

Clarence Central School District Board of Education

Regular Board Meeting
CMS Auditorium
6:00 PM

Agenda – Monday, September 25, 2023

	REGULAR BOARD MEETING	TYPE
I.	EXECUTIVE SESSION To discuss collective bargaining negotiations	Action
II.	MEETING CALL TO ORDER 1. Pledge of Allegiance 2. Roll Call	Action
III.	APPROVAL OF AGENDA	Action
IV.	APPROVAL OF MINUTES 1. BOE Meeting Minutes—September 12, 2023	Action
V.	ANNOUNCEMENTS	
VI.	CORRESPONDENCE	
VII.	UNFINISHED BUSINESS	
VIII.	BOARD REPORTS B1. Finance and Audit Committee Meeting B2. District Safety Team Meeting B3. CSEF Meeting B4. Parent Teacher Organization Meetings	Informational Informational Informational Informational
IX.	SUPERINTENDENT'S REPORT S1. Student Body Update from Louis Mancuso S2. Audit Report S3. Strategic Plan	Informational Informational Informational
X.	PUBLIC COMMENT SESSION	
XI.	FINANCE	
	F1. Approval of External Audit F2. Approval of Corrective Action Plan for External Audit F3. Approval of Community Education Instructors F4. Approval of Corrected Dates for Transfer of Funds F5. Acceptance of Electronic Connectivity Grant	Action Action Action Action Action
XII.	PERSONNEL	
	INSTRUCTIONAL P1. Informational Item P2. Prior Appointment Approved by Superintendent P3. Appointments P4. Substitute Teacher List P5. Resolution	Informational Action Action Action Action

**Clarence Central School District
Board of Education**

Regular Board Meeting
CMS Auditorium
6:00 PM

Agenda – Monday, September 25, 2023

	NON-INSTRUCTIONAL P6. Resignation P7. Prior Appointment Approved by Superintendent P8. Appointments P9. Substitutes	Action Action Action Action
XIII.	SPECIAL NEEDS & STUDENT ACTIVITIES S1. Committee on Special Education Report S2. Committee on Pre-School Special Education Report	Action Action
XIV.	BOARD DEVELOPMENT/POLICY	
XV.	COMMITTEE OF THE WHOLE/ITEMS OF INFORMATION 1. Schedule of Meetings 2. Upcoming Events	Informational Informational
XVI.	ADJOURNMENT	Action



CLARENCE CSD

STUDENT BODY REPORT

Louis Mancuso
Student Representative
September 25, 2023



Together We Make Learning A Way Of Life

FOOTBALL KIDS NIGHT



Together We Make Learning A Way Of Life





HOMECOMING

Week Activities

Together We Make Learning A Way Of Life



MONDAY

**Jersey Day
Powder Puff Game
Bonfire/Spikeball
Tournament**



Together We Make Learning A Way Of Life

A person is shown from the waist down, wearing a black t-shirt and blue and yellow athletic shorts. They are holding a pickleball paddle with a colorful, abstract design and a yellow pickleball. The background is a blue pickleball court with a green fence and other people in the distance.

TUESDAY

**Country vs. Country Club
Student/Staff Pickleball
Tournament**

Together We Make Learning A Way Of Life





WEDNESDAY

Juniors

24

Class Color Day

9-10-11-12

Together We Make Learning A Way Of Life



THURSDAY

**BBQ Dad vs. Soccer
Mom
Comic Hypnotist**



Together We Make Learning A Way Of Life



FRIDAY

Pep Rally
Wall of Fame
Friday Night Lights
V. Football

Together We Make Learning A Way Of Life



SATURDAY

**Fun Run
CSEF Carnival
Dance**

Together We Make Learning A Way Of Life



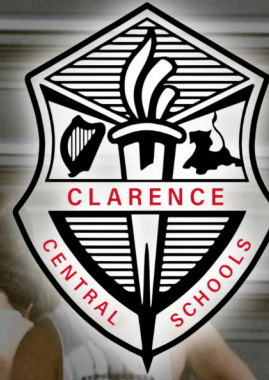


Together We Make Learning A Way Of Life



THANK YOU FOR YOUR TIME!

Any Questions?



STUDENT BODY REPORT

Presented by Louis Mancuso
CCSD BOE Student Representative



CLARENCE CENTRAL SCHOOL DISTRICT

FINANCIAL STATEMENT AUDIT PRESENTATION

FOR THE YEAR ENDED JUNE 30, 2023

MARY F. YOUNG

Lumsden 
McCormick 

CERTIFIED PUBLIC ACCOUNTANTS

Cyclorama Building | 369 Franklin Street | Buffalo, NY 14202

p: 716.856.3300 | f: 716.856.2524 | www.LumsdenCPA.com

AUDIT SCOPE AND RESULTS

DELIVERABLES

- Auditors' Report on Financial Statements (unmodified opinion)
- Auditors' Report Required by *Government Auditing Standards* (no matters)
- Auditors' Report on Compliance for Each Major Federal Program and on Internal Control Required by the Uniform Guidance (no matters)
 - \$8,246,000 in Federal funds (\$5,849,000 in 2022)
 - Low-risk auditee
 - Tested Education Stabilization Fund – \$4,685,000; Special Education Grants to States – \$1,007,000; Disaster Grants – Public Assistance (Presidentially Declared Disasters) – \$1,296,000 – Total \$6,988,000 or 85%
- Data Collection Form
- Extraclassroom Activity Schedule of Additions and Deductions
 - Beginning cash \$100,300, additions \$188,400, deductions \$188,100, ending cash \$100,600
- Communication with those Charged with Governance
- Management Letter



COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

AUDITOR RESPONSIBILITY

PLANNED SCOPE AND TIMING

COMPLIANCE WITH ETHICS REQUIREMENTS REGARDING INDEPENDENCE

SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES, AND DISCLOSURES

- Adoption of GASB 96, *Subscription-Based Information Technology Arrangements*
- Estimates – capital assets, compensated absences, self-funded health insurance, pensions, OPEB, and reserves
- Significant disclosures
 - Note 2 – Stewardship and compliance
 - Note 7 – Long-term liabilities
 - Note 8 – Pensions
 - Note 9 – OPEB

DIFFICULTIES ENCOUNTERED DURING THE AUDIT

- Delays in receiving information due to staff shortage hindered timely completion of audit

DISAGREEMENTS WITH MANAGEMENT (NONE)

UNCORRECTED AND CORRECTED MISSTATEMENTS (ALL RECORDED)

CIRCUMSTANCES AFFECTING THE FORM AND CONTENT OF THE AUDITORS' REPORT (NONE)

REPRESENTATIONS REQUESTED FROM MANAGEMENT

MANAGEMENT'S CONSULTATION WITH OTHER ACCOUNTANTS (NONE)

OTHER SIGNIFICANT MATTERS, FINDINGS, OR ISSUES (NONE)



MANAGEMENT LETTER

COMMENTS AND OBSERVATIONS

- No material weaknesses
- Fund balance exceeds 4% (12.4%) of 2024 general fund expenditures
- Extraclassroom activity clubs
- Excess fund balance in the food service fund
- Informational points
 - GASB 100 – *Accounting Changes and Error Corrections* (2024)
 - GASB 101 – *Compensated Absences* (2025)



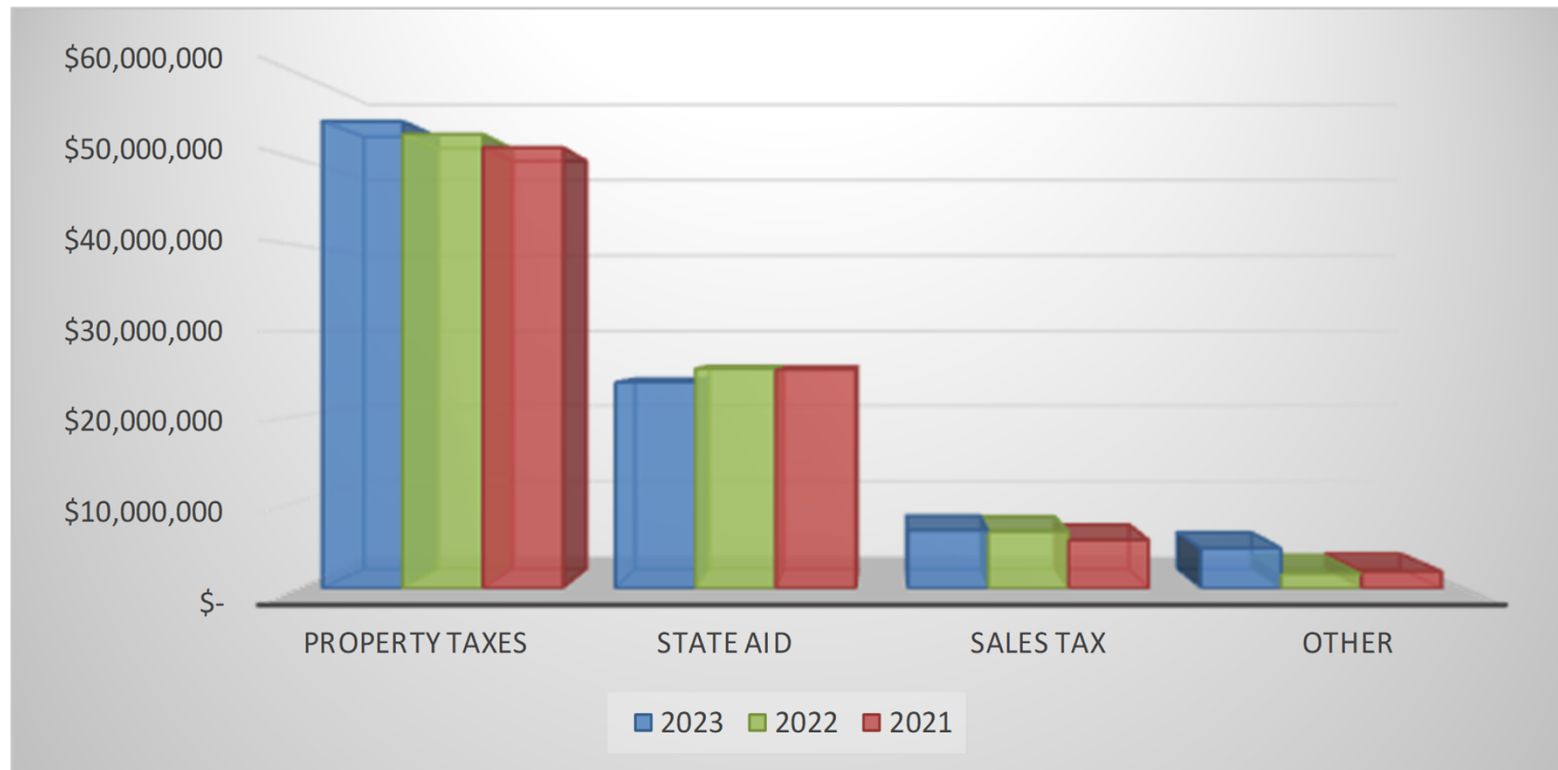
SUMMARY OF FUNDS



June 30,	2023	2022	Change
Fund Balance - General Fund			
Restricted			
Debt service	974,000	1,242,000	(268,000)
Employee benefits	223,000	215,000	8,000
Insurance	4,549,000	1,500,000	3,049,000
Retirement contribution	1,236,000	1,197,000	39,000
Tax certiorari	534,000	517,000	17,000
Repair	1,242,000	1,202,000	40,000
Assigned			
Designated for subsequent year	2,000,000	2,000,000	-
Other purposes	480,000	981,000	(501,000)
Unassigned	11,568,000	10,115,000	1,453,000
	<u>\$ 22,806,000</u>	<u>\$ 18,969,000</u>	<u>\$ 3,837,000</u>
Fund Balance - Capital Projects	<u>\$ (24,411,000)</u>	<u>\$ (14,658,000)</u>	<u>\$ (9,753,000)</u>
Fund Balance - Food Service	<u>\$ 1,430,000</u>	<u>\$ 1,555,000</u>	<u>\$ (125,000)</u>
Fund Balance - Misc. Special Revenue	<u>\$ 97,000</u>	<u>\$ 100,000</u>	<u>\$ (3,000)</u>
Total Fund Balance - All Funds	<u>\$ (78,000)</u>	<u>\$ 5,966,000</u>	<u>\$ (6,044,000)</u>



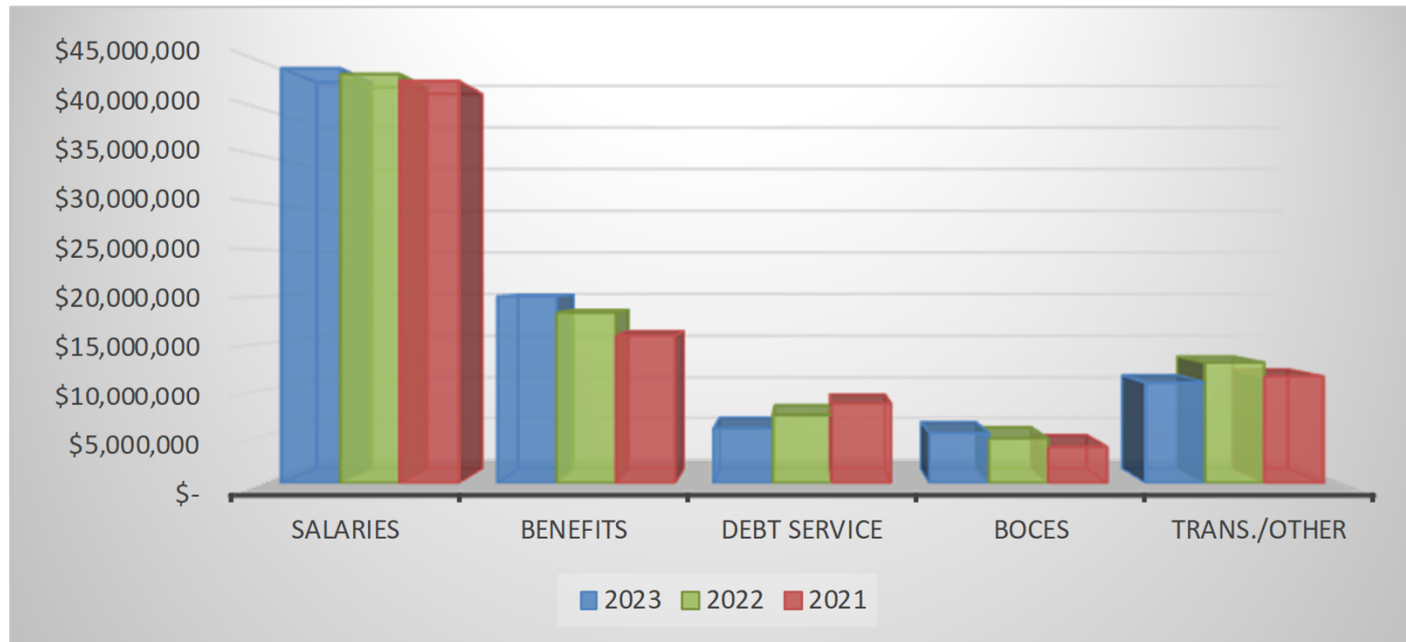
GENERAL FUND REVENUE



For the years ended June 30,	2023	2022	2021
Property taxes	\$ 54,390,000	\$ 52,895,000	\$ 51,345,000
State aid	24,047,000	25,639,000	25,559,000
Sales tax	6,728,000	6,638,000	5,620,000
Other	4,643,000	1,750,000	1,981,000
	\$ 89,808,000	\$ 86,922,000	\$ 84,505,000



