

PRELIMINARY OFFICIAL STATEMENT DATED MAY 31, 2023

**NEW AND RENEWAL ISSUES**

**BOND ANTICIPATION NOTES & REVENUE ANTICIPATION NOTES**

*In the opinion of Trespasz & Marquardt, LLP, Bond Counsel to the School District, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual of interest on the Notes. (See "TAX MATTERS" herein.).*

*The Notes will NOT be designated as "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.*

**\$27,852,000**

**WEST GENESEE CENTRAL SCHOOL DISTRICT**

**ONONDAGA COUNTY, NEW YORK**

**GENERAL OBLIGATIONS**

**\$21,852,000 Bond Anticipation Notes, 2023 Series A**

(Referred to herein as the "BANs")

**Dated: June 27, 2023**

**Due: June 27, 2024**

**AND**

**\$6,000,000 Revenue Anticipation Notes, 2023**

(Referred to herein as the "RANs")

**Dated: June 27, 2023**

**Due: October 27, 2023**

(Collectively referred to herein as the "Notes")

The Notes are general obligations of the West Genesee Central School District, Onondaga County, New York (the "School District" or "District"). All the taxable real property within the School District is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount with respect to the BANs, however, the RANs are subject to the statutory limitations imposed by Chapter 97 of the Laws of 2011. See "NATURE OF THE OBLIGATIONS" and "TAX LEVY LIMITATION LAW" herein. **The Notes are not subject to redemption prior to maturity.**

At the option of the purchaser(s), the Notes will be issued in (i) registered certificated form registered in the name of the purchaser(s) or (ii) registered book-entry-only form registered to Cede & Co., as the partnership nominee for The Depository Trust Company, Jersey City, New Jersey ("DTC").

If the Notes are issued as registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds at the office of the School District Clerk. The Notes will be issued in denominations of \$5,000 or multiples thereof, except for a necessary odd denomination with respect to the BANs. A single note certificate will be issued for Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate.

If the Notes are issued in book-entry-only form, such notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of \$5,000 or integral multiples thereof, except for a necessary odd denomination with respect to the BANs. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on said Notes will be paid in Federal Funds by the District to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The District will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. (See "BOOK-ENTRY-ONLY SYSTEM" herein).

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the respective approving legal opinion as to the validity of the Notes of Trespasz & Marquardt, LLP, Bond Counsel, Syracuse, New York. It is anticipated that the Notes will be available for delivery through the facilities of DTC in Jersey City, New Jersey, or at such place as may be agreed upon with the purchaser(s) on or about June 27, 2023.

**ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via [www.FiscalAdvisorsAuction.com](http://www.FiscalAdvisorsAuction.com) on June 7, 2023 by no later than 12:00 P.M., Eastern Time, pursuant to the Notices of Sale. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the School District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notices of Sale.**

June \_\_, 2023

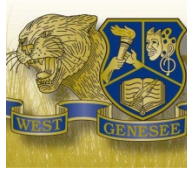
THE SCHOOL DISTRICT DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12, EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER(S), AS MORE FULLY DESCRIBED IN THE NOTICES OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. THE SCHOOL DISTRICT WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN MATERIAL EVENTS AS DEFINED IN THE RULE. SEE "CONTINUING DISCLOSURE" HEREIN.

# WEST GENESEE CENTRAL SCHOOL DISTRICT ONONDAGA COUNTY, NEW YORK

## SCHOOL DISTRICT OFFICIALS

### 2022-2023 BOARD OF EDUCATION

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Board President



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\* \* \* \* \*

DAVID C. BILLS  
Superintendent of Schools

CHRISTINE DEMASS  
Assistant Superintendent for Management Services  
& School District Clerk

BARBARA SCHMIDT  
School District Treasurer



FISCAL ADVISORS & MARKETING, INC.  
Municipal Advisor



TRESPASZ & MARQUARDT, LLP  
BOND COUNSEL

No person has been authorized by the West Genesee Central School District to give any information or to make any representations not contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Notes in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the West Genesee Central School District.

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PREPARED WITH THE ASSISTANCE OF



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**OFFICIAL STATEMENT**  
of the  
**WEST GENESEE CENTRAL SCHOOL DISTRICT**  
**ONONDAGA COUNTY, NEW YORK**  
Relating To  
**\$21,852,000 Bond Anticipation Notes, 2023 Series A**  
And  
**\$6,000,000 Revenue Anticipation Notes, 2023**

This Official Statement, which includes the cover page, inside cover page and appendices, has been prepared by the West Genesee Central School District, Onondaga County, New York (the “School District” or “District”, “Counties”, and “State”, respectively) in connection with the sale by the School District of \$21,852,000 Bond Anticipation Notes, 2023 Series A (referred to herein as the “BANs”) and \$6,000,000 Revenue Anticipation Notes, 2023 (referred to herein as the “RANs”) (collectively referred to herein as the “Notes”).

The factors affecting the School District’s financial condition and the Notes are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the School District tax base, revenues, and expenditures, this Official Statement should be read in its entirety, and no one factor should be considered more or less important than any other by reason of its relative position in this Official Statement.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the School District contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof, and all references to the Notes and the proceedings of the School District relating thereto are qualified in their entirety by reference to the definitive forms of the Notes and such proceedings.

**This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic has continued to create, since its inception in the spring of 2020, prevailing economic conditions (at the global, national, State and local levels) that remain uncertain, have been generally negative, and are subject to the potential for rapid change as new variants emerge and as governments and other organizations respond. These conditions are expected to continue for an indefinite period of time. Significant federal and state relief measures that have been enacted since the onset of the pandemic have served to support the operations and finances of the District, but such measures were temporary in nature and are not likely to be extended or renewed, at least to such a large extent. Accordingly, the District’s overall economic situation and outlook (and all of the specific District-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide and continuing event, the effects of which are extremely difficult to predict and quantify going forward. See “MARKET AND RISK FACTORS - COVID-19” herein.**

**NATURE OF THE OBLIGATIONS**

Each Note when duly issued and paid for will constitute a contract between the District and the holder thereof.

Holders of any series of notes or bonds of the District may bring an action or commence a proceeding in accordance with the civil practice law and rules to enforce the rights of the holders of such series of notes or bonds.

The Notes will be general obligations of the District and will contain a pledge of the faith and credit of the District for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the District has power and statutory authorization to levy ad valorem taxes on all real property within the District subject to such taxation by the District, without limitation as to rate or amount with respect to the BANs, however, the RANs are subject to the statutory limitations imposed by Chapter 97 of the Laws of 2011.

Although the State Legislature is restricted by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay “interest on or principal of indebtedness theretofore contracted” prior to the effective date of any such legislation, the New York State Legislature may from time to time impose additional limitations or requirements on the ability to increase a real property tax levy or on the methodology, exclusions or other restrictions of various aspects of real property taxation (as well as on the ability to issue new indebtedness). On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the “Tax Levy Limitation Law” or “Chapter 97”). The Tax Levy Limitation Law applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities and school districts to levy certain year-to-year increases in real property taxes.

Under the Constitution of the State, the District is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the District's power to increase its annual tax levy, with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See "TAX LEVY LIMITATION LAW" herein.

The Constitutionally-mandated general obligation pledge of municipalities and school districts in New York State has been interpreted by the Court of Appeals, the State's highest court, in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), as follows:

"A pledge of the City's faith and credit is both a commitment to pay and a commitment of the City's revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City's "faith and credit" is secured by a promise both to pay and to use in good faith the City's general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, "faith" and "credit" are used and they are not tautological. That is what the words say and this is what the courts have held they mean... So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the City's power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted... While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded".

In addition, the Court of Appeals in the Flushing National Bank (1976) case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of political subdivisions in New York State.

The pledge has generally been understood as a promise to levy property taxes without limitation as to rate or amount to the extent necessary to cover debt service due to language in Article VIII Section 10 of the Constitution, which provides an exclusion for debt service from Constitutional limitations on the amount of a real property tax levy, insuring the availability of the levy of property tax revenues to pay debt service. As the Flushing National Bank (1976) Court noted, the term "faith and credit" in its context is "not qualified in any way". Indeed, in Flushing National Bank v. Municipal Assistance Corp., 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In Quirk v. Municipal Assistance Corp., 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, "with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the city of those revenues to meet its obligations." According to the Court in Quirk, the State Constitution "requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness."

In addition, the Constitution of the State requires that every county, city, town, village, and school district in the State provide annually by appropriation for the payment of all interest and principal on its serial bonds and certain other obligations, and that, if at any time the respective appropriating authorities shall fail to make such appropriation, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. In the event that an appropriating authority were to make an appropriation for debt service and then decline to expend it for that purpose, this provision would not apply. However, the Constitution of the State does also provide that the fiscal officer of any county, city, town, village, or school district may be required to set apart and apply such first revenues at the suit of any holder of any such obligations.

In Quirk v. Municipal Assistance Corp., the Court of Appeals described this as a "first lien" on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in New York State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy to pay debt service on such obligations, but that such pledge may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues.

While the courts in New York State have historically been protective of the rights of holders of general obligation debt of political subdivisions, it is not possible to predict what a future court might hold.

## THE NOTES

### Description of the Notes

The Notes are general obligations of the School District, and will contain a pledge of its faith and credit for the payment of the principal thereof and interest thereon as required by the Constitution and laws of the State of New York (State Constitution, Art. VIII, Section 2: Local Finance Law, Section 100.00). All the taxable real property within the School District is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount with respect to the BANs, however, the RANs are subject to the statutory limitations imposed by Chapter 97 of the Laws of 2011. See “NATURE OF THE OBLIGATIONS” and “TAX LEVY LIMITATION LAW” herein.

The BANs will be dated June 27, 2023 and will mature June 27, 2024. The RANs will be dated June 27, 2023 and will mature October 27, 2023. The Notes are not subject to redemption prior to maturity. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in either (i) registered certificated form registered in the name of the purchaser, in denominations of \$5,000 each, except for a necessary odd denomination with respect to the BANs, as may be determined by the successful bidder or (ii) at the option of the purchaser, in book-entry-only form, and, if so issued, registered in the name of Cede & Co. as nominee of DTC, which will act as the securities depository for the Notes. See “BOOK-ENTRY-ONLY SYSTEM” herein.

### No Optional Redemption

The Notes are not subject to redemption prior to maturity.

### Purpose of Issue – BANs

On December 6, 2021 the qualified voters of the District approved a proposition authorizing interior and exterior renovations, improvements and upgrades to the buildings and grounds at the District's East Hill Elementary School, Split Rock Elementary School, Onondaga Road Elementary School, Stonehedge Elementary School, West Genesee High School (including improvements to the Public Restroom/Storage Building, Locker Room/Storage Building and Pressbox adjacent to the High School turf field), Camillus Middle School, West Genesee Middle School, Transportation Center and Administrative and Technical Training Center including, general construction, HVAC, plumbing, technology and electrical improvements, site improvements (including a new softball field at Camillus Middle School and construction of an athletic storage building and athletic field improvements at the High School) (the “Capital Project”) at a maximum estimated cost of \$40,702,000 and authorizing the use of \$713,162 of reserve funds to offset the cost of the Capital Project. The BANs are issued pursuant to the Constitution and statutes of the State, including among others, the Education Law, constituting Chapter 16, and the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of New York and a bond resolution duly adopted by the Board of Education on December 15, 2021 authorizing the issuance of up to \$39,988,838 bonds and bond anticipation notes to finance the Capital Project.

Proceeds of the BANs in the amount of \$8,852,000 together with \$1,148,000 available funds of the District will redeem \$10,000,000 bond anticipation notes maturing June 28, 2023 with the balance of proceeds in the amount of \$13,000,000 providing new money for the Capital Project.

### Purpose of Issue – RANs

The RANs are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Education Law, the Local Finance Law and pursuant to a revenue anticipation note resolution duly adopted by the Board of Education, in anticipation of revenues due from the State during the School District's fiscal year, commencing July 1, 2023 and ending June 30, 2024.

In the event the aforesaid aid is not received by October 27, 2023, the RANs may be renewed. Revenue anticipation renewal notes may again be renewed in the event such aid has still not been received on the maturity date of such renewal notes. The final renewal of any such revenue anticipation renewal notes must mature not later than June 30, 2023.

The RANs are being issued to provide monies to meet a cash flow deficit expected to occur during the period that the RANs are outstanding (see “APPENDIX C – 2023 ESTIMATED MONTHLY CASH FLOW”). Such cash flow deficit is the result of a delay in the receipt of State aid revenues, which receipt is not timely with the cash flow needs of the School District.

## BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”), Jersey City, New Jersey, will act as securities depository for the Bonds and the Notes, if selected by the purchaser(s). As such, the Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond and note certificate will be issued for each maturity of the Bonds and for Notes bearing the same rate of interest and CUSIP number.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Principal and interest payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the School District, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC nor its nominee, or the School District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the School District, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the School District. Under such circumstances, in the event that a successor depository is not obtained, bond and note certificates are required to be printed and delivered.

The School District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, bond and note certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the School District believes to be reliable, but the School District takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

THE SCHOOL DISTRICT CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE NOTES (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE NOTES OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE SCHOOL DISTRICT WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON THE NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS, OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE NOTES.

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE SCHOOL DISTRICT MAKES NO REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

### **Certificated Notes**

If the book-entry form is initially chosen by the purchaser of the Notes, DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law, or the District may terminate its participation in the system of book-entry-only system transfers through DTC at any time. In the event that such book-entry-only system is utilized by a purchaser of the Notes upon issuance and later discontinued, the following provisions will apply:

The Notes will be issued in bearer form in denominations of \$5,000 or integral multiples thereof, except for a necessary odd denomination with respect to the BANs. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the District. The Notes will remain not subject to redemption prior to their stated final maturity date.



## **THE SCHOOL DISTRICT**

### **General Information**

The School District, formed in 1951, encompasses 48 square miles and is comprised of the incorporated Village of Camillus, and portions of the Towns of Camillus, Elbridge, Geddes, Onondaga and Van Buren. The School District is located in Onondaga County in central New York State, approximately 5 miles west of the City of Syracuse.

As a suburb of the City of Syracuse, the School District is primarily residential and commercial in nature. The School District has available to its residents all of the necessary retail and professional services, a majority of which are found in one of several shopping centers located within the School District. Many of the School District's residents are employed in the various industries, service companies or commercial/retail establishments that constitute the diverse economic base of the Syracuse metropolitan area.

Major highways serving the School District or in close proximity include: U.S. Route #5 and Interstate Routes #81, #690 and #90 (The New York State Thruway). Railway transportation is provided by Amtrak with a station located in Syracuse. Centro Bus Lines serves the School District providing easy access for residents throughout central New York. Hancock International Airport, located 2 miles north of the City of Syracuse, is served by Allegiant, American, Delta, Frontier, JetBlue Southwest, and United.

The following services and service providers are afforded to residents of the School District: water - Onondaga County Water Authority (OCWA); sewer - Onondaga County Sanitary Sewer District and Camillus Consolidated Sewer District; electricity and gas – National Grid and New York State Electric and Gas; police - Town of Camillus Police Department, County Sheriff's Department and New York State Police; fire - Village of Camillus Fire Department, Fairmount Fire Department, Onondaga Hill Fire Department, Taunton Fire Department and Warrens Fire Department, all of which are volunteer units.

The following banks have offices within the School District: JPMorgan Chase Bank; KeyBank, N.A.; M&T Bank; Bank of America; Citizens Bank and Solvay Bank.

Source: District officials.

### **District Population**

The District has an estimated 2021 population of 31,614. (Source: U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates.)

### **Recent Economic Developments**

Township 5 development located in Town of Camillus is largely completed but continues with minor developments. The \$75+ million development has over 500,000 square feet of space, including retail, offices and a 96-unit apartment complex on what was previously undeveloped 67-acre parcel at the Hinsdale Road exit off Route 5 in Camillus.

The Township 5 development won a tax deal from Onondaga County. Under the deal, the developer will make \$41 million in payments in lieu of taxes to the County over a 25-year period, which is about the same amount it would pay in property taxes on the development. Roughly \$9 million of those payments will be used to make upgrades at four nearby intersections, build an access road, install a sewage pumping station and cover interest charges associated with the improvements.

Larger tenants opened to date include: Movie Tavern Movie Theatre, Costco, Buffalo Wild Wings, Toss & Fire Pizza, Long Horn Steakhouse, Red Robin, Mitsuba Japanese Restaurant, Petco, and a 90-room Tru by Hilton Hotel.

In the fall of 2022, Micron Technology, Inc., one of the world's largest semiconductor companies, announced plans to build a 2.4 million square foot facility in Onondaga County, New York. The facility is expected to bring thousands of jobs to the area, including approximately 9,000 high paying Micron jobs. The District will continue to follow this development and plan accordingly.

## Five Largest Employers

Larger employers located within the School District, other than the School District itself, and the approximate numbers of persons employed by each are as follows:

<u>Name</u>	<u>Nature of Entity</u>	<u>Approximate Number Employed</u>
Wegman's	Grocery Store	545
WalMart	Retail	476
Top's	Grocery Store	208
Costco	Retail	200
Home Depot	Retail	160
Southern Container	Manufacturing - Corrugated Boxes	130

Source: District officials.

## Selected Wealth and Income Indicators

Per capita income statistics are not available for the District as such. The smallest areas for which such statistics are available, which includes the District, are the Towns and County listed below. The figures set below with respect to such Towns and County is included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the Towns or the County is necessarily representative of the District, or vice versa.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2017-2021</u>	<u>2000</u>	<u>2006-2010</u>	<u>2017-2021</u>
Towns of:						
Camillus	\$ 22,591	\$ 29,981	\$ 39,417	\$ 58,395	\$ 73,100	\$ 101,605
Elbridge	18,682	25,385	31,928	48,085	76,378	66,155
Geddes	20,986	26,513	36,593	51,609	67,522	83,387
Onondaga	25,522	30,751	43,836	63,674	80,264	107,987
Van Buren	20,997	26,913	33,461	50,724	62,834	77,250
County of:						
Onondaga	21,336	27,037	36,338	51,876	65,929	86,632
State of:						
New York	23,389	30,948	43,208	51,691	67,405	92,731

Note: 2018-2022 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2017-2021 American Community Survey data.

## Unemployment Rate Statistics

Unemployment statistics are not available for the School District as such. The smallest area for which such statistics are available (which includes the School District) is the County of Onondaga. The information set forth below with respect to the County is included for information purposes only. It should not be implied from the inclusion of such data in this Official Statement that the County is necessarily representative of the School District, or vice versa.

	<u>Annual Average</u>												
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>					
Onondaga County	5.0%	4.6%	4.6%	4.0%	3.8%	8.0%	4.9%	3.3%					
New York State	5.2%	4.9%	4.6%	4.1%	3.9%	9.8%	7.0%	4.3%					

	<u>2022-23 Monthly Figures</u>											
	<u>2022</u>						<u>2023</u>					
	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>
Onondaga County	3.3%	3.5%	3.6%	3.0%	2.8%	2.9%	2.9%	3.8%	3.5%	3.1%	2.5%	N/A
New York State	4.1%	4.3%	4.2%	3.6%	3.7%	3.8%	3.8%	4.6%	4.5%	4.0%	3.7%	N/A

Note: Unemployment rates for the month of May 2023 are not available as of the date of this Official Statement.

Source: Department of Labor, State of New York. (Note: Figures not seasonally adjusted).

## Form of School Government

The legislative power of the School District is vested in the Board of Education (the "Board"). The Board consists of nine elected members serving overlapping three-year terms. During the first ten days of July each year, the Board meets for the purpose of reorganization. At that time, an election is held within the Board to elect a President and Vice President and to appoint other School District officials.

Pursuant to the Local Finance Law, the President of the Board is the chief fiscal officer of the School District. However, certain of the financial functions of the School District are the responsibility of the Superintendent of Schools, the Assistant Superintendent for Management Services and the School District Treasurer. The duties of the administrative officers of the School District include the implementation of the policies of the Board and the supervision of the operation of the school system.

## Budgetary Procedures and Recent Budget Votes

Pursuant to the Education Law, the Board of Education annually prepares or causes to be prepared, a budget for the ensuing fiscal year. A public hearing on such budget is held not less than seven days and not more than fourteen days prior to the vote. The Board of Education causes notice of such public hearing to be published four times beginning seven weeks prior to the vote. After the public hearing, but not less than six days prior to the budget vote, the District must mail a school budget notice to all qualified voters which contains the total budget amount, the dollar and percentage increase or decrease in the proposed budget (or contingency budget) as compared to the current budget, the percentage increase or decrease in the consumer price index, the estimated property tax levy, the basic STAR exemption impact and the date, time and place of the vote.

After the budget hearing and subsequent notice, a referendum upon the question of the adoption of the budget is held on the third Tuesday in May each year. All qualified District residents are eligible to participate.

Pursuant to Chapter 97 of the Laws of 2011, beginning with the 2012 – 2013 fiscal year, if the proposed budget requires a tax levy increase that does not exceed the lesser of 2% or the rate of inflation (the "School District Tax Cap"), then a majority vote is required for approval. If the proposed budget requires a tax levy that exceeds the School District Tax Cap, the budget proposition must include special language and a 60% vote is required for approval. Any separate proposition that would cause the School District to exceed the School District Tax Cap must receive at least 60% voter approval.

If the proposed budget is not approved by the required margin, the Board of Education may resubmit the original budget or a revised budget to the voters on the 3rd Tuesday in June, or adopt a contingency budget (which would provide for ordinary contingent expenses, including debt service) that levies a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy).

If the resubmitted and/or revised budget is not approved by the required margin, the Board of Education must adopt a budget that requires a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy). For a complete discussion of Chapter 97, see “TAX LEVY LIMITATION LAW” herein.

### *Recent Budget Votes*

The budget for the 2022-23 fiscal year was approved by the qualified voters on May 17, 2022 by a margin of 903 yes to 263 no. The adopted budget included a tax levy increase of 2.5%, which was equal to the District’s maximum allowable Tax Cap of 2.5% for the 2022-23 fiscal year.

The budget for the 2023-24 fiscal year was approved by the qualified voters on May 16, 2023 by a margin of 600 yes to 159 no. The adopted budget included a tax levy increase of 2.7%, which was equal to the District’s maximum allowable Tax Cap of 2.7% for the 2023-24 fiscal year.

### **Investment Policy**

Pursuant to the statutes of the State of New York, the School District is permitted to invest only in the following investments: (1) special time deposits or certificates of deposits in a bank or trust company located and authorized to do business in the State of New York; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State of New York; (5) with the approval of the New York State Comptroller, tax anticipation notes and revenue anticipation notes issued by any New York municipality or district corporation, other than the School District; (6) obligations of a New York public corporation which are made lawful investments by the School District pursuant to another provision of law; (7) certain certificates of participation issued on behalf of political subdivisions of the State of New York; and, (8) in the case of School District moneys held in certain reserve funds established pursuant to law, obligations issued by the School District. These statutes further require that all bank deposits, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law.

Consistent with the above statutory limitations, it is the School District's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America, (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America, and (4) repurchase agreements involving the purchase and resale of obligations of the United States of America or obligations of agencies of the federal government, if principal and interest is guaranteed by the United States of America and the securities are registered in the name of the School District and held by a custodial bank in accordance with the policies established by the New York State Comptroller.

The School District does not invest in so-called “derivatives” including reverse purchase agreements, which are not authorized investments for municipalities and school districts in the State.

### **State Aid**

The District receives financial assistance from the State in the form of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. In its adopted budget for the 2023-24 fiscal year, approximately 44.8% of the revenues of the District are estimated to be received in the form of State aid. While the State has a constitutional duty to maintain and support a system of free common schools that provides a “sound basic education” to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever.

In addition to the amount of State aid budgeted annually by the District, the State makes payments of STAR aid representing tax savings provided by school districts to their taxpayers under the STAR Program.

The State is not constitutionally obligated to maintain or continue State aid to the District. No assurance can be given that present State aid levels will be maintained in the future. State budgetary restrictions which could eliminate or substantially reduce State aid could have a material adverse effect upon the District, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures (See also “MARKET AND RISK FACTORS”).

There can be no assurance that the State appropriation for building aid and other State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid, including building aid appropriated and apportioned to the School District, can be paid only if the State has such monies available therefor. The availability of such monies and the timeliness of such payment could be affected by a delay in the adoption of the State budget or their elimination therefrom.

There can be no assurance that the State's financial position will not change materially and adversely from current projections. If this were to occur, the State would be required to take additional gap-closing actions. Such actions may include, but are not limited to: reductions in State agency operations; delays or reductions in payments to local governments or other recipients of State aid including school districts in the State. Reductions in the payment of State aid could adversely affect the financial condition of school districts in the State.

The amount of State aid to school districts can vary from year to year and is dependent in part upon the financial condition of the State. During the 2011 to 2019 fiscal years of the State, State aid to school districts was paid in a timely manner; however, during the State's 2010 and 2020 fiscal years, State budgetary restrictions resulted in delayed payments of State aid to school districts in the State. In addition, the availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in adoption of the State budget, which is due at the start of the State's fiscal year of April 1. Since the 2010-11 State fiscal year, the State budget has been generally adopted on or before April 1, with the exception of the 2016-17 State budget which was not adopted until April 9, 2017 and the State's 2023-24 Budget which was not adopted until May 3, 2023. No assurance can be given that the State will not experience delays in the adoption of the budget in future fiscal years. Significant delays in the adoption of the State budget could result in delayed payment of State aid to school districts in the State which could adversely affect the financial condition of school districts in the State.

Should the District fail to receive State aid expected from the State in the amounts and at the times expected, occasioned by a delay in the payment of such monies or by a mid-year reduction in State aid, the District is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

#### *Federal aid received by the State.*

The State receives a substantial amount of federal aid for health care, education, transportation and other governmental purposes, as well as federal funding to respond to, and recover from, severe weather events and other disasters. Many of the policies that drive this federal aid may be subject to change under the federal administration and Congress. Current federal aid projections, and the assumptions on which they rely, are subject to revision in the future as a result of changes in federal policy, the general condition of the global and national economies and other circumstances.

President Biden has signed into law the American Rescue Plan, a \$1.9 trillion COVID-19 relief package that includes \$350 billion to state, local and territorial governments to keep their frontline workers employed, distribute the vaccine, increase testing, reopen schools and maintain vital services. The American Rescue Plan also includes an additional \$1,400 payment to eligible individuals and families, enhanced unemployment aid, rental and utility assistance to low and moderate income households, an increase in food stamp benefits, additional funding for child care and an increase in child care tax credits.

Since March 2020, the State has been awarded over \$14 billion in Federal education COVID response funding through the Coronavirus Aid, Relief, and Economic Security ("CARES") Act; Coronavirus Response and Relief Supplemental Appropriations Act, 2021 ("CRRSA"); and the American Rescue Plan ("ARP") Act. These funds are supporting the ability of local educational agencies to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools in the State. The District has been allocated a total of approximately \$3,947,449 in ARP funds and \$4,194,482 in CRRSA funds. As of June 30, 2022, the District has received its ARP and CRRSA funds in full.

Reductions in Federal funding levels could have a materially adverse impact on the State budget. In addition to the potential fiscal impact of policies that may be proposed and adopted by the new administration and Congress, the State budget may be adversely affected by other actions taken by the Federal government, including audits, disallowances, and changes to Federal participation rates or other Medicaid rules.

#### *Building Aid*

A portion of the District's State aid consists of building aid which is related to outstanding indebtedness for capital project purposes. In order to receive building aid, the District must have building plans and specifications approved by the Facilities Planning Unit of the State Education Department. A maximum construction and incidental cost allowance is computed for each building project that takes into account a pupil construction cost allowance and assigned pupil capacity. For each project financed with debt obligations, a bond percentage is computed. The bond percentage is derived from the ratio of total approved cost allowances to the total principal borrowed. Approved cost allowances are estimated until a project final cost report is completed.

Building Aid is paid over fifteen years for reconstruction work, twenty years for building additions, or thirty years for new building construction. Building Aid for a specific building project is eligible to begin eighteen months after State Commissioner of Education approval date, for that project, and is paid over the previously described timeframe, assuming all necessary building aid forms are filed with the State in a timely manner. The building aid received is equal to the assumed debt service for that project, which factors in the bond percent, times the building aid ratio that is assigned to the District, and amortized over the predefined timeframe. The building aid ratio is calculated based on a formula that involves the full valuation per pupil in the District compared to a State-wide average.

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2023-24 preliminary building aid ratios, the District expects to receive State building aid of approximately 85.5% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

The State building aid ratio is calculated each year based upon a formula which reflects Resident Weighted Average Daily Attendance (RWADA) and the full value per pupil compared with the State average. Consequently, the estimated aid will vary over the life of each issue. State building aid is further dependent upon the continued apportionment of funds by the State Legislature.

*State aid history:*

State aid to school districts within the State has declined in some recent years before increasing again in more recent years.

*School District Fiscal Year (2019-2020):* The State 2019-2020 Enacted Budget included a total of \$27.69 billion for School Aid, a year-to-year funding increase of \$956 million or 3.6% and will provide additional funding for Foundation Aid of \$338.0 million and \$409.65 million in reimbursements for expense-based aids. In addition, the 2019-2020 Enacted Budget increases the Community Schools set-aside funding amount by \$49.99 million to a total of \$250.0 million. This increased funding is targeted to districts with failing schools and/or districts experiencing significant growth in English language learners. The State 2019-2020 Enacted Budget increased the minimum community schools funding amount from \$75,000 to \$100,000. This ensured all high-need districts across the State could apply the funds to a wide-range of activities.

