	<u>27</u>	<u>-</u>	<u>544,052</u>	<u>89,565</u>	<u>633,644</u>
<b>FUND BALANCES (DEFICIT)</b>					
Nonspendable	-	-	31,092	-	31,092
Assigned	851,260	998,118	-	634,584	2,483,962
Unassigned (deficit)	-	-	(293,513)	-	(293,513)
Total fund balances (deficit)	<u>851,260</u>	<u>998,118</u>	<u>(262,421)</u>	<u>634,584</u>	<u>2,221,541</u>
Total liabilities and fund balances (deficit)	<u>\$ 851,287</u>	<u>\$ 998,118</u>	<u>\$ 281,631</u>	<u>\$ 724,149</u>	<u>\$ 2,855,185</u>

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES (DEFICIT) – NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021**

	Capital Project	Debt Service	Special Revenue Funds		Total
			School Lunch	Miscellaneous	
<b>REVENUES</b>					
Use of money and property	\$ -	\$ 335	\$ 2	\$ 85	\$ 422
Miscellaneous local sources	-	-	11,704	232,921	244,625
State sources	-	-	31,166	-	31,166
Federal sources	-	-	869,557	-	869,557
School lunch	-	-	18,410	-	18,410
Total revenues	-	335	930,839	233,006	1,164,180
<b>EXPENDITURES</b>					
General:					
Instruction	-	-	-	341,140	341,140
School lunch	-	-	947,530	-	947,530
Employee benefits	-	-	191,819	65,052	256,871
Capital outlay:					
General support	3,956,774	-	-	-	3,956,774
Instruction	1,851,458	-	-	-	1,851,458
Bond issue costs	-	196,086	-	-	196,086
Total expenditures	5,808,232	196,086	1,139,349	406,192	7,549,859
Excess (deficit) of revenues over expenditures	(5,808,232)	(195,751)	(208,510)	(173,186)	(6,385,679)
<b>OTHER FINANCING SOURCES (USES)</b>					
Serial bonds issued	3,550,382	-	-	-	3,550,382
Refunding bonds issued	-	5,100,000	-	-	5,100,000
Payment to escrow agent	-	(5,060,000)	-	-	(5,060,000)
Bond issuance premium	-	308,376	-	-	308,376
Interfund transfers in	100,000	-	30,000	-	130,000
Interfund transfers out	(49,787)	-	-	-	(49,787)
Total other financing sources (uses)	3,600,595	348,376	30,000	-	3,978,971
Net change in fund balances	(2,207,637)	152,625	(178,510)	(173,186)	(2,406,708)
Fund balances (deficit) - beginning, as restated (Note 7)	3,058,897	845,493	(83,911)	807,770	4,628,249
Fund balances (deficit) - ending	\$ 851,260	\$ 998,118	\$ (262,421)	\$ 634,584	\$ 2,221,541

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
 SCHEDULE OF CHANGES FROM ADOPTED BUDGET TO FINAL BUDGET –  
 GENERAL FUND AND REAL PROPERTY TAX LIMIT  
 FOR THE YEAR ENDED JUNE 30, 2021**

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Adopted Budget		\$	76,588,224
Additions:			
Encumbrances from prior year			<u>1,230,672</u>
Original/Final Budget		\$	<u><u>77,818,896</u></u>

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

2020-21 voter approved expenditure budget		\$	77,452,765
Maximum allowed			3,098,112

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

Unrestricted fund balance:			
Assigned fund balance	\$	2,761,971	
Unassigned fund balance		<u>3,089,799</u>	
Total unrestricted fund balance		<u><u>5,851,770</u></u>	

Less:			
Appropriated fund balance		971,306	
Encumbrances included in assigned fund balance		<u>1,790,665</u>	
Total adjustments		<u><u>2,761,971</u></u>	

General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		\$	<u><u>3,089,799</u></u>
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Actual percentage			3.99%
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**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

<u>Project Title</u>	<u>Original Appropriations</u>	<u>Revised Appropriations</u>	<u>Capital Expenditures</u>			<u>Unexpended Balance</u>	<u>Methods of Financing</u>			<u>Fund Balance 6/30/20</u>	
			<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>		<u>Proceeds of Obligations</u>	<u>State Aid</u>	<u>Local Sources</u>		<u>Total</u>
Seneca Roof Project	\$ 100,000	\$ 100,000	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -
Emergency Electric Project	120,000	120,000	67,213	52,787	120,000	-	-	-	120,000	120,000	-
Renewal Project	9,625,382	9,625,382	4,821,228	4,675,278	9,496,506	128,876	3,550,382	-	6,000,000	9,550,382	53,876
BOCES Capital Project	<u>1,827,338</u>	<u>1,827,338</u>		<u>1,029,954</u>	<u>1,029,954</u>	<u>797,384</u>	<u>-</u>	<u>-</u>	<u>1,827,338</u>	<u>1,827,338</u>	<u>797,384</u>
Total	<u>\$ 11,672,720</u>	<u>\$ 11,672,720</u>	<u>\$ 4,888,441</u>	<u>\$ 5,858,019</u>	<u>\$ 10,746,460</u>	<u>\$ 926,260</u>	<u>\$ 3,550,382</u>	<u>\$ -</u>	<u>\$ 8,047,338</u>	<u>\$ 11,597,720</u>	<u>\$ 851,260</u>

**WEST IRONDEQUOIT CENTRAL SCHOOL DISTRICT  
SCHEDULE OF NET INVESTMENT IN CAPITAL ASSETS  
FOR THE YEAR ENDED JUNE 30, 2021**

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Capital assets, net	\$	74,797,115
Add:		
Unspent BAN proceeds		53,876
Less:		
Bonds payable		(12,825,382)
Unamortized debt premium		<u>(339,393)</u>
Net investment in capital assets	\$	<u><u>61,686,216</u></u>



## **INTERNAL CONTROL AND COMPLIANCE**

**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**

**INDEPENDENT AUDITOR'S REPORT**

The President and Members of the  
Board of Education of  
West Irondequoit Central School District  
Rochester, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of West Irondequoit Central School District (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 4, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Freed Maxick CPAs, P.C.*

Batavia, New York

October 4, 2021