GENERAL FUND EXPENDITURES



For the years ended June 30,	2023	2022	2021
Salaries	\$ 44,337,000	\$ 43,718,000	\$ 42,981,000
Employee benefits			
Retirement systems	4,946,000	4,664,000	4,484,000
Health insurance	10,814,000	8,587,000	7,496,000
Payroll taxes and other	4,291,000	5,048,000	3,895,000
Debt service	5,873,000	7,283,000	8,522,000
BOCES services	5,367,000	4,779,000	3,882,000
Transportation and other	10,838,000	12,991,000	11,516,000
	\$ 86,466,000	\$ 87,070,000	\$ 82,776,000



GOVERNMENT-WIDE SUMMARY AND RECONCILIATION



June 30,	2023	2022	Change
Current assets	\$ 36,036,000	\$ 33,045,000	\$ 2,991,000
Capital assets	103,023,000	96,301,000	6,722,000
	139,059,000	129,346,000	9,713,000
Pension, OPEB, and deferred resources, net	9,236,000	10,941,000	(1,705,000)
Long-term liabilities	(29,083,000)	(32,350,000)	3,267,000
Other liabilities	(35,445,000)	(26,423,000)	(9,022,000)
	(64,528,000)	(58,773,000)	(5,755,000)
Net position	\$ 83,767,000	\$ 81,514,000	\$ 2,253,000
For the years ended June 30,	2023	2022	
Net expense governmental funds	\$ (6,044,000)	\$ (8,548,000)	
Depreciation expense, net	6,722,000	7,086,000	
Add back debt service	3,239,000	5,875,000	
Net impact of pension, OPEB, and other	(1,664,000)	6,409,000	
Total government-wide net income	\$ 2,253,000	\$ 10,822,000	



QUESTIONS AND DISCUSSION



Lumsden 
McCormick CPA

CERTIFIED PUBLIC ACCOUNTANTS

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CLARENCE CENTRAL SCHOOL DISTRICT

Strategic Plan

2023-2024 School Year



MISSION STATEMENT

The mission of the Clarence Central School District is to produce independent, lifelong learners who are responsible, contributing members of a diverse society.

FRAMEWORK FOR EXCELLENCE

For close to 30 years, the Clarence Central School District has brought together a group of approximately 40 stakeholders to engage in strategic planning. The tradition has been an important opportunity for students, staff, parents, and community members to develop key priorities, and in the process, continue building upon a foundation of excellence.

The following pages outline key priorities, action steps, and success indicators for the 2023-2024 school year. It should be emphasized, however, that “the how” is as important as “the what”. To ensure that Clarence is both a healthy as well as a smart organization, “the 4 Promises” listed will guide the District’s efforts regarding growth and improvement.

- ***Emphasize Relationships:*** We know that positive relationships are the cornerstone for building community and a sense of belonging. We will know each colleague's story, we will know what makes each student unique, and we will treat others with kindness, dignity, and respect.
- ***Communicate Positively:*** We are committed to sharing information openly, broadly, and with intentionality. To build trust, we will speak with kindness, listen fully, and assume positive intent.
- ***Empower People:*** We believe a school can never exceed the quality of its students, staff, and families. Everyone is responsible for improving our school community, and we will purposefully engage experts when making decisions.
- ***Celebrate Often:*** We recognize that there is much to be grateful for in our school community. We will make time to celebrate, express appreciation, and affirm the accomplishments of students and staff.

ACKNOWLEDGEMENTS

We extend heartfelt thanks to the individuals listed below. They say that, “it takes a village to raise a child,” and the Clarence Central School District is a better place to teach and learn because of the expertise offered by the following students, staff, parents, and community members.

NAMES AND ROLES (2022-23 School Year Members)

Paulina Adams, Student
Paul Ameis, Parent
Tricia Andrews, Board of Education
Chelsey Bieler, Teacher
Kate Celej, TOSA
Elizabeth Chelus, MS Assistant Principal
Diane Dawley, Teacher
Cayden Decker, Student
Dan Denecke, Teacher
Thomas Dolata, Community Member
Elizabeth Dunne, CTA President
Matthew Frahm, Superintendent
Maria Frankowski, Teacher
Michael Fuchs, Board of Education
Ramona Hales, Support Staff
*James Hirt, Community Member
Isaac Hunter, Student
Katie Kaufman, Support Staff
*Nancy Kitchen, Community Member

Michelle Layer, Teacher
Amy Leach, Parent
Kevin McCuen, Teacher
Kim McClaren, Teacher
Julie McCullough, Community Member
Clara Mehserle-Abbey, Parent
Rob Michel, Administration
Joe Moronski, Support Staff
Kristin Overholt, Administration
Robert Raineri, Technology
Lauren Rittling, Teacher
Jennie Rook, Teacher
Ken Smith, HS Principal
Ryan Smith, Parent
Dawn Snyder, Board of Education
Mia Sweeney, Student
Lou Vitello, Teacher
Lori White, Parent

*Member has served since committee's inception in 1993

PRIORITY AREA 1: HIGH-QUALITY TEACHING AND LEARNING EXPERIENCES FOR ALL

Provide consistent, student-centered curricula that consist of relevant academic, social/emotional, and life skills that apply to students' chosen pathways.

ACTION STEPS	INDICATORS OF SUCCESS
1. Implement evidence-based instructional practices and resources to improve students' foundational early literacy skills in reading and writing	1. Increase the percentage of students proficient in local and state mandates
2. Develop a K-12 standards-based curriculum implementation timeline by course/subject area to reduce variability in educational experiences across grade levels and courses	2. Implementation of a consistent review process for K-12 course/subject area curriculum (e.g., scope and sequence, units of study, and common benchmark assessments)
3. Re-evaluate the Multi-tiered System of Supports (MTSS) and Academic Intervention Services (AIS) in Grades K-12 through regular data review, intervention cycles, and updated student selection process	3. Targeted intervention services and practices are implemented in schools to promote student growth and achievement
4. Ensure that all secondary students have a career counseling plan through Naviance beginning in middle school to identify the students' career paths and interests	4. Counseling plans are implemented for all students beginning in eighth grade
5. Formal graduation pathway opportunities are expanded to tap into students' interests and motivation that enhance college and career readiness	5. Increase the percentage of Clarence HS graduates awarded pathway distinction

PRIORITY AREA 2: SAFE AND HEALTHY LEARNING ENVIRONMENTS

Nuture a physically, emotionally, and intellectually safe and welcoming school environment for all students, staff and families.

ACTION STEPS	INDICATORS OF SUCCESS
1. Implement a series of security enhancements identified during building safety tours with local law enforcement	1. Protective security film, appropriate locking mechanisms, half dome security mirrors, additional cameras, and an improved visitor management system are installed during the 2023-2024 school year
2. Review the roles, responsibilities, and funding needed to maintain an effective School Resource Officer program	2. Long-term support is provided for a School Resource Officer program that meets the needs and expectations of the school community
3. Build capacity of faculty, staff, parents, and students by providing the most up-to-date, age appropriate training for creating and maintaining safe school environments	3. Drills, strategies, and routine practices reflect current trends for safe school environments
4. Proactive progress monitoring of social-emotional learning (SEL) needs through social-emotional screening	4. Tiered interventions are aligned with students' social-emotional learning needs
5. Identify ways to help secondary students better manage the pressures that can come with a high achieving school environment	5. Student voice is leveraged in the planning of programs for One Clarence Wednesdays
6. Elementary counselors promote and support Leader in Me programming and SEL competency development	6. Regular classroom visitations and SEL lesson delivery in Grades K-5 by elementary school counselors
7. Continue to develop a strong and consistent system of service delivery, communication, and support through our Family Support Center (FSC)	7. The FCS will have a well-established role within the school community with the installation of the new location at Clarence HS. (Student mentoring?)

PRIORITY AREA 3: CONSISTENT AND EFFECTIVE COMMUNICATION

Utilize a comprehensive strategy for effectively and efficiently communicating with district stakeholders.

ACTION STEPS	INDICATORS OF SUCCESS
1. Review innovative systems for enhancing mass notifications as well as existing communication tools	1. Implementation of a platform that provides a safe, secure, and unified system for effective school-to-home communications
2. Actively promote different platforms where the District has a presence	2. Increased engagement confirmed by anecdotal feedback and communication system analytics
3. Tell the District's story using consistent communications, a trusted website, and a regular presence on social media	3. Daily messaging supports a positive school culture based on positivity, consistency, and transparency
4. Develop a comprehensive approach for communicating with faculty, staff, parents, and students	4. Enhanced awareness of key District and building priorities and undertakings by all stakeholders

PRIORITY AREA 4: CULTURALLY RESPONSIVE PRACTICES

Fosters a culture of inclusion where every stakeholder feels supported and experiences a strong sense of belonging.

ACTION STEPS	INDICATORS OF SUCCESS
1. Create differentiated opportunities for faculty and staff to participate in research-based professional learning to build capacity and support culturally responsive practices	1. Increased percentage of faculty and staff participating in collaborative professional learning that supports the needs of culturally and linguistically diverse learners
2. Examine district curricula to ensure a wealth of culturally rich resources exist and are accessible in all classrooms and school libraries	2. Curriculum committees examine instructional resources to determine whether curricula are student-centered and representative of all learners in our school community
3. Provide opportunities for families to engage in culturally responsive discussions and input sessions on how to best support all learners	3. Schedule family input sessions and provide opportunities to elicit their critical feedback on the implementation of culturally responsive teaching and learning practices within the District



BOARD OF EDUCATION

James Boglioli - President

Michael Fuchs - Vice President

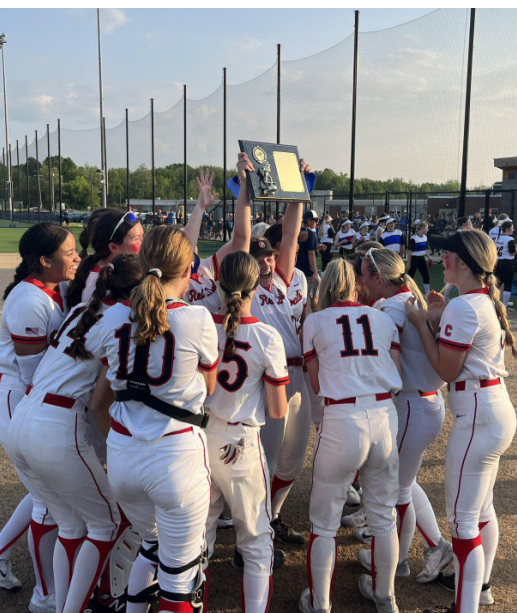
Tricia Andrews

Kym Cannizzaro

Cindy Magera

Dennis Priore

Dawn Snyder



F-1 APPROVAL OF EXTERNAL AUDIT

Recommended Action: Resolve to approve the external audit performed by Lumsden McCormick

F-2 APPROVAL OF CORRECTIVE ACTION PLAN FOR EXTERNAL AUDIT

Recommended Action: Resolve to approve of corrective action plan for the external audit

F-3 APPROVAL OF COMMUNITY EDUCATION INSTRUCTORS

Recommendation: Resolve to approve Community Education Instruction Stipends for the Fall of 2023 as per attached list.

These stipends are approved based on enrollment.

F-4 APPROVAL OF CORRECTED DATES FOR TRANSFER OF FUNDS

Recommendation: Resolve to approve the change of dates for transfer of Debt service reserve of \$1,000,000 on September 12, 2023, to reflect transfer of \$268,000 effective June 30, 2023 due to prior year premium payments on borrowing , with the remaining \$732,000 to be transferred on September 12, 2023

F-5 ACCEPTANCE OF ELECTRONIC CONNECTIVITY GRANT

Recommendation: Resolve to accept the Electronic Connectivity Grant of \$163,976 for the purpose of purchasing one -on- one student devices.

DRAFT

MANAGEMENT LETTER

September 20, 2023

The Audit Committee, Board of Education,
and Management
Clarence Central School District

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the remaining fund information of Clarence Central School District (the District) as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

OBSERVATIONS

Unassigned fund balance over 4% and use of appropriated reserves

The unassigned fund balance in the general fund was \$11,568,000 at June 30, 2023 and represents 12.4% of the 2024 expenditure budget. The statutory limit as stated in property tax law is 4% of the ensuing year's expenditure budget.

Extraclassroom activities

We noted the following upon review of the records of certain extraclassroom activities clubs:

- A number of student clubs had little or no activity during the year. We recommend that management review these clubs to determine whether they are still active or should be closed and any remaining funds transferred as required by District policy.
- Some cash disbursement request forms and cash receipt deposit forms lacked student signatures. Student officers should indicate their approval and knowledge of the transactions by signing the forms.

DRAFT

- As an update to the prior year management letter, student ledgers for the clubs selected for testing agreed to the central treasurer records. We continue to encourage management to remind faculty advisors and student officers that student ledgers should be completed timely and that the central treasurers continue to review the student ledgers periodically to ensure student records are accurate.

Excess fund balance in the food service fund

In accordance with regulations of the New York State Education Department, fund balance in the food service fund should not exceed three months' average expenditures, as defined, at any time. As a result of the COVID-related shutdowns and additional funding, the District exceeded this limit at year end. District management should submit a plan to the Child Nutrition Program Administration detailing its plans to use the excess balance. Allowable uses include improving the quality of food served or purchasing needed supplies, services, or equipment.