*School district fiscal year (2020-2021):* Due to the anticipated impact of the COVID-19 pandemic on State revenues, State aid in the State's 2020-2021 Enacted Budget was 3.7% lower than in the State's 2019-2020 Enacted Budget but was offset in part with increased Federal support. This reduction in State Operating Funds support was offset by approximately \$1.1 billion in funding provided to the State through the Federal CARES Act, including the Elementary and Secondary School Emergency Education Relief Fund and the Governor's Emergency Education Relief Fund. With these Federal funds, State aid in the school district fiscal year 2020-2021 was approximately \$27.9 billion, an annual increase of approximately \$100 million or 0.4%. The State's 2020-2021 Enacted Budget continued prior year funding levels for existing programs, including Foundation Aid, Community Schools and Universal Prekindergarten. The 2020-2021 Enacted Budget also provided over \$200 million in support for competitive grant programs, including \$1 million for development of a new Civics Education curriculum and \$10 million for a Student Mental Health program. Funding for expense-based aids, such as Building Aid, Transportation Aid, and Boards of Cooperative Educational Services (BOCES) Aid continued under existing aid formulas. Out-year growth in School Aid reflected then current projections of the ten-year average growth in State personal income. The State's 2020-2021 Enacted Budget authorized the State's Budget Director to make periodic adjustments to State aid, in the event that actual State revenues came in below 99% of estimates or if actual disbursements exceeded 101% of estimates. Pursuant to that provision, in October, 2020, the State announced that, in the absence of Federal funding to offset such lost revenue, the State had begun to take steps to reduce spending, including but not limited to, temporarily holding back 20% of most aid payments to local governments and school districts. However, the 2020-2021 State aid declines were offset, in part, by \$1.1 billion of increased federal funding through the Coronavirus Aid, Relief, and Economic Security Act. With these federal funds, State aid totaled \$27.9 billion in the State's 2020-2021 Enacted Budget, an annual increase of approximately \$100 million or 0.4% from the 2019-2020 Enacted Budget. As of February 1, 2021, the State Education Department ("SED") advised school districts that the State Division of the Budget would, at some point, provide approval for SED to make the payments to school districts for State aid and other Pre-K-12 grant programs that had been subject to the above-referenced 20% withholding. Such approval was received and the State released all of the withheld funds prior to June 30, 2021.

*School district fiscal year (2021-2022):* The State's 2021-22 Enacted Budget included \$29.5 billion in State aid to school districts, and significantly increased funding for schools and local governments, including a \$1.4 billion increase in Foundation Aid and a three-year phase-in of the full restoration to school districts of Foundation Aid that was initially promised in 2007. Additionally, the budget included the use of \$13 billion of federal funds for emergency relief, along with the Governor's Emergency Education Relief, which included, in part, the allocation of \$629 million to school districts as targeted grants in an effort to address learning loss as a result of the loss of enrichment and after-school activities. In addition, \$105 million of federal funds were allocated to expand full-day kindergarten programs. Under the budget, school districts were reimbursed for

the cost of delivering school meals and instructional materials in connection with COVID-19-related school closures in spring 2020, along with the costs of keeping transportation employees and contractors on stand-by during the short-term school closures prior to the announcement of the closure of schools for the remainder of the 2019-20 year. Under the budget, local governments also received full restoration of proposed cuts to Aid and Incentives for Municipalities (AIM) funding, and full restoration of \$10.3 million in proposed Video Lottery Terminal (VLT) aid cuts, where applicable.

*School district fiscal year (2022-2023):* The State's 2022-23 Enacted Budget included \$31.5 billion in State funding to school districts for the 2022-23 school year. This represented an increase of \$2.1 billion or 7.2 percent compared to the 2021-22 school year, and included a \$1.5 billion or 7.7 percent Foundation Aid increase. The State's 2022-23 Enacted Budget also included \$14 billion of federal Elementary and Secondary School Emergency Relief and Governor's Emergency Education Relief funds to public schools. This funding, available for use over multiple years, was designed to assist public schools to reopen for in-person instruction, address learning loss, and respond to students' academic, social, and emotional needs due to the disruptions of the COVID-19 pandemic. The State's 2022-23 Enacted Budget allocated \$100 million over two years for a new State matching fund for school districts with the highest needs to support efforts to address student well-being and learning loss. In addition, the State's 2022-23 Enacted Budget increased federal funds by \$125 million to expand access to full-day prekindergarten programs for four-year-old children in school districts statewide in the 2022-23 school year.

*School District fiscal year (2023-2024):* The State's 2023-24 Enacted Budget includes \$34.5 billion for school aid, an increase of \$3.1 billion or 10%, which is the highest level of State aid to date. The State's 2023-24 Budget also provides a \$2.6 billion increase in Foundation Aid, fully funding the program for the first time in history. The State's 2023-24 Enacted Budget provides \$134 million to increase access to free school meals. An additional \$20 million in grant funding will establish new Early College High School and Pathways in Technology Early College High School Programs. An investment of \$10 million over two years in competitive funding for school districts, boards of cooperative educational services, and community colleges will be made to promote job readiness. An additional \$150 million will be used to expand high-quality full-day prekindergarten, resulting in universal prekindergarten to be phased into 95% of the State.

#### *State Aid Litigation*

In January 2001, the State Supreme Court issued a decision in Campaign for Fiscal Equity v. New York mandating that the system of apportionment of State aid to school districts within the State be restructured by the Governor and the State Legislature. On June 25, 2002, the Appellate Division of the State Supreme Court reversed that decision. On June 26, 2003, the State Court of Appeals, the highest court in the State, reversed the Appellate Division, holding that the State must, by July 30, 2004, ascertain the actual cost of providing a sound basic education, enact reforms to the system of school funding and ensure a system of accountability for such reforms. The Court of Appeals further modified the decision of the Appellate Division by deciding against a Statewide remedy and instead limited its ruling solely to the New York City school system.

After further litigation, on appeal in 2006, the Court of Appeals held that \$1.93 billion of additional funds for the New York City schools – as initially proposed by the Governor and presented to the Legislature as an amount sufficient to provide a sound basic education – was reasonably determined. State legislative reforms in the wake of The Campaign for Fiscal Equity decision included increased accountability for expenditure of State funds and collapsing over 30 categories of school aid for school districts in the State into one classroom operating formula referred to as Foundation Aid. The stated purpose of Foundation Aid is to prioritize funding distribution based upon student need. As a result of the Court of Appeals ruling schools were to receive \$5.5 billion increase in Foundation Aid over a four fiscal year phase-in covering 2007 to 2011.

A case related to the Campaign for Fiscal Equity, Inc. v. State of New York was heard on appeal on May 30, 2017 in New Yorkers for Students' Educational Rights v. State of New York ("NYSER") and a consolidated case on the right to a sound basic education. The NYSER lawsuit asserts that the State has failed to comply with the original decision in the Court of Appeals in the Campaign for Fiscal Equity case, and asks the Court of Appeals to require the State to develop new methodologies, formulas and mechanisms for determining State aid, to fully fund the foundation aid formula, to eliminate the supermajority requirement for voter approval of budgets which increase school district property tax levies above the property tax cap limitation, and related matters. On June 27, 2017, the Court of Appeals held that the plaintiffs' causes of action were properly dismissed by the earlier Appellate Division decision except insofar as two causes of action regarding accountability mechanisms and sufficient State funding for a "sound basic education" as applicable solely to the school districts in New York City and Syracuse. The Court emphasized its previous ruling in the *Campaign for Fiscal Equity* case that absent "gross education inadequacies", claims regarding state funding for a "sound basic education" must be made on a district-by-district basis based on the specific facts therein. On October 14, 2021 Governor Hochul announced that New York State reached an agreement to settle and discontinue the *New Yorkers for Students' Educational Rights v. New York State* case, following through on the State's commitment to fully fund the current Foundation Aid formula to New York's school districts over three years and ending the State's prior opposition to providing such funding. The litigation, which has been ongoing since 2014, sought to require New York State to fully fund the Foundation Aid formula that was put into place following the Campaign for Fiscal Equity cases, and had been previously opposed by the State. Foundation Aid was created in 2007 and takes school district wealth and student need into account to create an equitable distribution of state funding to schools, however, New York State

has never fully funded Foundation Aid. The new settlement requires New York State to phase-in full funding of Foundation Aid by the FY 2024 budget. In the FY 2022 Enacted State Budget approved in April 2022, the Executive and Legislature agreed to fully fund Foundation Aid by the FY 2024 budget and enacted this commitment into law. A breakdown of currently anticipated Foundation Aid funding is available below:

- FY 2022: \$19.8 billion, covering 30% of the existing shortfall.
- FY 2023: Approximately \$21.3 billion, covering 50% of the anticipated shortfall.
- FY 2024: Approximately \$23.2 billion, eliminating the anticipated shortfall, and funding the full amount of Foundation Aid for all school districts.

## State Aid Revenues

The following table illustrates the percentage of total General Fund revenues of the District for each of the last five completed fiscal years and budgeted figures for the 2022-23 and 2023-24 fiscal years comprised of State aid.

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>Total State Aid</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2017-18	\$ 86,329,007	\$ 35,528,107	41.15%
2018-19	86,773,005	34,550,600	39.82
2019-20	90,351,355	37,045,497	41.00
2020-21	90,662,069	35,528,725	39.19
2021-22	92,388,559	36,810,969	39.84
2022-23 (Budgeted)	96,379,760 <sup>(1)</sup>	40,210,872	41.72
2023-24 (Budgeted)	104,799,050 <sup>(2)</sup>	46,935,107	44.79

<sup>(1)</sup> Does not include \$900,000 of appropriated fund balance and use of reserve funds.

<sup>(2)</sup> Does not include \$950,000 of appropriated fund balance and use of reserve funds.

Source: 2017-18 through 2021-22 audited financial statements and 2022-23 and 2023-24 adopted budgets (unaudited) of the District. This table is not audited.

## District Facilities

<u>Name</u>	<u>Grades</u>	<u>Capacity</u>	<u>Year(s) Built/Additions / Renovations</u>
East Hill Elementary	K-4	660	1957, '74, '86, '91, '15, '19, '21
Onondaga Road Elementary	K-4	660	1957, '74, '86, '93, '15, '19, '21
Split Rock Elementary	K-4	750	1964, '79, '86, '93, '15, '19, '21
Stonehedge Elementary	K-4	1,320	1961, '70, '86, '94, '15, '19, '21
Camillus Middle	7-8	1,300	1971, '86, '99, '15, '19, '21
West Genesee Middle	5-6	1,200	1960, '74, '86, '97, '15, '19, '21
West Genesee Senior High	9-12	2,300	1955, '64, '74, '86, '94, '04, '06, '16, '19, '21

Source: District Officials.

## Enrollment Trends

<u>School Year</u>	<u>Actual Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2018-2019	4,515	2023-2024	4,478
2019-2020	4,371	2024-2025	4,492
2020-2021	4,349	2025-2026	4,489
2021-2022	4,467	2026-2027	4,488
2022-2023	4,422	2027-2028	4,491

Source: District officials.



## Employees

The District employs approximately 938 full and part-time employees exclusive of substitute staff. Currently, 36 District employees are not represented by any collective bargaining agent. The number of employees represented by the various collective bargaining units and the expiration dates of the collective bargaining agreements are as follows:

<u># Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
468	West Genesee Teachers' Association	June 30, 2025
185	West Genesee Paraprofessionals	June 30, 2024
148	West Genesee Substitute Teacher Association	June 30, 2025
102	West Genesee Central School Bus Drivers' Union	June 30, 2026
43	West Genesee Food Service Employees	June 30, 2024
44	West Genesee Custodial Association	June 30, 2024
25	West Genesee Office Personnel	June 30, 2024
20	West Genesee Administrators' Association	June 30, 2024
8	West Genesee Mechanics and Mechanics' Helpers Division	June 30, 2024
7	West Genesee Maintenance Division Employees	June 30, 2024

Source: District officials.

## Status and Financing of Employee Pension Benefits

Substantially all employees of the District are members of either the New York State and Local Employees' Retirement System ("ERS") (for non-teaching and non-certified administrative employees) or the New York State Teachers' Retirement System ("TRS") (for teachers and certified administrators). (Both Systems are referred to together hereinafter as the "Retirement Systems" where appropriate.) These Retirement Systems are cost-sharing multiple public employer retirement systems. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement and Social Security Law (the "Retirement System Law"). The Retirement 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 benefits and optional methods of benefit payments. All benefits generally had vested after ten years of credited service; however, this was changed to five years as of April 9, 2022. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems. The Retirement Systems are non-contributory with respect to members hired prior to July 27, 1976. All members working less than ten years must contribute 3% (ERS) or 3.5% (TRS) of gross annual salary towards the cost of retirement programs.

On December 12, 2009, a new Tier V was signed into law. The legislation created a new Tier V pension level, the most significant reform of the State's pension system in more than a quarter-century. Key components of Tier V include:

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62.
- Requiring ERS employees to continue contributing 3% of their salaries and TRS employees to continue contributing 3.5% toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw a pension from 5 years to 10 years, which has since been changed to 5 years as of April 9, 2022 (for both Tier V and Tier VI).
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at \$15,000 per year, and for police and firefighters at 15% of non-overtime wages.

On March 16, 2012, a new Tier VI pension program was signed into law, effective for new ERS and TRS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for the final average salary calculation from 3 years to 5 years. Tier VI employees would vest in the system after ten years of employment; and employees will continue to make employee contribution throughout employment. As of April 9, 2022, vesting requirements were modified, resulting in employees becoming vested after five years.

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five years and budgeted figures for the 2023-24 fiscal years are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2018-2019	\$ 1,281,320	\$ 3,734,350
2019-2020	1,222,280	3,420,265
2020-2021	1,433,479	3,746,566
2021-2022	1,292,456	3,901,182
2022-2023	1,120,934	4,132,088
2023-2024 (Budgeted)	1,360,077	4,334,169

Source: District officials.

The annual required pension contribution is due February 1 annually with the ability to pre-pay on December 15 at a discount. The District pre-pays this cost annually.

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. The District currently does not have early retirement incentive programs for its employees.

Historical Trends and Contribution Rates. Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the Retirement System in the 1990s, the locally required annual contribution declined to zero. However, with the subsequent decline in the equity markets, the pension system became underfunded. As a result, required contributions increased substantially to 15% to 20% of payroll for the employees' and the police and fire retirement systems, respectively. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments.

A chart of average ERS and TRS employer contribution rates as a percent of payroll (2017-18 to 2023-24) is shown below:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2017-18	15.3%	9.80%
2018-19	14.9	10.62
2019-20	14.6	8.86
2020-21	14.6	9.53
2021-22	16.2	9.80
2022-23	11.6	10.29
2023-24	13.1	9.76*

\* Estimated. The TRS Retirement Board is expected to adopt the final 2023-24 employer contribution rate at its July 26, 2023 board meeting.

In 2003, Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and the Local Finance Law. The amendments empowered the State Comptroller to implement a comprehensive structural reform program for ERS. The reform program established a minimum contribution for any local governmental employer equal to 4.5% of pensionable salaries for bills which were due December 15, 2003 and for all fiscal years thereafter, as a minimum annual contribution where the actual rate would otherwise be 4.5% or less due to the investment performance of the fund. In addition, the reform program instituted a billing system to match the budget cycle of municipalities and school districts that will advise such employers over one year in advance concerning actual pension contribution rates for the next annual billing cycle. Under the previous method, the requisite ERS contributions for a fiscal year could not be determined until after the local budget adoption process was complete. Under the new system, a contribution for a given fiscal year is based on the valuation of the pension fund on the prior April 1 of the calendar year preceding the contribution due date instead of the following April 1 in the year of contribution so that the exact amount may now be included in a budget.

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating employers, if they so elect, to amortize an eligible portion of their annual required contributions to ERS when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a "graded" rate by the State Comptroller in accordance with formulas provided in Chapter 57. Amortized contributions are to be paid in equal annual installments over a ten-year period, but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by State Comptroller, which approximates a market rate of return on taxable fixed rate securities of a comparable duration issued by comparable issuers. The interest rate is established annually for that year's amortized amount and then applies to the entire ten years of the amortization cycle of that amount. When in any fiscal year, the participating

employer's graded payment eliminates all balances owed on prior amortized amounts, any remaining graded payments are to be paid into an employer contribution reserve fund established by the State Comptroller for the employer, to the extent that amortizing employer has no currently unpaid prior amortized amounts, for future such use.

The District is not amortizing any pension payments nor does it intend to do so in the foreseeable future.

Stable Rate Pension Contribution Option: The 2013-14 State Budget included a provision that provides local governments and school districts, including the District, with the option to "lock-in" long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS and TRS. The stable rates would be 12% for ERS and 14% for TRS. The pension contribution rates under this program would reduce near-term payments for employers, but will require higher than normal contributions in later years.

The District is not participating in the Stable Rate Pension Contribution Option nor does it intend to do so in the foreseeable future.

The State's 2019-2020 Enacted Budget, which was signed into law as Chapter 59 of the Laws of 2019, includes a provision that allows school districts in the State to establish a reserve fund for the purpose of funding the cost of TRS contributions, as a sub-fund of retirement contribution reserve funds presently authorized for amounts payable to the ERS by a school district. School districts are permitted to pay into such reserve fund during any particular fiscal year, an amount not to exceed two percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year; provided that the balance of such fund may not exceed ten percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year. The District has established a TRS reserve fund as has begun funding it as of the 2020-21 fiscal year.

Retirement System Assumptions. The investment of monies and assumptions underlying same, of the Retirement Systems covering the School District's employees is not subject to the direction of the School District. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of the Retirement Systems ("UAALs"). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the School District which could affect other budgetary matters. Concerned investors should contact the Retirement Systems administrative staff for further information on the latest actuarial valuations of the Retirement Systems.

### **Other Post-Employment Benefits**

Healthcare Benefits. It should also be noted that the District provides employment healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. There is now an accounting rule that requires governmental entities, such as the District, to account for employment healthcare benefits as it accounts for vested pension benefits.

School districts and Boards of Cooperative Educational Services, unlike other municipal units of government in the State, have been prohibited from reducing health benefits received by or increasing health care contributions paid by retirees below the level of benefits or contributions afforded to or required from active employees since the implementation of Chapter 729 of the Laws of 1994. Legislative attempts to provide similar protection to retirees of other local units of government in the State have not succeeded as of this date. Nevertheless, many such retirees of all varieties of municipal units in the State do presently receive such benefits.

OPEB. OPEB refers to "other post-employment benefits," meaning other than pension benefits, disability benefits and OPEB consist primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Until now, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements.

GASB 75. In 2015, the Governmental Accounting Standards Board ("GASB") released new accounting standards for public Other Post-Employment Benefits ("OPEB") plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. For the fiscal year ended June 30, 2018, the District implemented GASB 75. The implementation of this statement requires District's to report OPEB liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required the District to calculate and report a net OPEB obligation. However, under GASB 45 districts could amortize the OPEB liability over a period of years, whereas GASB 75 requires districts to report the entire OPEB liability on the statement of net position.

The District contracted with Armory Associates, LLC III to calculate its first actuarial valuation under GASB 75. The following outlines the changes to the Total OPEB Liability during the 2021 and 2022 fiscal years, by source.

Balance beginning at:	July 1, 2020	July 1, 2021
	\$ 31,059,503	\$ 34,424,287
<u>Changes for the year:</u>		
Service cost	1,663,284	1,884,550
Interest on total OPEB liability	1,128,314	782,257
Changes in Benefit Terms	(2,229,794)	-
Differences between expected and actual experience	960,177	-
Changes in Assumptions or other inputs	2,813,324	190,110
Benefit payments	(970,521)	(1,825,275)
Net Changes	\$ 3,364,784	\$ 1,031,642
Balance ending at:	June 30, 2021	June 30, 2022
	\$ 34,424,287	\$ 35,455,929

Source: Audited financial reports of the District. For additional information see "APPENDIX - G" attached hereto. The above table is not audited.

There is no authority in current State law to establish a trust account or reserve fund for this liability. The District has reserved \$0 towards its OPEB liability. The District funds this liability on a pay-as-you-go basis.

The District's unfunded actuarial accrued OPEB liability could have a material adverse impact upon the District's finances and could force the District to reduce services, raise taxes or both.

Actuarial valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are fewer than 200 members.

## Financial Statements

The School District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2022 and has been filed with the Electronic Municipal Market Access ("EMMA") website. It is also attached hereto as "APPENDIX-G" to this Official Statement. Certain financial information of the School District can also be found attached as Appendices to the Official Statement.

The District complies with the Uniform System of Accounts as prescribed for Districts in New York State by the State. This system differs from generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units", and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board (GASB).

Beginning with the fiscal year ending June 30, 2003, the District issues its financial statements in accordance with GASB Statement No. 34. This statement includes reporting of all assets including infrastructure and depreciation in the Government Wide Statement of Activities, as well as the Management's Discussion and Analysis.

## New York State Comptroller Reports of Examination

The New York State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the District has complied with the requirements of various State and Federal statutes. These audits can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website.

The State Comptroller's office released its most recent audit report of the District on June 8, 2022. The purpose of the audit was to determine if the District used District resources to provide the mental health component of the New York Safe Schools Against Violence in Education Act (SAVE Act) training requirement to staff for the period July 1, 2020 through June 30, 2021. Key findings and recommendations of the State Comptroller are as outlined below:

### Key Findings:

The District did not provide mental health training to any staff for the 2020-21 school year by September 15, 2020 as required by New York State Education Department (SED) regulations.

- Seven of the 12 recommended components of mental health that educators should know were not included in the District's training.

District officials did not maintain documentation to support attendance for training and we were unable to determine which staff members participated.

### Key Recommendations:

Provide mental health training to all staff and ensure it is completed by September 15, as required. Such training should address recognition of the warning signs, whom to turn to for assistance, and how to access appropriate services.

A copy of the complete report can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website.

There are no State Comptroller's audits of the District currently in progress or pending release at this time.

Source: Website of the Office of the New York State Comptroller. Reference to website implies no warranty of the accuracy of the information therein, nor incorporation herein by reference.

## The State Comptroller's Fiscal Stress Monitoring System

The New York State Comptroller has reported that New York State's school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller has developed a Fiscal Stress Monitoring System ("FSMS") to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State's school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district's ST-3 report filed with the State Education Department annually, and each municipality's annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in "significant fiscal stress", in "moderate fiscal stress," as "susceptible to fiscal stress" or "no designation". Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of "no designation." This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity's financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The reports of the State Comptroller for the 2017-18 through 2021-22 fiscal years of the District are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2022	No Designation	0.0
2021	No Designation	0.0
2020	No Designation	10.0
2019	No Designation	0.0
2018	No Designation	0.0

Source: Website of the Office of the New York State Comptroller. Reference to website implies no warranty of the accuracy of the information therein, nor incorporation herein by reference.

## Other Information

The statutory authority for the power to spend money for the object or purpose, or to accomplish the object or purpose, for which the Notes are to be issued is the Education Law and the Local Finance Law.

The District is in compliance with the procedure for the publication of the estoppel notice with respect to the Notes as provided in Title 6 of Article 2 of the Local Finance Law.

No principal or interest upon any obligation of the District is past due.

The fiscal year of the District is July 1 to June 30.

Except for as shown under “STATUS OF INDEBTEDNESS – Estimated Overlapping Indebtedness”, this Official Statement does not include the financial data of any political subdivision having power to levy taxes within the District.

## TAX INFORMATION

### Taxable Assessed Valuations

<u>Fiscal Year Ending June 30:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Towns of:					
Camillus	\$ 1,562,281,054	\$ 1,684,674,747	\$ 1,737,504,541	\$ 1,811,327,331	\$ 1,933,336,890
Elbridge	786,626	800,931	849,989	851,347	866,462
Geddes	99,310,988	99,291,323	100,088,095	100,593,095	101,535,084
Onondaga	313,529,920	323,169,252	326,211,669	327,788,223	328,246,956
Van Buren	56,459,919	59,220,564	62,190,492	63,865,689	81,150,535
Total Assessed Values	<u>\$ 2,032,368,507</u>	<u>\$ 2,167,156,817</u>	<u>\$ 2,226,844,786</u>	<u>\$ 2,304,425,685</u>	<u>\$ 2,445,135,927</u>

### State Equalization Rates

Towns of:					
Camillus	100.00%	100.00%	97.00%	100.00%	97.00%
Elbridge	100.00%	100.00%	97.00%	95.00%	85.00%
Geddes	89.00%	87.50%	80.85%	77.83%	70.00%
Onondaga	95.00%	94.50%	92.00%	89.50%	78.00%
Van Buren	100.00%	100.00%	100.00%	100.00%	100.00%
Total Taxable Full Valuation	<u>\$ 2,061,144,474</u>	<u>\$ 2,200,150,084</u>	<u>\$ 2,332,681,264</u>	<u>\$ 2,371,580,198</u>	<u>\$ 2,641,180,267</u>

Source: District officials.

### Tax Rates Per \$1,000 (Assessed)

<u>Fiscal Year Ending June 30:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Towns of:					
Camillus	\$ 23.62	\$ 22.73	\$ 22.74	\$ 22.13	\$ 20.99
Elbridge	23.63	22.75	22.76	23.30	23.97
Geddes	26.51	25.98	27.29	28.40	29.08
Onondaga	24.88	24.07	23.99	24.73	26.12
Van Buren	23.63	22.73	22.08	22.11	20.33

Source: District officials.

## Tax Collection Procedure

The Board of Education establishes a tax rate for each Town within the School District each August. A warrant is issued to each Town Collector specifying total taxes to be collected. Tax payments are due in September. The penalties for late payment are as follows: none for the first 30 days after due date and 2% for the next 30 days. On November 15, the Town Collectors return uncollected items to the County. In April of each year, the School District is reimbursed by the County for those taxes not paid, thereby assuring 100% tax collection annually. Tax sales are held annually by the County.

Tax Collectors are elected Town officials in the Towns of Camillus, Geddes, Onondaga and Van Buren. The Secretary to the School District Assistant Superintendent for Management Services acts as Receiver of Taxes for the Town of Elbridge, in which there are ten parcels of property that are within the School District.

## Tax Levy and Tax Collection Record

<u>Fiscal Year Ending June 30:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Gross Tax Levy <sup>(1)</sup>	\$ 41,549,295	\$ 43,362,993	\$ 51,502,030	\$ 52,496,485	\$ 53,809,708
Less Adjustment	(6,410)	(29,584)	(33,970)	(18,498)	(25,231)
Tax Levy	41,542,885	43,333,409	45,327,549	46,728,557	48,262,216
Amount Collected <sup>(2)</sup>	39,960,964	41,780,378	43,588,931	45,372,201	46,896,835
% Collected	96.19%	96.42%	96.16%	97.10%	97.17%

<sup>(1)</sup> Includes Library Levy and excludes STAR reimbursement.

<sup>(2)</sup> The School District is assured 100% collections. See "Tax Collections Procedure" herein.

Source: District officials.

## Real Property Tax Revenues

The following table illustrates the percentage of total revenues of the School District for each of the below completed fiscal years and budgeted figures for the 2022-23 and 2023-24 fiscal years comprised of Real Property Taxes and Tax Items.

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>Total Real Property Taxes and Tax Items</u>	<u>Percentage of Total Revenues Consisting of Real Property Tax</u>
2017-18	\$ 86,329,007	\$ 48,378,969	56.04%
2018-19	86,773,005	49,360,401	56.88
2019-20	90,351,355	50,724,938	56.14
2020-21	90,662,069	52,263,463	57.65
2021-22	92,388,559	53,262,362	57.65
2022-23 (Budgeted)	96,379,760 <sup>(1)</sup>	54,394,236	56.44
2023-24 (Budgeted)	104,799,050 <sup>(2)</sup>	55,914,810	53.35

<sup>(1)</sup> Does not include \$900,000 of appropriated fund balance and use of reserve funds.

<sup>(2)</sup> Does not include \$950,000 of appropriated fund balance and use of reserve funds.

Source: 2017-18 through 2021-22 audited financial statements and 2022-23 and 2023-24 adopted budgets (unaudited) of the District. This table is not audited.

## Ten Largest Taxpayers - 2022 Assessment Roll for 2022-23 School District Tax Roll

<u>Name</u>	<u>Type</u>	<u>Taxable Full Valuation</u>
National Grid (Niagara Mohawk)	Utility	\$ 79,410,832
Allied Chemical Co.	Utility	74,549,175
Buffalo Main Street LLC	Real Estate	33,299,484
Kings Gate West	Apartment	17,525,773
Superior FFL BNA LLC	Shopping Center	13,412,371
Wegmans Food Market Inc.	Neighborhood Shopping	11,544,286
Target Corporation	Shopping Center	9,845,361
Mohawk Syracuse LP	Real Estate	9,731,959
Steeple Apartments LLC	Apartments	9,278,351
Buckeye Syracuse Terminal LLC	Utility	9,000,000

The ten larger taxpayers listed above have a total taxable full valuation of \$267,597,592, which represents 11.28% of the tax base of the District.

The District experiences the impact of tax certiorari filings on a regular basis for which the District has a tax certiorari reserve to cover. At this time, the level of tax certiorari filings are within acceptable norms and are not anticipated to have a material impact on the District's finances.

Source: District officials.

### STAR – School Tax Exemption

The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. School districts are reimbursed by the State for real property taxes exempted pursuant to the STAR Program.

STAR – School Tax Exemption. The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities ("STAR Adjusted Gross Income") of \$90,550 or less in 2021-22 and \$92,000 or less in 2022-2023, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first \$70,700 for the 2021-22 school year and \$74,900 for the 2022-23 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of \$250,000 (\$500,000 in the case of a STAR credit, as discussed below) are eligible for a \$30,000 "full value" exemption on their primary residence.

The 2019-20 Enacted State Budget makes several changes to the STAR program, which went into effect immediately. The changes are intended to encourage homeowners to switch from the STAR exemption to the STAR credit. The income limit for the exemption was lowered to \$250,000, compared with a \$500,000 limit for the credit. The amount received for the STAR exemption will remain the same each year, while the amount of the STAR credit can increase up to two percent annually. Homeowners with STAR Adjusted Gross Income of \$250,000 or less have the option to select the credit or the exemption.

The 2020-21 Enacted State Budget further modified the STAR program. Under such legislation, property owners with property tax delinquencies greater than one year are not eligible for the Basic STAR exemption or the Basic STAR credit. Recipients of the Enhanced STAR exemptions and credits are not impacted by this program; they may continue to receive STAR benefits even if their property taxes are delinquent. While former Governor Cuomo had issued various Executive Orders in response to COVID-19 pandemic that temporarily precluded the State Tax Department from disallowing STAR exemptions or credits, the most recent of such Executive Orders expired on July 5, 2021.

The 2022-23 Enacted State Budget provided \$2.2 billion in State funding for a new one-year property tax relief credit, the Homeowner Tax Rebate Credit, for eligible low- and middle-income households, as well as eligible senior households. Under this program, basic STAR exemption and credit beneficiaries with incomes below \$250,000 and Enhanced STAR recipients were eligible for the property tax rebate where the benefit was calculated as a percentage of the homeowners' existing STAR benefit.



The below table lists the basic and enhanced exemption amounts for the 2023-24 District tax roll for the municipalities applicable to the District:

<u>Municipality</u>	<u>Enhanced Exemption</u>	<u>Basic Exemption</u>	<u>Date Certified</u>
Camillus	\$ 78,960	\$ 29,100	4/6/2023
Elbridge	69,190	25,500	4/6/2023
Geddes	56,980	21,000	4/6/2023
Onondaga	63,490	23,900	4/6/2023
Van Buren	81,400	30,000	4/6/2023

\$6,589,052 of the District's \$52,477,987 school tax levy for 2021-22 was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January, 2022.

\$6,386,030 of the District's \$53,784,477 school tax levy for 2022-23 was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January, 2023.

### **Additional Tax Information**

Exemptions from real property taxation are granted for senior citizens, persons with disabilities, limited income and Veterans.

The assessed valuation of the School District is approximately 5% industrial, 30% commercial, 10% agricultural and 55% residential in nature.

The total real property tax payment for a typical \$100,000 market value house including School, Town and County tax is approximately \$3,728.

### **TAX LEVY LIMITATION LAW**

Chapter 97 of the Laws of 2011 was enacted on June 24, 2011 ("Chapter 97" or the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to all local governments, including school districts (with the exception of New York City, and the counties comprising New York City and school districts in New York City, Buffalo, Rochester, Syracuse, and Yonkers, the latter four of which are indirectly affected by applicability to their respective City.)

Prior to the enactment of the Tax Levy Limitation Law, there was no statutory limitation on the amount of real property taxes that a school district could levy as part of its budget if its budget had been approved by a simple majority of its voters. In the event the budget had been defeated by the voters, the school district was required to adopt a contingency budget. Under a contingency budget, school budget increases were limited to the lesser of four percent (4%) of the prior year's budget or one hundred twenty percent (120%) of the consumer price index ("CPI").

Chapter 97 requires that a school district submit its proposed tax levy to the voters each year beginning with the 2012-2013 fiscal year.

Chapter 97 restricts, among other things, the amount of real property taxes that may be levied by or on behalf of a school district in a particular year. Pursuant to the Tax Levy Limitation Law, the tax levy of a school district cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the CPI, over the amount of the prior year's tax levy. Certain adjustments are permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A school district can exceed the tax levy limitation for the coming fiscal year only if the voters of such school district first approve a tax levy by at least 60% affirmative vote of those voting to override such limitation for such coming fiscal year only. Tax levies that do not exceed the limitation will only require approval by at least 50% of those voting. In the event that the voters reject a tax levy and the district does not go out for a second vote, or if a second vote is likewise defeated, Chapter 97 provides that the tax levy for the new fiscal year may not exceed the tax levy for the prior fiscal year.

A school district's calculation of each fiscal year's tax levy limit is subject to review by the Commissioner of Education and the Commissioner of Taxation and Finance prior to adoption of each fiscal year budget.

There are exceptions for school districts to the tax levy limitation provided in Chapter 97, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System and the Teachers' Retirement System. School districts are also permitted to carry forward a certain portion of their unused levy limitation from a prior year.

There is also an exception for school districts for "Capital Local Expenditures" subject to voter approval where required by law. This term is defined in a manner that does not include certain items for which a school district may issue debt, including the payment of judgments or settled claims, including tax certiorari payments, and cashflow borrowings, including tax anticipation notes, revenue anticipation notes, budget notes and deficiency notes. "Capital Local Expenditures", are defined as "the taxes associated with budgeted expenditures resulting from the financing, refinancing, acquisition, design, construction, reconstruction, rehabilitation, improvement, furnishing and equipping of or otherwise providing for school district capital facilities or school district capital equipment, including debt service and lease expenditures, and transportation capital debt service, subject to the approval of the qualified voters where required by law". The portion of the tax levy necessary to support "Capital Local Expenditures" is defined as the "Capital Tax Levy", and is an exclusion from the tax levy limitation, applicable to the Notes.

See "State Aid" for a discussion of the New Yorkers for Students' Educational Rights v. State of New York case which includes a challenge to the supermajority requirements regarding school district property tax increases.

Reductions in federal funding levels could have a materially adverse impact on the State budget. In addition to the potential fiscal impact of policies that may be proposed and adopted by the federal administration and Congress, the State budget may be adversely affected by other actions taken by the federal government, including audits, disallowances, and changes to federal participation rates or other Medicaid rules.

## **STATUS OF INDEBTEDNESS**

### **Constitutional Requirements**

The New York State Constitution limits the power of the District (and other municipalities and certain school districts of the State) to issue obligations and to contract indebtedness. Such constitutional limitations in summary form and as generally applicable to the District include the following:

Purpose and Pledge. The District shall not give or loan any money or property to or in aid of any individual or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation.

The District may contract indebtedness only for a District purpose and shall pledge its faith and credit for the payment of principal of and interest thereon.

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three fiscal year periods, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute; unless substantially level or declining annual debt service is utilized, no installment may be more than fifty percent in excess of the smallest prior installment. The District is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

### **Statutory Procedure**

In general, the State Legislature has, by the enactment of the Local Finance Law, authorized the powers and procedure for the District to borrow and incur indebtedness subject, of course, to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including the Education Law.

Debt Limit. Pursuant to the Local Finance Law, the School District has the power to contract indebtedness for any School District purpose authorized by the Legislature of the State of New York provided the aggregate principal amount thereof shall not exceed ten per centum of the full valuation of the taxable real estate of the District and subject to certain enumerated deductions such as State aid for building purposes. The constitutional and statutory method for determining full valuation is by taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the ratio (equalization rate) which such assessed valuation bears to the full valuation; such ratio is determined by the State Board of Real Property Services. The Legislature also is required to prescribe the manner by which such ratio shall be determined by such authority.

The District is generally required by such laws to submit propositions for the expenditure of money for capital purposes to the qualified electors of the District. Upon approval thereby, the Board of Education may adopt a bond resolution authorizing the issuance of bonds, and notes in anticipation of the bonds. No down payment is required in connection with the issuance of District obligations.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto.

The Local Finance Law also provides that where a bond resolution is published with a statutory form of notice, the validity of the bonds authorized thereby, including bond anticipation notes issued in anticipation of the sale thereof, may be contested only if:

- (1) Such obligations are authorized for a purpose for which the School District is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied within the authorization of such obligations and an action contesting such validity, is commenced within twenty days after the date of such publication, or
- (3) Such obligations are authorized in violation of the provisions of the Constitution.

The District has complied with this estoppel procedure in connection with the Notes.

The Board of Education, as the finance board of the District, has the power to enact bond resolutions. In addition, such finance board has the power to authorize the sale and issuance of obligations. However, such finance board may delegate the power to sell the obligations to the President of the Board of Education, the chief fiscal officer of the District, pursuant to the Local Finance Law.

The District is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation and contracting indebtedness; however, the State Legislature is prohibited by a specific constitutional provision from restricting the power of the District to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted.

#### **Debt Outstanding End of Fiscal Year**

<u>Fiscal Years Ending June 30<sup>th</sup>:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Bonds	\$ 33,375,000	\$ 29,015,000	\$ 24,505,000	\$ 22,625,000	\$ 23,690,000
Bond Anticipation Notes	3,565,305	5,850,815	6,041,440	6,145,000	12,723,000
Revenue Anticipation Notes	4,000,000	4,000,000	6,000,000	6,000,000	6,000,000
Energy Performance Lease <sup>(1)</sup>	<u>1,086,000</u>	<u>939,000</u>	<u>785,000</u>	<u>624,000</u>	<u>455,000</u>
Total Debt Outstanding	<u>\$ 42,026,305</u>	<u>\$ 39,804,815</u>	<u>\$ 37,331,440</u>	<u>\$ 35,394,000</u>	<u>\$ 42,868,000</u>

<sup>(1)</sup> See "Energy Performance Contract" herein.

#### **Details of Outstanding Indebtedness**

The following table sets forth the indebtedness of the District evidenced by bonds and notes as of May 31, 2023:

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2023-2037	\$ 22,630,000
<u>Bond Anticipation Notes</u>		
Capital Improvement Project	June 28, 2023	10,000,000 <sup>(1)</sup>
Purchase of School Buses and Equipment	July 21, 2023	<u>3,904,000</u> <sup>(2)</sup>
Total Indebtedness:		<u>\$ 36,534,000</u>

<sup>(1)</sup> To be redeemed at maturity with proceeds of the Notes together with \$1,148,000 of School District funds.

<sup>(2)</sup> To be renewed at maturity with proceeds of bond anticipation renewal notes less budgeted principal paydown.

## Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of May 31, 2023:

Full Valuation of Taxable Real Property .....\$ 2,641,180,267  
Debt Limit 10% thereof..... 264,118,027

Inclusions:

Bonds..... \$ 22,630,000  
Bond Anticipation Notes..... 3,904,000  
Principal of this Issue (BANs)..... 21,852,000  
Total Inclusions..... \$ 48,386,000

Exclusions:

State Building Aid <sup>(1)</sup> ..... \$ 0  
Total Exclusions..... \$ 0

Total Net Indebtedness .....\$ 48,386,000

Net Debt-Contracting Margin.....\$ 215,732,027

The percent of debt contracting power exhausted is ..... 18.32%

- <sup>(1)</sup> Pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963, the School District receives aid on existing bonded debt. Since the gross indebtedness of the School District is within the debt limit, the School District is not required to apply for a Building aid Estimate. Over the years the building aid ratio has been adjusted based on State legislative changes with an effective date tied to voter authorization dates. Based on preliminary 2023-24 Building Aid Ratios, the School District anticipates State Building aid of 85.5% for debt service on SED approved expenditures from July 1, 2004 to the present. The School District has no reason to believe that it will not ultimately receive all of the Building aid it anticipates, however, no assurance can be given as to when and how much Building aid the School District will receive in relation to its serial bonds.

Note: The State Constitution does not provide for the inclusion of tax anticipation or revenue anticipation notes in the computation of the net indebtedness of the District.

Note: The above debt statement summary does not include energy performance contracts outstanding, which are subject to appropriation but do not involve a pledge of faith and credit of the District, and therefore do not technically constitute indebtedness of the District. Such obligations do however count towards the debt limit of the District. The District remains within its debt limit after taking into account the outstanding balance of such obligations.

## Bonded Debt Service

A schedule of bonded debt service may be found in “APPENDIX – B” to this Official Statement.

## Cash Flow Borrowings

The School District has had to issue revenue anticipation notes in the past to align the cash flow needs of the School District with the State aid payment schedule. The following is a history of the School District's revenue anticipation note borrowings since the 2017-18 fiscal year.

<u>Fiscal Year</u>	<u>Amount</u>	<u>Type</u>	<u>Issue Date</u>	<u>Due Date</u>
2017-2018	\$ 4,000,000	RAN	6/28/18	12/28/18
2018-2019	4,000,000	RAN	6/25/19	12/27/19
2019-2020	6,000,000	RAN	6/26/20	12/29/20
2020-2021	6,000,000	RAN	6/29/21	12/29/21
2021-2022	6,000,000	RAN	6/28/22	12/28/22

## **Energy Performance Contract**

The District entered into an Energy Performance Contract Lease in the amount of \$2,058,674 in July 2009. Such leases are subject to annual appropriation but do not involve a pledge of faith and credit of the District, and therefore do not technically constitute indebtedness of the District. The final lease payment will be due on February 18, 2025. The total net present value of future lease payments as of May 24, 2023 is \$299,105.

## **Capital Project Plans**

On December 6, 2021 the qualified voters of the District approved a proposition authorizing interior and exterior renovations, improvements and upgrades to the buildings and grounds at the District's East Hill Elementary School, Split Rock Elementary School, Onondaga Road Elementary School, Stonehedge Elementary School, West Genesee High School (including improvements to the Public Restroom/Storage Building, Locker Room/Storage Building and Pressbox adjacent to the High School turf field), Camillus Middle School, West Genesee Middle School, Transportation Center and Administrative and Technical Training Center including, general construction, HVAC, plumbing, technology and electrical improvements, site improvements (including a new softball field at Camillus Middle School and construction of an athletic storage building and athletic field improvements at the High School) (the "2021 Capital Project") at a maximum estimated cost of \$40,702,000 and authorizing the use of \$713,162 of reserve funds to offset the cost of the Capital Project. To date, the District has issued \$10,000,000 bond anticipation notes pursuant to this authorization, of which \$10,000,000 bond anticipation notes are currently outstanding and will mature on June 28, 2023. Proceeds of the BANs will renew an \$8,852,000 portion of such outstanding bond anticipation notes with the balance of proceeds in the amount of \$13,000,000 providing additional new money for the Capital Project.

The District typically issues bond anticipation notes for the purchase of busses annually. On July 20, 2023 the District expects to issue \$4,862,200 bond anticipation notes finance for the purchase of buses and equipment, which will include \$2,933,200 of renewal notes and \$1,929,000 of new money.

The District is in the planning stages for a potential future capital project. The size and scope and timing of the project have not yet been determined, but the District may seek voter approval as early as Fall 2023.

Except as noted above, the District does not have any other capital projects authorized at this present time.

## Estimated Overlapping Indebtedness

In addition to the School District, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the School District. The estimated outstanding indebtedness of such political subdivisions is as follows:

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> <sup>(1)</sup>	<u>Exclusions</u> <sup>(2)</sup>	<u>Net Indebtedness</u>	<u>District Share</u>	<u>Applicable Indebtedness</u>
County of:						
Onondaga	12/31/2021	\$ 690,754,309	\$ 303,373,159	\$ 387,381,150	7.61%	\$ 29,479,706
Town of:						
Camillus	12/31/2021	3,469,535	1,604,850	1,864,685	95.69%	1,784,317
Elbridge	12/31/2021	603,200	603,200	-	0.25%	-
Geddes	12/31/2021	401,491	37,386	364,105	12.21%	44,457
Onondaga	12/31/2021	1,092,865	-	1,092,865	22.94%	250,703
Van Buren	12/31/2021	2,480,000	-	2,480,000	8.66%	214,768
Village of:						
Camillus	5/31/2022	1,156,764	879,364	277,400	100.00%	277,400
					Total:	<u>\$ 32,051,351</u>

Notes:

- (1) Outstanding bonds and bond anticipation notes. Not adjusted to include subsequent bond or note sales, if any.  
(2) Water and sewer debt and / or appropriations. Pursuant to the Local Finance Law, this indebtedness is excluded from the constitutional debt limit.

Source: Most recent available State Comptroller's Special Report on Municipal Affairs for Local Finance for fiscal years ended 2021 for counties and towns and 2022 for villages.

## Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of May 31, 2023:

	<u>Amount</u>	<u>Per Capita</u> <sup>(a)</sup>	<u>Percentage of Full Value</u> <sup>(b)</sup>
Net Indebtedness <sup>(c)</sup> .....	\$ 48,386,000	\$ 1,530.52	1.83%
Net Indebtedness Plus Net Overlapping Indebtedness <sup>(d)</sup> .....	80,437,351	2,544.36	3.05%

- (a) The 2021 estimated population of the District is 31,614. (See "THE SCHOOL DISTRICT – District Population" herein.)  
(b) The District's full value of taxable real estate for the District's 2022-23 tax roll is \$2,641,180,267. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)  
(c) See "Debt Statement Summary" herein.  
(d) Estimated net overlapping indebtedness is \$32,051,351. (See "Estimated Overlapping Indebtedness" herein.)

Note: The above ratios do not take into account State building aid the District will receive for past and current construction building projects.

## SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

**State Aid Intercept for School Districts.** In the event of a default in the payment of the principal of and/or interest on the Notes, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99-b of the State Finance Law, state aid and assistance to the School District and to apply the amount thereof so withheld to the payment of such defaulted principal and/or interest, which requirement constitutes a covenant by the State with the holders from time to time of the Notes. The covenant between the State of New York and the purchasers and the holders and owners from time to time of the notes and bonds issued by the school districts in the State for school purposes provides that it will not repeal, revoke or rescind the provisions of Section 99-b, or amend or modify the same so as to limit, impair or impede the rights and remedies granted thereby.

Said section provides that in the event a holder or owner of any bond issued by a school district for school purposes shall file with the State Comptroller a verified statement describing such bond and alleging default in the payment thereof or the interest thereon or both, it shall be the duty of the State Comptroller to immediately investigate the circumstances of the alleged default and prepare and file in his office a certificate setting forth his determinations with respect thereto and to serve a copy thereof by registered mail upon the chief fiscal officer of the school district which issued the bond. Such investigation by the State Comptroller shall cover the current status with respect to the payment of principal of and interest on all outstanding bonds of such school district issued for school purposes and the statement prepared and filed by the State Comptroller shall set forth a description of all such bonds of the school district found to be in default and the amount of principal and interest thereon past due.

Upon the filing of such a certificate in the office of the State Comptroller, he shall thereafter deduct and withhold from the next succeeding allotment, apportionment or payment of such State aid or assistance due to such school district such amount thereof as may be required to pay (a) the school district's contribution to the State teachers retirement system, and (b) the principal of and interest on such bonds of such school district then in default. In the event such State aid or assistance initially so withheld shall be insufficient to pay said amounts in full, the State Comptroller shall similarly deduct and withhold from each succeeding allotment, apportionment or payment of such State aid or assistance due such school district such amount or amounts thereof as may be required to cure such default. Allotments, apportionments and payments of such State aid so deducted or withheld by the State Comptroller for the payment of principal and interest on bonds shall be forwarded promptly to the paying agent or agents for the bonds in default of such school district for the sole purpose of the payment of defaulted principal of and interest on such bonds. If any of such successive allotments, apportionments or payments of such State Aid so deducted or withheld shall be less than the amount of all principal and interest on the bonds in default with respect to which the same was so deducted or withheld, then the State Comptroller shall promptly forward to each paying agent an amount in the proportion that the amount of such bonds in default payable to such paying agent bears to the total amount of the principal and interest then in default on such bonds of such school district. The State Comptroller shall promptly notify the chief fiscal officer of such school district of any payment or payments made to any paying agent or agents of defaulted bonds pursuant to said Section 99-b.

**General Municipal Law Contract Creditors' Provision.** Each Note when duly issued and paid for will constitute a contract between the School District and the holder thereof. Under current law, provision is made for contract creditors of the School District to enforce payments upon such contracts, if necessary, through court action. Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the School District upon any judgment or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centum per annum from the date due to the date of payment. This provision might be construed to have application to the holders of the Notes in the event of a default in the payment of the principal of and interest on the Notes.

**Execution/Attachment of Municipal Property.** As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain funds or the proceeds of a tax levy. In accordance with the general rule with respect to municipalities, judgments against the School District may not be enforced by levy and execution against property owned by the School District.

**Authority to File For Municipal Bankruptcy.** The Federal Bankruptcy Code allows public bodies, such as municipalities, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness. While this Local Finance Law provision does not apply to school districts, there can be no assurance that it will not be made so applicable in the future.

**Constitutional Non-Appropriation Provision.** There is in the Constitution of the State, Article VIII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, city, town, village and school district in the State: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness." This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. See "General Municipal Law Contract Creditors' Provision" herein.

The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

**Default Litigation.** In prior years, certain events and legislation affecting a holder's remedies upon default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of bondholders, such courts might hold that future events including financial crises as they may occur in the State and in political subdivisions of the State require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service.

**No Past Due Debt.** No principal of or interest on School District indebtedness is past due. The School District has never defaulted in the payment of the principal of and interest on any indebtedness.

## **MARKET AND RISK FACTORS**

There are various forms of risk associated with investing in the Notes. The following is a discussion of certain events that could affect the risk of investing in the Notes. In addition to the events cited herein, there are other potential risk factors that an investor must consider. In order to make an informed investment decision, an investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential risk.

The financial condition of the School District as well as the market for the Notes could be affected by a variety of factors, some of which are beyond the School District's control. There can be no assurance that adverse events in the State or in other jurisdictions in the country, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Notes. If a significant default or other financial crisis should occur in the affairs of the State or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the School District to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Notes, could be adversely affected.

The School District is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the School District, in any year, the School District may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the School District. In several recent years, the School District has received delayed payments of State aid which resulted from the State's delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. (See also "THE SCHOOL DISTRICT - State Aid").

The enactment of the Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the School District could have an impact upon the market price of the Notes. See "TAX LEVY LIMITATION LAW" herein.

Future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent the beneficial owners of the Notes from realizing the full current benefit of the tax status of such interest. No assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of the Notes, or the tax status of interest on the Notes. See "TAX MATTERS" herein.

## **Cybersecurity**

The District, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the District will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attacks could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant.



## COVID-19

The COVID-19 outbreak spread globally, including to the United States, and was declared a pandemic by the World Health Organization. The outbreak caused the Federal government to declare a national state of emergency, which was followed by the enactment of a variety of stimulus measures designed to address financial stability and liquidity issues caused by the outbreak. The State also declared a state of emergency and the State took steps designed to mitigate the spread and impacts of COVID-19. The state of emergency declaration has since lapsed in the State. The outbreak of the disease affected travel, commerce and financial markets globally and could continue to affect economic growth worldwide. Efforts to contain the spread of COVID-19 have reduced the spread of the virus and the restrictions put in place following the initial outbreak have been relaxed, and the coronavirus public health emergency expired on May 11, 2023. Nevertheless, the outbreak of COVID-19 and the dramatic steps taken by the Federal government and State government to address it may negatively impact federal and local economies, including the economy of the State. The full impact of COVID-19 on the State and the School District's operations and financial condition may not be known for some time. Any resurgence of COVID-19 or similar variants could have a material adverse effect on the State and municipalities and school districts located in the State, including the School District. The School District continues to monitor the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations.

The District does not expect to realize any significant negative impacts from the COVID-19 pandemic through its 2022-23 fiscal year or for the foreseeable future.

## TAX MATTERS

In the opinion of Trespasz & Marquardt, LLP ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. A complete copy of the proposed forms of opinions of Bond Counsel are set forth in "APPENDIX – E & F".

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Notes. The School District has covenanted to comply with certain restrictions designed to insure that interest on the Notes will not be included in federal gross income. Failure to comply with these covenants will result in interest on the Notes being included in gross income for federal income tax purposes as well as adjusted gross income for purposes of personal income taxes imposed by the State of New York or the City of New York, from the date of original issuance of the Notes. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Notes may adversely affect the value of, or the tax status of interest on, the Notes. Further, no assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Notes.

Certain requirements and procedures contained or referred to in the Arbitrage Certificate, and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Notes) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Notes or the interest thereon if any such change occurs or action is taken or omitted.

Although Bond Counsel is of the opinion that interest on the Notes is excluded from gross income for federal income tax purposes and is excluded from adjusted gross income for federal income taxes imposed by the State of New York and the City of New York, the ownership or disposition of, or the accrual or receipt of interest on, the Notes may otherwise affect an Owner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the owner or the owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. For example, legislative proposals have been advanced that would limit the exclusion from gross income of interest on obligations like the Notes to some extent for taxpayers who are individuals whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Notes. The introduction or enactment of any such legislative proposals, clarification of the

Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

## **LEGAL MATTERS**

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinions of Trespasz & Marquardt, LLP, Bond Counsel. Bond Counsel's opinions will be in substantially the forms attached hereto as "APPENDIX – E & F".

Trespasz & Marquardt, LLP, Syracuse, New York, Bond Counsel to the School District, expresses no opinions as to the accuracy or completeness of information in any documents prepared by or on behalf of the School District for use in connection with the offer and sale of the Notes, including, but not limited to, the financial information in this Official Statement.

## **LITIGATION**

The District is subject to a number of lawsuits in the ordinary conduct of its affairs. The District does not believe, however, that such suits, individually or in the aggregate, are likely to have a material adverse effect on the financial condition of the District.

The District is the subject of a claim recently filed under the New York Child Victims Act. The claim is in the early stages of discovery, so liability or exposure on behalf of the District cannot be fully assessed. It is not anticipated, however that the claim will have a material impact on the District's financial status at this time.

There is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the District, threatened against or affecting the District to restrain or enjoin the issuance, sale or delivery of the Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Notes or any proceedings or authority of the District taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the District.

## **RATINGS**

The Notes are NOT rated. The purchaser(s) of the Notes may choose to have a rating completed after the sale at the expense of the purchaser(s), including any fees to be incurred by the District, as such rating action will result in a material event notification to be posted to EMMA which is required by the District's continuing disclosure undertakings. (See "CONTINUING DISCLOSURE" herein.)

Moody's Investors Service ("Moody's") has assigned their rating of "Aa3" to the District's outstanding general obligation bonds. This rating reflects only the view of Moody's and any desired explanation of the significance of such rating should be obtained from Moody's Investors Service, 7 World Trade Center, 250 Greenwich St., New York, New York 10007. Phone: (212) 553-0038, Fax: (212) 553-1390.

Generally, rating agencies base their ratings on the information and materials furnished to it and on investigations, studies and assumptions by the respective rating agency. There is no assurance that a particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant. Any downward revision or withdrawal of the rating of the outstanding bonds may have an adverse effect on the market price of the Notes.

## **CONTINUING DISCLOSURE**

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), the District will enter into a Continuing Disclosure Undertaking, the forms of which is attached hereto as “APPENDIX – D, MATERIAL EVENT NOTICES”.

### **Historical Continuing Disclosure Compliance**

The District is in compliance, in all material respects, within the last five years with all previous undertakings made pursuant to the Rule 15c2-12.

## **MUNICIPAL ADVISOR**

Fiscal Advisors & Marketing, Inc. (the "Municipal Advisor") is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent financial advisor to the District on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Notes. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the District and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the District or the information set forth in this Official Statement or any other information available to the District with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the District to Fiscal Advisors are partially contingent on the successful closing of the Notes.

## **CUSIP IDENTIFICATION NUMBERS**

The Municipal Advisor intends to provide the purchaser of the issue with CUSIP identification numbers, in compliance with MSRB Rule G-34, (a)(i) (A)-(H). As is further discussed in Rule G-34 the purchaser, as the “dealer who acquires” the issue, is responsible for the registration fee to the CUSIP Bureau for this service. It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Notes. All expenses in relation to the printing of CUSIP numbers on the Notes will be paid for by the District; provided, however, the District assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

## **MISCELLANEOUS**

So far as any statements made in this Official Statement involve matters of opinion or estimates whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of the Notes.

Statements in this official statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the District management’s beliefs as well as assumptions made by, and information currently available to, the District’s management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the District’s files with the repositories. When used in District documents or oral presentation, the words “anticipate”, “estimate”, “expect”, “objective”, “projection”, “forecast”, “goal”, or similar words are intended to identify forward-looking statements.

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Notes.

Trespasz & Marquardt, LLP, Syracuse, New York, Bond Counsel to the District, expresses no opinions as to the accuracy or completeness of information in any documents prepared by or on behalf of the District for use in connection with the offer and sale of the Notes, including but not limited to, the financial or statistical information in this Official Statement.

References herein to the Constitution of the State and various State and federal laws are only brief outlines of certain provisions thereof and do not purport to summarize or describe all of such provisions.

Concurrently with the delivery of the Notes, the District will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to a limitation as to information in the Official Statement obtained from sources other than the District.

The Official Statement is submitted only in connection with the sale of the Notes by the District and may not be reproduced or used in whole or in part for any other purpose.

The District hereby disclaims any obligation to update developments of the various risk factors or to announce publicly any revision to any of the forward-looking statements contained herein or to make corrections to reflect future events or developments except to the extent required by Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Fiscal Advisors & Marketing, Inc. may place a copy of this Official Statement on its website at [www.fiscaladvisors.com](http://www.fiscaladvisors.com). Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Fiscal Advisors & Marketing, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the District nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the District disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Fiscal Advisors & Marketing, Inc. and the District also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

The School District's contact information is as follows: Ms. Christine DeMass, Assistant Superintendent for Management Services, 300 Sanderson Drive, Camillus, New York 13031, Phone: (315) 487-4563, Telefax: (315) 487-2999, Email: [cdemass@westgenesee.org](mailto:cdemass@westgenesee.org).