ACCOUNTING STANDARDS UPDATE

GASB Statement No. 100, *Accounting Changes and Error Corrections*, is effective for the District's year ending June 30, 2024. This statement defines four categories of accounting changes and error corrections along with the required reporting requirements, which include the following: (1) *Change in accounting principle* with retroactive reporting to the earliest period presented and required financial statements footnote disclosures including an explanation as to why the change is preferable, (2) *Change in accounting estimate* with prospective reporting from the period when change occurs and required financial statement footnote disclosures, (3) *Change to or within the entity* with an adjustment to beginning net position and (4) *Error correction* with retroactive reporting to the earliest period presented and required financial statement footnote disclosures.

GASB Statement No. 101, *Compensated Absences*, is effective for the District's year ending June 30, 2025. This statement clarifies what is considered unused leave balances for employees. Under this statement, compensated absences should be recognized as liabilities on the government-wide statements for leave that has not been used and leave that has been used but not yet paid or settled.

We have discussed these comments with District personnel and would be pleased to discuss them in further detail, perform any additional studies, or assist you in implementing the recommendations.

This communication is intended solely for the information and use of the District's management, Audit Committee and Board of Education; others within the District; the NYS Education Department Office of Audit Services; and the Office of the NYS Comptroller, Division of Local Government and School Accountability. It is not intended to be, and should not be, used by anyone other than these specified parties.

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CLARENCE CENTRAL SCHOOL DISTRICT

EXTRAClassroom Activity

JUNE 30, 2023

DRAFT

INDEPENDENT AUDITORS' REPORT

The Board of Education
Clarence Central School District

Qualified Opinion

We have audited the accompanying schedule of additions and deductions of Clarence Central School District (the District) Extraclassroom Activity for the year ended June 30, 2023, and the related notes to the schedule.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the schedule referred to in the first paragraph presents fairly, in all material respects, the additions and deductions of Clarence Central School District Extraclassroom Activity for the year ended June 30, 2023, in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Qualified Opinion

Certain accounting records of Clarence Central School District Extraclassroom Activity accounts were not adequate for us to form an opinion regarding the completeness of additions in the accompanying schedule stated at \$188,416.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Schedule section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Responsibilities of Management for the Schedule

Management is responsible for the preparation and fair presentation of the schedule in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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.

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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the schedule, 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 schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the schedule.

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.

September 20, 2023

DRAFT

CLARENCE CENTRAL SCHOOL DISTRICT EXTRACLASSROOM ACTIVITY

Schedule of Additions and Deductions

For the year ended June 30, 2023

	July 1, 2022	Additions	Deductions	June 30, 2023
High School				
Class Clubs:				
2022	\$ 6,263	\$ -	\$ 6,263	\$ -
2023	3,570	43,032	43,610	2,992
2024	2,296	19,201	19,465	2,032
2025	3,223	865	448	3,640
2026	-	5,965	4,056	1,909
Academy of Finance	742	-	441	301
Art Club	361	25	-	386
Chrysalis Club	714	3,050	3,508	256
Clarence Calvary Club	125	465	164	426
Dance Club	-	100	-	100
Drama Club	7,909	11,272	15,981	3,200
Engineering Club	2,977	2,350	1,967	3,360
Environmental Club	1,122	28	33	1,117
Future Business Leaders of America Club	37	250	250	37
Future Teachers of America Club	1,607	69	166	1,510
Garden Club	319	-	178	141
Gay Straight Alliance Club	115	152	44	223
Guitar Club	266	41	-	307
History Society Club	107	-	-	107
Interact Club	1	-	-	1
International Club	7,609	368	734	7,243
Latin Club	3,203	1,981	2,702	2,482
Leadership Club	1,639	6,411	6,018	2,032
Mock Trial Club	3,405	-	197	3,208
Model UN Club	442	5,320	5,753	9
Music Enrichment Club	9,089	1,959	1,567	9,481
National Art Honor Society	448	2,427	2,566	309
National Honor Society	6,569	26,692	19,768	13,493
Reach Out Club	25	-	-	25
Rifle Club	373	1,150	1,376	147
Saga Yearbook Club	5,482	12,901	12,953	5,430
Students Against Drunk Driving Club	2,041	2,585	2,342	2,284
Science Olympiad Club	1,781	1,077	1,591	1,267
Student Council	8,578	21,079	21,361	8,296
Scholastic Bowl Club	220	321	317	224
The Advocate Club	539	-	-	539
Unified Club	471	422	289	604
Varsity Club	252	-	248	4
Visual Media Arts Club	1,410	-	-	1,410
	85,330	171,558	176,356	80,532

See accompanying notes.

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CLARENCE CENTRAL SCHOOL DISTRICT EXTRACLASSROOM ACTIVITY

Schedule of Additions and Deductions (continued)

For the year ended June 30, 2023

	July 1, 2022	Additions	Deductions	June 30, 2023
Middle School				
All Science Club	\$ 2,655	\$ 351	\$ 742	\$ 2,264
Drama Club	120	-	-	120
Student Council	10,130	16,507	10,988	15,649
Yearbook Club	2,026	-	-	2,026
	14,931	16,858	11,730	20,059
Total	\$ 100,261	\$ 188,416	\$ 188,086	\$ 100,591

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CLARENCE CENTRAL SCHOOL DISTRICT EXTRACLASSROOM ACTIVITY

Notes to the Schedule

1. Summary of Significant Accounting Policies

Financial Reporting Entity

Extraclassroom Activity accounts are those operated by and for the students. Proceeds are voluntarily collected by students and are spent by them, as they deem appropriate under established guidelines. The Extraclassroom Activity accounts are included in the financial statements of Clarence Central School District in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position.

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CLARENCE CENTRAL SCHOOL DISTRICT

FINANCIAL STATEMENTS

JUNE 30, 2023

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CLARENCE CENTRAL SCHOOL DISTRICT

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INDEPENDENT AUDITORS' REPORT

The Board of Education
Clarence Central School District

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the remaining fund information of Clarence Central School District (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the 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 remaining fund information of the District as of June 30, 2023, and the respective changes in financial position and budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

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. 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 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.

Responsibilities of Management for the Financial Statements

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

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

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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 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the 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 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 financial statements, and other knowledge we obtained during our audit of the 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.

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Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information as listed in the table of contents, including the schedule of expenditures of federal awards required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

September 25, 2023

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CLARENCE CENTRAL SCHOOL DISTRICT

Management's Discussion and Analysis (unaudited)

June 30, 2023

Introduction

Management's Discussion and Analysis (MD&A) of Clarence Central School District (the District) provides an overview of the District's financial activities and performance for the year ended June 30, 2023. The information contained in the MD&A should be considered in conjunction with the information presented as part of the District's financial statements that follow. This MD&A, the financial statements, and notes thereto are essential to obtaining a full understanding of the District's financial position and results of operations. The District's financial statements have the following components: (1) government-wide financial statements; (2) governmental fund financial statements; (3) reconciliations between the government-wide and governmental fund financial statements; (4) fiduciary fund statements; (5) notes to the financial statements; and (6) supplementary information.

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business. The statement of net position presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the net difference reported as net position. The statement of activities presents information showing how the District's net position changed during each year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future periods. The government-wide financial statements present information about the District as a whole. All of the activities of the District are considered to be governmental activities.

Governmental fund financial statements focus on near-term inflows and outflows of resources, as well as on balances of resources available at the end of the year. Such information may be useful in evaluating the District's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the District's near-term financing decisions. The reconciliation portion of the financial statements facilitates the comparison between governmental funds and governmental activities.

Fiduciary funds are used to report fiduciary activities, which may include pension and other postemployment benefit trust funds, investment trust funds, private-purpose trust funds, and custodial funds. The District's custodial fund includes extraclassroom activity funds. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's programs. The notes to the financial statements provide additional information that is essential for a full understanding of the government-wide, governmental fund, and fiduciary fund financial statements.

Supplementary information further explains and supports the financial statements and includes information required by generally accepted accounting principles and the New York State Education Department.

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Condensed Statement of Net Position	2023	2022	Change	
			\$	%
Current and other assets	\$ 36,036,000	\$ 69,173,000	\$ (33,137,000)	(47.9%)
Capital assets	103,023,000	96,301,000	6,722,000	7.0%
Total assets	139,059,000	165,474,000	(26,415,000)	(16.0%)
Deferred outflows of resources	24,896,000	24,804,000	92,000	0.4%
Long-term liabilities	41,182,000	35,488,000	5,694,000	16.0%
Current liabilities	35,445,000	26,424,000	9,021,000	34.1%
Total liabilities	76,627,000	61,912,000	14,715,000	23.8%
Deferred inflows of resources	3,561,000	46,853,000	(43,292,000)	(92.4%)
Net position				
Net investment in capital assets	55,125,000	55,473,000	(348,000)	(0.6%)
Restricted	8,856,000	5,973,000	2,883,000	48.3%
Unrestricted	19,786,000	20,067,000	(281,000)	(1.4%)
Total net position	\$ 83,767,000	\$ 81,513,000	\$ 2,254,000	2.8%

Net position amounted to \$83,767,000 and \$81,513,000 as of June 30, 2023 and 2022, respectively. The largest portion of the District's net position reflects its investment in capital assets consisting of land, buildings and improvements, furniture, equipment, and vehicles, less outstanding debt used to acquire those assets. The District uses capital assets to provide services to students; consequently, these assets are not available for future spending.

The District's net position also includes resources that are subject to external restrictions on how they may be used, which includes reserves set aside for specific purposes governed by law and regulations. Such restrictions include the debt service reserve, which is set aside for the repayment of bonds issued to finance capital projects; the tax certiorari reserve, which is used to pay tax judgments and claims; an employee benefit accrued liability reserve, which is used to pay future accumulated vacation and sick leave; a retirement contribution reserve, restricted to fund contributions paid by the District to the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS); an insurance reserve used to pay uninsured losses, claims, actions, or judgments; amounts restricted to pay for anticipated future repairs under the District's repair reserve; and scholarships for students.

Current and other assets decreased by \$33,137,000 (increase of \$39,787,000 in 2022) primarily due to recognition of net pension liabilities for TRS and ERS of \$9,444,000 in 2023 as compared to net pension assets of \$36,128,000 in 2022. The change of \$45,572,000 is primarily the result of investment losses on plan assets. The increase in capital assets of \$6,722,000 (increase of \$7,086,000 in 2022) is due to capital asset additions of bus purchases and continued work on the 2020 District Improvement project in excess of depreciation expense.

Total liabilities increased \$14,715,000 (increase of \$1,065,000 in 2022) due to an increase in bond anticipation notes (BANs) payable of \$13,022,000 and pension liabilities of \$9,444,000 discussed above. These increases were partially offset by a decrease in accounts payable of \$4,362,000 and debt principal payments of \$2,305,000.

Changes in deferred outflows and deferred inflows of resources include changes in pension activity at the State level, which are required to be reflected on the District's financial statements. Deferred outflows of resources include contributions required to be paid by the District to the State pension systems after the measurement date. Deferred outflows and deferred inflows of resources also reflect variances from actuarial assumptions, actual results of investment earnings compared to projected earnings, and changes of assumptions. The District has no control or authority over these transactions.

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Condensed Statement of Activities	2023	2022	Change	
			\$	%
Revenues				
Program revenues				
Charges for services	\$ 1,005,000	\$ 339,000	\$ 666,000	196.5%
Operating and capital grants and contributions	9,352,000	7,678,000	1,674,000	21.8%
General revenues				
Property taxes	54,390,000	52,895,000	1,495,000	2.8%
Sales tax	6,709,000	6,576,000	133,000	2.0%
State aid	24,047,000	25,639,000	(1,592,000)	(6.2%)
Other	3,270,000	1,118,000	2,152,000	192.5%
Total revenue	98,773,000	94,245,000	4,528,000	4.8%
Expenses				
Instruction	75,785,000	65,679,000	10,106,000	15.4%
Support services				
General support	11,325,000	10,399,000	926,000	8.9%
Pupil transportation	6,515,000	4,944,000	1,571,000	31.8%
Food service	1,200,000	1,346,000	(146,000)	(10.8%)
Interest	1,694,000	1,056,000	638,000	60.4%
Total expenses	96,519,000	83,424,000	13,095,000	15.7%
Change in net position	2,254,000	10,821,000	(8,567,000)	(79.2%)
Net position – beginning	81,513,000	70,692,000	10,821,000	15.3%
Net position – ending	\$ 83,767,000	\$ 81,513,000	\$ 2,254,000	2.8%

District revenues increased by \$4,528,000 (increase of \$5,795,000 or 6.6% in 2022). Property taxes increased by \$1,495,000 (increase of \$1,551,000 or 3.0% in 2022). Operating and capital grants and contributions increased \$1,674,000 (increase of \$3,037,000 or 65.4% in 2022) from an increase in grants provided through the Education Stabilization Fund and disaster assistance grants related to COVID-19. Other revenue includes interest earnings of \$1,111,000 and premiums on BANs of \$593,000 (total of \$19,000 in 2022). State aid decreased \$1,592,000 (increase of \$80,000 or 0.3% in 2022) as a result of less building aid.

Total expenses increased by \$13,095,000 (decrease of \$3,744,000 in 2022) due to TRS and ERS pension expense of \$6,977,000, primarily from investment losses on plan assets, compared to pension income of \$1,627,000 in 2022. Payroll expense increased \$2,083,000 due to wage increases as mandated by bargaining unit agreements and health insurance expenses increased \$2,227,000.

Financial Analysis of the District's Funds

Total fund balances for the government funds decreased by \$6,044,000 to a fund balance deficit of \$78,000 as further described below:

- Total expenditures increased \$2,531,000 or 2.4% (increase of \$13,983,000 or 15.6% in 2022) due to an increase in employee wages and benefits discussed above, partially offset by a decrease in debt service costs of \$1,410,000.
- Employee benefits increased \$2,015,000 or 10.8% (increase of \$2,866,000 or 18.1% in 2022) due to increases in health insurance costs.
- Revenue increased \$4,016,000 or 4.3% (increase of \$6,014,000 or 6.8% in 2022) due to the previously discussed increases in real property taxes, interest earnings, and Federal aid.

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General Fund Budgetary Highlights

The original and final revenue budget for 2023 was \$87,241,000. Actual revenues amounted to \$89,808,000, which was over budget by \$2,567,000.

Actual expenditures and carryover encumbrances were less than the final amended budget by \$3,276,000. Overall, the fluctuations between budgeted and actual expenditures are due to conservative budgeting and a conscious effort to manage expenses.