Additional information and copies of the Notice of Sale and the Official Statement may be obtained upon request from the offices of Fiscal Advisors & Marketing, Inc., telephone number (315) 752-0051, or at [www.fiscaladvisors.com](http://www.fiscaladvisors.com)

## **WEST GENESEE CENTRAL SCHOOL DISTRICT**

**Dated: May 31, 2023**

**KIMBERLY B. COYNE  
PRESIDENT OF THE BOARD OF EDUCATION AND  
CHIEF FISCAL OFFICER**

**GENERAL FUND**

**Balance Sheets**

Fiscal Year Ending June 30:	<u><b>2018</b></u>	<u><b>2019</b></u>	<u><b>2020</b></u>	<u><b>2021</b></u>	<u><b>2022</b></u>
<b><u>ASSETS</u></b>					
Unrestricted Cash	\$ 12,920,319	\$ 13,120,262	\$ 13,528,512	\$ 12,092,349	\$ 13,748,201
Restricted Cash	6,648,652	6,243,842	6,616,009	9,594,589	9,585,916
Due from Other Funds	379,902	392,478	575,864	1,360,650	1,296,208
State and Federal Aid Receivable	743,452	773,792	1,145,988	945,442	937,488
Due from Other Governments	1,526,107	1,275,215	1,338,323	1,391,217	1,308,371
Other	139,386	136,012	122,393	83,753	160,088
<b>TOTAL ASSETS</b>	<u><u>\$ 22,357,818</u></u>	<u><u>\$ 21,941,601</u></u>	<u><u>\$ 23,327,089</u></u>	<u><u>\$ 25,468,000</u></u>	<u><u>\$ 27,036,272</u></u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>					
Accounts Payable	\$ 11,521	\$ 8,035	\$ 82,088	\$ 69,875	\$ 86,849
Accrued Liabilities	306,585	380,794	145,858	811,319	966,080
Due to Other Funds	-	-	43,561	-	-
Bond Interest and Bonds Payable	50,545	48,487	62,776	166,468	148,372
Revenue Anticipation Note	4,000,000	4,000,000	6,000,000	6,000,000	6,000,000
Due to Other Governments	-	-	-	-	-
Due to Teachers' Retirement System	3,901,531	4,187,526	3,656,437	4,004,629	4,261,795
Due to Employees' Retirement System	410,764	375,604	356,717	408,506	326,111
<b>TOTAL LIABILITIES</b>	<u><u>\$ 8,680,946</u></u>	<u><u>\$ 9,000,446</u></u>	<u><u>\$ 10,347,437</u></u>	<u><u>\$ 11,460,797</u></u>	<u><u>\$ 11,789,207</u></u>
<b><u>FUND EQUITY</u></b>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	6,648,652	6,243,842	6,432,386	9,594,589	9,585,916
Assigned	3,509,169	3,122,087	2,859,505	696,804	1,769,959
Unassigned	3,519,051	3,575,226	3,687,761	3,715,810	3,891,190
<b>TOTAL FUND EQUITY</b>	<u><u>\$ 13,676,872</u></u>	<u><u>\$ 12,941,155</u></u>	<u><u>\$ 12,979,652</u></u>	<u><u>\$ 14,007,203</u></u>	<u><u>\$ 15,247,065</u></u>
<b>TOTAL LIABILITIES and FUND EQUITY</b>	<u><u>\$ 22,357,818</u></u>	<u><u>\$ 21,941,601</u></u>	<u><u>\$ 23,327,089</u></u>	<u><u>\$ 25,468,000</u></u>	<u><u>\$ 27,036,272</u></u>

Source: Audited financial reports of the School District. This Appendix is not itself audited.

**GENERAL FUND**

**Revenues, Expenditures and Changes in Fund Balance**

Fiscal Years Ending June 30:	<u><b>2018</b></u>	<u><b>2019</b></u>	<u><b>2020</b></u>	<u><b>2021</b></u>	<u><b>2022</b></u>
<b>REVENUES</b>					
Real Property Taxes	\$ 39,420,332	\$ 40,764,308	\$ 42,561,131	\$ 44,519,153	\$ 45,868,596
Real Property Tax Items	8,803,130	8,596,093	8,163,807	7,744,310	7,393,766
Non-Property Tax Items	155,507	159,095	156,437	171,234	193,026
Charges for Services	936,676	848,830	670,220	79,834	114,098
Intergovernmental Charges	-	-	-	-	516,324
Use of Money & Property	206,366	375,561	302,123	58,931	81,905
Sale of Property and					
Compensation for Loss	141,244	110,165	257,743	105,684	130,859
Miscellaneous	834,836	891,689	819,273	1,185,616	953,399
Interfund Revenues	-	-	-	515,216	-
Revenues from State Sources	35,528,107	34,550,600	37,045,497	35,528,725	36,810,969
Revenues from Federal Sources	302,809	476,664	375,124	753,366	325,617
Total Revenues	<u>\$ 86,329,007</u>	<u>\$ 86,773,005</u>	<u>\$ 90,351,355</u>	<u>\$ 90,662,069</u>	<u>\$ 92,388,559</u>
Other Sources:					
Appropriated Fund Balance	-	-	-	-	-
Appropriated Reserves	-	-	-	-	-
Prior Year Encumbrances	-	-	-	-	-
Interfund Transfers	-	30,868	31,178	-	205,000
Total Revenues and Other Sources	<u>\$ 86,329,007</u>	<u>\$ 86,803,873</u>	<u>\$ 90,382,533</u>	<u>\$ 90,662,069</u>	<u>\$ 92,593,559</u>
<b>EXPENDITURES</b>					
General Support	\$ 6,616,875	\$ 6,757,038	\$ 6,620,928	\$ 6,894,595	\$ 6,776,156
Instruction	48,713,475	49,052,899	51,575,173	50,365,497	50,384,189
Pupil Transportation	5,382,920	5,776,235	5,317,049	4,743,766	5,989,518
Community Services	-	-	-	-	-
Employee Benefits	17,251,123	18,645,828	19,387,260	19,876,926	20,463,494
Debt Service	6,956,576	7,088,266	7,274,848	7,479,591	6,858,185
Total Expenditures	<u>\$ 84,920,969</u>	<u>\$ 87,320,266</u>	<u>\$ 90,175,258</u>	<u>\$ 89,360,375</u>	<u>\$ 90,471,542</u>
Other Uses:					
Interfund Transfers	64,610	219,324	168,778	(274,143)	882,155
Total Expenditures and Other Uses	<u>\$ 84,985,579</u>	<u>\$ 87,539,590</u>	<u>\$ 90,344,036</u>	<u>\$ 89,086,232</u>	<u>\$ 91,353,697</u>
Excess (Deficit) Revenues Over Expenditures	<u>1,343,428</u>	<u>(735,717)</u>	<u>38,497</u>	<u>1,575,837</u>	<u>1,239,862</u>
<b>FUND BALANCE</b>					
Fund Balance - Beginning of Year	12,333,444	13,676,872	12,941,155	12,979,652	14,007,203
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 13,676,872</u>	<u>\$ 12,941,155</u>	<u>\$ 12,979,652</u>	<u>\$ 14,555,489</u>	<u>\$ 15,247,065</u>

Source: Audited financial reports of the School District. This Appendix is not itself audited.

**GENERAL FUND**

**Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Fiscal Years Ending June 30:

	<b>2022</b>			<b>2023</b>	<b>2024</b>
	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Adopted <u>Budget</u>	Adopted <u>Budget</u>
<b><u>REVENUES</u></b>					
Real Property Taxes	\$ 45,775,290	\$ 45,775,290	\$ 45,868,596	\$ 47,220,656	\$ 48,876,847
Real Property Tax Items	7,447,085	7,447,085	7,393,766	7,173,580	7,037,963
Non-Property Tax Items	147,500	147,500	193,026	162,000	175,000
Charges for Services	627,750	627,750	630,422	642,650	637,274
Intergovernmental Charges	-	-	-	-	-
Use of Money & Property	125,000	125,000	81,905	83,850	387,000
Sale of Property and Compensation for Loss	75,000	92,099	130,859	42,000	42,000
Miscellaneous	630,750	656,407	953,399	544,152	407,859
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	36,881,881	36,881,881	36,810,969	40,210,872	46,935,107
Revenues from Federal Sources	385,000	385,000	325,617	300,000	300,000
Total Revenues	<u>\$ 92,095,256</u>	<u>\$ 92,138,012</u>	<u>\$ 92,388,559</u>	<u>\$ 96,379,760</u>	<u>\$ 104,799,050</u>
Other Sources:					
Appropriated Fund Balance	450,000	450,000	-	450,000	500,000
Appropriated Reserves	350,000	1,549,904	-	450,000	450,000
Prior Year Encumbrances	246,804	246,804	-	-	-
Interfund Transfers	-	-	205,000	-	-
Total Revenues and Other Sources	<u>\$ 93,142,060</u>	<u>\$ 94,384,720</u>	<u>\$ 92,593,559</u>	<u>\$ 97,279,760</u>	<u>\$ 105,749,050</u>
<b><u>EXPENDITURES</u></b>					
General Support	\$ 7,476,856	\$ 7,477,316	\$ 6,776,156	\$ 8,084,777	\$ 9,256,688
Instruction	52,195,998	52,353,791	50,384,189	55,079,963	60,577,535
Pupil Transportation	5,744,628	6,281,857	5,989,518	6,277,605	6,754,478
Community Services	-	-	-	-	-
Employee Benefits	21,017,628	20,466,309	20,463,494	21,796,403	23,031,547
Debt Service	6,495,395	6,904,020	6,858,185	5,843,012	6,028,802
Total Expenditures	<u>\$ 92,930,505</u>	<u>\$ 93,483,293</u>	<u>\$ 90,471,542</u>	<u>\$ 97,081,760</u>	<u>\$ 105,649,050</u>
Other Uses:					
Interfund Transfers	211,555	901,427	882,155	198,000	100,000
Total Expenditures and Other Uses	<u>\$ 93,142,060</u>	<u>\$ 94,384,720</u>	<u>\$ 91,353,697</u>	<u>\$ 97,279,760</u>	<u>\$ 105,749,050</u>
Excess (Deficit) Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>1,239,862</u>	<u>-</u>	<u>-</u>
<b><u>FUND BALANCE</u></b>					
Fund Balance - Beginning of Year	-	-	14,007,203	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,247,065</u>	<u>\$ -</u>	<u>\$ -</u>

Source: Audited financial reports of the School District. This Appendix is not itself audited.

**BONDED DEBT SERVICE**

Fiscal Year Ending June 30th	Principal	Interest	Total
2023	\$ 2,500,000	\$ 1,148,112	\$ 3,648,112
2024	2,380,000	991,109	3,371,109
2025	2,190,000	895,309	3,085,309
2026	1,975,000	801,009	2,776,009
2027	2,070,000	707,059	2,777,059
2028	2,165,000	608,559	2,773,559
2029	2,275,000	505,409	2,780,409
2030	2,385,000	396,694	2,781,694
2031	2,105,000	282,600	2,387,600
2032	1,650,000	182,250	1,832,250
2033	425,000	99,750	524,750
2034	445,000	78,500	523,500
2035	470,000	56,250	526,250
2036	320,000	32,750	352,750
2037	335,000	16,750	351,750
TOTALS	\$ 23,690,000	\$ 6,802,108	\$ 30,492,108

Note: Does not include Energy Performance Contract Leases outstanding.



**CURRENT BONDS OUTSTANDING**

Fiscal Year Ending June 30th	\$4,060,000 2012 Refunding of 2002 Bonds Callable 10/1/22		\$19,755,000 2017 DASNY Series B Capital Project Callable 10/1/27		\$2,785,000 2020 Purchase of Buses Non-Callable	
	Principal	Interest	Principal	Interest	Principal	Interest
	2/1	8/1 & 2/1	6/15	12/15 & 6/15	7/1	7/1 & 1/1
2023	\$ 220,000	\$ 68,659	\$ 1,250,000	\$ 713,250	\$ 840,000	\$ 29,000
2024	225,000	62,059	1,300,000	663,250	580,000	14,800
2025	235,000	55,309	1,365,000	598,250	300,000	4,500
2026	240,000	48,259	1,430,000	530,000	-	-
2027	250,000	41,059	1,505,000	458,500	-	-
2028	255,000	33,559	1,580,000	383,250	-	-
2029	265,000	25,909	1,660,000	304,250	-	-
2030	275,000	17,694	1,740,000	221,250	-	-
2031	280,000	9,100	1,440,000	134,250	-	-
2032	-	-	1,245,000	62,250	-	-
<b>TOTAL</b>	<b>\$ 2,245,000</b>	<b>\$ 361,605</b>	<b>\$ 14,515,000</b>	<b>\$ 4,068,500</b>	<b>\$ 1,720,000</b>	<b>\$ 48,300</b>

Fiscal Year Ending June 30th	\$5,210,000 2022A Capital Project Callable 10/1/30	
	Principal	Interest
	6/15	12/15 & 6/15
2023	\$ 190,000	\$ 337,203
2024	275,000	251,000
2025	290,000	237,250
2026	305,000	222,750
2027	315,000	207,500
2028	330,000	191,750
2029	350,000	175,250
2030	370,000	157,750
2031	385,000	139,250
2032	405,000	120,000
2033	425,000	99,750
2034	445,000	78,500
2035	470,000	56,250
2036	320,000	32,750
2037	335,000	16,750
<b>TOTAL</b>	<b>\$ 5,210,000</b>	<b>\$ 2,323,703</b>

## WEST GENESEE CENTRAL SCHOOL DISTRICT

2023 ESTIMATED MONTHLY CASH FLOW  
(General Fund)

## EXCLUDES RAN PROCEEDS

CASH FLOW	2023							5
	June	July	August	September 1-15	September 16-30	October	MONTH TOTAL	
Beginning Balance:	\$ 21,317,615	\$ 6,319,260	\$ 1,060,230	\$ (1,855,800)	\$ (5,619,337)	\$ 7,845,492		
Receipts:								
Real Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 16,114,829	\$ 27,355,586	\$ 43,470,415	
STAR	-	-	-	-	-	-	-	
State Revenues	3,824,520	-	-	1,711,463	-	8,456,704	13,992,687	
Sales Tax	-	55,000	-	-	-	40,000	95,000	
Other Revenues	50,000	50,000	15,000	75,000	-	700,000	890,000	
RAN Proceeds	-	-	-	-	-	-	-	
Total Receipts	\$ 3,874,520	\$ 105,000	\$ 15,000	\$ 1,786,463	\$ 16,114,829	\$ 36,552,290	\$ 58,448,102	
Total Available Cash	\$ 25,192,135	\$ 6,424,260	\$ 1,075,230	\$ (69,337)	\$ 10,495,492	\$ 44,397,783		
Disbursements:								
Payroll	\$ 9,000,000	\$ 1,100,000	\$ 1,300,000	\$ 2,650,000	\$ 2,650,000	\$ 4,400,000	\$ 21,100,000	
BOCES	1,640,000	-	-	-	-	900,000	2,540,000	
Warrants	4,900,000	2,500,000	1,600,000	2,900,000	-	1,900,000	13,800,000	
Debt Service	3,332,875	1,764,030	31,029	-	-	-	5,127,935	
Other Expenditures	-	-	-	-	-	-	-	
RAN Repayment	-	-	-	-	-	-	-	
Total Disbursements	\$ 18,872,875	\$ 5,364,030	\$ 2,931,029	\$ 5,550,000	\$ 2,650,000	\$ 7,200,000	\$ 42,567,935	
Ending Balance:	\$ 6,319,260	\$ 1,060,230	\$ (1,855,800)	\$ (5,619,337)	\$ 7,845,492	\$ 37,197,783		

## WEST GENESEE CENTRAL SCHOOL DISTRICT

2023 ESTIMATED MONTHLY CASH FLOW  
(General Fund)

## INCLUDES RAN PROCEEDS

CASH FLOW	2023							5
	June	July	August	September 1-15	September 16-30	October	MONTH TOTAL	
Beginning Balance:	\$ 21,317,615	\$ 12,319,260	\$ 7,060,230	\$ 4,144,200	\$ 380,663	\$ 13,845,492		
Receipts:								
Real Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 16,114,829	\$ 27,355,586	\$ 43,470,415	
STAR	-	-	-	-	-	-	-	
State Revenues	3,824,520	-	-	1,711,463	-	8,456,704	13,992,687	
Sales Tax	-	55,000	-	-	-	40,000	95,000	
Other Revenues	50,000	50,000	15,000	75,000	-	700,000	890,000	
RAN Proceeds	6,000,000	-	-	-	-	-	6,000,000	
Total Receipts	\$ 9,874,520	\$ 105,000	\$ 15,000	\$ 1,786,463	\$ 16,114,829	\$ 36,552,290	\$ 64,448,102	
Total Available Cash	\$ 31,192,135	\$ 12,424,260	\$ 7,075,230	\$ 5,930,663	\$ 16,495,492	\$ 50,397,783		
Disbursements:								
Payroll	\$ 9,000,000	\$ 1,100,000	\$ 1,300,000	\$ 2,650,000	\$ 2,650,000	\$ 4,400,000	\$ 21,100,000	
BOCES	1,640,000	-	-	-	-	900,000	2,540,000	
Warrants	4,900,000	2,500,000	1,600,000	2,900,000	-	1,900,000	13,800,000	
Debt Service	3,332,875	1,764,030	31,029	-	-	-	5,127,935	
Other Expenditures	-	-	-	-	-	-	-	
RAN Repayment	-	-	-	-	-	6,080,000	6,080,000	
Total Disbursements	\$ 18,872,875	\$ 5,364,030	\$ 2,931,029	\$ 5,550,000	\$ 2,650,000	\$ 13,280,000	\$ 48,647,935	
Ending Balance:	\$ 12,319,260	\$ 7,060,230	\$ 4,144,200	\$ 380,663	\$ 13,845,492	\$ 37,117,783		

## MATERIAL EVENT NOTICES

In accordance with the provisions of Rule 15c2-12, as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, the School District has agreed to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, during the period in which the Notes are outstanding, to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule, notice of the occurrence of any of the following events with respect to the Notes:

- (a) principal and interest payment delinquencies
- (b) non-payment related defaults, if material
- (c) unscheduled draws on debt service reserves reflecting financial difficulties
- (d) in the case of credit enhancement, if any, provided in connection with the issuance of the securities, unscheduled draws on credit enhancements reflecting financial difficulties
- (e) substitution of credit or liquidity providers, or their failure to perform
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the securities, or other material events affecting the tax status of the Notes
- (g) modifications to rights of security holders, if material
- (h) note calls, if material and tender offers
- (i) defeasances
- (j) release, substitution, or sale of property securing repayment of the securities
- (k) rating changes
- (l) bankruptcy, insolvency, receivership or similar event of the School District
- (m) the consummation of a merger, consolidation, or acquisition involving the School District or the sale of all or substantially all of the assets of the School District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
- (o) incurrence of a "financial obligation" (as defined by the Rule) of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect noteholders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

Event (c) is included pursuant to a letter from the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (c) is not applicable, since no "debt service reserves" will be established for the Notes.

With respect to event (d) the School District does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes.

With respect to event (l) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the School District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the School District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the School District.

With respect to events (o) and (p), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

The School District may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if the School District determines that any such other event is material with respect to the Notes; but the School District does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

The School District has agreed to provide, or cause to be provided, during the period in which the Notes are outstanding in a timely manner, to EMMA or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule, notice of its failure to provide the aforescribed material event notices, if any, on or before the date specified.

The School District reserves the right to terminate its obligation to provide the aforescribed notices of material events, as set forth above, if and when the School District no longer remains an obligated person with respect to the Notes within the meaning of the Rule. The School District acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Notes (including holders of beneficial interests in the Notes). The right of holders of the Notes to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the School District’s obligations under its material event notices undertaking and any failure by the School District to comply with the provisions of the undertaking will neither be a default with respect to the Notes nor entitle any holder of the Notes to recover monetary damages.

The School District reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the School District; provided that the School District agrees that any such modification will be done in a manner consistent with the Rule.

An "Undertaking to Provide Notice of Material Events" to this effect shall be provided to the purchaser(s) at closing.

## FORM OF OPINION OF BOND COUNSEL – THE BANs

June 27, 2023

West Genesee Central School District  
County of Onondaga,  
State of New York

Re: West Genesee Central School District, Onondaga, New York  
\$21,852,000 Bond Anticipation Notes, 2023 Series A

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$21,852,000 Bond Anticipation Notes, 2023 Series A (referred to herein as the “Notes”), of the West Genesee Central School District, Onondaga County, State of New York (the “District”). The Notes are dated June 27, 2023 and are being issued pursuant to the Constitution and laws of the State of New York, including the Education Law and Local Finance Law, a resolution of the District in respect of the Notes and a Certificate of Determination dated on or before June 27, 2023 of the President of the Board of Education relative to the form and terms of the Notes.

In our opinion, the Notes are valid and legally binding general obligations of the District for which the District has validly pledged its faith and credit and, unless paid from other sources, all taxable real property within the District is subject to levy of ad valorem real estate taxes to pay the Notes and interest thereon, without limitation as to rate or amount. The enforceability of rights or remedies with respect to the Notes may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereinafter enacted.

The Internal Revenue Code of 1986, as amended (the “Code”), establishes certain requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on the Notes be and remain excluded from gross income under Section 103 of the Code. The President of the Board of Education of the District, in executing the Arbitrage and Use of Proceeds Certificate, has certified to the effect that the District will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that interest on the Notes is excluded from gross income under Section 103 of the Code. We have examined such Arbitrage and Use of Proceeds Certificate of the District delivered concurrently with the delivery of the Notes, and, in our opinion, such certificate contains provisions and procedures under which such requirements can be met.

In our opinion, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Code, and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Our engagement with respect to the Notes has concluded with their issuance, and we disclaim any obligation to update this opinion. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents. Furthermore, we have assumed compliance with all covenants and agreements contained in the Arbitrage and Use of Proceeds Certificate, including without limitation covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Notes to be included in gross income for federal income tax purposes or adjusted gross income for purposes of personal income taxes imposed by the State of New York and the City of New York. We call attention to the fact that the rights and obligations under the Notes and the Arbitrage and Use of Proceeds Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against New York municipal corporations such as the School District. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, or waiver provisions contained in the foregoing documents.

The scope of our engagement in relation to the issuance of the Notes has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. The opinions expressed herein are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the School District, together with other legally available sources of revenue, if any, will be sufficient to enable the School District to pay the principal of or interest on the Notes as the same respectively become due and payable. Reference should be made to the Official Statement for factual information, which, in the judgment of the School District would materially affect the ability of the School District to pay such principal and interest. We have not verified the accuracy, completeness or fairness of the factual information contained in the Official Statement and, accordingly, no opinion is expressed by us as to whether the School District, in connection with the sale of the Notes, has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made, in light of the circumstances under which they were made, not misleading.

We have examined the first executed Note of each said issue and, in our opinion, the form of said Note and its execution are regular and proper.

Very truly yours,

Trespasz & Marquardt, LLP

## FORM OF OPINION OF BOND COUNSEL – THE RANs

June 27, 2023

West Genesee Central School District  
County of Onondaga,  
State of New York

Re: West Genesee Central School District, Onondaga, New York  
\$6,000,000 Revenue Anticipation Notes, 2023

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$6,000,000 Revenue Anticipation Notes, 2023 (referred to herein as the “Notes”), of the West Genesee Central School District, Onondaga County, State of New York (the “District”). The Notes are dated June 27, 2023 and are being issued pursuant to the Constitution and laws of the State of New York, including the Education Law and Local Finance Law, a resolution of the District in respect of the Notes and a Certificate of Determination dated on or before June 27, 2023 of the President of the Board of Education relative to the form and terms of the Notes.

In our opinion, the Notes are valid and legally binding general obligations of the District for which the District has validly pledged its faith and credit and, unless paid from other sources, all taxable real property within the District is subject to levy of ad valorem real estate taxes to pay the Notes and interest thereon, subject to applicable statutory limitations. The enforceability of rights or remedies with respect to the Notes may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereinafter enacted.

The Internal Revenue Code of 1986, as amended (the “Code”), establishes certain requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on the Notes be and remain excluded from gross income under Section 103 of the Code. The President of the Board of Education of the District, in executing the Arbitrage and Use of Proceeds Certificate, has certified to the effect that the District will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that interest on the Notes is excluded from gross income under Section 103 of the Code. We have examined such Arbitrage and Use of Proceeds Certificate of the District delivered concurrently with the delivery of the Notes, and, in our opinion, such certificate contains provisions and procedures under which such requirements can be met.

In our opinion, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Code, and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Our engagement with respect to the Notes has concluded with their issuance, and we disclaim any obligation to update this opinion. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents. Furthermore, we have assumed compliance with all covenants and agreements contained in the Arbitrage and Use of Proceeds Certificate, including without limitation covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Notes to be included in gross income for federal income tax purposes or adjusted gross income for purposes of personal income taxes imposed by the State of New York and the City of New York. We call attention to the fact that the rights and obligations under the Notes and the Arbitrage and Use of Proceeds Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against New York municipal corporations such as the School District. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, or waiver provisions contained in the foregoing documents.



The scope of our engagement in relation to the issuance of the Notes has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. The opinions expressed herein are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the School District, together with other legally available sources of revenue, if any, will be sufficient to enable the School District to pay the principal of or interest on the Notes as the same respectively become due and payable. Reference should be made to the Official Statement for factual information, which, in the judgment of the School District would materially affect the ability of the School District to pay such principal and interest. We have not verified the accuracy, completeness or fairness of the factual information contained in the Official Statement and, accordingly, no opinion is expressed by us as to whether the School District, in connection with the sale of the Notes, has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made, in light of the circumstances under which they were made, not misleading.

We have examined the first executed Note of each said issue and, in our opinion, the form of said Note and its execution are regular and proper.

Very truly yours,

Trespasz & Marquardt, LLP

**WEST GENESEE CENTRAL SCHOOL DISTRICT  
ONONDAGA COUNTY, NEW YORK**

**AUDITED FINANCIAL STATEMENTS**

**FISCAL YEAR ENDED JUNE 30, 2022**

Such Financial Report and opinions were prepared as of date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.

The District's independent auditor has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The District's independent auditor also has not performed any procedures relating to this Official Statement.

**WEST GENESEE  
CENTRAL SCHOOL DISTRICT**

**Camillus, New York**

**FINANCIAL REPORT**

**For the Year Ended  
June 30, 2022**



# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

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# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

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## INDEPENDENT AUDITORS' REPORT

Board of Education  
West Genesee Central School District  
Camillus, New York

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of West Genesee Central School District (the School District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 School District, as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

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

#### Emphasis of a Matter

During the year ended June 30, 2022, the School District adopted Government Accounting Standards Board (GASB) Statement No. 87, "Leases." As discussed in Note 19 to the financial statements, net position as of June 30, 2021 for the governmental activities was restated to reflect this change in accounting principle. Our opinion is not modified with respect to this matter.

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

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

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

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis; budgetary comparison schedules; the Schedules of School District's Contributions - NYSLRS and NYSTRS Pension Plans; the Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability; Schedule of Changes in the District's Total OPEB Liability and Related Ratios; and related notes be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The Schedules of Change from Adopted Budget to Final Budget and the Real Property Tax Limit; Schedule of Project Expenditures - Capital Projects Fund; Schedule of Net Investment in Capital Assets; Balance Sheet - Non-Major Governmental Funds, Statement of Revenues, Expenditures, and Changes in Fund Balance - Non-Major Governmental Funds (supplementary information) and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2022, on our consideration of the School 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 School 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 School District's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in dark ink that reads "Insero & Co. CPAs, LLP". The signature is written in a cursive, slightly stylized font.

Insero & Co. CPAs, LLP  
Certified Public Accountants

Ithaca, New York  
October 11, 2022

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022**

The following is a discussion and analysis of West Genesee Central School District's (the School District) financial performance for the fiscal year ended June 30, 2022. This section is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the District-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. The Management's Discussion and Analysis (MD&A) section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section.

### **FINANCIAL HIGHLIGHTS**

- The Statement of Net Position reflects a total net position of \$28,147,855 at June 30, 2022. This increased from a total net position of \$18,409,411 at June 30, 2021.
- The Statement of Activities shows the School District's revenues exceeding its expenses by \$9,738,444 at June 30, 2022. This compares to revenues exceeding expenses by \$789,555 at June 30, 2021.
- The General Fund budgeted expenditures, including carry-over encumbrances, were underspent by \$1,711,064.
- Capital outlay during 2022 amounted to \$5,654,045. Depreciation and amortization expense totaled \$4,435,092 and \$549,690, respectively.
- Indebtedness of the School District at June 30, 2022, in the amount of \$46,079,573, increased \$5,890,519 from \$40,189,054 in 2021.
- Total fund balance in the General Fund, including reserves, was \$15,247,065 at June 30, 2022. Restricted fund balance of \$9,585,916 consisted of General Fund restricted reserves; assigned fund balance of \$1,769,959 consisted of encumbrances of \$1,319,959 and appropriations to support the 2022-2023 budget of \$450,000; and unassigned fund balance of \$3,891,190 which is equal to the maximum limit (4% of the 2022-2023 appropriations) permitted under New York State Real Property Tax Law.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts: MD&A (this section), the basic financial statements, and supplementary information (both required and not required). The basic financial statements include two kinds of statements that present different views of the School District.

- The first two statements are District-wide financial statements that provide both short-term and long-term information about the School District's overall financial status.
- The remaining statements are Governmental Fund financial statements that focus on individual parts of the School District, reporting the School District's operations in greater detail than the District-wide financial statements. The Governmental Fund financial statements concentrate on the School District's most significant funds.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2022**

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 School District's budget for the year; a Schedule of Changes in the District's Total OPEB Liability and Related Ratios related to the School District's unfunded actuarial liability for postemployment benefits; and information related to the School District's pension obligations.

### **District-Wide Financial Statements**

The District-wide financial statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the School District's assets, deferred outflows, liabilities, and deferred inflows. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two District-wide financial statements report the School District's net position and how it has changed. Net position (the difference between the School District's assets, deferred outflows of resources, deferred inflows of resources, and liabilities) is one way to measure the School District's financial health or position. Over time, increases or decreases in the School District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

To assess the School District's overall health, one needs to consider additional nonfinancial factors such as changes in the School District's property tax base and the condition of school buildings and other facilities.