Capital Assets

	2023	2022
Land and land improvements	\$ 5,663,000	\$ 5,661,000
Construction in progress	17,318,000	7,105,000
Buildings and improvements	138,515,000	138,158,000
Furniture and equipment	18,647,000	18,003,000
Vehicles	8,764,000	8,623,000
	<u>188,907,000</u>	<u>177,550,000</u>
Accumulated depreciation	(85,884,000)	(81,249,000)
	<u>\$ 103,023,000</u>	<u>\$ 96,301,000</u>

The District purchased buses, technology, and equipment, and incurred construction costs totaling \$12,109,000. The additions were offset by \$5,387,000 of depreciation expense and disposals.

Debt

At June 30, 2023, the District had \$20,955,000 in bonds outstanding, with \$2,390,000 due within one year (\$23,260,000 outstanding in 2022). Outstanding compensated absences payable were \$5,354,000 (\$5,878,000 in 2022) with \$529,000 expected to be paid within the next year.

Additional information on the District's long-term liabilities can be found in the notes to the financial statements.

Current Financial Issues and Concerns

Federal revenue sources have increased due to additional pandemic-related funding, but the full extent of Federal assistance is not known. The District will need to plan accordingly to ensure continuity of programs upon eventual reduction in these funds. School districts in New York State are also impacted by the political pressures imposed on elected officials in funding of education. Year to year changes in funding levels and State aid formulas complicate this planning process.

Contacting the District's Financial Management

This report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances. It should only be used in conjunction with a thorough review of the District's audited financial statements. If you have any questions about this report or need additional information, contact Dr. Patricia Grupka, Assistant Superintendent for Finance and Operations, Clarence Central School, 9625 Main Street, Clarence, New York 14031.

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CLARENCE CENTRAL SCHOOL DISTRICT

Statement of Net Position

June 30, 2023

(With comparative totals as of June 30, 2022)

	2023	2022
Assets		
Cash	\$ 29,758,502	\$ 28,055,171
Due from other governments	1,561,212	1,593,000
State and federal aid receivable	4,649,157	3,343,483
Inventory	66,673	53,133
Net pension asset	-	36,128,173
Capital assets (Note 5)	188,907,198	177,550,035
Accumulated depreciation	(85,883,849)	(81,249,006)
Total assets	139,058,893	165,473,989
Deferred Outflows of Resources		
Defeasance loss	242,458	303,072
Deferred outflows of resources related to pensions	24,390,404	23,941,399
Deferred outflows of resources related to OPEB	262,825	559,324
Total deferred outflows of resources	24,895,687	24,803,795
Liabilities		
Accounts payable	1,716,500	6,078,334
Accrued liabilities	1,252,186	1,210,576
Due to retirement systems	4,344,883	3,841,053
Unearned revenue	141,761	326,958
Bond anticipation notes	27,989,250	14,966,750
Long-term liabilities		
Due within one year:		
Bonds	2,390,000	2,305,000
Compensated absences	529,000	418,000
Due beyond one year:		
Bonds and related premiums	21,339,231	24,167,235
Compensated absences	4,825,000	5,460,000
Net pension liability	9,443,522	-
Total OPEB liability	2,655,095	3,137,575
Total liabilities	76,626,428	61,911,481
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	2,210,960	45,229,286
Deferred inflows of resources related to OPEB	1,349,669	1,623,400
Total deferred inflows of resources	3,560,629	46,852,686
Net Position		
Net investment in capital assets	55,125,322	55,473,248
Restricted	8,855,849	5,973,513
Unrestricted	19,786,352	20,066,856
Total net position	\$ 83,767,523	\$ 81,513,617

See accompanying notes.

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CLARENCE CENTRAL SCHOOL DISTRICT

Statement of Activities

For the year ended June 30, 2023

(With summarized comparative totals as of June 30, 2022)

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue	
		Charges for Services	Operating Grants and Contributions	2023	2022
Governmental activities					
General support	\$ 11,325,546	\$ -	\$ -	\$ (11,325,546)	\$ (10,398,746)
Instruction	75,784,993	389,359	8,638,729	(66,756,905)	(59,704,017)
Pupil transportation	6,515,040	-	-	(6,515,040)	(4,944,245)
Interest expense	1,693,851	-	-	(1,693,851)	(1,055,700)
School food service	1,199,648	615,554	713,300	129,206	695,518
	<u>\$ 96,519,078</u>	<u>\$ 1,004,913</u>	<u>\$ 9,352,029</u>	<u>(86,162,136)</u>	<u>(75,407,190)</u>
General revenues					
Real property taxes				54,389,691	52,895,112
Sales taxes				6,708,841	6,576,318
Miscellaneous				3,270,078	1,117,920
State aid				24,047,432	25,638,936
Total general revenues				<u>88,416,042</u>	<u>86,228,286</u>
Change in net position				2,253,906	10,821,096
Net position - beginning				81,513,617	70,692,521
Net position - ending				<u>\$ 83,767,523</u>	<u>\$ 81,513,617</u>

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CLARENCE CENTRAL SCHOOL DISTRICT

Balance Sheet - Governmental Funds

June 30, 2023

(With summarized comparative totals as of June 30, 2022)

	General	Capital Projects	Special Aid	Food Service	Miscellaneous Special Revenue	Total Governmental Funds	
						2023	2022
Assets							
Cash	\$ 28,089,818	\$ 596,147	\$ 519,535	\$ 455,861	\$ 97,141	\$ 29,758,502	\$ 28,055,171
Due from other governments	711,212	-	-	-	-	711,212	724,000
State and federal aid receivable	999,548	-	3,618,998	30,611	-	4,649,157	3,343,483
Due from other funds, net	134,319	2,981,849	-	911,777	-	4,027,945	1,817,536
Inventory	-	-	-	66,673	-	66,673	53,133
Total assets	\$ 29,934,897	\$ 3,577,996	\$ 4,138,533	\$ 1,464,922	\$ 97,141	\$ 39,213,489	\$ 33,993,323
Liabilities							
Accounts payable	\$ 1,712,889	\$ -	\$ 2,056	\$ 1,555	\$ -	\$ 1,716,500	\$ 6,078,334
Accrued liabilities	1,070,986	-	-	-	-	1,070,986	996,776
Due to retirement systems	4,344,883	-	-	-	-	4,344,883	3,841,053
Due to other funds, net	-	-	4,027,945	-	-	4,027,945	1,817,536
Unearned revenue	-	-	108,532	33,229	-	141,761	326,958
Bond anticipation notes	-	27,989,250	-	-	-	27,989,250	14,966,750
Total liabilities	7,128,758	27,989,250	4,138,533	34,784	-	39,291,325	28,027,407
Fund Balances							
Nonspendable	-	-	-	66,673	-	66,673	53,133
Restricted	8,758,708	-	-	-	97,141	8,855,849	5,973,513
Assigned	2,479,719	-	-	1,363,465	-	3,843,184	4,483,447
Unassigned	11,567,712	(24,411,254)	-	-	-	(12,843,542)	(4,544,177)
Total fund balances (deficit)	22,806,139	(24,411,254)	-	1,430,138	97,141	(77,836)	5,965,916
Total liabilities and fund balances	\$ 29,934,897	\$ 3,577,996	\$ 4,138,533	\$ 1,464,922	\$ 97,141	\$ 39,213,489	\$ 33,993,323

See accompanying notes.

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CLARENCE CENTRAL SCHOOL DISTRICT

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

June 30, 2023

Total fund balances - governmental funds \$ (77,836)

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

Capital assets used in governmental activities are not financial resources and are not reported as assets in governmental funds. 103,023,349

Sales tax collected after the period of availability to pay current period expenditures is not recognized in the governmental funds until received. 850,000

The District's proportionate share of net pension position as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:

Deferred outflows of resources related to pensions	24,390,404	
Net pension liability	(9,443,522)	
Deferred inflows of resources related to pensions	<u>(2,210,960)</u>	12,735,922

The District's total OPEB liability as well as OPEB-related deferred outflows and deferred inflows of resources are recognized on the government-wide statements and include:

Deferred outflows of resources related to OPEB	262,825	
Total OPEB liability	(2,655,095)	
Deferred inflows of resources related to OPEB	<u>(1,349,669)</u>	(3,741,939)

Certain liabilities are not due and payable currently and therefore are not reported as liabilities in the governmental funds. These liabilities are:

Bonds and related premiums	(23,729,231)	
Accrued interest	(181,200)	
Compensated absences	<u>(5,354,000)</u>	(29,264,431)

Defeasance losses associated with bond refundings are recognized as deferred outflows of resources in the government-wide statements. 242,458

Net position - governmental activities \$ 83,767,523

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CLARENCE CENTRAL SCHOOL DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

For the year ended June 30, 2023

(With summarized comparative totals as of June 30, 2022)

	General	Capital Projects	Special Aid	Food Service	Miscellaneous Special Revenue	Total Governmental Funds	
						2023	2022
Revenues							
Real property taxes	\$ 51,805,838	\$ -	\$ -	\$ -	\$ -	\$ 51,805,838	\$ 50,185,282
Real property tax items	2,583,853	-	-	-	-	2,583,853	2,709,830
Nonproperty taxes	6,727,841	-	-	-	-	6,727,841	6,638,318
Charges for services	389,359	-	-	-	-	389,359	265,194
Use of money and property	1,111,143	-	-	-	1,149	1,112,292	19,186
Sale of property and compensation for loss	569,415	-	-	-	-	569,415	80,238
Miscellaneous	984,119	-	-	-	11,064	995,183	896,242
State sources	24,047,432	-	795,560	17,938	-	24,860,930	26,953,617
Federal sources	1,589,231	-	6,253,938	695,362	-	8,538,531	6,361,105
Sales	-	-	-	615,554	-	615,554	74,209
Total revenues	89,808,231	-	7,049,498	1,328,854	12,213	98,198,796	94,183,221
Expenditures							
General support	9,285,861	-	-	1,353,727	15,273	10,654,861	10,651,381
Instruction	46,854,952	-	6,338,978	-	-	53,193,930	52,563,236
Pupil transportation	4,400,776	654,815	101,142	-	-	5,156,733	4,672,151
Employee benefits	20,051,486	-	707,577	-	-	20,759,063	18,743,892
Debt service							
Principal	3,769,179	-	-	-	-	3,769,179	5,931,250
Interest	2,103,841	-	-	-	-	2,103,841	1,351,989
Cost of sales	-	-	-	100,308	-	100,308	106,549
Capital outlay	-	10,562,000	-	-	-	10,562,000	9,748,722
Total expenditures	86,466,095	11,216,815	7,147,697	1,454,035	15,273	106,299,915	103,769,170
Excess revenues (expenditures)	3,342,136	(11,216,815)	(98,199)	(125,181)	(3,060)	(8,101,119)	(9,585,949)
Other financing sources (uses)							
Operating transfers	(98,199)	-	98,199	-	-	-	-
Premium on BAN obligations	593,188	-	-	-	-	593,188	155,937
BANs redeemed from appropriations	-	1,464,179	-	-	-	1,464,179	881,250
Total other financing sources	494,989	1,464,179	98,199	-	-	2,057,367	1,037,187
Net change in fund balances	3,837,125	(9,752,636)	-	(125,181)	(3,060)	(6,043,752)	(8,548,762)
Fund balances (deficit) - beginning	18,969,014	(14,658,618)	-	1,555,319	100,201	5,965,916	14,514,678
Fund balances (deficit) - ending	\$ 22,806,139	\$ (24,411,254)	\$ -	\$ 1,430,138	\$ 97,141	\$ (77,836)	\$ 5,965,916

See accompanying notes.

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CLARENCE CENTRAL SCHOOL DISTRICT

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities

For the year ended June 30, 2023

Total net change in fund balances - governmental funds \$ (6,043,752)

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

Capital outlays are reported in governmental funds as expenditures. In the statement of activities, the cost of the assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation expense and disposals. 6,722,320

Pension expense is recognized when paid on the fund statement of revenues, expenditures, and changes in fund balances and actuarially determined on the statement of activities. These differences are:

2023 TRS and ERS contributions	4,824,472	
2023 ERS accrued contribution	313,000	
2022 ERS accrued contribution	(265,000)	
2023 TRS net pension expense	(4,743,971)	
2023 ERS net pension expense	<u>(2,232,865)</u>	(2,104,364)

OPEB expense is recognized when paid on the fund statement of revenues, expenditures, and changes in fund balances and actuarially determined on the statement of activities. 459,712

Payments of long-term liabilities are reported as expenditures in the governmental funds and as a reduction of debt in the statement of net position. 2,305,000

In the statement of activities, certain expenses are measured by the amounts earned during the year. In the governmental funds these expenditures are reported when paid.