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

### **Governmental Fund Financial Statements**

The Governmental Fund financial statements provide more detailed information about the School District's funds, focusing on its most significant or "Major" Funds, not on the School District as a whole. Funds are accounting devices the School District uses to keep track of specific sources of funding and spending on particular programs. The School District has two kinds of funds, which are described below.

- **Governmental Funds:** Most of the School District's basic services are included in Governmental Funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out; and (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 one determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the District-wide financial statements, additional information following the Governmental Funds statements explains the relationship (or differences) between them.

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022**

- **Fiduciary Funds:** The School District is the trustee, or fiduciary, for assets that belong to others, such as the Student Activities Funds. The School 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 School District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

### **FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE**

The analysis below focuses on the net position (*Figure 1*) and changes in net position (*Figure 2*) of the School District's Governmental Activities.

*Figure 1*

<b>Condensed Statement of Net Position</b>	<b>Governmental Activities and Total School District</b>		<b>Total Dollar Change</b>
	<b>2022</b>	<b>2021</b>	
<i>Current Assets</i>	\$ 28,684,381	\$ 17,434,793	\$ 11,249,588
<i>Noncurrent Assets</i>	51,513,217	9,770,674	41,742,543
<i>Capital Assets, Net</i>	68,208,079	67,541,154	666,925
<b>Total Assets</b>	<b>148,405,677</b>	<b>94,746,621</b>	<b>53,659,056</b>
<b>Total Deferred Outflows of Resources</b>	<b>32,619,125</b>	<b>33,854,068</b>	<b>(1,234,943)</b>
<i>Current Liabilities</i>	28,760,980	24,790,145	3,970,835
<i>Noncurrent Liabilities</i>	71,229,772	72,283,934	(1,054,162)
<b>Total Liabilities</b>	<b>99,990,752</b>	<b>97,074,079</b>	<b>2,916,673</b>
<b>Total Deferred Inflows of Resources</b>	<b>52,886,195</b>	<b>13,117,199</b>	<b>39,768,996</b>
<i>Net Investment in Capital Assets</i>	35,885,803	35,160,577	725,226
<i>Restricted</i>	10,607,849	10,005,131	602,718
<i>Unrestricted (Deficit)</i>	(18,345,797)	(26,756,297)	8,410,500
<b>Total Net Position</b>	<b>\$ 28,147,855</b>	<b>\$ 18,409,411</b>	<b>\$ 9,738,444</b>

Total assets increased 56.6%. This change stems from a change in the School District's net pension liability of \$6,323,737 in the prior year to a net pension asset of \$41,763,563 in the current year.

The change in deferred outflows of resources and deferred inflows of resources are the result of changes in actuarial assumptions related to the NYSTRS and NYSLRS pension plans, as well as changes in actuarial assumptions for the School District's Other Postemployment Benefits (OPEB) Plan.

Total liabilities increased 3.0%. This increase is primarily due to the issuance of short and long-term debt offset by the change from a net pension liability to a net pension asset for the pension plans.

The School District experienced an increase in net investment in capital assets, as debt payments and capital outlay exceeded depreciation and amortization expense and debt issuances. Restricted net position increased 6.0%, primarily due to an increase in the amount restricted for School Lunch.

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022**

Finally, unrestricted deficit decreased based on changes in net investment in capital assets and restricted net position offset by revenue exceeding expenses.

The analysis in *Figure 2* considers the operations of the School District's activities.

**Figure 2**

<b><i>Changes in Net Position</i></b>	<b><i>Governmental Activities and Total School District</i></b>		<b><i>Total Dollar Change</i></b>
	<b><i>2022</i></b>	<b><i>2021</i></b>	
<b><i>REVENUES</i></b>			
<i>Program Revenues:</i>			
<i>Charges for Services</i>	\$ 1,086,492	\$ 926,459	\$ 160,033
<i>Operating Grants</i>	9,376,963	4,516,306	4,860,657
<i>Capital Grants</i>	37,839	-	37,839
<i>General Revenues:</i>			
<i>Real Property Taxes</i>	45,868,596	44,519,153	1,349,443
<i>Other Taxes</i>	7,586,792	7,915,544	(328,752)
<i>State Sources</i>	36,219,889	34,691,646	1,528,243
<i>Use of Money and Property</i>	82,124	60,205	21,919
<i>Other General Revenues</i>	1,120,257	1,298,881	(178,624)
<b><i>Total Revenues</i></b>	<b>\$ 101,378,952</b>	<b>\$93,928,194</b>	<b>\$ 7,450,758</b>
<b><i>PROGRAM EXPENSES</i></b>			
<i>General Support</i>	\$ 10,210,052	\$10,476,401	\$ (266,349)
<i>Instruction</i>	69,313,829	72,330,937	(3,017,108)
<i>Pupil Transportation</i>	9,148,178	7,908,937	1,239,241
<i>School Lunch Program</i>	2,290,803	1,496,506	794,297
<i>Interest on Debt</i>	677,646	925,858	(248,212)
<b><i>Total Expenses</i></b>	<b>\$ 91,640,508</b>	<b>\$93,138,639</b>	<b>\$ (1,498,131)</b>
<b><i>CHANGE IN NET POSITION</i></b>	<b>\$ 9,738,444</b>	<b>\$ 789,555</b>	<b>\$ 8,948,889</b>

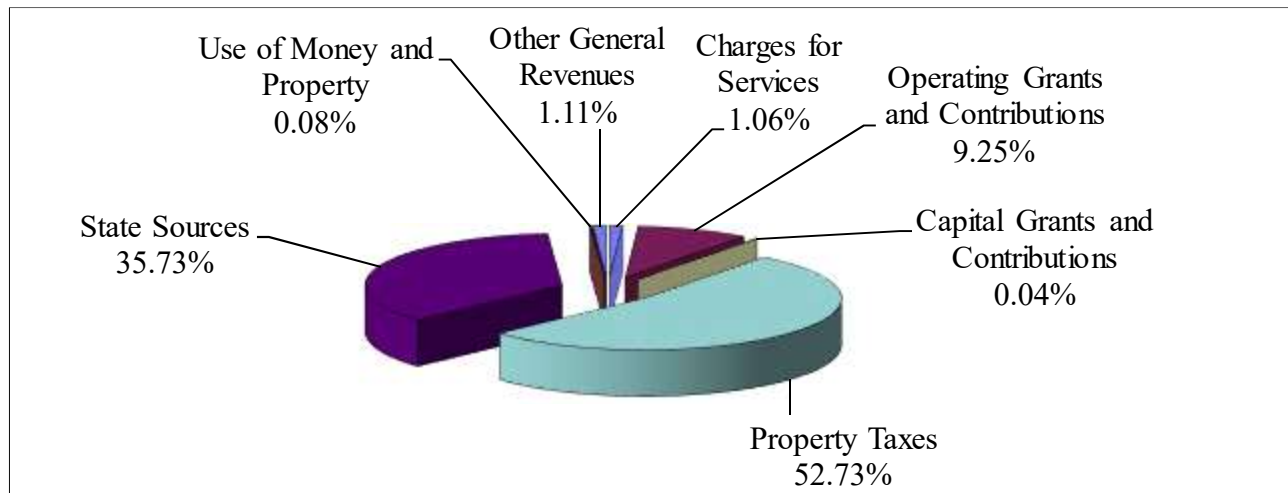
# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022**

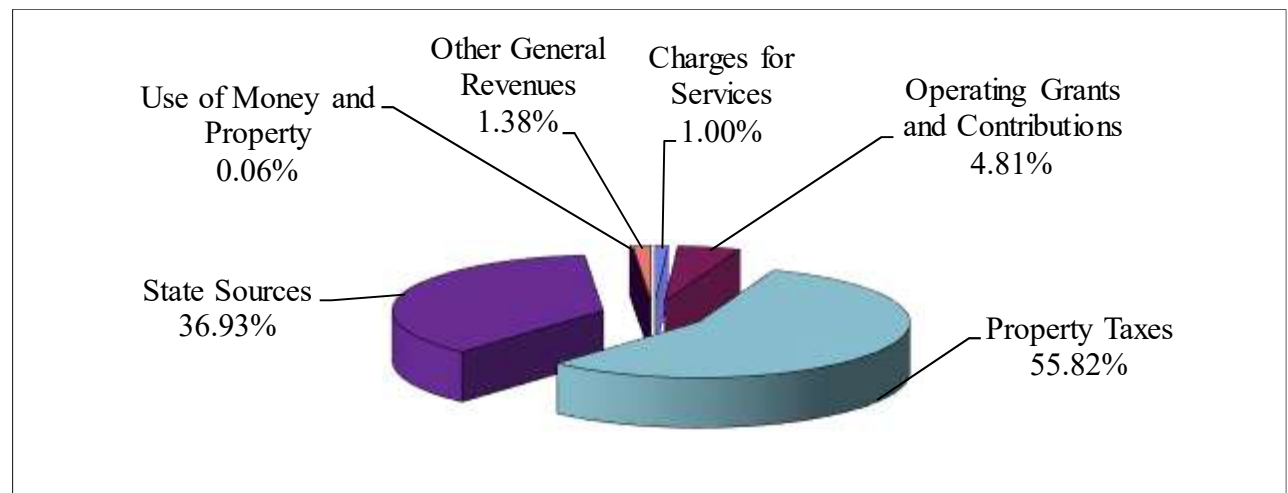
Total revenues for the School District's Governmental Activities increased by 7.9%, while total expenses decreased by 1.6%. The increase in revenue is due to an increase in the voter-approved tax levy and state and federal aid through operating and capital grants offset by decreases in other taxes and other general revenues. The change in total expenses is primarily due to the pension and OPEB expenses compared to the expenses recorded in the prior year.

Figure 3 and Figure 4 show the sources of revenue for 2022 and 2021.

***Figure 3  
Sources of Revenue for 2022***



***Figure 4  
Sources of Revenue for 2021***

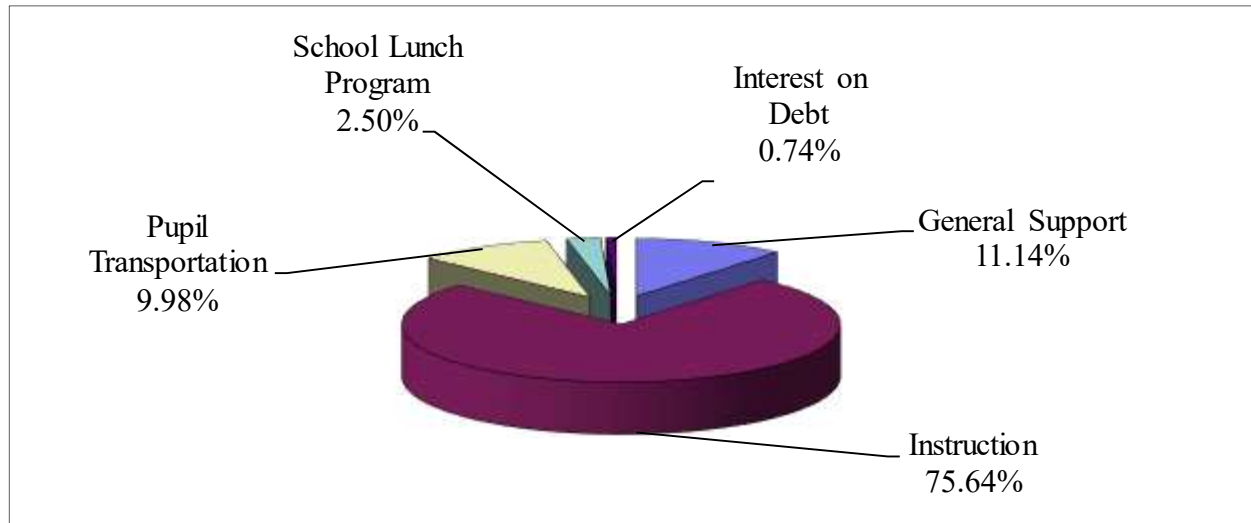


# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

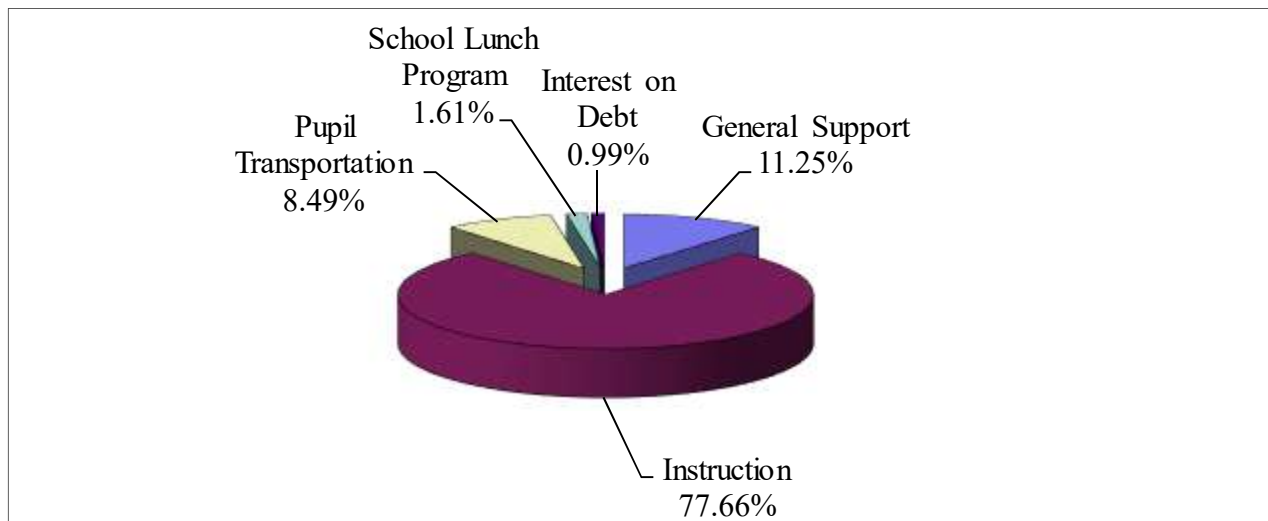
## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022**

Figure 5 and Figure 6 present the cost for each of the School District's programs for 2022 and 2021.

***Figure 5  
Cost of Programs for 2022***



***Figure 6  
Cost of Programs for 2021***



### **FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS**

Figure 7 shows the changes in fund balance for the year for the School District's Major and Non-Major Funds. As the School District completed the year, total fund balance increased 67.1%.

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022**

*Figure 7*

<b>Governmental Fund Balances</b>	<b>2022</b>	<b>2021</b>	<b>Total Dollar Change</b>
<i>General Fund</i>	\$15,247,065	\$14,007,203	\$ 1,239,862
<i>Capital Projects Fund - Buses</i>	(2,715,156)	(1,593,585)	(1,121,571)
<i>Capital Projects Fund - Construction</i>	(381,368)	(4,224,977)	3,843,609
<i>Non-Major Funds</i>	1,059,595	(282,398)	1,341,993
<b>Total Governmental Funds</b>	<b>\$13,210,136</b>	<b>\$ 7,906,243</b>	<b>\$ 5,303,893</b>

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

Over the course of the year, the School District revised the budget several times. These budget amendments consisted of budget transfers between functions and budget revisions as noted in the footnotes to required supplementary information. Actual charges to appropriations (expenditures and encumbrances) were below the final budget amounts, and actual revenues exceeded budgeted amounts as shown below.

Figure 8 summarizes the original and final budgets, the actual expenditures (including encumbrances), and the variances for the year ended June 30, 2022.

*Figure 8*

<b>Condensed Budgetary Comparison General Fund - 2022</b>	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Actual w/ Encumbrances</b>	<b>Favorable (Unfavorable) Variance</b>
<b>REVENUES</b>				
<i>Real Property Taxes</i>	\$ 45,775,290	\$ 45,775,290	\$ 45,868,596	\$ 93,306
<i>Other Tax Items</i>	7,594,585	7,594,585	7,586,792	(7,793)
<i>State Sources</i>	36,881,881	36,881,881	36,810,969	(70,912)
<i>Federal Sources</i>	385,000	385,000	325,617	(59,383)
<i>Other, Including Financing Sources</i>	1,458,500	1,501,256	2,001,585	500,329
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 92,095,256</b>	<b>\$ 92,138,012</b>	<b>\$ 92,593,559</b>	<b>\$ 455,547</b>
<b>Appropriated Fund Balances and Encumbrances</b>	<b>\$ 1,046,804</b>	<b>\$ 2,246,708</b>		
<b>EXPENDITURES</b>				
<i>General Support</i>	\$ 7,476,856	\$ 7,477,316	\$ 6,905,798	\$ 571,518
<i>Instruction</i>	52,195,998	52,353,791	51,487,732	866,059
<i>Pupil Transportation</i>	5,744,628	6,281,857	6,076,054	205,803
<i>Employee Benefits</i>	21,017,628	20,466,309	20,463,732	2,577
<i>Debt Service</i>	6,495,395	6,904,020	6,858,185	45,835
<i>Other Financing Uses</i>	211,555	901,427	882,155	19,272
<b>Total Expenditures and Other Financing (Uses)</b>	<b>\$ 93,142,060</b>	<b>\$ 94,384,720</b>	<b>\$ 92,673,656</b>	<b>\$ 1,711,064</b>



# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022**

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### **Capital Assets**

At June 30, 2022, the School District had invested in a broad range of capital assets totaling \$146,357,905 offset by accumulated depreciation of \$78,579,494. In addition, the School District reported intangible lease assets of \$1,751,116, offset by accumulated amortization of \$1,321,448. *Figure 9* shows the changes in the School District's capital assets.

***Figure 9***

<b><i>Changes in Capital Assets</i></b>	<b><i>2022</i></b>	<b><i>2021</i></b>	<b><i>Total Dollar Change</i></b>
<i>Land</i>	\$ 941,810	\$ 941,810	\$ -
<i>Construction in Progress</i>	5,027,239	1,941,148	3,086,091
<i>Buildings, Net</i>	53,806,511	56,405,109	(2,598,598)
<i>Improvements, Net</i>	339,641	428,905	(89,264)
<i>Furniture and Equipment, Net</i>	7,663,210	7,294,824	368,386
<i>Intangible Lease Assets, Net</i>	429,668	529,358	(99,690)
<b><i>Total</i></b>	<b>\$ 68,208,079</b>	<b>\$ 67,541,154</b>	<b>\$ 666,925</b>

Capital asset activity for the year ended June 30, 2022 included the following:

Construction in Progress	\$ 3,086,091
Furniture and Equipment	2,117,954
Intangible Lease Assets	450,000
Total Additions	<u>5,654,045</u>
Less Net Book Value of Disposed Equipment	(2,338)
Less Depreciation Expense	(4,435,092)
Less Amortization Expense	<u>(549,690)</u>
<b>Net Decrease in Capital Assets</b>	<b><u>\$ 666,925</u></b>

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022**

### **Debt Administration**

Figure 10 shows the changes in the School District's outstanding debt, including its lease liabilities. Total indebtedness represented 18.1% of the constitutional debt limit, exclusive of building aid estimates.

***Figure 10***

<b><i>Outstanding Debt</i></b>	<b><i>Governmental Activities and Total School District</i></b>		<b><i>Total Dollar Change</i></b>
	<b><i>2022</i></b>	<b><i>2021</i></b>	
<i>RANs</i>	\$ 6,000,000	\$ 6,000,000	\$ -
<i>BANs</i>	12,723,000	7,745,500	4,977,500
<i>Installment Purchase Debt</i>	455,000	624,000	(169,000)
<i>Serial Bonds</i>	26,471,905	25,290,196	1,181,709
<i>Lease Liabilities</i>	429,668	529,358	(99,690)
<b><i>Total</i></b>	<b>\$ 46,079,573</b>	<b>\$ 40,189,054</b>	<b>\$ 5,890,519</b>

Additional information on the maturities and terms of the School District's outstanding debt can be found in the notes to these financial statements.

The School District's bond rating is AAA, which did not change from the prior year.

### **FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE**

- The School District is scheduled to receive an increase in Foundation Aid for the 2022-23 and 2023-24 school years for years 2 and 3 of the proposed 3 year plan to fully phase in foundation aid. Although this is positive news, the School District continues to closely monitor discussions at the state level. In addition, federal aid monies from the American Rescue Plan as well as the CRRSA Act have been allocated to the School District and the School District has created plans to use these funds. The School District used some of these funds in the 2020-21 and 2021-22 school years and has planned to use the remaining funds in the 2022-23 and 2023-24 school years, where allowed. Some of the details of the plan are to provide additional mental health supports for students, purchase educational technology and develop strategies to address learning loss, amongst other educational initiatives. The School District retains the expectation to exceed New York State academic achievement standards. As a result of these expectations, each graduating class since 1994 has performed at a very high level. The class of 2022 had 98% of graduates receive a Regents Diploma and an overall completion rate of 95%.
- With the recent increase in inflation and the challenge that poses within the tax cap calculation, the School District will continue to review other revenues sources as well as analyze their fund balance strategies.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2022**

- As shown below, the School District's enrollment has seen a moderate decline, which appears to be stabilizing. In late 2020, the School District worked with Education Consultants to complete an enrollment study. In reviewing the enrollment projections, student enrollment will stabilize over the next several years and potentially slightly increase. The results of this study are being used to guide direction of future facility additions and renovations.

<b>Year</b>	<b>Enrollment</b>
2006-07	5,175
2007-08	5,184
2008-09	5,103
2009-10	5,000
2010-11	4,939
2011-12	4,794
2012-13	4,779
2013-14	4,787
2014-15	4,721
2015-16	4,632
2016-17	4,584
2017-18	4,524
2018-19	4,507
2019-20	4,519
2020-21	4,371
2021-22	4,313
2022-23 (projected with 114 Pre-K)	4,553

- School District management continues to monitor its enrollment and complete long-range budget planning.
- For the 2022-23 school year, Pre-K will be offered by the School District for the first time. 18 students attend class at Split Rock Elementary and the other remaining 96 attend at the School District's community providers (Holy Family and Learn As You Grow).
- Residential and commercial development is ongoing within the School District's boundaries. This will have a positive economic impact moving forward.

### **CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the School District's citizens, taxpayers, customers, investors, and creditors with a general overview of the School District's finances and to demonstrate the School 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 Genesee Central School District, at 300 Sanderson Drive, Camillus, New York 13031-1655.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **STATEMENT OF NET POSITION JUNE 30, 2022**

### **ASSETS**

#### **Current Assets**

Cash - Unrestricted	\$ 16,296,908
Cash - Restricted	8,695,203
Receivables:	
State and Federal Aid	2,171,552
Due From Other Governments	1,308,371
Other	174,685
Inventories	37,662
<b>Total Current Assets</b>	<b>28,684,381</b>

#### **Noncurrent Assets**

Cash - Restricted	9,588,916
Investments - Restricted	160,738
Net Pension Asset - Proportionate Share	41,763,563
Capital Assets, Net:	
Nondepreciable Capital Assets	5,969,049
Depreciable Capital Assets, Net	61,809,362
Intangible Lease Assets, Net	429,668
<b>Total Noncurrent Assets</b>	<b>119,721,296</b>
<b>Total Assets</b>	<b>148,405,677</b>

### **DEFERRED OUTFLOWS OF RESOURCES**

Deferred Charges On Defeased Debt	8,395
Other Postemployment Benefits	5,676,088
Pensions	26,934,642
<b>Total Deferred Outflows of Resources</b>	<b>32,619,125</b>

### **LIABILITIES**

#### **Current Liabilities**

Payables:	
Accounts Payable	474,411
Accrued Liabilities	971,821
Due To Other Governments	46,003
Bond Interest And Matured Bonds	265,631
Revenue Anticipation Notes Payable	6,000,000
Bond Anticipation Notes Payable	12,723,000
Unearned Revenue	247,062
Due To Teachers' Retirement System	4,261,795
Due To Employees' Retirement System	351,435
Current Portion Of Long-Term Liabilities:	
Compensated Absences	202,233
Bonds Payable	2,763,625
Lease Liabilities	277,964
Installment Purchase Debt Payable	176,000
<b>Total Current Liabilities</b>	<b>28,760,980</b>

*See Notes to Basic Financial Statements*

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **STATEMENT OF NET POSITION (Continued)** **JUNE 30, 2022**

### **LIABILITIES (CONTINUED)**

#### **Noncurrent Liabilities**

Bonds Payable	\$ 23,708,280
Lease Liabilities	151,704
Installment Purchase Debt Payable	279,000
Compensated Absences Payable	11,634,859
Other Postemployment Benefits Liability	35,455,929
<b>Total Noncurrent Liabilities</b>	<b>71,229,772</b>

<b>Total Liabilities</b>	<b>99,990,752</b>
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### **DEFERRED INFLOWS OF RESOURCES**

Other Postemployment Benefits	754,874
Pensions	52,131,321

<b>Total Deferred Inflows of Resources</b>	<b>52,886,195</b>
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### **NET POSITION**

Net Investment in Capital Assets	35,885,803
Restricted	10,607,849
Unrestricted (Deficit)	(18,345,797)

<b>Total Net Position</b>	<b>\$ 28,147,855</b>
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*See Notes to Basic Financial Statements*

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2022**

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants	Capital Grants	
<b>FUNCTIONS/PROGRAMS</b>					
General Support	\$ 10,210,052	\$ 311,107	\$ -	\$ -	\$ (9,898,945)
Instruction	69,313,829	630,422	6,405,565	-	(62,277,842)
Pupil Transportation	9,148,178	-	-	37,839	(9,110,339)
School Lunch Program	2,290,803	144,963	2,971,398	-	825,558
Interest on Debt	677,646	-	-	-	(677,646)
<b>Total Functions and Programs</b>	<b>\$ 91,640,508</b>	<b>\$ 1,086,492</b>	<b>\$ 9,376,963</b>	<b>\$ 37,839</b>	<b>(81,139,214)</b>

### **GENERAL REVENUES**

Real Property Taxes	45,868,596
Real Property Tax Items	7,393,766
Nonproperty Taxes	193,026
Use of Money and Property	82,124
Unrestricted State Sources	36,219,889
Sale of Property and Compensation for Loss	128,521
Miscellaneous	991,736

<b>Total General Revenues</b>	<b>90,877,658</b>
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Change in Net Position	9,738,444
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Total Net Position - Beginning of Year, as Restated	18,409,411
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<b>Total Net Position - End of Year</b>	<b>\$ 28,147,855</b>
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*See Notes to Basic Financial Statements*

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **BALANCE SHEET - GOVERNMENTAL FUNDS JUNE 30, 2022**

	<b>Major Funds</b>			<b>Non-Major</b>	<b>Total</b>
	<b>General Fund</b>	<b>Capital Projects Fund Buses</b>	<b>Capital Projects Fund Construction</b>	<b>Governmental Funds</b>	<b>Governmental Funds</b>
<b>ASSETS</b>					
Cash - Unrestricted	\$13,748,201	\$ 7,844	\$ 1,869,730	\$ 671,133	\$ 16,296,908
Cash - Restricted	9,585,916	-	8,128,070	570,133	18,284,119
Investments - Restricted	-	-	-	160,738	160,738
Receivables:					
Due From Other Funds	1,296,208	-	-	-	1,296,208
State and Federal Aid	937,488	-	-	1,234,064	2,171,552
Due From Other Governments	1,308,371	-	-	-	1,308,371
Other	160,088	-	-	14,597	174,685
Inventories	-	-	-	37,662	37,662
<b>Total Assets</b>	<b>\$27,036,272</b>	<b>\$ 7,844</b>	<b>\$ 9,997,800</b>	<b>\$ 2,688,327</b>	<b>\$ 39,730,243</b>
<b>LIABILITIES</b>					
Payables:					
Accounts Payable	\$ 86,849	\$ -	\$ 379,168	\$ 8,394	\$ 474,411
Accrued Liabilities	966,080	-	-	5,741	971,821
Due to Other Funds	-	-	-	1,296,208	1,296,208
Due to Other Governments	-	-	-	46,003	46,003
Bond Interest and Matured Bonds Payable	148,372	-	-	-	148,372
Revenue Anticipation Notes Payable	6,000,000	-	-	-	6,000,000
Bond Anticipation Notes Payable	-	2,723,000	10,000,000	-	12,723,000
Unearned Revenue	-	-	-	247,062	247,062
Due to Teachers' Retirement System	4,261,795	-	-	-	4,261,795
Due to Employees' Retirement System	326,111	-	-	25,324	351,435
<b>Total Liabilities</b>	<b>11,789,207</b>	<b>2,723,000</b>	<b>10,379,168</b>	<b>1,628,732</b>	<b>26,520,107</b>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	37,662	37,662
Restricted	9,585,916	-	-	1,021,933	10,607,849
Assigned	1,769,959	-	-	-	1,769,959
Unassigned	3,891,190	(2,715,156)	(381,368)	-	794,666
<b>Total Fund Balances (Deficits)</b>	<b>15,247,065</b>	<b>(2,715,156)</b>	<b>(381,368)</b>	<b>1,059,595</b>	<b>13,210,136</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$27,036,272</b>	<b>\$ 7,844</b>	<b>\$ 9,997,800</b>	<b>\$ 2,688,327</b>	<b>\$ 39,730,243</b>

*See Notes to Basic Financial Statements*

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2022**

**Fund Balance - Total Governmental Funds** **\$ 13,210,136**

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets, net of accumulated depreciation and amortization, used in Governmental Activities are not financial resources and, therefore, are not reported in the Governmental Funds.

Total Historical Cost	\$ 148,109,021	
Less Accumulated Depreciation	(78,579,494)	
Less Accumulated Amortization	<u>(1,321,448)</u>	68,208,079

Long-term liabilities, including bonds payable, installment purchase debt, and lease liabilities, are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds Payable	\$ (26,471,905)	
Lease Liabilities	(429,668)	
Installment Purchase Debt Payable	<u>(455,000)</u>	(27,356,573)

Certain accrued obligations and expenses reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported in the Governmental Funds.

Accrued Interest on Long-Term Debt	\$ (117,259)	
Compensated Absences Payable	(11,837,092)	
Other Postemployment Benefits Liability	<u>(35,455,929)</u>	(47,410,280)

The School District's proportionate share of the collective net pension (asset)/liability is not reported in the Governmental Funds.

ERS Net Pension Asset - Proportionate Share	\$ 39,602,937	
TRS Net Pension Asset - Proportionate Share	<u>2,160,626</u>	41,763,563

Deferred outflows of resources represent a consumption of net position that applies to future periods and, therefore, is not reported in the Governmental Funds. Deferred inflows of resources represents an acquisition of net position that applies to future periods and, therefore, is not reported in the Governmental Funds.

Deferred Charges on Defeased Debt	\$ 8,395	
Other Postemployment Benefits Deferred Outflows of Resources	5,676,088	
ERS Deferred Outflows of Resources - Pension	4,528,271	
TRS Deferred Outflows of Resources - Pension	22,406,371	
Other Postemployment Benefits Deferred Inflows of Resources	(754,874)	
ERS Deferred Inflows of Resources - Pension	(7,556,989)	
TRS Deferred Inflows of Resources - Pension	<u>(44,574,332)</u>	(20,267,070)

**Net Position of Governmental Activities** **\$ 28,147,855**

*See Notes to Basic Financial Statements*



# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Major Funds</b>			
	<b>General Fund</b>	<b>Capital Projects Fund Buses</b>	<b>Capital Projects Fund Construction</b>	<b>Non-Major Governmental Funds</b>
				<b>Total Governmental Funds</b>
<b>REVENUES</b>				
Real Property Taxes	\$ 45,868,596	\$ -	\$ -	\$ 45,868,596
Real Property Tax Items	7,393,766	-	-	7,393,766
Nonproperty Taxes	193,026	-	-	193,026
Charges for Services	114,098	-	-	114,098
Intergovernmental	516,324	-	-	516,324
Use of Money and Property	81,905	133	-	82,124
Sale of Property and Compensation for Loss	130,859	-	-	130,859
Miscellaneous	953,399	-	-	991,736
State Sources	36,810,969	-	-	37,298,546
Medicaid Reimbursement	311,107	-	-	311,107
Federal Sources	14,510	-	-	8,321,635
Sales - School Lunch	-	-	-	144,963
<b>Total Revenues</b>	<b>92,388,559</b>	<b>133</b>	<b>-</b>	<b>8,992,598</b>
<b>EXPENDITURES</b>				
General Support	6,776,156	-	142,663	-
Instruction	50,384,189	-	-	5,686,458
Pupil Transportation	5,989,518	-	-	82,218
Employee Benefits	20,463,494	-	-	705,299
Debt Service:				
Principal	5,769,190	-	-	-
Interest	1,088,995	-	-	-
Cost Of Sales	-	-	-	1,069,085
Capital Outlay	-	1,412,204	3,536,091	-
<b>Total Expenditures</b>	<b>90,471,542</b>	<b>1,412,204</b>	<b>3,678,754</b>	<b>7,543,060</b>
Excess (Deficiency) of Revenues Over Expenditures	1,917,017	(1,412,071)	(3,678,754)	1,449,538
<b>OTHER FINANCING SOURCES AND (USES)</b>				
Proceeds From Obligations	-	-	5,660,000	-
BANs Redeemed From Appropriations	-	290,500	615,000	-
Premium on Obligations	-	-	462,663	-
Operating Transfers In	205,000	-	784,700	97,455
Operating Transfers (Out)	(882,155)	-	-	(205,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(677,155)</b>	<b>290,500</b>	<b>7,522,363</b>	<b>(107,545)</b>
Net Change in Fund Balances	1,239,862	(1,121,571)	3,843,609	1,341,993
Fund Balances (Deficits) - Beginning of Year	14,007,203	(1,593,585)	(4,224,977)	(282,398)
<b>Fund Balances (Deficits) - End of Year</b>	<b>\$ 15,247,065</b>	<b>\$ (2,715,156)</b>	<b>\$ (381,368)</b>	<b>\$ 1,059,595</b>
				<b>\$ 13,210,136</b>

*See Notes to Basic Financial Statements*

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2022**

**Net Change in Fund Balances - Total Governmental Funds** **\$ 5,303,893**

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the net change in capital assets.

Capital Outlay	\$ 5,654,045	
Depreciation Expense	(4,435,092)	
Amortization Expense	(549,690)	
Net Book Value of Disposals	<u>(2,338)</u>	666,925

Long-term debt proceeds, and related deferred amounts on refunding, provide current financial resources to Governmental Funds, but issuing debt and the related premiums increase long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal Payment - Bonds	\$ 4,145,000	
Principal Payment - Leases	549,690	
Proceeds of Debt - Bonds	(5,210,000)	
Proceeds of Debt - Leases	(450,000)	
Premium on Obligations	(462,663)	
Repayment of Installment Purchase Debt	<u>169,000</u>	(1,258,973)

Long-term obligations are reported in the Statement of Net Position. Therefore expenses which result in an (increase) or decrease in these long-term obligations are not reflected in the Governmental Fund financial statements.

Other Postemployment Benefits	\$ (1,297,809)	
Compensated Absences	<u>(1,478,928)</u>	(2,776,737)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the Governmental Funds because interest is recorded as an expenditure in the funds when it is due and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The difference in interest reported in the Statement of Activities is the result of accrued interest on bonds, BANs and RANs, the amortization of bond premiums, and the deferred amount of refunded bonds.

Changes in Accrued Interest	\$ 107,854	
Amortization of Bond Premiums	345,954	
Amortization of Deferred Charges on Defeased Debt	<u>(42,459)</u>	411,349

Changes in the School District's proportionate share of net pension (assets)/liabilities have no effect on current financial resources and, therefore, are not reported in the Governmental Funds. In addition, changes in the School District's deferred outflows of resources and deferred inflows of resources related to pensions do not affect current financial resources and are, also, not reported in the Governmental Funds.

ERS	\$ 1,059,133	
TRS	<u>6,332,854</u>	7,391,987

**Net Change in Net Position of Governmental Activities** **\$ 9,738,444**

*See Notes to Basic Financial Statements*

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **STATEMENT OF FIDUCIARY NET POSITION JUNE 30, 2022**

	<b>Custodial Fund</b>
<b>ASSETS</b>	
Cash - Unrestricted	<u>\$ 205,013</u>
<b>Total Assets</b>	<u><b>\$ 205,013</b></u>
<b>NET POSITION</b>	
Unrestricted	<u>\$ 205,013</u>
<b>Total Net Position</b>	<u><b>\$ 205,013</b></u>

*See Notes to Basic Financial Statements*

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Custodial Fund</b>
<b>ADDITIONS</b>	
Extraclassroom Receipts	<u>\$ 401,323</u>
<b>DEDUCTIONS</b>	
Extraclassroom Disbursements	<u>357,197</u>
Change in Net Position	44,126
Net Position - Beginning of Year	<u>160,887</u>
<b>Net Position - End of Year</b>	<u><b>\$ 205,013</b></u>

*See Notes to Basic Financial Statements*

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### ***Note 1* Summary of Significant Accounting Policies**

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

#### **Reporting Entity**

Essentially, the primary function of the School 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 consists of the following as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity," as amended:

- The primary government, which is the West Genesee Central School District;
- 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 basic financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the School District. The School District is not a component unit of another reporting entity.

The decision to include a potential component unit in the School District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the Extraclassroom Activity Funds are included in the School District's reporting entity.

The Extraclassroom Activity Funds of the School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and the designation of student management. While the Extraclassroom Activity Funds are not considered a component unit of the School District, due to the School District's fiduciary responsibility in relation to the Funds, they are reported in the School District's Custodial Fund. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be obtained from the School District's Business Office, located at 300 Sanderson Drive, Camillus, NY 13031.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### ***Note 1*      **Summary of Significant Accounting Policies - Continued****

#### **Joint Venture**

The West Genesee Central School District is one of 24 component school districts in the Onondaga-Cortland-Madison Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs that provide educational and support activities.

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

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

There is no authority or process by which a school district can terminate its status as a BOCES component. In addition, component school districts pay tuition or a service fee for programs in which its students participate. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of §1950 of the Education Law. BOCES' financial statements may be obtained from the Onondaga-Cortland-Madison BOCES administration office at 110 Elwood Davis Road, Liverpool, New York 13088.

#### **Basis of Presentation - District-Wide Financial Statements**

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

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the School District's Governmental Activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses relate to the administration and support of the School District's programs, including personnel, overall administration, and finance. Employee benefits are allocated to functional expenses as a percentage of related payroll expense. 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.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### ***Note 1*      Summary of Significant Accounting Policies - Continued**

#### **Basis of Presentation - Governmental Fund Financial Statements**

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

The School District reports the following Major Governmental Funds:

- General Fund: The School District's primary operating fund. It accounts for all financial transactions not required to be accounted for in another fund.
- Capital Projects Fund - Buses: Accounts for financial resources used to purchase school buses.
- Capital Projects Fund - Construction: Accounts for financial resources used for capital construction.

#### **Non-Major Funds**

- Special Revenue Funds: These funds account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds include the following:
  - Special Aid Fund: Used to account for proceeds received from state and federal grants restricted for special educational programs.
  - School Lunch Fund: Accounts for revenues and expenditures in connection with the School District's food service program.
  - Miscellaneous Special Revenue Fund: Used to account for student scholarships whose funds are restricted as to use.

Fiduciary Activities are those in which the School District acts as trustee or agent for resources that belong to others. These activities are not included in the District-wide financial statements, because their resources do not belong to the School District and are not available to be used.

The School District reports the following Fiduciary Funds:

- Custodial Fund: Strictly custodial in nature and do not involve measurement of results of operations. Assets are held by the School District as agent for various student groups or Extraclassroom Activity Funds.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### ***Note 1*      **Summary of Significant Accounting Policies - Continued****

#### **Measurement Focus and Basis of Accounting**

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

The Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School District considers all revenues reported in the Governmental Funds to be available if the revenues are collected within 90 days after the end of the fiscal year.

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

#### **Cash and Investments**

The School 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. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and districts.

#### **Accounts Receivable**

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided, as it is believed that such allowance would not be material. All receivables are expected to be collected within the subsequent fiscal year.



# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### **Note 1 Summary of Significant Accounting Policies - Continued**

#### **Due To/From Other Funds**

Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the individual fund balances at year-end is provided subsequently in these notes.

#### **Inventories and Prepaid Items**

Inventories of food in the School Lunch Fund are recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value, which approximates fair value. Purchases of items of an inventory nature in other funds are recorded as expenditures at the time of purchase, and are considered immaterial in amount. Prepaid items represent payments made by the School District for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the District-wide and Governmental Fund financial statements. These items are reported as assets on the Statement of Net Position or Balance Sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

Nonspendable fund balances for these non-liquid assets (inventories and prepaid items) have been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

#### **Capital Assets**

Capital assets are reported at actual cost, including the right to use assets acquired through financed lease arrangements, or using estimated historical costs, based on appraisals conducted by independent third-party professionals. Donated assets are reported at estimated fair market value at the time received.

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

	<b>Capitalization Threshold</b>	<b>Estimated Useful Life</b>
Buildings	\$ 500	40 Years
Building Improvements	500	20-40 Years
Furniture and Equipment	500	3-10 Years

The School District utilizes the straight-line method of depreciation and amortizes its intangible assets in line with its lease liability payments.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### ***Note 1*      Summary of Significant Accounting Policies - Continued**

#### **Vested Employee Benefits - Compensated Absences**

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

Sick leave eligibility and accumulation is specified in negotiated labor contracts, and in individual employment contracts. Upon retirement, resignation or death, employees may contractually receive a payment based on unused accumulated sick leave.

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

Consistent with GASB Statement No. 16, "Accounting for Compensated Absences," the liability is included in the District-wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year-end.

In the Governmental Fund financial statements only the amount of matured liabilities, if any, is accrued within the General Fund based upon expendable and available financial resources. These amounts are expensed on a pay-as-you-go basis.

#### **Postemployment Benefits**

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

In addition to providing pension benefits, the School District provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the School District's employees may become eligible for these benefits if they reach normal retirement age while working for the School District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the School District and the retired employee. The School District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure or operating transfer to other funds in the General Fund in the year paid.

The School District follows GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions" (OPEB). The School District's liability for other postemployment benefits has been recorded in the Statement of Net Position, in accordance with the statement. See Note 12 for additional information.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### ***Note 1*      Summary of Significant Accounting Policies - Continued**

#### **Deferred Outflows and Deferred Inflows of Resources**

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School District reports deferred charges on defeased debt resulting from the difference in the carrying value of refunded debt and its reacquisition price, which is amortized over the shorter of the life of the refunded or refunding debt. The School District also reports deferred outflows of resources related to pensions and OPEB plans in the District-wide Statement of Net Position. The types of deferred outflows of resources related to pensions and OPEB plans are described in Notes 11 and 12, respectively.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The School District reports deferred inflows related to pensions and OPEB plans which are further described in Notes 11 and 12, respectively.

#### **Leases**

The School District determines if an arrangement is or contains a lease at inception. The School District records assets and lease obligations for leases, which are initially based on the discounted future minimum lease payments over the term of the lease. The School District uses the rate implicit in the lease agreements. In some cases the implicit rate is not easily determinable, and the School District elects to use its incremental borrowing rate in calculating present value of lease payments.

Lease term is defined as the non-cancelable period of the lease plus any options to extend the lease when it is reasonably certain that it will be exercised. For leases with a term, including renewals, of 12 months or less, no intangible lease assets or lease obligations are recorded on the Statement of Net Position and the School District will recognize short-term lease expense for these leases on a straight-line basis over the lease term.

The School District's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Amortization expense for leases is recognized on the same basis as payments on the lease liabilities and is included in the education expense function. Interest expense is recognized using the effective interest method. Variable payments, short-term rentals, and payments associated with non-lease components are expensed as incurred.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### ***Note 1*      Summary of Significant Accounting Policies - Continued**

#### **Unearned and Unavailable Revenues**

Unearned revenues arise when resources are received by the School District before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when the School District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recorded.

The Governmental Fund financial statements report unavailable revenues when potential revenues do not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both recognition criteria are met, the deferred inflow of resources is removed and revenues are recorded.

#### **Restricted Resources**

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, it is the School District's policy to apply restricted funds before unrestricted funds, unless otherwise prohibited by legal requirements.

#### **Equity Classifications - District-Wide Financial Statements**

Equity is classified as net position and displayed in three components:

- Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and amortization, and reduced by the outstanding balances of any bonds, mortgages, notes, payables, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted - Consists of resources with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - Consists of all other resources that do not meet the definition of "restricted" or "net investment in capital assets."

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### ***Note 1*      Summary of Significant Accounting Policies - Continued**

#### **Equity Classifications - Governmental Fund Financial Statements**

Constraints are broken into five classifications: nonspendable, restricted, committed, assigned, and unassigned. These classifications serve to inform readers of the financial statements of the extent to which the School District is bound to honor any constraints on specific purposes for which resources in a fund can be spent.

- **Nonspendable:** Consists of assets inherently nonspendable in the current period either because of their form or because they must be maintained intact; including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and endowment principal.
- **Restricted:** Consists of amounts subject to legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and enforced externally or through constitutional provisions or enabling legislation. Most of the School District's legally adopted reserves are reported here.
- **Committed:** Consists of amounts subject to a purpose constraint imposed by formal action of the School District's highest level of decision-making authority prior to the end of the fiscal year and requires the same level of formal action to remove said constraint.
- **Assigned:** Consists of amounts subject to a purpose constraint representing an intended use established by the School District's highest level of decision-making authority or their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund. In funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.
- **Unassigned:** Represents the residual classification of the government's General Fund and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should only be used to report a deficit balance resulting from overspending amounts restricted, committed, or assigned for specific purposes.

Real Property Tax Law §1318 limits the amount of unexpended surplus funds a school district can retain in the General Fund to no more than 4% of the next year's budgetary appropriations. Funds properly retained under other sections of law (such as reserve funds established pursuant to Education Law or GML) are excluded from the 4% limitation. The 4% limitation is applied to unrestricted fund balance (such as the total of the committed, assigned, and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### ***Note 1*      Summary of Significant Accounting Policies - Continued**

#### **Equity Classifications - Governmental Fund Financial Statements - Continued**

The Board of Education of the School District has adopted resolutions to commit or assign fund balance. By resolution, fund balance of the School District may be committed for a specific source by formal action of the Board of Education. Furthermore, the Board of Education delegates authority to assign fund balance for a specific purpose to the Business Official of the School District. The Board of Education, by resolution, approves fund balance appropriations for next year's budget. The School District applies expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

#### **Legally Adopted Reserves**

Fund balance reserves are created to satisfy legal restrictions, plan for future expenditures or relate to resources not available for general use or appropriation. The following reserve funds are available to school districts within New York State. These reserve funds are established through Board action or voter approval, and a separate identity must be maintained for each reserve. Earnings on the invested resources become part of the respective reserve funds; however, separate bank accounts are not necessary for each reserve fund. These reserves are reported in the governmental fund financial statements as Restricted Fund Balance. Reserves currently in use by the School District include the following:

- **Capital Reserve (Education Law §3651):** Used to pay the cost of any object or purpose for which bonds may be issued. The creation of a Capital Reserve Fund requires authorization by a majority of the voters establishing the purpose of the reserve, the ultimate amount, its probable term and the source of the funds. Expenditures may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. This reserve is accounted for in the General Fund.
- **Tax Certiorari Reserve (Education Law §3651.1-a):** Used to establish a reserve fund for tax certiorari and to expend from the fund without voter approval. The monies held in the reserve shall not exceed the amount that might reasonably be deemed necessary to meet anticipated judgments and claims arising out of tax certiorari proceedings. Any resources deposited to the reserve which are not expended for tax certiorari proceedings in the year, such monies deposited must be returned to the General Fund on or before the first day of the fourth fiscal year after deposit of these monies. This reserve is accounted for in the General Fund.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### ***Note 1*      Summary of Significant Accounting Policies - Continued**

#### **Legally Adopted Reserves - Continued**

- Unemployment Insurance Reserve (GML §6-m): Used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the employer has elected to use the benefit reimbursement method. The reserve may be established by board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within 60 days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. If the School District elects to convert to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the General Fund.
- Workers Compensation Reserve (GML §6-j): Used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law, and for payment of expenses for administering this self-insurance program. The reserve may be established by board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within 60 days after the end of any fiscal year, excess amounts may either be transferred to another reserve or applied to the appropriations of the succeeding fiscal year's budget. This reserve is accounted for in the General Fund.
- Retirement Contribution Reserve (GML §6-r): - Used to reserve funds for the payment of retirement contributions, due to volatility in the economic marketplace. This reserve may be established by a majority vote of the board and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. Effective April 1, 2019, a Board may adopt a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the subfund of up to 2% of the total covered salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law §6-r. These reserves are accounted for in the General Fund.
- Employee Benefit Accrued Liability Reserve (GML §6-p): Used to reserve funds for the payment of accrued employee benefits due upon termination of an employee's service. This reserve may be established by a majority vote of the Board and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. This reserve is accounted for in the General Fund.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### ***Note 1*      Summary of Significant Accounting Policies - Continued**

#### **Property Taxes**

Real property taxes are levied annually by the Board of Education no later than September 3, and became a lien on August 18, 2021. Taxes were collected during the period September 2, 2021 to November 15, 2021.

Uncollected real property taxes are subsequently enforced by the County of Onondaga. An amount representing uncollected real property taxes transmitted to the County for enforcement is paid by the county to the School District no later than the following April 1.

#### **Interfund Transfers**

The operations of the School District give rise to certain transactions between funds, including transfers, to provide services and construct assets. The amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance-Governmental Funds for interfund transfers have been eliminated from the Statement of Activities. A detailed description of the individual fund transfers that occurred during the year is provided subsequently in these notes.

#### **Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities and useful lives of long-lived assets.

#### **New Accounting Standard**

The School District adopted and implemented the following current Statement of the GASB effective for the year ended June 30, 2022:

- GASB Statement No. 87, "Leases."

#### **Future Changes in Accounting Standards**

- GASB has issued Statement No. 96, "Subscription-Based Information Technology Arrangements," effective for the year ending June 30, 2023.
- GASB has issued Statement No. 101, "Compensated Absences," effective for the year ending June 30, 2025.

The School District will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.



# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

***Note 2***      **Participation in BOCES**

During the year ended June 30, 2022, the School District's share of BOCES income amounted to \$2,785,295. The School District was billed \$8,866,788 for BOCES administration and program costs. Financial statements for Onondaga-Cortland-Madison BOCES are available from the BOCES Administrative Office at 6820 Thompson Road, Syracuse, New York.

***Note 3***      **Cash and Cash Equivalents - Custodial and Concentration of Credit Risk**

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. While the School District does not have a specific policy for custodial credit risk, New York State statutes govern the School District's investment policies, as discussed previously in these notes. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the School District's name.

The School District's aggregate bank balances of \$36,318,431 including certificates of deposit, are either insured or collateralized with securities held by the pledging financial institution in the School District's name.

The School District has few investments (primarily donated Scholarship Funds) and chooses to disclose its investments by specifically identifying each.

The School District's investment policy for these investments is also governed by New York State statutes. Investments are stated at fair value and are categorized as either:

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

# WEST GENESEE CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

### **Note 3 Cash and Cash Equivalents - Custodial and Concentration of Credit Risk - Continued**

Restricted investments at June 30, 2022 are as follows:

	<u>Cost</u>	<u>Carrying Amount Fair Value</u>	<u>Type of Investment</u>	<u>Category</u>
			Certificate of Deposit	
<b>Miscellaneous Special Revenue Fund</b>	<u><b>\$ 160,738</b></u>	<u><b>\$ 160,738</b></u>		(1)

The School District does not typically purchase investments for a duration long enough to cause it to believe that it is exposed to any material interest rate risk.

The School District does not typically purchase investments denominated in a foreign currency and is not exposed to foreign currency risk.

Restricted cash at June 30, 2022 consisted of the following:

General Fund Reserves	\$ 9,585,916
Restricted for Capital	8,128,070
Restricted for School Lunch	567,133
Restricted for Scholarships	<u>3,000</u>
<b>Total</b>	<u><b>\$ 18,284,119</b></u>

### **Note 4 Due From Other Governments**

Due from other governments consisted of the following, which are stated at net realizable value.

<u>Description</u>	<u>Amount</u>
BOCES September Aid	\$ 1,253,383
Other	<u>54,988</u>
<b>Total</b>	<u><b>\$ 1,308,371</b></u>

### **Note 5 Interfund Balances and Activity**

Interfund balances at June 30, 2022 are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>	<u>Interfund Revenues</u>	<u>Interfund Expenditures</u>
General Fund	\$ 1,296,208	\$ -	\$ 205,000	\$ 882,155
Capital Projects Fund - Construction	-	-	784,700	-
Non-Major Funds	<u>-</u>	<u>1,296,208</u>	<u>97,455</u>	<u>205,000</u>
<b>Total</b>	<u><b>\$1,296,208</b></u>	<u><b>\$1,296,208</b></u>	<u><b>\$ 1,087,155</b></u>	<u><b>\$1,087,155</b></u>

Interfund receivables and payables, other than between Governmental Activities and Fiduciary Funds, are eliminated on the Statement of Net Position.

# WEST GENESEE CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

### Note 5 Interfund Balances and Activity - Continued

The School District typically transfers, from the General Fund to the Special Aid Fund, the School District's share of the cost to accommodate the mandated accounting for the School District's share of expenditures of a Special Aid Fund project. The School District also transfers funds from the Capital Reserve in the General Fund to Capital Funds, as needed, to fund capital projects. Periodically, the School District transfers funds as needed to subsidize the School Lunch Fund.

The School District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. All interfund payables are expected to be repaid within one year.

### Note 6 Capital Assets

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

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reclassifications and Disposals</u>	<u>Ending Balance</u>
Capital Assets That Are Not Depreciated:				
Land	\$ 941,810	\$ -	\$ -	\$ 941,810
Construction in Progress	1,941,148	3,086,091	-	5,027,239
<b>Total Nondepreciable Historical Cost</b>	<b>2,882,958</b>	<b>3,086,091</b>	<b>-</b>	<b>5,969,049</b>
Capital Assets That Are Depreciated:				
Buildings	108,079,254	-	-	108,079,254
Improvements	4,133,329	-	-	4,133,329
Furniture and Equipment	26,967,165	2,117,954	(908,846)	28,176,273
<b>Total Depreciable Historical Cost</b>	<b>139,179,748</b>	<b>2,117,954</b>	<b>(908,846)</b>	<b>140,388,856</b>
Intangible Lease Assets:				
Equipment	1,301,116	450,000	-	1,751,116
<b>Total Historical Cost</b>	<b>143,363,822</b>	<b>5,654,045</b>	<b>(908,846)</b>	<b>148,109,021</b>
Less Accumulated Depreciation:				
Buildings	(51,674,145)	(2,598,598)	-	(54,272,743)
Improvements	(3,704,424)	(89,264)	-	(3,793,688)
Furniture and Equipment	(19,672,341)	(1,747,230)	906,508	(20,513,063)
<b>Total Accumulated Depreciation</b>	<b>(75,050,910)</b>	<b>(4,435,092)</b>	<b>906,508</b>	<b>(78,579,494)</b>
Less Accumulated Amortization:				
Equipment	(771,758)	(549,690)	-	(1,321,448)
<b>Total Historical Cost, Net</b>	<b>\$ 67,541,154</b>	<b>\$ 669,263</b>	<b>\$ (2,338)</b>	<b>\$ 68,208,079</b>

Depreciation and amortization expense was charged to governmental functions as follows:

General Support	\$ 2,683,483
Instruction	666,448
Pupil Transportation	1,586,454
School Lunch	48,397
<b>Total Depreciation Expense</b>	<b>\$ 4,984,782</b>

# WEST GENESEE CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

### Note 7 Short-Term Debt

The School District may issue revenue anticipation notes (RANs) in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs represent a liability that will be extinguished by the use of expendable, available resources of the fund.

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

The School District may issue bond anticipation notes (BANs), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. New York State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date.

The following is a summary of the School District's BANs and RANs for the year ended June 30, 2022:

Description of Issue	Issue Date	Final Maturity	Interest Rate	Outstanding June 30, 2022
RANs	06/28/2022	12/28/2022	3.50%	\$ 6,000,000
BANs - Construction	06/28/2022	06/28/2023	2.58%	10,000,000
BANs - Construction	07/22/2021	07/22/2022	1.00%	2,723,000
<b>Total</b>				<b>\$ 18,723,000</b>

Transactions in short-term debt for the year are summarized below:

	Beginning Balance	Issued	Refinanced/ Redeemed	Ending Balance
RANs	\$ 6,000,000	\$ 6,000,000	\$ (6,000,000)	\$ 6,000,000
BANs	7,745,500	17,023,000	(12,045,500)	12,723,000
<b>Total</b>	<b>\$ 13,745,500</b>	<b>\$ 23,023,000</b>	<b>\$ (18,045,500)</b>	<b>\$ 18,723,000</b>

Interest on short-term debt for the year was composed of:

Interest Paid	\$ 38,184
Less Interest Accrued in the Prior Year	(75,555)
Plus Interest Accrued in the Current Year	28,242
<b>Total</b>	<b>\$ (9,129)</b>

# WEST GENESEE CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

### Note 8 Long-Term Debt

At June 30, 2022, the total outstanding indebtedness of the School District represented 18.1% of its statutory debt limit, exclusive of building aids. Long-term debt is classified as follows:

- Serial Bonds: The School District borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets.
- Installment Purchase Debt: The School District leases energy conservation equipment with the intent to purchase.

The following is a summary of the School District's long-term debt for the year ended June 30, 2022.

Description of Issue	Issue Date	Final Maturity	Interest Rate	Outstanding June 30, 2022
DASNY Refunding Bonds	10/31/2012	02/01/2031	2.00% - 4.00%	\$ 2,245,000
DASNY Bonds	06/15/2022	06/15/2037	5.00%	\$ 5,210,000
Revenue Bonds	06/08/2017	06/15/2032	3.00% - 5.00%	14,515,000
Revenue Bonds	07/02/2020	07/01/2024	2.00%	1,720,000
Subtotal Serial Bonds				23,690,000
Plus: Unamortized Premium				2,781,905
<b>Total Serial Bonds</b>				<b>26,471,905</b>
Installment Purchase Debt:				
Energy Performance Contract Lease	07/22/2009	02/18/2025	5.39%	455,000
<b>Total</b>				<b>\$ 26,926,905</b>

Interest expense on long-term debt during the year was comprised of the following:

Interest Paid	\$ 1,037,264
Less Interest Accrued in the Prior Year	(149,558)
Plus Interest Accrued in the Current Year	89,017
Plus Amortization of Deferred Charges on Defeased Debt	42,459
Less Amortization of Bond Premium	(345,954)
<b>Total</b>	<b>\$ 673,228</b>

# WEST GENESEE CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

### Note 8 Long-Term Debt - Continued

Long-term debt balances and activity for the year are summarized below.

	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Bonds	\$ 22,625,000	\$ 5,210,000	\$ (4,145,000)	\$ 23,690,000	\$ 2,500,000
Plus: Unamortized Premium	2,665,196	462,663	(345,954)	2,781,905	263,625
Total Bonds Payable	25,290,196	5,672,663	(4,490,954)	26,471,905	2,763,625
Installment Purchase Debt	624,000	-	(169,000)	455,000	176,000
<b>Total</b>	<b>\$25,914,196</b>	<b>\$5,672,663</b>	<b>\$(4,659,954)</b>	<b>\$ 26,926,905</b>	<b>\$2,939,625</b>

Interest paid on the Serial Bonds varies from year to year, in accordance with the interest rates specified in the bond agreements.