These differences are:

Amortization of defeasance loss	(60,614)	
Amortization of bond premiums	438,004	
Interest	32,600	
Compensated absences	<u>524,000</u>	933,990

Local sales taxes will not be collected until several months after the District's year end, and are not considered available or recognized in the governmental funds until received. This amount is the difference between sales tax receivable in the beginning and end of year accruals. (19,000)

Change in net position - governmental activities \$ 2,253,906

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CLARENCE CENTRAL SCHOOL DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balance Budget (Non-GAAP) and Actual - General Fund

For the year ended June 30, 2023

	Budgeted Amounts		Actual (Budgetary Basis)	Encumbrances	Variance with Final Budget Over/(Under)
	Original	Final			
Revenues					
Local sources					
Real property taxes	\$ 53,913,000	\$ 53,913,000	\$ 51,805,838		\$ (2,107,162)
Real property tax items	790,000	790,000	2,583,853		1,793,853
Nonproperty taxes	5,902,000	5,902,000	6,727,841		825,841
Charges for services	246,000	246,000	389,359		143,359
Use of money and property	212,000	212,000	1,111,143		899,143
Sale of property and compensation for loss	33,000	33,000	569,415		536,415
Miscellaneous	276,000	276,000	984,119		708,119
State sources	25,440,484	25,440,484	24,047,432		(1,393,052)
Federal sources	428,232	428,232	1,589,231		1,160,999
Total revenues	87,240,716	87,240,716	89,808,231		2,567,515
Expenditures					
General support					
Board of education	22,855	24,845	20,207	-	(4,638)
Central administration	299,700	316,800	301,674	-	(15,126)
Finance	707,610	677,220	597,351	10,485	(69,384)
Staff	466,120	736,053	683,998	36,573	(15,482)
Central services	6,703,946	6,625,463	5,963,907	302,360	(359,196)
Special items	1,584,240	1,840,016	1,718,724	9,724	(111,568)
Instruction					
Instruction, administration, and improvement	2,649,165	2,797,682	2,685,082	2,100	(110,500)
Teaching - regular school	32,169,219	31,345,794	30,619,351	27,713	(698,730)
Programs for children with handicapping conditions	10,258,730	8,962,497	7,868,629	44,610	(1,049,258)
Occupational education	875,500	894,632	894,632	-	-
Teaching - special schools	164,125	351,950	312,380	4,445	(35,125)
Instructional media	1,646,407	1,772,571	1,751,811	-	(20,760)
Pupil services	2,823,864	3,122,724	2,723,067	41,709	(357,948)
Pupil transportation	4,416,500	4,531,469	4,400,776	-	(130,693)
Employee benefits	19,924,733	20,712,998	20,051,486	-	(661,512)
Debt service					
Principal	4,044,179	4,044,179	3,769,179	-	(275,000)
Interest	1,465,084	1,465,084	2,103,841	-	638,757
Total expenditures	90,221,977	90,221,977	86,466,095	479,719	(3,276,163)
Excess revenues (expenditures)	(2,981,261)	(2,981,261)	3,342,136	(479,719)	5,843,678
Other financing sources (uses)					
Operating transfers out	-	-	(98,199)		98,199
Premiums on BAN obligations	-	-	593,188		593,188
Appropriated fund balance and carryover encumbrances	2,981,261	2,981,261	-		(2,981,261)
Total other financing sources (uses)	2,981,261	2,981,261	494,989		(2,486,272)
Excess revenues (expenditures) and other financing sources (uses)	\$ -	\$ -	\$ 3,837,125	\$ (479,719)	\$ 3,357,406

See accompanying notes.

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CLARENCE CENTRAL SCHOOL DISTRICT

Statement of Fiduciary Net Position - Custodial Fund

June 30, 2023

Assets

Cash	\$ 101,061
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Liabilities

Due to other governments	<u>470</u>
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Net Position

Extraclassroom activities balances	<u>\$ 100,591</u>
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CLARENCE CENTRAL SCHOOL DISTRICT

Statement of Changes in Fiduciary Net Position - Custodial Fund

For the year ended June 30, 2023

Additions

Student activity additions	\$ 188,416
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Deductions

Student activity deductions	<u>188,086</u>
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Change in net position	330
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Net position - beginning	<u>100,261</u>
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Net position - ending	<u>\$ 100,591</u>
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Notes to Financial Statements

1. Summary of Significant Accounting Policies

Reporting Entity

Clarence Central School District (the District) is governed by Education and other laws of the State of New York (the State). The District's Board of Education has responsibility and control over all activities related to public school education within the District. The District's Superintendent is the chief executive officer and the President of the Board serves as the chief fiscal officer. The Board members are elected by the public and have decision-making authority, the power to designate management, the ability to influence operations, and the primary accountability for fiscal matters.

The District provides education and support services such as administration, transportation, and plant maintenance. The District receives funding from local, state, and federal sources and must comply with requirements of these funding sources. However, the District is not included in any other governmental reporting entity as defined by accounting principles generally accepted in the United States of America (GAAP), nor does it contain any component units.

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

Joint Venture

The District is one of 19 participating school districts in the Erie 1 Board of Cooperative Educational Services (BOCES). Formed under §1950 of Education Law, a BOCES is a voluntary cooperative association of school districts in a geographic area that shares planning, services, and programs, and also provides educational and support activities. There is no authority or process by which the District can terminate its status as a component of BOCES.

The component school district boards elect the members of the BOCES governing body. There are no equity interests and no single participant controls the financial or operating policies. BOCES may also contract with other municipalities on a cooperative basis under State General Municipal Law.

A BOCES' budget is comprised of separate spending plans for administrative, program, and capital costs. Each component school district shares in administrative and capital costs determined by its enrollment. Participating districts are charged a service fee for programs in which students participate, and for other shared contracted administrative services. Participating districts may also issue debt on behalf of BOCES; there is no such debt issued by the District.

During the year ended June 30, 2023, the District was billed \$5,406,000 for BOCES administrative and program costs and recognized revenue of \$331,000 as a refund from prior year expenditures paid to BOCES. Audited financial statements are available from BOCES' administrative offices.

Basis of Presentation

Government-Wide Statements: The statement of net position and the statement of activities display financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize double counting of internal activities. These statements are required to distinguish between *governmental* and *business-type* activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The District does not maintain any business-type activities.

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The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities.

- Direct expenses are those that are specifically associated with a program or are clearly identifiable to a particular function. Indirect expenses relate to the administration and support of the 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 (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational requirements of a particular program, and (c) grants and contributions limited to the purchase or construction of specific capital assets, if any. Revenues that are not classified as program revenues, including all taxes and state aid, are presented as general revenues.

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

The District reports the following major funds:

- *General fund.* This is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
- *Capital projects fund.* This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.
- *Special aid fund.* This fund is used to account for the proceeds of specific revenue sources - other than expendable trusts or major capital projects - such as federal, state, and local grants and awards that are restricted or committed to expenditure for specific purposes. Either governments or other third parties providing the grant funds impose these restrictions.

The District also elected to display the following as major funds:

- *Food service fund.* This fund is a special revenue fund whose specific revenue sources, including free and reduced meal subsidies received from state and federal programs, are assigned to the operation of the District's breakfast and lunch programs.
- *Miscellaneous special revenue fund.* This fund is used to account for resources that are restricted to student scholarships. Donations are made by third parties and District personnel manage the funds and assist with determination of scholarship recipients.

Fiduciary fund reporting focuses on net position and changes in net position. Fiduciary funds are used to report fiduciary activities, which may include pension and other postemployment benefit trust funds, investment trust funds, private-purpose trust funds, and custodial funds. The District maintains a custodial fund for its student activity accounts.

The District has elected not to use a debt service fund as debt activity is currently reflected in the general fund. Amounts accumulated for future principal and interest payments and restricted for such purposes are included in the general fund.

The financial statements include certain prior year summarized comparative information in total but not by separate governmental activities and major funds. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

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Basis of Accounting and Measurement Focus

The government-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 flows take place. Nonexchange transactions, in which the District receives value directly without giving equal value in exchange, include property and sales taxes, grants, and donations. Revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year end. 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 that they have matured. Capital asset purchases are reported as expenditures in governmental funds. Proceeds of long-term liabilities are reported as other financing sources.

Under the terms of grant agreements, revenues are recognized to the extent of program expenditures. Amounts received in advance of the expenditures are considered unearned and reported as revenue when the expense is incurred.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Property Taxes

The District levies real property taxes no later than September 15th. For the year ended June 30, 2023, the tax lien was issued on August 29, 2022 for collection from September 15, 2022 through December 1, 2022. Thereafter, uncollected amounts became the responsibility of Erie County and were submitted to the District by April 1st of the following year as required by law.

The District is subject to tax abatements granted by the Town of Clarence Industrial Development Agency (TCIDA) and the Erie County Industrial Development Agency (ECIDA). TCIDA and ECIDA are public benefit corporations created by acts of the New York State Legislature to promote and assist private sector industrial and business development.

Through TCIDA and ECIDA, companies promise to expand or maintain facilities or employment within the towns that are included within the District, to establish a new business within the towns, or to relocate an existing business to the towns. Economic development agreements entered into by TCIDA and ECIDA can include the abatement of county, town, and school district taxes, in addition to other assistance. In the case of the District, these abatements have resulted in reductions of property taxes, which the District administers as a temporary reduction in the assessed value of the property involved. The abatement agreement stipulates a percentage reduction of property taxes, which can be as much as 100%. For the year ended June 30, 2023, the District's taxes were abated \$173,000 under these agreements.

Budget Process, Amendments, and Encumbrances

District administration prepares a proposed budget for the general fund requiring approval by the Board. A public hearing is held upon completion and filing of the tentative budget. Subsequently, the budget is adopted by the Board. The proposed budget is then presented to voters of the District. The budget for the fiscal year beginning July 1, 2022 was approved by a majority of the voters in a general election held on May 17, 2022.

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Annual appropriations are adopted and employed for control of the general fund. These budgets are adopted on a GAAP basis under the modified accrual basis of accounting. Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) which may be incurred. Appropriations authorized for the current year may be increased by the planned use of specific restricted, committed, and assigned fund balances and subsequent budget amendments approved by the Board as a result of new revenue sources not included in the original budget.

Major capital expenditures are subject to individual project budgets based on the cost of the project and external financing rather than annual appropriations. For the capital projects fund, these budgets do not lapse at year end and are carried over to the completion of the project.

Encumbrance accounting is used to assure budgetary control over commitments related to unperformed (executory) contracts for goods or services outstanding at the end of each year. Encumbrances are budgetary expenditures in the year committed and again in the subsequent period when the expenditure is paid. All budget appropriations that are unencumbered lapse at the end of the fiscal year. Encumbrances outstanding at year end are presented for GAAP-related purposes as committed or assigned fund balances and do not constitute expenditures or liabilities. At July 1, encumbrances carried forward from the prior year are reestablished as budgeted appropriations.

Inventory

Inventory consists of food and similar goods related to food service operations and is recorded at the lower of first-in, first-out cost or net realizable value. Donated commodities are stated at values which approximate market.

Capital Assets

Capital assets are reported at actual or estimated historical cost based on appraisals. Contributed assets are recorded at fair value at the time received. Depreciation is provided in the government-wide statements over estimated useful lives using the straight-line method. Maintenance and repairs are expensed as incurred; significant improvements are capitalized.

Capitalization thresholds for determining which assets are added to capital accounts and the estimated useful lives of capital assets are:

	Capitalization Policy	Estimated Useful Life in Years
Land improvements	\$ 1,000	20-30
Buildings and improvements	\$ 1,000	20-40
Furniture and equipment	\$ 1,000	5-20
Vehicles	\$ 1,000	8-15

Bond Defeasances

In the government-wide financial statements, gains or losses on bond refundings represent the difference between the price required to repay previously issued debt and the net carrying amount of the retired debt, and are recorded as either a deferred outflow or deferred inflow of resources. In subsequent years, these amounts are amortized on a straight-line basis as a component of interest expense over the shorter of the life of the old or new debt.

Bond Premiums

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

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Pensions

The District participates in the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS) (the Systems) as mandated by State Law. The Systems recognize benefit payments when due and payable in accordance with benefit terms; investment assets are reported at fair value. On the government-wide statements, the District recognizes its proportionate share of net pension position, deferred outflows and deferred inflows of resources, pension expense (revenue), and information about and changes in the fiduciary net position on the same basis as reported by the respective defined benefit pension plans.

Other Postemployment Benefits (OPEB)

On the government-wide statements, the total OPEB liability, deferred outflows and deferred inflows of resources, and OPEB expense of the District's defined benefit healthcare plan (Note 9) have been measured on the same basis as reported by the plan. Benefit payments are due and payable in accordance with benefit terms.

Compensated Absences

The liability for compensated absences reported in the government-wide financial statements consists of unpaid accumulated sick and vacation time. The liability has been calculated using the vesting method, in which leave amounts for both employees currently eligible to receive payments and those expected to become eligible to receive such payments are included. Sick pay is accrued on the basis of negotiated contracts with administrators and employee groups which provide for the payment of accumulated sick time at retirement or the option of converting this vested amount to provide for payment of health insurance until exhausted.

The government-wide financial statements reflect the entire liability, while in the governmental funds financial statements, only the amount of matured liabilities is accrued based on expendable available financial resources.

Equity Classifications

Government-Wide Statements

The District is required to classify net position into three categories:

- *Net investment in capital assets* – consists of capital assets, net of accumulated depreciation, and defeasance losses, reduced by outstanding balances of any related debt obligations that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* – consists of restricted assets reduced by related liabilities and deferred inflows of resources. Restrictions are imposed by external organizations such as federal or state laws or required by the terms of the District's bonds.
- *Unrestricted* – the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position and therefore are available for general use by the District.

Governmental Fund Statements

The District considers unrestricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, unless the use of the restricted amount was appropriated in the current year's budget. Within unrestricted fund balance, the District considers committed, assigned, then unassigned resources to have been spent when an expenditure is incurred for which amounts in any of those fund balance classifications could be used.

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Fund balance is categorized as follows:

Nonspendable:	
Inventory	\$ 66,673
Restricted:	
Debt service	974,304
Employee benefit accrued liability	222,554
Insurance	4,549,424
Retirement contribution	1,236,441
Repair	1,242,125
Tax certiorari	533,860
Scholarships	97,141
Assigned:	
Designated for subsequent years	2,000,000
Encumbrances	479,719
Food service	1,363,465
Unassigned	(12,843,542)
	<u>\$ (77,836)</u>

Nonspendable fund balances represent resources that cannot be spent as they are not expected to be converted to cash and include inventory.

Restricted fund balances generally result from reserves created by the State of New York Legislature and included in General Municipal Law, State Education Law, or Real Property Tax Law as authorized for use by the Board of Education. Certain reserves may require voter approval for their establishment and/or use. Earnings on invested resources are required to be added to the various reserves.

Fund balance restrictions include scholarships donated to the District by third parties for the benefit of students and the following reserves:

- *Debt service* – is used to account for proceeds from the sale of property that was financed by obligations still outstanding, interest and earnings on outstanding obligations (including bond premiums), and remaining bond proceeds not needed for their original purpose as required by §165 of Finance Law. This reserve must be used to pay the debt service obligations for which the original money was generated.
- *Employee benefit accrued liability* – is used to account for the payment of accumulated vacation and sick time due upon termination of an employee's services. It is 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.
- *Insurance* – is used to pay liability, casualty, and other types of losses except losses incurred for which insurance may be purchased. The amount is funded through budgetary appropriations and may not exceed 5% of the budget.
- *Retirement contribution* – is used to finance retirement contributions payable to TRS and ERS. For TRS, funding is limited to 2% annually of eligible salaries with a maximum reserve of 10% of eligible salaries. At June 30, 2023, the retirement contribution reserve includes \$699,307 for TRS and \$537,134 for ERS.
- *Repair* – is used to accumulate funds to finance costs of major repairs to capital improvements or equipment, and requires a public hearing for its use.
- *Tax certiorari* – used to pay judgments and claims resulting from certiorari proceedings. Funds not used by July 1 of the fourth fiscal year following their deposit must be returned to unassigned fund balance.