The following is a summary of the maturity of long-term indebtedness.

Year	Principal	Interest	Total
2023	\$ 2,500,000	\$ 1,148,112	\$ 3,648,112
2024	2,380,000	991,109	3,371,109
2025	2,190,000	895,309	3,085,309
2026	1,975,000	801,009	2,776,009
2027	2,070,000	707,059	2,777,059
2028-2032	10,580,000	1,975,512	12,555,512
2033-2037	1,995,000	284,000	2,279,000
<b>Total</b>	<b>\$ 23,690,000</b>	<b>\$ 6,802,110</b>	<b>\$ 30,492,110</b>

### Installment Purchase Debt

The following is a schedule of future minimum lease payments under capital leases:

Year	Principal	Interest	Total
2023	\$ 176,000	\$ 24,521	\$ 200,521
2024	185,000	15,038	200,038
2025	94,000	5,067	99,067
<b>Total</b>	<b>\$ 455,000</b>	<b>\$ 44,626</b>	<b>\$ 499,626</b>

On July 22, 2009, the School District entered into a lease/purchase agreement as part of their energy performance contract. The School District qualified for a New York Energy Research and Development Authority (NYSERDA) New York Energy Smart Loan Fund grant in the amount of \$1,000,000. As part of this grant, NYSERDA will pay lease interest of 4.0% up to \$1,000,000.

The net book value of capital assets procured through capital leases at June 30, 2022 follows:

Cost of Leased Assets	\$ 2,058,674
Accumulated Depreciation	(1,865,283)
<b>Net Book Value</b>	<b>\$ 193,391</b>

# WEST GENESEE CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

### Note 8 Long-Term Debt - Continued

#### Deferred Charges on Defeased Debt

A deferred charge on defeased debt results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred charges on defeased debt are summarized as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
2011 Refunding Bonds	\$ 15,643	\$ -	\$ (15,643)	\$ -
2012 Refunding Bonds	25,883	-	(25,883)	-
2012 DASNY Refunding Bonds	9,328	-	(933)	8,395
<b>Total</b>	<b>\$ 50,854</b>	<b>\$ -</b>	<b>\$ (42,459)</b>	<b>\$ 8,395</b>

### Note 9 Compensated Absences

Compensated absences represent funds accrued to pay for the School District's share of sick and vacation time. This liability is liquidated through the General Fund. Compensated absences balances and activity for the year ended June 30, 2022 are summarized below.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Compensated Absences	<u>\$ 10,358,164</u>	<u>\$ 1,478,928</u>	<u>\$ -</u>	<u>\$ 11,837,092</u>	<u>\$ 202,233</u>

Changes to compensated absences are reported net, as it is impractical to individually determine the amount of additions and deletions during the fiscal year.

### Note 10 Lease Liabilities

During the year ended June 30, 2022, the School District implemented GASB Statements No. 87, "Leases."

The School District enters into lease agreements for certain equipment that are considered leases. The School District is not party to any material short term leases, and current leases do not require any variable payments.

Lease liabilities as of June 30, 2022 are as follows:

<u>Description of Lease</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Discount Rate</u>	<u>Outstanding June 30, 2022</u>
2020 BOCES Leases	09/02/2020	06/30/2023	1.82%	\$ 102,360
2021 BOCES Leases	09/17/2021	06/30/2024	0.79%	301,442
2020 Copiers	06/02/2020	06/02/2023	2.00%	25,866
<b>Total</b>				<b>\$ 429,668</b>

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### **Note 10 Lease Liabilities - Continued**

The following is a summary of the maturity of lease liabilities:

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 277,964	\$ 3,544	\$ 281,508
2024	151,704	428	152,132
<b>Total</b>	<b>\$ 429,668</b>	<b>\$ 3,972</b>	<b>\$ 433,640</b>

Interest paid for the current year amounts to \$13,547.

### **Note 11 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems)**

#### **Plan Descriptions and Benefits Provided - Teachers' Retirement System (TRS) (System)**

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

Tier 3 and Tier 4 members are required by law to contribute 3% of salary to the System. Effective October 2000, contributions were eliminated for Tier 3 and 4 members with 10 or more years of service or membership. Effective January 1, 2010, Tier 5 members are required by law to contribute 3.5% of salary throughout their active membership. Effective April 1, 2012, Tier 6 members are required by law to contribute between 3% and 6% of salary throughout their active membership in accordance with a salary based upon salary earned. Pursuant to Article 14 and Article 15 of the RSSL, those member contributions are used to help fund the benefits provided by the System. However, if a member dies or leaves covered employment with less than 5 years of credited service for Tiers 3 and 4, or 10 years of credited service for Tiers 5 and 6, the member contributions with interest calculated at 5% per annum are refunded to the employee or designated beneficiary. Eligible Tier 1 and Tier 2 members may make member contributions under certain conditions pursuant to the provisions of Article 11 of the Education Law and Article 11 of the RSSL. Upon termination of membership, such accumulated member contributions are refunded. At retirement, such accumulated member contributions can be withdrawn or are paid as a life annuity.



# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

***Note 11***    **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

**Plan Descriptions and Benefits Provided - Employees' Retirement System (ERS) (System)**

The School District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing, multiple-employer, defined benefit pension plan. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of 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 School District also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the state's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at [www.osc.state.ny.us/retire/publications/index.php](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, New York 12244.

Generally, Tier 3, 4, and 5 members must contribute 3% of their salary to the System. As a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees, with a membership date on or after July 27, 1973, who have ten or more years of membership or credited service with the System, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what was required when membership began. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service.

**Summary of Significant Accounting Policies**

The Systems' financial statements from which the Systems' fiduciary respective net position is determined are prepared using the accrual basis of accounting. System member contributions are recognized when due and the employer has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value. For detailed information on how investments are valued, please refer to the Systems' annual reports.

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

**Note 11 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

**Contributions**

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

	<b>ERS</b>	<b>TRS</b>
<b>2022</b>	<b>\$ 1,379,851</b>	<b>\$ 3,696,661</b>
2021	1,374,753	3,429,319
2020	1,327,415	3,955,362

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

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

	<b>ERS</b>	<b>TRS</b>
Actuarial Valuation Date	4/01/2021	6/30/2020
Net Pension (Asset)/Liability	\$ (8,174,858,678)	\$ (17,329,041,946)
School District's Proportionate Share of the Plan's Total Net Pension (Asset)/Liability	(2,160,626)	(39,602,937)
School District's Share of the Net Pension (Asset)/Liability	0.0264310%	0.228535%

# WEST GENESEE CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

### **Note 11 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

#### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued**

For the year ended June 30, 2022, the School District recognized pension expense of \$233,380 for ERS and \$2,438,934 for TRS in the District-wide financial statements. At June 30, 2022 the School District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences Between Expected and Actual Experience	\$ 163,627	\$ 5,458,845	\$ 212,234	\$ 205,754
Changes of Assumptions	3,605,842	13,026,234	60,845	2,306,754
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	-	7,075,144	41,448,571
Changes in Proportion and Differences Between the School District's Contributions and Proportionate Share of Contributions	407,367	29,407	208,766	613,253
School District's Contributions Subsequent to the Measurement Date	351,435	3,891,885	-	-
<b>Total</b>	<b>\$4,528,271</b>	<b>\$ 22,406,371</b>	<b>\$ 7,556,989</b>	<b>\$ 44,574,332</b>

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

Year Ending	ERS	TRS
2023	\$ (453,087)	\$(5,280,771)
2024	(740,455)	(6,161,598)
2025	(1,811,137)	(7,683,577)
2026	(375,474)	(10,077,034)
2027	-	1,830,643
Thereafter	-	1,312,491

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

**Note 11 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

### **Actuarial Assumptions**

The total pension liability as of the valuation 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:

	<b>ERS</b>	<b>TRS</b>
Measurement Date	March 31, 2022	June 30, 2021
Actuarial Valuation Date	April 1, 2021	June 30, 2020
Interest Rate	5.9%	6.95%
Salary Increases	4.4%	1.95% - 5.18%
Cost of Living Adjustments	1.4%	1.3%
Inflation Rate	2.7%	2.4%

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

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

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

**Note 11 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

**Actuarial Assumptions - Continued**

For ERS, the long-term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation. For TRS, long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized as follows.

	<b>ERS</b>	<b>TRS</b>
Measurement Date	March 31, 2022	June 30, 2021
<b>Asset Type</b>		
Domestic Equity	3.30%	6.80%
International Equity	5.85%	7.60%
Global Equity	-	7.10%
Real Estate	5.00%	6.50%
Private Equity	6.50%	10.00%
Opportunistic/Absolute Return Strategy	4.10%	-
Real Assets	5.58%	-
Cash	(1.00)%	-
Credit	3.78%	-
Domestic Fixed Income	-	1.30%
Global Bonds	-	0.80%
Private Debt	-	5.90%
Real Estate Debt	-	3.30%
High-Yield Bonds	-	3.80%
Cash Equivalents	-	(0.20)%

# WEST GENESEE CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

### Note 11 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued

#### Discount Rate

The discount rate used to calculate the total pension liability was 5.9% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and contributions from employers will be made at statutorily required rates, actuarially. Based on 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.

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

The following presents the School District's proportionate share of the net pension (asset)/liability calculated using the discount rate, as well as what the School District's proportionate share of the net pension (asset)/liability would be if it were calculated using a discount rate that is 1 percentage point lower or higher than the current rate:

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
<b>ERS</b>			
School District's Proportionate Share of the Net Pension (Asset)/Liability	\$ 5,561,427	\$ (2,160,626)	\$ (8,619,751)
	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
<b>TRS</b>			
School District's Proportionate Share of the Net Pension (Asset)/Liability	\$ (4,155,751)	\$ (39,602,937)	\$ (69,393,725)

#### Pension Plan Fiduciary Net Position

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

	Dollars in Thousands	
	ERS	TRS
Measurement Date	March 31, 2022	June 30, 2021
Employers' Total Pension Liability	\$ 223,874,888	\$ 130,819,415
Plan Net Position	(232,049,473)	(148,148,457)
<b>Employers' Net Pension (Asset)/Liability</b>	<b>\$ (8,174,585)</b>	<b>\$ (17,329,042)</b>
Ratio of Plan Net Position to the Employers' Total Pension (Asset)/Liability	103.7%	113.2%

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

**Note 11 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

**Payables to the Pension Plan**

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31. Employee contributions are remitted monthly. Accrued retirement contributions as of June 30, 2022 represent the projected employer contribution for the period of April 1, 2022 through June 30, 2022 based on estimated ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2022 amounted to \$351,435.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2022 are paid to the System in September, October, and November 2022 through a state aid intercept. Accrued retirement contributions as of June 30, 2022 represent employee and employer contributions for the fiscal year ended June 30, 2022 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2022 amounted to \$4,261,795.

**Current Year Activity**

The following is a summary of current year activity:

	<b>Beginning Balance</b>	<b>Change</b>	<b>Ending Balance</b>
<b>ERS</b>			
Net Pension (Asset)/Liability	\$ 27,741	\$ (2,188,367)	\$ (2,160,626)
Deferred Outflows of Resources	(6,302,875)	1,774,604	(4,528,271)
Deferred Inflows of Resources	8,202,359	(645,370)	7,556,989
Subtotal	<u>1,927,225</u>	<u>(1,059,133)</u>	<u>868,092</u>
<b>TRS</b>			
Net Pension (Asset)/Liability	\$ 6,295,996	\$ (45,898,933)	\$ (39,602,937)
Deferred Outflows of Resources	(21,329,682)	(1,076,689)	(22,406,371)
Deferred Inflows of Resources	3,931,564	40,642,768	44,574,332
Subtotal	<u>(11,102,122)</u>	<u>(6,332,854)</u>	<u>(17,434,976)</u>
<b>Total</b>	<b><u>\$ (9,174,897)</u></b>	<b><u>\$ (7,391,987)</u></b>	<b><u>\$ (16,566,884)</u></b>

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### **Note 12 Postemployment Benefits Other Than Pensions (OPEB)**

#### **General Information About the OPEB Plan (Plan)**

Plan Description - The Plan is a single employer, defined benefit healthcare plan administered by Excellus Blue Cross Blue Shield. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue separate financial statements, as there are no assets legally segregated for the sole purpose of paying benefits under the plan.

Benefits Provided - The School District provides healthcare benefits for eligible retirees and their spouses. Benefit provisions are established through negotiations between the School District and bargaining units and are renegotiated each as each contract expires.

Employees Covered by Benefit Terms - At July 1, 2020, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries	
Currently Receiving Benefit Payments	174
Inactive Employees Entitled to	
But Not Yet Receiving Benefit Payments	-
Active Employees	<u>607</u>
<b>Total</b>	<b><u>781</u></b>

#### **Total OPEB Liability**

The School District's total OPEB liability of \$35,455,929 was measured as of July 1, 2021, and was determined by an actuarial valuation as of July 1, 2020.

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

Long-Term Bond Rate:	2.14%
Single Discount Rate	2.14%
Salary Scale	4.00%
Rate of Inflation	2.20%
Marital Assumption	70.00%
Participation Rate	100.00%
Healthcare Cost Trend Rates	6.50% for 2022, Decreasing to an Ultimate Rate of 3.94% in 2091

The single discount rate above is based on the Bond Buyer Weekly 20-Bond GO Index.

The RPH-2014 Mortality Table for employees, sex distinct, with generational mortality adjusted to 2006 using scale MP-2014, and projected forward with scale MP-2020.



# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### **Note 12 Postemployment Benefits Other Than Pensions (OPEB) - Continued**

#### **Total OPEB Liability - Continued**

Rates of turnover and retirement rates are based on rates of decrement due to turnover and retirement based on the experience under the New York State and Local Retirement System as prepared by the Department of Civil Service's actuarial consultant in the report titled, Development of Recommended Actuarial Assumptions for New York State/SUNY GASB 75 Valuation (June 2019).

Retirement rates are based on tables used by the New York State Teachers' Retirement System and New York State and Local Retirement System.

The actuarial assumptions used in the July 1, 2020 valuation were consistent with the requirements of GASB Statement No. 75 and Actuarial Standards of Practice (ASOPs).

#### **Changes in the Total OPEB Liability**

	<b>Total OPEB Liability</b>
<b>Balance at June 30, 2021</b>	<b><u>\$ 34,424,287</u></b>
<b>Changes for the Year</b>	
Service Cost	1,884,550
Interest Cost	782,257
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes in Assumptions	190,110
Benefit Payments	<u>(1,825,275)</u>
Net Change	<u>1,031,642</u>
<b>Balance at June 30, 2022</b>	<b><u><u>\$ 35,455,929</u></u></b>

Sensitivity of the total OPEB liability to changes in the discount rate - The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or higher than the current discount rate:

	<b>1% Decrease (1.14%)</b>	<b>Discount Rate (2.14%)</b>	<b>1% Increase (3.14%)</b>
<b>Total OPEB Liability</b>	<b>\$ 38,241,674</b>	<b>\$ 35,455,929</b>	<b>\$ 32,806,351</b>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.21% in 2021 to 2.14% in 2022.

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### **Note 12 Postemployment Benefits Other Than Pensions (OPEB) - Continued**

#### **Changes in the Total OPEB Liability - Continued**

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate - The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower or higher than the current healthcare cost trend rate.

	<b>1% Decrease</b>	<b>Healthcare Cost</b>	<b>1% Increase</b>
	<b>(5.50% to 2.94%)</b>	<b>Trend Rate</b>	<b>(7.50% to 4.94%)</b>
	<b>(5.50% to 2.94%)</b>	<b>(6.50% to 3.94%)</b>	<b>(7.50% to 4.94%)</b>
<b>Total OPEB Liability</b>	\$ 30,987,415	\$ 35,455,929	\$ 40,786,282

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

For the year ended June 30, 2022, the School District recognized OPEB expense of \$3,102,082.

At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred</b>	<b>Deferred</b>
	<b>Outflows of</b>	<b>Inflows of</b>
	<b>Resources</b>	<b>Resources</b>
Differences Between Expected and Actual Experience	\$ 721,623	\$ 196,443
Changes in Assumptions or Other Inputs	3,150,192	558,431
Contributions Subsequent to Measurement Date	1,804,273	-
<b>Total</b>	<b>\$5,676,088</b>	<b>\$ 754,874</b>

School District contributions subsequent to the measurement date, reported as deferred outflows of resources, will be recognized as a reduction of the OPEB liability in the year ending June 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Fiscal Year Ending June 30,</b>	<b>Amount</b>
2023	\$ 435,275
2024	435,275
2025	435,275
2026	599,732
2027	649,262
Thereafter	562,122

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### **Note 12 Postemployment Benefits Other Than Pensions (OPEB) - Continued**

#### **Current Year Activity**

The following is a summary of current year activity:

	<b>Beginning Balance</b>	<b>Change</b>	<b>Ending Balance</b>
OPEB Liability	\$ 34,424,287	\$ 1,031,642	\$ 35,455,929
Deferred Outflows of Resources	(6,170,657)	494,569	(5,676,088)
Deferred Inflows of Resources	983,276	(228,402)	754,874
<b>Total</b>	<b>\$ 29,236,906</b>	<b>\$ 1,297,809</b>	<b>\$ 30,534,715</b>

### **Note 13 Commitments and Contingencies**

#### **Risk Financing and Related Insurance**

##### **General Information**

The School District is exposed to various risks of loss related to, but not limited to, torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

##### **Health Insurance**

The School District incurs costs related to an employee health insurance plan (Plan) sponsored by BOCES and its component districts. The Plan's 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.

Districts joining the Plan must remain members for a minimum of one year; a member district may withdraw from the Plan after that time by providing notice to the Plan prior to the May 1 immediately preceding the commencement of the next school year. Plan members include 23 districts, with the School District bearing a proportionate share of the Plan's assets and claims liabilities. Plan members are subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, members would be responsible for the Plan's liabilities.

The Plan uses a reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability of the Plan as direct insurer of the risks reinsured.

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.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

### ***Note 13* Commitments and Contingencies - Continued**

#### **Risk Financing and Related Insurance - Continued**

##### **Health Insurance - Continued**

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 expense in the periods in which they are made.

During the year ended June 30, 2022, the School District incurred premiums or contribution expenditures totaling \$11,138,672. Plan financial statements may be obtained from the Onondaga-Cortland-Madison BOCES administration office at 110 Elwood Davis Road, Liverpool, New York 13088.

##### **Workers' Compensation**

The School District incurs costs related to workers' compensation claims as a member of the OCM BOCES Workers' Compensation Consortium (the Consortium). The Consortium's 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. School districts joining the Consortium must remain members for a minimum of two years; a member may withdraw from the Consortium after that time.

Consortium members include 31 school districts, with the School District bearing a share of the Consortium's assets and claims liabilities. Consortium members are subject to a supplemental assessment in the event of deficiencies. If the Consortium's assets were to be exhausted, members would be responsible for the Consortium's liabilities. The Consortium uses a reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability of the Consortium as direct insurer of the risks reinsured.

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 expense in the periods in which they are made.

During the year ended June 30, 2022, the School District incurred premiums or contribution expenditures totaling \$669,555.

The Consortium financial statements may be obtained from the Onondaga-Cortland-Madison BOCES administration office at 110 Elwood Davis Road, Liverpool, New York 13088.

# WEST GENESEE CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

### Note 13 Commitments and Contingencies - Continued

#### Risk Financing and Related Insurance - Continued

##### Other Items

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

##### Contingencies

Numerous real estate tax certiorari proceedings are presently pending against the Town of Camillus on grounds of alleged inequality of assessment. Adverse decisions to the town could have a substantial impact through the reduction of assessments and tax refunds to successful litigants. The School District is the principal recipient of property taxes levied under the assessments and would be responsible for such liabilities, if any. The School District has reserved \$1,472,737 of fund balance in the General Fund for tax certiorari claims. Separate from claims and lawsuits that arise in the ordinary course of business, a lawsuit has been initiated against the School District. As of the report date of the financial statements, the School District's exposure to these claims has not been determined.

### Note 14 Fund Balance Detail

At June 30, 2022, nonspendable, restricted and assigned fund balances in the governmental funds were as follows:

	General Fund	Non-Major Governmental Funds
<b>Nonspendable</b>		
Inventory	\$ -	\$ 37,662
<b>Total Nonspendable Fund Balance</b>	<b>\$ -</b>	<b>\$ 37,662</b>
<b>Restricted</b>		
Tax Certiorari Reserve	\$ 1,472,737	\$ -
Unemployment Insurance Reserve	250,293	-
Retirement Contribution Reserve - ERS	2,690,528	-
Retirement Contribution Reserve - TRS	1,810,146	-
Employee Benefit Accrued Liability Reserve	3,011,411	-
Capital Reserve	238,939	-
Workers Compensation Reserve	111,862	-
Scholarships	-	163,738
School Lunch	-	858,195
<b>Total Restricted Fund Balance</b>	<b>\$ 9,585,916</b>	<b>\$ 1,021,933</b>
<b>Assigned</b>		
Appropriated for Next Year's Budget	\$ 450,000	\$ -
Encumbered for:		
General Support	129,642	-
Instruction	1,103,543	-
Pupil Transportation	86,536	-
Employee Benefits	238	-
<b>Total Assigned Fund Balance</b>	<b>\$ 1,769,959</b>	<b>\$ -</b>

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022**

**Note 15 Restricted Fund Balances**

Portions of fund balance are reserved and not available for current expenditures as reported in the Governmental Funds Balance Sheet. The balances and activity for the year ended June 30, 2022 of the General Fund reserves were as follows.

<b>General Fund</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Interest Earned</b>	<b>Appropriated</b>	<b>Ending Balance</b>
Tax Certiorari Reserve	\$ 1,472,472	\$ -	\$ 265	\$ -	\$ 1,472,737
Workers Compensation Reserve	111,820	-	42	-	111,862
Unemployment Insurance Reserve	226,365	25,000	23	(1,095)	250,293
Retirement Contribution Reserve - TRS	1,034,231	775,794	121	-	1,810,146
Retirement Contribution Reserve - ERS	3,039,940	-	588	(350,000)	2,690,528
Employee Benefit					
Accrued Liability Reserve	2,996,481	500,000	577	(485,647)	3,011,411
Capital Reserve	713,280	238,939	60	(713,340)	238,939
<b>Total</b>	<b><u>\$9,594,589</u></b>	<b><u>\$1,539,733</u></b>	<b><u>\$ 1,676</u></b>	<b><u>\$(1,550,082)</u></b>	<b><u>\$9,585,916</u></b>

**Note 16 Stewardship, Compliance, and Accountability**

The Capital Projects Fund - Buses had a deficit balance of \$2,715,156 at June 30, 2022. This deficit will be eliminated when short-term financing is converted to long-term debt.

The Capital Projects Fund - Construction had a deficit balance of \$381,368 at June 30, 2022. This deficit will be eliminated when short-term financing is converted to long-term debt.

**Deficit Net Position**

At June 30, 2022, the District-wide Statement of Net Position had an unrestricted net deficit of \$18,345,797. This is a result of the requirement to record other postemployment benefit liability with no requirement or mechanism to fund this liability (see Note 12). The deficit is not expected to be eliminated during the normal course of operations.

**Note 17 Tax Abatements**

For the year ended June 30, 2022, the School District was subject to tax abatements negotiated by the Onondaga County Industrial Development Agency (OCIDA) and the Town of Camillus, New York (the Town).

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

***Note 17* Tax Abatements - Continued**

OCIDA entered into various property tax abatement programs for the purpose of economic development. The School District property tax revenue was reduced by \$1,434,377. The School District received Payment in Lieu of Tax (PILOT) payments totaling \$783,386.

The Town also entered into a property tax abatement program for the purpose of economic development. School District property tax revenue was reduced by \$30,142. The School District received PILOT payments totaling \$21,328.

***Note 18* Subsequent Events**

On July 21, 2022, the School District issued bond anticipation notes in the amount of \$3,904,000 with an interest rate of 4.0%.

***Note 19* Restatement**

During the year, the District adopted GASB Statement No. 87. The District's June 30, 2021 net position for governmental activities has been restated to reflect the following:

	<u><b>Intangible Assets, Net</b></u>	<u><b>Lease Liability</b></u>	<u><b>Net (Deficit)</b></u>
<b>Balance Beginning of Year</b>	\$ -	\$ -	\$ 18,409,411
GASB Statement No. 87 Implementation	<u>529,358</u>	<u>(529,358)</u>	<u>-</u>
<b>Balance Beginning of Year, as Restated</b>	<u><b>\$ 529,358</b></u>	<u><b>\$ (529,358)</b></u>	<u><b>\$ 18,409,411</b></u>

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **SCHEDULE OF REVENUES COMPARED TO BUDGET (NON-U.S. GAAP) GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES</b>				
<b>Local Sources</b>				
Real Property Taxes	\$ 45,775,290	\$ 45,775,290	\$ 45,868,596	\$ 93,306
Real Property Tax Items	7,447,085	7,447,085	7,393,766	(53,319)
Nonproperty Taxes	147,500	147,500	193,026	45,526
Charges For Services	627,750	627,750	630,422	2,672
Use Of Money and Property	125,000	125,000	81,905	(43,095)
Sale Of Property and Compensation For Loss	75,000	92,099	130,859	38,760
Miscellaneous	630,750	656,407	953,399	296,992
<b>Total Local Sources</b>	54,828,375	54,871,131	55,251,973	380,842
State Sources	36,881,881	36,881,881	36,810,969	(70,912)
Medicaid Reimbursement	385,000	385,000	325,617	(59,383)
<b>Total Revenues</b>	92,095,256	92,138,012	92,388,559	250,547
<b>OTHER FINANCING SOURCES</b>				
Operating Transfers In	-	-	205,000	205,000
<b>Total Revenues and Other Total Revenues and Other Financing Sources</b>	92,095,256	92,138,012	<b>\$ 92,593,559</b>	<b>\$ 455,547</b>
Appropriated Fund Balance	450,000	450,000		
Appropriated Reserves	350,000	1,549,904		
Designated Fund Balance and Encumbrances Carried Forward From Prior Year	246,804	246,804		
<b>Total Revenues, Appropriated Reserves, and Designated Fund Balance</b>	<b>\$ 93,142,060</b>	<b>\$ 94,384,720</b>		

*See Notes to Required Supplementary Information*



# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-GAAP) GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance Favorable (Unfavorable)</u>
<b>EXPENDITURES</b>					
<b>General Support</b>					
Board of Education	\$ 51,919	\$ 38,660	\$ 34,770	\$ 111	\$ 3,779
Central Administration	264,982	279,625	277,841	75	1,709
Finance	721,769	761,120	726,619	8,190	26,311
Staff	593,090	675,950	593,239	14,513	68,198
Central Services	5,150,396	5,016,677	4,448,469	106,753	461,455
Special Items	694,700	705,284	695,218	-	10,066
<b>Total General Support</b>	<u>7,476,856</u>	<u>7,477,316</u>	<u>6,776,156</u>	<u>129,642</u>	<u>571,518</u>
<b>Instruction</b>					
Instruction, Administration, and Improvement	2,912,351	3,035,584	2,864,058	18,744	152,782
Teaching - Regular School Programs for Children With Handicapping Conditions	28,917,084	28,612,673	27,709,184	463,342	440,147
Occupational Education	13,526,302	14,045,308	13,363,991	618,418	62,899
Teaching - Special School	769,315	802,759	802,759	-	-
Instructional Media	247,470	194,873	182,101	-	12,772
Pupil Services	2,044,837	1,962,991	1,888,132	2,763	72,096
<b>Total Instruction</b>	<u>3,778,639</u>	<u>3,699,603</u>	<u>3,573,964</u>	<u>276</u>	<u>125,363</u>
Pupil Transportation	52,195,998	52,353,791	50,384,189	1,103,543	866,059
Employee Benefits	5,744,628	6,281,857	5,989,518	86,536	205,803
<b>Debt Service</b>	<u>21,017,628</u>	<u>20,466,309</u>	<u>20,463,494</u>	<u>238</u>	<u>2,577</u>
Principal	5,109,500	5,769,190	5,769,190	-	-
Interest	1,385,895	1,134,830	1,088,995	-	45,835
<b>Total Debt Service</b>	<u>6,495,395</u>	<u>6,904,020</u>	<u>6,858,185</u>	<u>-</u>	<u>45,835</u>
<b>Total Expenditures</b>	<u>92,930,505</u>	<u>93,483,293</u>	<u>90,471,542</u>	<u>1,319,959</u>	<u>1,691,792</u>
<b>OTHER FINANCING USES</b>					
Operating Transfers Out	211,555	901,427	882,155	-	19,272
<b>Total Expenditures and Other Financing Uses</b>	<u>\$ 93,142,060</u>	<u>\$ 94,384,720</u>	<u>91,353,697</u>	<u>\$ 1,319,959</u>	<u>\$ 1,711,064</u>
Net Change in Fund Balances			1,239,862		
Fund Balance - Beginning of Year			14,007,203		
<b>Fund Balance - End of Year</b>			<u>\$ 15,247,065</u>		

*See Notes to Required Supplementary Information*

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **SCHEDULE OF SCHOOL DISTRICT'S CONTRIBUTIONS NYSLRS PENSION PLAN FOR THE LAST 10 FISCAL YEARS**

	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Contractually Required Contribution	<b>\$ 1,379,851</b>	\$ 1,374,753	\$ 1,327,415	\$ 1,246,558	\$ 1,277,718	\$ 1,204,609	\$ 1,312,531	\$ 1,473,049	\$ 1,497,113	\$ 1,443,582
Contributions in Relation to the Contractually Required Contribution	<b>(1,379,851)</b>	(1,374,753)	(1,327,415)	(1,246,558)	(1,277,718)	(1,204,609)	(1,312,531)	(1,473,049)	(1,497,113)	(1,443,582)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
School District's Covered Employee Payroll for Year Ending June 30,	<b>8,898,566</b>	9,858,345	9,585,605	9,166,140	9,168,673	8,436,411	8,093,059	7,782,635	7,742,154	7,670,843
Contributions as a Percentage of Covered Employee Payroll	<b>15.5%</b>	13.9%	13.8%	13.6%	13.9%	14.3%	16.2%	18.9%	19.3%	18.8%