Committed fund balances are authorized by the Board of Education as recommended by the District's management prior to the end of the fiscal year, although funding of the commitment may be established subsequent to year end.

Assigned fund balances include the planned use of existing fund balance to offset the subsequent year's tax levy. Additionally, the Board of Education has given the District's management the authority to assign fund balances for specific purposes that are neither restricted nor committed.

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Interfund Balances

The operations of the District include transactions between funds including resources for cash flow purposes. These interfund receivables and payables are repaid within one year. Permanent transfers of funds provide financing or other services.

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

Interfund receivables and payables are netted on the accompanying governmental funds balance sheet as the right of legal offset exists. It is the District's practice to settle these amounts at the net balances due between funds.

2. Stewardship and Compliance

The capital projects deficit fund balance of \$24,411,254 will be funded when bond anticipation notes are redeemed from subsequent budget appropriations or converted to permanent financing.

The District's unassigned fund balance in the general fund exceeds 4% of the 2024 budget, which is a limitation imposed by New York State Real Property Tax Law §1318.

3. Cash

Cash management is governed by State laws and as established in the District's written policies. Cash resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. The District's banking policies permit the Treasurer to use demand accounts and certificates of deposit. Invested resources are limited to obligations of the United States Treasury and its Agencies, repurchase agreements, and obligations of the State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

Custodial credit risk is the risk that in the event of a bank failure the District's deposits may not be returned to it. At June 30, 2023, the District's bank deposits were fully collateralized by FDIC coverage and securities held by the pledging institutions' trust departments through a perfected security interest in the pledged assets or by its agents in the District's name.

4. Interfund Transactions – Fund Financial Statements

Fund	Receivable	Payable	Transfers	
			In	Out
General	\$ 4,753,021	\$ 4,618,702	\$ -	\$ 98,199
Capital projects	2,986,560	4,711	-	-
Special aid	878,279	4,906,224	98,199	-
Food service	912,054	277	-	-
	<u>\$ 9,529,914</u>	<u>\$ 9,529,914</u>	<u>\$ 98,199</u>	<u>\$ 98,199</u>

The District's general fund provides cash flow to the various other funds; these amounts will be repaid when funds are received from the State after final expenditure reports have been submitted and approved or when permanent financing is obtained. The general fund owes the capital projects fund for its share of capital project financing. The general fund made permanent transfers to the special aid fund to cover its share of costs related to the summer school handicap program.

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5. Capital Assets

	July 1, 2022	Increases	Retirements/ Reclassifications	June 30, 2023
Non-depreciable capital assets:				
Land	\$ 1,960,844	\$ -	\$ -	\$ 1,960,844
Construction in progress	7,105,115	10,562,000	(348,655)	17,318,460
Total non-depreciable assets	9,065,959	10,562,000	(348,655)	19,279,304
Depreciable capital assets:				
Land improvements	3,699,986	2,439	-	3,702,425
Buildings and improvements	138,158,349	7,590	348,655	138,514,594
Furniture and equipment	18,002,957	643,491	-	18,646,448
Vehicles	8,622,784	893,266	(751,623)	8,764,427
Total depreciable assets	168,484,076	1,546,786	(402,968)	169,627,894
Accumulated depreciation:				
Land improvements	(2,654,221)	(63,033)	-	(2,717,254)
Buildings and improvements	(59,687,284)	(3,332,625)	-	(63,019,909)
Furniture and equipment	(13,631,354)	(1,096,248)	-	(14,727,602)
Vehicles	(5,276,147)	(894,560)	751,623	(5,419,084)
Total accumulated depreciation	(81,249,006)	(5,386,466)	751,623	(85,883,849)
Total depreciable assets, net	87,235,070	(3,839,680)	348,655	83,744,045
	\$ 96,301,029	\$ 6,722,320	\$ -	\$ 103,023,349

Depreciation expense has been allocated to the following functions: general support \$61,268, instruction \$4,587,651, pupil transportation \$700,339, and food service \$37,208.

As of June 30, 2023, net investment in capital assets consists of the following:

Capital assets, net of accumulated depreciation	\$ 103,023,349
Defeasance loss	242,458
Bond anticipation notes, net of unspent proceeds	(24,411,254)
Bonds and related premiums	(23,729,231)
	<u>\$ 55,125,322</u>

6. Short-Term Debt

Aggregate bond anticipation notes (BANs) outstanding at June 30, 2023 amounted to \$27,989,250 (\$14,966,750 as of June 30, 2022) and carry interest ranging from 3.27% to 4.5% (0.34% to 1.25% in 2022). In 2023, the District issued BANs in the amount of \$3,114,250 to refinance existing BANs and redeemed \$842,500 from appropriations, providing \$990,000 for bus purchases. The District also issued BANs of \$24,875,000 to refinance existing BANs, with \$621,679 redeemed from appropriations, providing \$13,496,679 for capital construction. In July 2023, certain BANs matured and the District issued a new BAN totaling \$3,141,500 with a stated interest rate of 4.5% that matures in July 2024.

7. Long-Term Liabilities

	July 1, 2022	Increases	Decreases	June 30, 2023	Amount Due in One Year
Bonds	\$ 23,260,000	\$ -	\$ 2,305,000	\$ 20,955,000	\$ 2,390,000
Bond premiums	3,212,235	-	438,004	2,774,231	-
Compensated absences	5,878,000	-	524,000	5,354,000	529,000
	<u>\$ 32,350,235</u>	<u>\$ -</u>	<u>\$ 3,267,004</u>	<u>\$ 29,083,231</u>	<u>\$ 2,919,000</u>

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Existing Obligations

Description	Maturity	Rate	Balance
Serial bonds 2012	June 2026	2.36%	\$ 635,000
Refunding bonds 2015	June 2027	2.0% - 5.0%	1,765,000
DASNY bond 2018	June 2032	4.0% - 5.0%	18,555,000
			<u>\$ 20,955,000</u>

Debt Service Requirements

Years ending June 30,	Principal	Interest
2024	\$ 2,390,000	\$ 963,136
2025	2,465,000	850,638
2026	2,435,000	732,900
2027	2,440,000	613,350
2028	2,065,000	491,350
2029-2032	9,160,000	949,500
	<u>\$ 20,955,000</u>	<u>\$ 4,600,874</u>

8. Pension Plans

Plan Descriptions

The District participates in the following cost-sharing, multiple employer, public employee retirement systems:

- TRS is administered by the New York State Teachers' Retirement Board and provides 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. TRS issues a publicly available financial report that contains financial statements and required supplementary information. The report may be obtained from the New York State Teachers' Retirement System at www.nystrs.org.
- ERS provides retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law governs obligations of employers and employees to contribute and provide benefits to employees. ERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained from the New York State and Local Retirement System at www.osc.state.ny.us/retire.

Benefits: The Systems provide retirement, disability, and death benefits for eligible members, including automatic cost of living adjustments. In general, retirement benefits are determined based on an employee's individual circumstances using a pension factor, an age factor, and final average salary. The benefits vary depending on the individual's employment tier. Pension factors are determined based on tier and an employee's years of service, among other factors.

Contribution Requirements: No employee contribution is required for those hired prior to July 1976. The Systems require employee contributions of 3% of salary for the first 10 years of service for those employees who joined the Systems from July 1976 through December 2009. Participants hired on or after January 1, 2010 through March 31, 2012 are required to contribute 3.5% (TRS) or 3% (ERS) of compensation throughout their active membership in the Systems. Participants hired on or after April 1, 2012 are required to contribute a percentage ranging from 3% to 6% each year, based on their level of compensation. Pursuant to Article 11 of Education Law, an actuarially determined contribution rate is established annually for TRS by the New York State Teachers' Retirement Board. This rate was 10.29% for 2023. For ERS, the Comptroller annually certifies the rates used, expressed as a percentage of the wages of participants, to compute the contributions required to be made by the District to the pension accumulation fund. For 2023, these rates ranged from 8.3% - 13.1%.

The amount outstanding and payable to TRS for the year ended June 30, 2023 was \$3,765,910. A liability to ERS of \$313,000 is accrued based on the District's legally required contribution for employee services rendered from April 1 through June 30, 2023.

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Net Pension Position, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources

At June 30, 2023, the District reported a liability of \$3,809,241 for its proportionate share of the TRS net pension position and a liability of \$5,634,281 for its proportionate share of the ERS net pension position.

The TRS total pension liability at the June 30, 2022 measurement date was determined by an actuarial valuation as of June 30, 2021, with update procedures applied to roll forward the total pension liability to June 30, 2022. The District's proportion of the net pension position was based on the ratio of its actuarially determined employer contribution to TRS's total actuarially determined employer contributions for the fiscal year ended on the measurement date. At June 30, 2022, the District's proportion was 0.198513%, an increase of 0.001894 from its proportion measured as of June 30, 2021.

The ERS total pension liability at the of March 31, 2023 measurement date was determined by an actuarial valuation as of April 1, 2022, with update procedures applied to roll forward the total pension liability to March 31, 2023. The District's proportion of the net pension position was based on the ratio of its actuarially determined employer contribution to ERS's total actuarially determined employer contributions for the fiscal year ended on the measurement date. At March 31, 2023, the District's proportion was 0.0262744%, an increase of 0.0011225 from its proportion measured as of March 31, 2022.

For the year ended June 30, 2023, the District recognized net pension expense of \$6,976,836 on the government-wide statements (TRS expense of \$4,743,971 and ERS expense of \$2,232,865). At June 30, 2023, the District reported deferred outflows and deferred inflows of resources as follows:

	TRS		ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,991,602	\$ (76,331)	\$ 600,095	\$ (158,232)
Changes of assumptions	7,389,283	(1,534,470)	2,736,370	(30,242)
Net difference between projected and actual earnings on pension plan investments	4,921,900	-	-	(33,101)
Changes in proportion and differences between contributions and proportionate share of contributions	105,893	(374,598)	566,351	(3,986)
District contributions subsequent to the measurement date	3,765,910	-	313,000	-
	<u>\$ 20,174,588</u>	<u>\$ (1,985,399)</u>	<u>\$ 4,215,816</u>	<u>\$ (225,561)</u>

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

Years ending June 30,	TRS	ERS
2024	\$ 2,764,083	\$ 960,012
2025	1,428,146	(126,647)
2026	(647,934)	1,260,868
2027	9,627,272	1,583,022
2028	1,204,306	-
Thereafter	47,406	-
	<u>\$ 14,423,279</u>	<u>\$ 3,677,255</u>

Actuarial Assumptions

For TRS, the actuarial assumptions used in the June 30, 2021 valuation, with update procedures used to roll forward the total pension liability to June 30, 2022, were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020. These assumptions are:

Inflation – 2.4%

Salary increases – Based on TRS member experience, dependent on service, ranging from 1.95%-5.18%

Projected Cost of Living Adjustments (COLA) – 1.3% compounded annually

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Investment rate of return – 6.95% compounded annually, net of investment expense, including inflation

Mortality – Based on TRS member experience, with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021, applied on a generational basis

Discount rate – 6.95%

The long-term expected rate of return on TRS pension plan investments was determined in accordance with Actuarial Standard of Practice No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. 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.

For ERS, the actuarial assumptions used in the April 1, 2022 valuation, with update procedures used to roll forward the total pension liability to March 31, 2023, were based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020. These assumptions are:

Inflation – 2.9%

Salary increases – 4.4%

COLA – 1.5% annually

Investment rate of return – 5.9% compounded annually, net of investment expense, including inflation

Mortality – Society of Actuaries' Scale MP-2021

Discount rate – 5.9%

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

Investment Asset Allocation

Best estimates of arithmetic real rates of return (net of the long-term inflation assumption) for each major asset class and the Systems' target asset allocations as of the applicable valuation dates are summarized as follows:

Asset Class	TRS		ERS	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	33%	6.5%	32%	4.3%
Global and international equities	20%	6.9%-7.2%	15%	6.9%
Private equities	8%	9.9%	10%	7.5%
Real estate equities	11%	6.2%	9%	4.6%
Domestic fixed income securities	16%	1.1%	23%	1.5%
Global fixed income securities	2%	0.6%	-	-
Bonds and mortgages	6%	2.4%	-	-
Short-term	1%	(0.3)%	1%	-
Other	3%	3.3%-5.3%	10%	5.4%-5.8%
	100%		100%	

Discount Rate

The discount rate projection of cash flows assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those 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.

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The following presents the District's proportionate share of its net pension position calculated using the discount rate of 6.95% (TRS) and 5.9% (ERS) and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1.0% Decrease	At Current Discount Rate	1.0% Increase
District's proportionate share of the TRS net pension asset (liability)	\$ (35,122,985)	\$ (3,809,241)	\$ 22,525,413
District's proportionate share of the ERS net pension asset (liability)	\$ (13,615,640)	\$ (5,634,281)	\$ 1,035,073

9. OPEB

Plan Description

The District maintains a single-employer defined benefit healthcare plan (the Plan) providing for continuation of medical insurance benefits for District employees and their spouses based on various bargaining unit agreements and individual contracts. Eligibility for benefits is based on covered employees who retire from the District and have met vesting requirements. The Plan provides an implicit rate subsidy for retirees that choose to remain on the District's Plan subsequent to retirement. Superintendents receive coverage based upon years of service and retirement age. The Plan is experience-rated and the retiree pays the entire amount of the monthly insurance premium. The Plan has no assets, does not issue financial statements, and is not a trust.

At April 1, 2023, employees covered by the Plan include:

Active employees	543
Inactive employees or beneficiaries currently receiving benefits	113
Inactive employees entitled to but not yet receiving benefits	-
	<u>656</u>

Total OPEB Liability

The District's total OPEB liability of \$2,655,095 was measured as of March 31, 2023 and was determined by an actuarial valuation as of April 1, 2023, with update procedures to roll forward the total OPEB liability to June 30, 2023.

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

Healthcare cost trend rates – based on the National Health Expenditure Projections 2014-2030 for short-term rates and the Society of Actuaries Getzen Long-Term Healthcare Cost Trend Resource Model v2023 version 1f (updated October 2022) for long-term rates, initially 5.5% and an ultimate rate of 4.0% after 2070

Salary increases – 3.53%

Mortality – Pub-2010 Public Retirement Plans Mortality Table, Headcount-Weighted, without separate contingent survivor mortality; fully generational using Mortality Improvement Scale MP-2021 for retirees and surviving spouses

Discount rate – 3.78% based on the Fidelity Municipal GO AA 20-Year Bond rate as of the measurement date

Inflation rate – 2.53%

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Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2022	\$ 3,137,575
Changes for the year:	
Service cost	116,022
Interest	86,707
Changes of benefit terms	-
Differences between expected and actual experience	(405,465)
Changes of assumptions or other inputs	(90,007)
Benefit payments	(189,737)
Net changes	(482,480)
Balance at June 30, 2023	\$ 2,655,095

The following presents the sensitivity of the District's total OPEB liability to changes in the discount rate, including what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% higher or lower than the current discount rate:

	1.0% Decrease (2.78%)	Discount Rate (3.78%)	1.0% Increase (4.78%)
Total OPEB liability	\$ (2,855,264)	\$ (2,655,095)	\$ (2,472,630)

The following presents the sensitivity of the District's total OPEB liability to changes in the healthcare cost trend rates, including what the District's total OPEB liability would be if it were calculated using trend rates that are 1% higher or lower than the projected healthcare cost trend rates:

	1.0% Decrease (4.5% to 3.0%)	Healthcare Cost Trend Rate (5.5% to 4.0%)	1.0% Increase (6.5% to 5.0%)
Total OPEB liability	\$ (2,422,462)	\$ (2,655,095)	\$ (2,922,680)

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources

For the year ended June 30, 2023, the District recognized OPEB income of \$252,249. At June 30, 2023, the District reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 115,023	\$ (1,099,232)
Changes of assumptions or other inputs	100,368	(250,437)
Benefits paid subsequent to the measurement date	47,434	-
	\$ 262,825	\$ (1,349,669)

Benefits paid subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the subsequent year. The net amount reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending June 30,	
2024	\$ (553,308)
2025	(255,623)
2026	(65,815)
2027	(58,985)
2028	(58,985)
Thereafter	(141,562)
	\$ (1,134,278)

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10. Risk Management

General Liability

The District purchases commercial insurance for various risks of loss due to torts, theft, damage, errors and omissions, and natural disasters. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

The District maintains a self-funded health insurance plan. The District makes monthly payments based on employee claims as well as payments for fees charged for administering the program and for excess insurance coverage. The District maintains excess insurance coverage that limits self-funded exposure to \$160,000 per individual participant in a given plan year and \$1,000,000 in the aggregate.

Claim activity is as follows:

	Beginning of Year	Current Claims and Changes in Estimates	Claims Paid	End of Year
2023	\$ 1,229,000	\$ 10,695,000	\$ 10,205,000	\$ 1,719,000
2022	\$ 1,134,000	\$ 8,719,000	\$ 8,624,000	\$ 1,229,000

The amount is included in the government-wide and fund financial statements as it is expected to be paid with currently available financial resources.

11. Commitments and Contingencies

Grants

The District receives financial assistance from federal and state agencies in the form of grants and calculated aid as determined by the State. The expenditure of grant funds generally requires compliance with the terms and conditions specified in the agreements and are subject to audit by the grantor agencies. State aid payments are based upon estimated expenditures and pupil statistics, are complex, and subject to adjustment. Any disallowed claims resulting from such audits could become a liability of the District. Based on prior experience, management expects any such amounts to be immaterial.

Litigation

The District is subject to claims and lawsuits that arise in the ordinary course of business. In the opinion of management, these claims and lawsuits will not have a material adverse effect upon the financial position of the District.

Separate from claims and lawsuits that arise in the ordinary course of business, legislation was put in place regarding historical claims that were previously time-barred. The Child Victims Act, as amended, allowed any individual who was a minor at the time they suffered any alleged sexual abuse to file a lawsuit before August 14, 2021 regardless of when the alleged abuse occurred. This has resulted in the filing of thousands of lawsuits State-wide. Management is aware of one lawsuit initiated against the District by a former student who alleged that inappropriate sexual contact occurred between him and an employee of the District over 50 years ago. The District has retained counsel and is not currently aware of any insurance coverage available for these claims. As of the report date of the financial statements, the District's exposure to these claims has not been determined.

Construction Commitments

The District has entered into contracts with various construction companies for the 2020 District Improvement capital project. District voters approved spending up to \$27,903,000 for the project. To date, the District has spent \$23,964,000.

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CLARENCE CENTRAL SCHOOL DISTRICT

Required Supplementary Information Schedule of the District's Proportionate Share of the Net Pension Position New York State Teachers' Retirement System

As of the measurement date of June 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension position	0.198513%	0.196619%	0.192254%	0.189438%	0.192700%	0.191122%	0.189694%	0.187325%	0.183857%	0.190986%
District's proportionate share of the net pension asset (liability)	\$ (3,809,241)	\$34,072,110	\$ (5,312,510)	\$ 4,921,599	\$ 3,484,521	\$ 1,452,718	\$ (2,031,699)	\$ 19,457,074	\$ 20,480,560	\$ 1,257,173
District's covered payroll	\$ 35,167,041	\$33,641,133	\$ 32,900,677	\$ 32,033,898	\$ 31,704,082	\$ 30,546,075	\$ 29,532,428	\$ 28,138,722	\$ 27,158,591	\$ 27,975,321
District's proportionate share of the net pension position as a percentage of its covered payroll	10.83%	101.28%	16.15%	15.36%	10.99%	4.76%	6.88%	69.15%	75.41%	4.49%
Plan fiduciary net position as a percentage of the total pension liability	98.57%	113.20%	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%	111.48%	100.70%

The following is a summary of changes of assumptions:

Inflation	2.4%	2.4%	2.2%	2.2%	2.25%	2.5%	2.5%	3.0%	3.0%	3.0%
Salary increases	1.95%-5.18%	1.95%-5.18%	1.90%-4.72%	1.90%-4.72%	1.90%-4.72%	1.90%-4.72%	1.90%-4.72%	4.0%-10.9%	4.0%-10.9%	4.0%-10.9%
Cost of living adjustments	1.3%	1.3%	1.3%	1.3%	1.5%	1.5%	1.5%	1.625%	1.625%	1.625%
Investment rate of return	6.95%	6.95%	7.1%	7.1%	7.25%	7.25%	7.5%	8.0%	8.0%	8.0%
Discount rate	6.95%	6.95%	7.1%	7.1%	7.25%	7.25%	7.5%	8.0%	8.0%	8.0%
Society of Actuaries' mortality scale	MP-2021	MP-2020	MP-2019	MP-2018	MP-2014	MP-2014	MP-2014	AA	AA	AA

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CLARENCE CENTRAL SCHOOL DISTRICT

Required Supplementary Information Schedule of District Contributions New York State Teachers' Retirement System

For the years ended June 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 3,765,910	\$ 3,446,370	\$ 3,206,000	\$ 2,915,000	\$ 3,402,000	\$ 3,107,000	\$ 3,580,000	\$ 3,916,000	\$ 4,932,718	\$ 4,413,271
Contribution in relation to the contractually required contribution	(3,765,910)	(3,446,370)	(3,206,000)	(2,915,000)	(3,402,000)	(3,107,000)	(3,580,000)	(3,916,000)	(4,932,718)	(4,413,271)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 36,597,765	\$ 35,167,041	\$ 33,641,133	\$ 32,900,677	\$ 32,033,898	\$ 31,704,082	\$ 30,546,075	\$ 29,532,428	\$ 28,138,722	\$ 27,158,591
Contributions as a percentage of covered payroll	10.29%	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%	16.25%

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CLARENCE CENTRAL SCHOOL DISTRICT

Required Supplementary Information Schedule of the District's Proportionate Share of the Net Pension Position New York State and Local Employees' Retirement System

As of the measurement date of March 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension position	0.0262744%	0.0251519%	0.0250316%	0.0245553%	0.0248766%	0.0267779%	0.0247145%	0.0262085%	0.0249545%
District's proportionate share of the net pension asset (liability)	\$ (5,634,281)	\$ 2,056,063	\$ (24,925)	\$ (6,502,396)	\$ (1,762,585)	\$ (864,242)	\$ (2,322,226)	\$ (4,206,536)	\$ (843,026)
District's covered payroll	\$ 9,443,813	\$ 9,108,886	\$ 8,962,780	\$ 8,635,937	\$ 8,671,445	\$ 8,681,134	\$ 8,020,367	\$ 7,822,156	\$ 7,659,494
District's proportionate share of the net pension position as a percentage of its covered payroll	59.66%	22.57%	0.28%	75.29%	20.33%	9.96%	28.95%	53.78%	11.01%
Plan fiduciary net position as a percentage of the total pension liability	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

The following is a summary of changes of assumptions:

Inflation	2.9%	2.7%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%	2.7%
Salary increases	4.4%	4.4%	4.4%	4.2%	4.2%	3.8%	3.8%	3.8%	4.9%
Cost of living adjustments	1.5%	1.4%	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%	1.4%
Investment rate of return	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%	7.5%
Discount rate	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%	7.5%
Society of Actuaries' mortality scale	MP-2021	MP-2020	MP-2020	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014	MP-2014

Data prior to 2015 is unavailable.

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CLARENCE CENTRAL SCHOOL DISTRICT

Required Supplementary Information Schedule of District Contributions New York State and Local Employees' Retirement System

For the years ended June 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 1,058,562	\$ 1,429,628	\$ 1,277,665	\$ 1,229,181	\$ 1,259,291	\$ 1,301,754	\$ 1,225,625	\$ 1,453,657	\$ 1,398,210	\$ 1,524,873
Contribution in relation to the contractually required contribution	(1,058,562)	(1,429,628)	(1,277,665)	(1,229,181)	(1,259,291)	(1,301,754)	(1,225,625)	(1,453,657)	(1,398,210)	(1,524,873)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 9,443,813	\$ 9,108,886	\$ 8,962,780	\$ 8,635,937	\$ 8,671,445	\$ 8,681,134	\$ 8,020,367	\$ 7,822,156	\$ 7,659,494	\$ 8,205,465
Contributions as a percentage of covered payroll	11.21%	15.69%	14.26%	14.23%	14.52%	15.00%	15.28%	18.58%	18.25%	18.58%

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CLARENCE CENTRAL SCHOOL DISTRICT

Required Supplementary Information Schedule of Changes in the District's Total OPEB Liability and Related Ratios

For the years ended June 30,	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability - beginning	\$ 3,137,575	\$ 3,211,119	\$ 5,010,086	\$ 4,896,964	\$ 3,802,685	\$ 3,957,153	\$ 3,704,357
Changes for the year:							
Service cost	116,022	125,248	195,269	188,647	146,114	162,118	155,052
Interest	86,707	73,038	123,683	168,499	137,786	151,517	125,084
Changes of benefit terms	-	-	(7,903)	49,523	(80,540)	-	-
Differences between expected and actual experience	(405,465)	83,054	(2,000,695)	(568,871)	1,015,579	(406,258)	250,489
Changes of assumptions or other inputs	(90,007)	(236,052)	108,799	462,697	7,345	70,125	(152,275)
Benefit payments	(189,737)	(118,832)	(218,120)	(187,373)	(132,005)	(131,970)	(125,554)
Net change in total OPEB liability	(482,480)	(73,544)	(1,798,967)	113,122	1,094,279	(154,468)	252,796
Total OPEB liability - ending	\$ 2,655,095	\$ 3,137,575	\$ 3,211,119	\$ 5,010,086	\$ 4,896,964	\$ 3,802,685	\$ 3,957,153
Covered-employee payroll	\$ 48,357,917	\$ 45,987,794	\$ 44,458,424	\$ 43,117,471	\$ 41,772,400	\$ 41,208,759	\$ 39,869,030
Total OPEB liability as a percentage of covered-employee payroll	5.49%	6.82%	7.22%	11.62%	11.72%	9.23%	9.93%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Differences between expected and actual experience are due to updated healthcare trend rates. The difference in 2021 included the change from a premium equivalency rate to actual claims experience. The difference in 2020 included the impact of Congress' repeal of the Affordable Care Act's excise "Cadillac" taxes in 2020.

The following is a summary of changes of assumptions:

Healthcare cost trend rates	5.50% - 4.00%	6.10% - 4.37%	4.00% - 4.08%	5.20% - 4.18%	5.20% - 4.32%	6.20% - 4.17%	5.30% - 4.17%
Salary increases	3.53%	3.44%	3.11%	3.22%	3.36%	3.31%	3.31%
Discount rate	3.78%	2.83%	2.27%	2.48%	3.44%	3.61%	3.80%
Inflation	2.53%	2.44%	2.11%	2.22%	2.36%	2.31%	2.31%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2020	MP-2019	MP-2018	MP-2017	MP-2016

Data prior to 2017 is unavailable.

DRAFT

CLARENCE CENTRAL SCHOOL DISTRICT

Supplementary Information Schedule of Change from Original to Final Budget and Calculation of Unrestricted Fund Balance Limit - General Fund

For the year ended June 30, 2023

Original expenditure budget	\$ 89,240,716
Encumbrances carried over from prior year	<u>981,261</u>
Revised expenditure budget	<u>\$ 90,221,977</u>
* * *	
Unrestricted Fund Balance	
Assigned	\$ 2,479,719
Unassigned	<u>14,567,712</u>
	17,047,431
Encumbrances included in assigned fund balance	(479,719)
Appropriated fund balance used for tax levy	<u>(2,000,000)</u>
Amount subject to 4% limit pursuant to Real Property Tax Law §1318	<u>\$ 14,567,712</u>
§1318 of Real Property Tax Law - unrestricted fund balance limit calculation	
2024 expenditure budget (unaudited)	\$ 93,158,345
4% of budget	<u>3,726,334</u>
Actual percentage of 2024 expenditure budget	<u>15.6%</u>

DRAFT

CLARENCE CENTRAL SCHOOL DISTRICT

Supplementary Information Schedule of Capital Project Expenditures

June 30, 2023

Project Title	Original Budget	Revised Budget	Expenditures			Unexpended Balance
			Prior Years	Current Year	Total	
2020 District Improvement	\$ 27,200,000	\$ 27,903,321	\$ 13,402,009	\$ 10,562,000	\$ 23,964,009	\$ 3,939,312

DRAFT

CLARENCE CENTRAL SCHOOL DISTRICT

Supplementary Information Schedule of Expenditures of Federal Awards

For the year ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grantor Number	Expenditures
<u>U.S. Department of Education:</u>			
Passed Through New York State Education Department:			
Special Education Cluster:			
Special Education Grants to States	84.027	0032-23-0221	\$ 848,113
COVID-19 - Special Education Grants to States	84.027	5532-22-0221	121,455
Special Education Preschool Grants	84.173	0033-23-0221	22,902
COVID-19 - Special Education Preschool Grants	84.173	5533-22-0221	14,079
Total Special Education Cluster			1,006,549
Title I Grants to Local Educational Agencies	84.010	0021-22-0770	94,752
Title I Grants to Local Educational Agencies	84.010	0021-23-0770	379,889
Supporting Effective Instruction State Grants	84.367	0147-22-0770	51,131
Supporting Effective Instruction State Grants	84.367	0147-23-0770	10,666
Student Support and Academic Enrichment Program	84.424	0204-22-0770	17,693
Student Support and Academic Enrichment Program	84.424	0204-23-0770	8,345
Education Stabilization Fund:			
Governor's Emergency Education Relief Fund	84.425C	5896-21-0770	361,528
Elementary and Secondary School Emergency Relief Fund	84.425D	5891-21-0770	2,710,343
American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	5880-21-0770	1,127,313
American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	5870-23-9048	480,925
American Rescue Plan Elementary and Secondary School Emergency Relief Fund Homeless Children and Youth Fund	84.425W	5218-21-0770	4,804
Total Education Stabilization Fund			4,684,913
Total U.S. Department of Education			6,253,938
<u>U.S. Department of Homeland Security:</u>			
Passed Through New York State Division of Homeland Security and Emergency Services:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	4480DR-NY	1,296,382
<u>U.S. Department of Agriculture:</u>			
Passed Through New York State Education Department:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	38,463
National School Lunch Program	10.555	N/A	543,051
Passed Through New York State Office of General Services:			
Child Nutrition Cluster:			
National School Lunch Program	10.555	N/A	113,848
Total Child Nutrition Cluster and U.S. Department of Agriculture			695,362
Total Expenditures of Federal Awards			\$ 8,245,682

See accompanying notes.