## **SCHEDULE OF SCHOOL DISTRICT'S CONTRIBUTIONS NYSTRS PENSION PLAN FOR THE LAST 10 FISCAL YEARS**

	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Contractually Required Contribution	<b>\$ 3,891,885</b>	\$ 3,696,661	\$ 3,429,319	\$ 3,955,362	\$ 3,485,983	\$ 4,012,549	\$ 4,325,613	\$ 5,523,431	\$ 5,114,078	\$ 3,534,384
Contributions in Relation to the Contractually Required Contribution	<b>(3,891,885)</b>	(3,696,661)	(3,429,319)	(3,955,362)	(3,485,983)	(4,012,549)	(4,325,613)	(5,523,431)	(5,114,078)	(3,534,384)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
School District's Covered Employee Payroll for Year Ending June 30,	<b>39,713,112</b>	38,789,727	38,705,632	37,244,463	35,571,255	34,236,766	32,621,516	31,508,448	31,471,249	29,851,216
Contributions as a Percentage of Covered Employee Payroll	<b>9.8%</b>	9.5%	8.9%	10.6%	9.8%	11.7%	13.3%	17.5%	16.3%	11.8%

*See Notes to Required Supplementary Information*

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET)/LIABILITY NYSLRS PENSION PLAN FOR THE YEARS ENDED JUNE 30,**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
School District's Proportion of the Net Pension (Asset)/Liability	<b>0.0264310%</b>	0.0278599%	0.0289776%	0.0299566%	0.0289990%	0.0278356%	0.0285582%	0.0281297%
School District's Proportionate Share of the Net Pension (Asset)/Liability	<b>\$ (2,160,626)</b>	\$ 27,741	\$ 7,673,427	\$ 2,122,520	\$ 935,928	\$ 2,615,492	\$ 4,583,670	\$ 950,292
School District's Covered Employee Payroll During the Measurement Period	<b>8,836,611</b>	9,803,773	9,507,037	9,168,673	8,806,638	8,115,410	7,658,921	7,880,633
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Employee Payroll	<b>24.5%</b>	0.3%	80.7%	23.1%	10.6%	32.2%	59.8%	12.1%
Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/Liability	<b>103.7%</b>	99.9%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%

## **SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET)/LIABILITY NYSTRS PENSION PLAN FOR THE YEARS ENDED JUNE 30,**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
School District's Proportion of the Net Pension (Asset)/Liability	<b>0.2285350%</b>	0.2278460%	0.2231330%	0.218378%	0.216065%	0.211402%	0.209758%	0.213053%
School District's Proportionate Share of the Net Pension (Asset)/Liability	<b>\$ (39,602,937)</b>	\$ 6,295,996	\$ (5,797,001)	\$ (3,948,843)	\$ (1,642,305)	\$ 2,264,208	\$ (21,787,138)	\$ (23,732,780)
School District's Covered Employee Payroll During the Measurement Period	<b>38,789,727</b>	38,705,632	37,244,463	35,571,255	34,236,766	32,621,516	31,508,448	31,471,249
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Employee Payroll	<b>102.1%</b>	16.3%	15.6%	11.1%	4.8%	6.9%	69.1%	75.4%
Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/Liability	<b>113.2%</b>	97.8%	102.2%	101.5%	100.7%	99.0%	110.5%	111.5%

*See Notes to Required Supplementary Information*

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **SCHEDULE OF CHANGES IN THE SCHOOL DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE LAST 10 FISCAL YEARS**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Service Cost	\$ 1,884,550	\$ 1,663,284	\$ 1,618,695	\$ 1,127,896	\$ 1,298,011	\$ *	\$ *	\$ *	\$ *	\$ *
Interest Cost	782,257	1,128,314	1,127,787	917,432	757,316	*	*	*	*	*
Changes of Benefit Terms	-	(2,229,794)	-	2,729,592	-	*	*	*	*	*
Differences Between Expected and Actual Experience	-	960,177	-	(387,163)	-	*	*	*	*	*
Changes in Assumptions or Other Inputs Benefit Payments	190,110	2,813,324	1,312,567	80,201	(1,462,041)	*	*	*	*	*
Benefit Payments	(1,825,275)	(970,521)	(1,045,309)	(1,557,060)	(1,465,775)	*	*	*	*	*
	<b>1,031,642</b>	<b>3,364,784</b>	<b>3,013,740</b>	<b>2,910,898</b>	<b>(872,489)</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>
Total OPEB Liability - Beginning	<b>34,424,287</b>	<b>31,059,503</b>	<b>28,045,763</b>	<b>25,134,865</b>	<b>26,007,354</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>
<b>Total OPEB Liability - Ending</b>	<b>\$35,455,929</b>	<b>\$34,424,287</b>	<b>\$31,059,503</b>	<b>\$28,045,763</b>	<b>\$25,134,865</b>	<b>\$26,007,354</b>	<b>\$ *</b>	<b>\$ *</b>	<b>\$ *</b>	<b>\$ *</b>
Covered Employee Payroll	\$48,241,558	\$48,872,601	\$47,642,642	\$45,288,557	\$44,760,853	\$ *	\$ *	\$ *	\$ *	\$ *
<b>Total OPEB Liability as a Percentage of Covered Payroll</b>	<b>73%</b>	<b>70%</b>	<b>65%</b>	<b>62%</b>	<b>56%</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>
<b>Discount Rate</b>	<b>2.14%</b>	<b>2.21%</b>	<b>3.50%</b>	<b>3.87%</b>	<b>3.60%</b>					

\* Information for periods prior to implementation of GASB Statement No. 75 is unavailable  
and will be completed as it becomes available.

*See Notes to Required Supplementary Information*

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2022**

### **Note 1 Budget Procedures and Budgetary Accounting**

The School District administration prepares a proposed budget for approval by the Board of Education (Board) for the General Fund for which a legal (appropriated) budget is adopted. The voters of the School District approved the proposed appropriation budget for the General Fund.

Appropriations are adopted at the program line level. Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances), which may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. 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.

The following supplemental appropriations occurred during the year:

Adopted Budget:	\$ 92,895,256
Prior Year's Encumbrances	246,804
Original Budget	<u>93,142,060</u>
Additions:	
Gifts and Donations	25,657
Insurance Recoveries	17,099
Use of Reserves	<u>1,199,904</u>
Total Additions	<u>1,242,660</u>
<b>Final Budget</b>	<b><u>\$ 94,384,720</u></b>

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

An annual legal budget is not adopted for the Special Revenue Funds (Special Aid, School Lunch, and Miscellaneous Special Revenue). Budgetary controls are established in accordance with applicable grant agreements and management estimates.

### **Note 2 Reconciliation of the General Fund Budget Basis to U.S. GAAP**

No adjustment is necessary to convert the General Fund's excess of revenues and other sources over expenditures and other uses on the U.S. GAAP basis to the budget basis, as encumbrances are shown in a separate column and are not included in the actual results at June 30, 2022.

### **Note 3 Schedule of Changes in the School District's Total OPEB Liability and Related Ratios**

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period, updated mortality tables to the RPH-2014 SOA Mortality Tables, as well as an update to the Getzen trend table using model v2019\_b.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**JUNE 30, 2022**

***Note 4***      **Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability**

The Schedule of the School District's Proportionate Share of the Net Pension (Asset)/Liability will present ten years of information as it becomes available from the pension plans.

***Note 5***      **Schedules of School District Contributions - NYSLRS and NYSTRS Pension Plan and Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability**

**NYSLRS**

**Changes in Benefit Terms**

There were no significant legislative changes in benefits for the April 1, 2021 actuarial valuation.

**Changes of Assumptions**

2021: The demographic assumptions (pensioner mortality and active member decrements) were updated based on the System's experience from April 1, 2015 through March 31, 2020, the mortality improvement assumption was updated to Society of Actuaries Scale MP-2020, inflation was updated to 2.7%, cost-of-living updated to 1.4%, salary scale updated to 4.4%, and the interest rate assumption was reduced to 5.9% for the April 1, 2020 actuarial valuation.

2020: The interest rate assumption was reduced to 6.8% and the mortality improvement assumption was updated to Societies of Actuaries' Scale MP-2018 for the April 1, 2019 actuarial valuation.

2019: The salary scales for both plans used in the April 1, 2018 actuarial valuation were increased by 10%.

2016: There were changes in the economic (investment rate of return, inflation, COLA, and salary scales) and demographic (pensioner mortality and active member decrements) assumptions used in the April 1, 2015 actuarial valuation.

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**JUNE 30, 2022**

**Note 5 Schedules of School District Contributions - NYSLRS and NYSTRS Pension Plan and Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability - Continued**

**NYSLRS - Continued**

**Methods and Assumptions Used in Calculations of Actuarially Determined Contributions**

The April 1, 2020 actuarial valuation determines the employer rates for contributions payable in fiscal year 2022. The following actuarial methods and assumptions were used:

Actuarial Cost Method	The System is funded using the Aggregate Cost Method. All unfunded actuarial liabilities are evenly amortized (as a percentage of projected pay) over the remaining worker lifetimes of the valuation cohort.
Asset Valuation Period	Five-year level smoothing of the difference between the actual gain and the expected gain using the assumed investment rate of return.
Inflation	2.5%
Salary Scale	4.5% in ERS, indexed by service.
Investment Rate of Return	6.8% compounded annually, net of investment expenses, including inflation.
Cost of Living Adjustments	1.3% annually.
Active Member Decrements	Based upon FY 2016-2020 experience.
Pensioner Mortality	Gender/Collar specific tables based upon FY 2016-2020 experience,
Mortality Improvements	Society of Actuaries' Scale MP-2019.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**JUNE 30, 2022**

***Note 5***     **Schedules of School District Contributions - NYSLRS and NYSTRS Pension Plan and Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability - Continued**

### **NYSTRS**

#### **Changes in Benefit Terms**

None.

#### **Changes of Assumptions**

Actuarial assumptions are revised periodically to reflect more closely actual, as well as anticipated future experience. The actuarial assumptions were revised and adopted by the Retirement Board on October 29, 2015 and first used in the 2016 determination of the Total Pension Liability. Current proposed assumptions are used in the 2021 determinations of the Total Pension Liability.

The System's long-term rate of return assumption for purposes of the NPL is 6.95%, effective with the 2021 actuarial valuation. For the 2020 and 2019 actuarial valuations, the System's long-term rate of return assumption was 7.25%. For the 2016 actuarial valuation, the System's long-term rate of return assumption was 7.50%. Prior to the 2016 actuarial valuation, the System's long-term rate of return was 8.0%.

The System's assumed annual inflation rate is 2.40% for 2021 and 2.20% for 2019 and 2020. For the 2018 and 2017 actuarial valuations, the System's annual inflation assumption was 2.25%. For the 2016 actuarial valuation, the System's annual inflation assumption was 2.5%. Prior to the 2016 actuarial valuation, the System's annual inflation assumption was 3.0%.

Effective with the 2019 actuarial valuation, COLAs are projected to increase at a rate of 1.30% annually. Effective with the 2015 actuarial valuation, COLAs were projected to increase at a rate of 1.50% annually. Prior to the 2015 actuarial valuation, COLAs were projected to increase at a rate of 1.625% annually.

Effective with the 2021 actuarial valuation, the assumed scale for mortality improvement was changed from MP2019 to MP2020. Effective with the 2020 actuarial valuation, the assumed scale for mortality improvement was changed from MP2018 to MP2019. Effective with the 2019 actuarial valuation, the assumed scale for mortality improvement was changed from MP2014 to MP2018.

Effective with the 2019 actuarial valuation, there is a change in the actuarial valuation software that resulted in a slight change in the determination of Entry Age Normal Total Pension Liability and Service Cost.



# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2022**

### **Note 5 Schedules of School District Contributions - NYSLRS and NYSTRS Pension Plan and Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability - Continued**

#### **NYSTRS - Continued**

#### **Methods and Assumptions Used in Calculations of Actuarially Determined Contributions**

The actuarially determined contribution rates in the Schedule of School District's Contributions are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine school districts' contributions in 2021. For assumptions and plan provisions used in contributions reported for years prior to 2021, refer to the Annual Actuarial Report for two years prior to the end of the fiscal year in which contributions are reported.

#### **Actuarial Cost Method**

The System is funded in accordance with the Aggregate Cost Method, which does not identify nor separately amortize unfunded actuarial liabilities. Costs are determined by amortizing the unfunded present value of benefits over the average future working lifetime of active plan members, which currently for NYSTRS is approximately 13 years.

#### **Asset Valuation Method**

Five-year phased-in deferred recognition of each year's net investment income/loss in excess of (or less than) the assumed valuation rate of interest at a rate of 20.00% per year, until fully recognized after five years.

#### **Inflation**

2.2%

#### **Projected Salary Increases**

Rates of increase differ based on service. They have been calculated based upon recent NYSTRS member experience.

<u>Service</u>	<u>Rate</u>
5	4.72%
15	3.46%
25	2.37%
35	1.90%

#### **Investment Rate of Return**

7.10% compounded annually, net of investment expenses, including inflation.

#### **Projected Cost of Living Adjustments**

1.3% compounded annually.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **SCHEDULES OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET AND THE REAL PROPERTY TAX LIMIT FOR THE YEAR ENDED JUNE 30, 2022**

### **CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET**

Adopted Budget	\$92,895,256
Prior Year's Encumbrances	<u>246,804</u>
Original Budget	<u>93,142,060</u>
Budget Additions:	
Gifts and Donations	25,657
Insurance Recoveries	17,099
Use of Reserves	<u>1,199,904</u>
Total Additions	<u>1,242,660</u>
<b>Final Budget</b>	<b><u><u>\$94,384,720</u></u></b>

### **§1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION**

<b>Next Year's Budget is a Voter Approved Budget</b>	<b><u><u>\$97,279,760</u></u></b>
2022-2023 Voter-Approved Expenditure Budget	
Maximum Allowed (4% of 2022-2023 Budget)	<b><u><u>\$ 3,891,190</u></u></b>
General Fund Fund Balance Subject to §1318 of Real Property Tax Law	
Unrestricted Fund Balance:	
Assigned Fund Balance	\$ 1,769,959
Unassigned Fund Balance	<u>3,891,190</u>
Total Unrestricted Fund Balance	<u>5,661,149</u>
Less:	
Appropriated Fund Balance	450,000
Encumbrances Included in Committed and Assigned Fund Balance	<u>1,319,959</u>
Total Adjustments	<u>1,769,959</u>
<b>General Fund Fund Balance Subject to §1318 of Real Property Law</b>	<b><u><u>\$ 3,891,190</u></u></b>
<b>Actual Percentage</b>	<b>4.00%</b>

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **SCHEDULE OF PROJECT EXPENDITURES CAPITAL PROJECTS FUNDS FOR THE YEAR ENDED JUNE 30, 2022**

PROJECT TITLE	Original Budget	Revised Budget	Expenditures				Unexpended Balance	Methods of Financing				Fund Balance (Deficit) June 30, 2022
			Prior Years	Current Year	Transfer to General Fund	Total		Proceeds of Obligations	State Aid	Local Sources	Total	
PY Buses	\$ 1,600,500	\$ 1,600,500	\$ 1,594,771	\$ -	\$ -	\$ 1,594,771	\$ 5,729	\$ 344,060	\$ -	\$ 1,257,626	\$ 1,601,686	\$ 6,915
2021 - 2022 Buses	1,413,000	1,413,000	-	1,412,204	-	1,412,204	796	1,122,500	-	290,633	1,413,133	929
Camillus Middle School Construction 0012-009	336,312	336,312	174,015	148,341	-	322,356	13,956	442,567	-	20,000	462,567	140,211
Camillus Middle School Construction 0003-003	10,516	10,516	8,735	1,792	-	10,527	(11)	15,186	-	-	15,186	4,659
East Hill Elementary Construction - 0002-011	284,924	284,924	98,592	121,811	-	220,403	64,521	288,768	-	20,000	308,768	88,365
High School Construction 0007-012	1,061,899	1,061,899	542,350	498,971	-	1,041,321	20,578	1,299,080	-	42,400	1,341,480	300,159
Onondaga Road Elementary 0004-008	322,359	322,359	110,995	145,429	-	256,424	65,935	333,388	-	20,000	353,388	96,964
Split Rock Elementary Construction - 0005-008	667,194	667,194	400,202	236,487	-	636,689	30,505	913,085	-	20,000	933,085	296,396
Stonehenge Elementary Construction 0010-010	746,894	746,894	437,729	282,272	-	720,001	26,893	1,022,361	-	20,000	1,042,361	322,360
Stonehenge Elementary Construction 0003-003	748,744	748,744	42,974	5,069	-	48,043	700,701	76,070	-	-	76,070	28,027
West Genesee Middle School Construction 0009-007	809,614	809,614	564,385	223,962	-	788,347	21,267	1,177,744	-	20,000	1,197,744	409,397
West Genesee High School Reconstruction 0007-014	5,176,867	5,176,867	-	1,461,102	-	1,461,102	3,715,765	6,486,851	-	1,299,700	7,786,551	6,325,449
Split Rock Elementary Reconstruction 0005-010	1,042,000	1,042,000	-	31,980	-	31,980	1,010,020	254,486	-	-	254,486	222,506
Split Rock Elementary Reconstruction 0005-009	100,000	100,000	-	71,538	-	71,538	28,462	-	-	100,000	100,000	28,462
Camillus Middle School Reconstruction 0002-010	2,440,000	2,440,000	-	-	-	-	2,440,000	404,919	-	-	404,919	404,919
Public Restroom Reconstruction - 7015-002	18,500	18,500	-	-	-	-	18,500	9,946	-	-	9,946	9,946
Pressbox Reconstruction - 7016-002	18,500	18,500	-	-	-	-	18,500	9,946	-	-	9,946	9,946
Locker Room Reconstruction - 7018-002	32,000	32,000	-	-	-	-	32,000	9,945	-	-	9,945	9,945
West Genesee High School Reconstruction - 0007-013	5,348,929	5,348,929	-	-	-	-	5,348,929	920,921	-	-	920,921	920,921
GASB 87 Leases	450,000	450,000	-	450,000	-	450,000	-	450,000	-	-	450,000	-
Buses BANs Payable	-	-	-	-	-	-	-	(2,723,000)	-	-	(2,723,000)	(2,723,000)
Capital Project BANs Payable	-	-	-	-	-	-	-	(10,000,000)	-	-	(10,000,000)	(10,000,000)
<b>Total</b>	<b>\$ 22,628,752</b>	<b>\$ 22,628,752</b>	<b>\$ 3,974,748</b>	<b>\$ 5,090,958</b>	<b>\$ -</b>	<b>\$ 9,065,706</b>	<b>\$ 13,563,046</b>	<b>\$ 2,858,823</b>	<b>\$ -</b>	<b>\$ 3,110,359</b>	<b>\$ 5,969,182</b>	<b>\$ (3,096,524)</b>

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **SCHEDULE OF NET INVESTMENT IN CAPITAL ASSETS JUNE 30, 2022**

<b>Capital Assets, Net</b>	<b><u>\$ 68,208,079</u></b>
Add:	
Deferred Charges on Defeased Debt	<u>8,395</u>
Unspent Bond Proceeds	<u>8,128,070</u>
Deduct:	
Bond Anticipation Notes	<u>(12,723,000)</u>
Premium on Bonds Payable	<u>(2,781,905)</u>
Short-Term Portion of Capital Installment Purchase Debt	<u>(176,000)</u>
Long-Term Portion of Capital Installment Purchase Debt	<u>(279,000)</u>
Short-Term Portion of Bonds Payable	<u>(2,500,000)</u>
Long-Term Portion of Bonds Payable	<u>(21,190,000)</u>
Short-Term Portion of Leases Payable	<u>(277,964)</u>
Long-Term Portion of Leases Payable	<u>(151,704)</u>
Capital Projects Fund Accounts Payable	<u>(195,893)</u>
Capital Projects Fund Retainage Payable	<u>(183,275)</u>
<b>Net Investment in Capital Assets</b>	<b><u>\$ 35,885,803</u></b>

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS JUNE 30, 2022**

	<b>Special Revenue Funds</b>			<b>Total Non-Major Governmental Funds</b>
	<b>Special Aid Fund</b>	<b>School Lunch Fund</b>	<b>Miscellaneous Special Revenue Fund</b>	
<b>ASSETS</b>				
Cash - Unrestricted	\$ 671,133	\$ -	\$ -	\$ 671,133
Cash - Restricted	-	567,133	3,000	570,133
Investments - Restricted	-	-	160,738	160,738
Receivables:				
State and Federal Aid	661,412	572,652	-	1,234,064
Other	-	14,597	-	14,597
Inventories	-	37,662	-	37,662
<b>Total Assets</b>	<b>\$1,332,545</b>	<b>\$1,192,044</b>	<b>\$ 163,738</b>	<b>\$ 2,688,327</b>
<b>LIABILITIES</b>				
Payables:				
Accounts Payable	\$ 8,214	\$ 180	\$ -	\$ 8,394
Accrued Liabilities	-	5,741	-	5,741
Due to Other Funds	1,091,208	205,000	-	1,296,208
Due to Other Governments	-	46,003	-	46,003
Unearned Revenue	233,123	13,939	-	247,062
Due to Employees' Retirement System	-	25,324	-	25,324
<b>Total Liabilities</b>	<b>1,332,545</b>	<b>296,187</b>	<b>-</b>	<b>1,628,732</b>
<b>FUND BALANCES</b>				
Nonspendable	-	37,662	-	37,662
Restricted	-	858,195	163,738	1,021,933
<b>Total Fund Balances (Deficit)</b>	<b>-</b>	<b>895,857</b>	<b>163,738</b>	<b>1,059,595</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$1,332,545</b>	<b>\$1,192,044</b>	<b>\$ 163,738</b>	<b>\$ 2,688,327</b>

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Special Revenue Funds</b>			<b>Total Non-Major Governmental Funds</b>
	<b>Special Aid Fund</b>	<b>School Lunch Fund</b>	<b>Miscellaneous Special Revenue Fund</b>	
<b>REVENUES</b>				
Use Of Money And Property	\$ -	\$ -	\$ 86	\$ 86
Miscellaneous	-	27,511	10,826	38,337
State Sources	438,554	49,023	-	487,577
Federal Sources	5,399,260	2,922,375	-	8,321,635
Sales - School Lunch	-	144,963	-	144,963
<b>Total Revenues</b>	<b>5,837,814</b>	<b>3,143,872</b>	<b>10,912</b>	<b>8,992,598</b>
<b>EXPENDITURES</b>				
Instruction	4,719,729	943,470	23,259	5,686,458
Pupil Transportation	82,218	-	-	82,218
Employee Benefits	389,880	315,419	-	705,299
Cost Of Sales	-	1,069,085	-	1,069,085
<b>Total Expenditures</b>	<b>5,191,827</b>	<b>2,327,974</b>	<b>23,259</b>	<b>7,543,060</b>
Excess (Deficiency) of Revenues Over Expenditures	645,987	815,898	(12,347)	1,449,538
<b>OTHER FINANCING SOURCES AND (USES)</b>				
Operating Transfers In	97,455	-	-	97,455
Operating Transfers (Out)	-	(205,000)	-	(205,000)
<b>Total Other Financing Sources (Uses)</b>	<b>97,455</b>	<b>(205,000)</b>	<b>-</b>	<b>(107,545)</b>
Net Change in Fund Balances	743,442	610,898	(12,347)	1,341,993
Fund Balances (Deficit) - Beginning of Year	(743,442)	284,959	176,085	(282,398)
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ -</b>	<b>\$ 895,857</b>	<b>\$ 163,738</b>	<b>\$ 1,059,595</b>



**INDEPENDENT AUDITORS' 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***

Board of Education  
West Genesee Central School District  
Camillus, New York

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

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

INSERO & Co. CPAs, LLP

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**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School 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 School 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 School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

A handwritten signature in black ink that reads "Insero & Co. CPAs, LLP". The signature is written in a cursive, flowing style.

Insero & Co. CPAs, LLP  
Certified Public Accountants

Ithaca, New York  
October 11, 2022





**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH  
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY UNIFORM GUIDANCE**

Board of Education  
West Genesee Central School District  
Camillus, New York

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Federal Program**

We have audited West Genesee Central School District's (the School District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2022. The School District's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the School District, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

**Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

### **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the School District's federal programs.

### **Auditors' Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Respectfully submitted,

A handwritten signature in dark ink that reads "Insero & Co. CPAs, LLP". The signature is written in a cursive, flowing style.

Insero & Co. CPAs, LLP  
Certified Public Accountants

Ithaca, New York  
October 11, 2022

# **WEST GENESEE CENTRAL SCHOOL DISTRICT**

## **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass - Through Grantor Program Title	Assistance Listing #	Pass - Through Grantor #	Pass - Through to Subrecipients	Expenditures
<b>U.S. Department of Education</b>				
<b>Passed Through NYS Department of Education</b>				
Title I Grants to Local Educational Agencies	84.010	0021222085	\$ -	\$ 411,510
Title I Grants to Local Educational Agencies	84.010	0021212085	-	182
Total Title I			-	411,692
Special Education Cluster:				
Special Education - Grants to States	84.027	0032220638	-	1,062,685
(COVID-19) Special Education - Preschool Grants	84.027X	5532220638	-	90,035
Special Education - Preschool Grants	84.173	0033220638	-	37,885
(COVID-19) Special Education - Preschool Grants	84.173X	5533220638	-	26,804
Total Special Education Cluster			-	1,217,409
Education Stabilization Fund:				
(COVID-19) Governor's Emergency Education Relief Fund	84.425C	5895212085	-	203
(COVID-19) Governor's Emergency Education Relief Fund	84.425C	5896212085	-	243,676
(COVID-19) Elementary and Secondary School Emergency Relief Fund	84.425D	5891212085	-	1,460,175
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	84.425U	5880212085	-	1,956,088
Total Education Stabilization Fund			-	3,660,142
Improving Teacher Quality State Grants	84.367	0147222085	-	96,237
Title IV Student Support and Enrichment Program	84.424A	0204220638	-	13,983
<b>Total U.S. Department of Education</b>			-	<b>5,399,463</b>
<b>U.S. Department of Homeland Security</b>				
Passed Through NYS Department of Homeland Security and Emergency Services:				
(COVID-19) Disaster Grants - Public Assistant (Presidentially Declared Disasters)	97.036	4031-DR-NY	-	14,307
<b>Total U.S. Department of Homeland Security</b>			-	<b>14,307</b>
<b>U.S. Department of Agriculture</b>				
<b>Passed Through NYS Department of Education</b>				
Child Nutrition Cluster:				
School Breakfast Program	10.553	(1)	88,074	494,539
National School Lunch Program	10.555	(1)	391,310	2,327,059
Total Child Nutrition Cluster			479,384	2,821,598
Direct Program:				
(COVID-19) Pandemic EBT Food Benefits	10.542	N/A	-	6,611
(COVID-19) Pandemic EBT Administrative Costs	10.649	N/A	-	94,166
<b>Total U.S. Department of Agriculture</b>			479,384	2,922,375
<b>Total Expenditures of Federal Awards</b>			<b>\$ 479,384</b>	<b>\$ 8,336,145</b>

*See Notes to Schedule of Expenditures of Federal Awards*

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2022**

### ***Note 1*      **Basis of Presentation****

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs administered by the School District, an entity as defined in Note 1 to the School District's basic financial statements. Federal awards received directly from Federal agencies, as well as Federal awards passed through from other government agencies, are included on the Schedule of Expenditures of Federal Awards.

### ***Note 2*      **Basis of Accounting****

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in preparation of the financial statements.

### ***Note 3*      **Indirect Costs****

Indirect costs are included in the reported expenditures to the extent they are included in the Federal financial reports used as the source for the data presented. The School District has elected not to use the 10% de minimis indirect cost rate allowed under Uniform Guidance.

### ***Note 4*      **Matching Costs****

Matching costs, such as the School District's share of certain program costs, are not included in the reported expenditures.

### ***Note 5*      **Non-Monetary Federal Program****

The School District is the recipient of a Federal award program that does not result in cash receipts or disbursements, termed a "non-monetary program." During the year ended June 30, 2022, the School District received \$126,152 of commodities under the National School Lunch Program (ALN #10.555).

### ***Note 6*      **Subrecipients****

During 2022, the School District provided funds to subrecipients in the school nutrition program totaling \$479,384.

### ***Note 7*      **Other Disclosures****

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value and is covered by the School District's casualty insurance policies.

There were no loans or loan guarantees outstanding at year end.

# ***WEST GENESEE CENTRAL SCHOOL DISTRICT***

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2022**

### **Section I Summary of Auditors' Result**

#### ***Financial Statements***

Type of auditors' report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified?      yes   X   no

Significant deficiency(ies) identified that are not  
considered to be material weakness(es)?      yes   X   none reported

Noncompliance material to financial statements noted?      yes   X   no

#### ***Federal Awards***

Internal control over major programs:

Material weakness(es) identified?      yes   X   no

Significant deficiency(ies) identified that are not  
considered to be material weakness(es)?      yes   X   none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported  
in accordance with 2 CFR §200.516(a)?      yes   X   no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>84.425</u>	<u>Education Stabilization Fund</u>

Dollar threshold used to distinguish between Type A and Type B  
Programs: \$ 750,000

Auditee qualified as low-risk?      yes   X   no

**Section II Financial Statement Findings** None.

**Section III Federal Award Findings and Questioned Costs** None.