Notes to Schedule of Expenditures of Federal Awards

1. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs administered by Clarence Central School District (the District), an entity as defined in Note 1 to the District's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through from other governmental agencies, are included on the Schedule of Expenditures of Federal Awards.

Basis of Accounting

The District uses the modified accrual basis of accounting for each federal program, consistent with the fund basis financial statements.

The amounts reported as federal expenditures generally were obtained from the appropriate federal financial reports for the applicable programs and periods. The amounts reported in these federal financial reports are prepared from records maintained for each program, which are periodically reconciled with the District's financial reporting system.

Indirect Costs

The District does not use the 10% de minimis indirect cost rate permitted by the Uniform Guidance.

Non-Monetary Federal Program

The 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, 2023, the District used \$113,848 worth of commodities under the National School Lunch Program (Assistance Listing Number 10.555).

DRAFT

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*

The Board of Education
Clarence Central School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the remaining fund information of Clarence Central School District (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated September __, 2023.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

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Purpose of this Report

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

September __, 2023

DRAFT

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

The Board of Education
Clarence Central School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Clarence Central School District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The 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 District complied, in all material respects, with the types of 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, 2023.

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 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 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 District's federal programs.

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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 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 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 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 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 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 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.

DRAFT

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.

September __, 2023

DRAFT

CLARENCE CENTRAL SCHOOL DISTRICT

Schedule of Findings and Questioned Costs

For the year ended June 30, 2023

Section I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? 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 section 2 CFR 200.516(a)? No

Identification of major programs:

Name of Federal Program or Cluster	Assistance Listing Number	Amount
Special Education Grants to States	84.027	\$ 848,113
COVID-19 - Special Education Grants to States	84.027	121,455
Special Education Preschool Grants	84.173	22,902
COVID-19 - Special Education Preschool Grants	84.173	14,079
		<u>1,006,549</u>
Education Stabilization Fund	84.425	4,684,913
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	1,296,382
		<u>\$ 6,987,844</u>

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes

Section II. Financial Statement Findings

No matters were reported.

Section III. Federal Award Findings and Questioned Costs

No matters were reported.

**Clarence Central School District
Corrective Action Plan
For External Audit Dated September 20, 2023**

Finding: Unappropriated fund balance exceeded the 4% of ensuing years expenditures.

Recommendation: Maintain a fund balance consistent with 4% expectations of section 1318 of the real property law.

Action: The District has already taken action to create much needed reserves and will continue to fund reserves based on District need for long term fiscal stability. Reserves funds that will be funded this year will include Capital Reserve, Repair reserve, and Reserve for Employee Benefits and A/L.

Person Responsible: Assistant Superintendent for Finance and Operations

Timeline: August of 2023 through October of 2023

Finding: A number of student clubs had little or no activity during the year.

Recommendation: We recommend that management review these clubs to determine whether they are still active or should be closed and any remaining funds transferred as required by District policy.

Action: Club activity will be reviewed by the Assistant Supt for Finance and Operations along with the Activities treasurers to assess what clubs are no longer in effect. Those will be transferred to an appropriate student extracurricular activity club.

Person Responsible: Assistant Superintendent for Finance and Operations

Timeline: Completed by October 30, 2023

Finding: Some cash disbursement request forms and cash receipt deposit forms lacked student signatures.

Recommendation: Student officers should indicate their approval and knowledge of the transactions by signing the forms.

Action: A memo will be issued to Club Advisors reminding them of the expectations for students to sign off on all transactions, in addition they will be provided with the link to “The Safeguarding, Accounting and Auditing of Extraclassroom Activity Funds” pamphlet produced by NYSED Educational Management Services

Person Responsible: Assistant Superintendent for Finance and Operations and Extracurricular club advisors.

Timeline: Completed by October 30, 2023

Clarence Community Ed Stipend List Fall 2023

Course Title	Instructor/Payee	Stipend	Estimate Number of Hours/Students
Oil/Acrylic Painting	Deborah Hormell	\$22/Hour	20 Students
Fencing for Beginners Ages 10-13	Fencing Center of Buffalo	\$110/Student	18 Students
Fencing for Beginners Ages 14- Adult		\$110/Student	18 Students
Fencing for Beginners Ages 7-9		\$90/Student	18 Students
Driver Improvement	Harrison Productions	\$25/Student	40 Students
Meditation For Relaxation	Holistic Arts	\$110/Student	10 Students
Advanced Reiki Training		\$144/Student	10 Students
Reiki Certification Class Level 1		\$160/Student	10 Students
Reiki Certification Class Level 2		\$184/Student	10 Students
Reiki Master Teacher Certification Level 3		\$234/Student	10 Students
Call of Paradise Spiritual Journey to Hawaii		\$8/Student	10 Students
Emotional Release For Inner Peace		\$20/Student	10 Students
Healing With Energy		\$110/Student	10 Students
Psychic Development		\$110/Student	10 Students
Self Growth and the Art of Singing		\$20/Student	10 Students
Multi Dimensional Reiki		\$144/Student	10 Students
Kids Choice Hot Shots Basketball Ages 3-5	Kids Choice Sports	\$85/Student	35 Students
Kids Choice Hot Shots Basketball Ages 5-7		\$85/Student	35 Students
Co-ed Basketball Ages 8-12		\$85/Student	35 Students
Flag Football Ages 5-7		\$105/Student	35 Students
Flag Football Ages 8-12		\$105/Student	35 Students
Pee Wee Floor Hockey Ages 4-6		\$85/Student	35 Students
Youth Floor Hockey Ages 7-12		\$85/Student	35 Students
Clarence Youth Basketball	Clarence Youth Basketball, LLC	\$105/Student	200 Students
Girls Basketball League Grades 3-5	CHSC, LLC	\$80/Student	50 Students
Girls Basketball League Grades 6-8		\$80/Student	50 Students
Girls Basketball League Grades 9-10		\$80/Student	50 Students
Girls Basketball Trainings Grades 9-12		\$30/Student	50 Students
AM Swim	Sue Gustafson	\$22/Hour	25 Hours
	Randy Williams	\$20/Hour	30 Hours
	Christine Deal	\$20/Hour	75 Hours
	Christine Weber	\$20/Hour	140 Hours
	Emma Albrecht	\$20/Hour	50 Hours
	Jeffrey Deal	\$20/Hour	50 Hours
	Jocelyn Canaday	\$18/Hour	140 Hours
	Albert Weber	\$18/Hour	25 Hours
	Adam Weber	\$18/Hour	25 Hours
	Ramsey Ross	\$18/Hour	25 Hours

clarence devices - #ECF202200447

[Summary](#)[Funding Requests](#)[Unmet Needs](#)[Certifications](#)[Communications](#)[Related Actions](#)

- [ALL FRN\(S\)](#)
- [FRN #ECF2290000474](#)



▼ Funding Request Details for FRN #ECF2290

Nickname Clarence Chromebooks

Contract Type Contract

Service Type Equipment

▼ FRN Line Items

ID	Type of Product	
1	Tablets	

▼ Service Provider Details

Service Provider Number 143030849

Service Provider Name Bluum USA, Inc.

▼ Invoicing Method

Please indicate who will be submitting invoices and receiving reimbursements

- ☐ Applicant - FCC Form 472 (BEAR Form)
- ☒ Service Provider - FCC Form 474 (SPI Form)

clarences devices - #ECF202200447

[Summary](#) [Funding Requests](#) [Unmet Needs](#) [Certifications](#) [Communications](#) [Related Actions](#)[Certified Copy](#) | [Committed Copy](#)< **▼ Funding Request Details for FRN #ECF2290000474**• [ALL FRN\(S\)](#)• [FRN #ECF2290000474](#)

Nickname	Clarence Chromebooks	Service Start Date	Jul 1, 2022	Total Recurring Cost	\$0.00
Contract Type	Contract	Service End Date	Dec 31, 2023	Total One-Time Cost	\$163,976.00
Service Type	Equipment	Service Delivery Deadline Date	Jun 30, 2024	Total FRN Cost	\$163,976.00
		Invoice Delivery Deadline Date	Aug 29, 2024		
		Funding Request Status	Funded		

▼ FRN Line Items

ID	Type of Product	Make	Model	Total Quantity	Total Cost
1	Tablets	Dell Chromebook 3100 2-1	HD N4020 4G32G210ARJM	412	\$163,976.00

▼ Service Provider Details

Service Provider Number	143030849	Address Line 1	4675 E. Cotton Center Blvd.	State	AZ
Service Provider Name	Bluum USA, Inc.	Address Line 2	Suite 155	Zip Code	85040
		City	Phoenix		

▼ Invoicing Method

Please indicate who will be submitting invoices and receiving reimbursements for this funding request.

- ☐ Applicant - FCC Form 472 (BEAR Form)
- ☒ Service Provider - FCC Form 474 (SPI Form)

P1 INFORMATIONAL ITEM

Laura Hunt's Harris Hill .5FTE part-time Speech teacher position is increased to .8FTE effective 9/18/23.

P2 PRIOR APPOINTMENT APPROVED BY SUPERINTENDENT

Recommended Action: Approval of the following instructional appointment made prior to the September 25th BOE meeting which has been approved by the Superintendent, Dr. Frahm:

SUBSTITUTE TEACHER LISTAddition:

Susan Dahn

P3 APPOINTMENTS

Recommended Action: Approval of the following instructional appointments:

A. PROCTORING AND SCORING

The following individual is recommended for proctoring/scoring of the August 2023 regents exams at \$45/hour:

Meghan Gallagher 14.5 hours

B. EXTRACURRICULARCHSACTIVITY ADVISOR

<u>Position</u>	<u>Name</u>	<u>Level</u>	<u>Stipend</u>
Technology Club (shared stipend)	Zachary Meal	X	\$320.25

CMSACTIVITY ADVISORS

<u>Position</u>	<u>Name</u>	<u>Level</u>	<u>Step</u>	<u>Stipend</u>
Drama/Dance Workshop	Dianna Kolek	X		\$1,281
Vocal Ensemble-Pop Chorus	Heidi Kohler	VIII	3	\$2,695

P4 SUBSTITUTE TEACHER LISTAdditions:

Albert Bruno (N-6, Special Education, English 7-12)

Cameron Flynn (Social Studies 7-12)

Karen Grande (N-6, Spanish 7-12, French 7-12)

Earl Hausrath (Not Certified 90-day limit)

Thea Keppel (Not Certified 90-day limit)

Elise Lang (pending fingerprint clearance)

Maria Mahoney (Not Certified 90-day limit)

Whitney Ray (Literacy B-6, Early Child. Ed. B-2, Child. Ed. 1-6, Students w/Disability B-2)

Justin Taramasco (Not Certified 90-day limit) (pending fingerprint clearance)

P5 RESOLUTION**QUALIFIED LEAD EVALUATOR AGREEMENTS**

A. Resolution to approve Qualified Lead Evaluators of Teachers (see attached)

CLARENCE CENTRAL SCHOOL DISTRICT

Administration

Matthew Frahm, Ed.D.

Superintendent of Schools

Mary Jo Dunkle

Interim Director of Special Education & Pupil Personnel Services

Patricia Grupka, Ed.D.

Assistant Superintendent for Finance & Operations

Robert Michel

Assistant Superintendent for Human Resources

Kristin Overholt, Ed.D.

Assistant Superintendent for Curriculum & Instruction



Board of Education

James Boglioli

President

Michael Fuchs

Vice President

Tricia Andrews

Kym Cannizzaro

Cindy Magera

Dennis Priore

Dawn Snyder

To: Clarence Board of Education

From: Matt Frahm, Ed.D., Superintendent of Schools

RE: Lead Evaluator Training and Certification

Date: September 15, 2023

As we prepare for implementation of the Annual Professional Performance Review (APPR) for Teachers and Principals this coming school year, the Board of Education will need to certify the lead evaluator responsible for conducting such reviews. Relevant language taken from Commissioner's Regulations §3012-c on this subject follows:

"The governing body of each school district and BOCES shall insure that evaluators have appropriate training before conducting an evaluation . . ."

In addition to being trained, evaluators must be certified by the governing body as defined below:

"(The governing body of the district) shall also ensure that any lead evaluator has been certified by such governing body as a qualified lead evaluator before conducting and/or completing a principal's or teacher's evaluation."

With regard to the timeline for these two requirements it is important to note that both the training and certification must take place prior to the completion of principal or teacher evaluations. Thus, there is nothing to prevent commencement of the evaluation process prior to and/or while training and certification is taking place:

"Nothing herein shall be construed to prohibit a lead evaluator who is properly certified by the State as a school administrator or superintendent of schools from conducting classroom observations or school visits as part of an annual professional performance review under this Subpart prior to completion of the training required by this section provided such training is successfully completed prior to completion of the evaluation."

The regulations also identify nine elements that must be addressed in lead evaluator training but do not specifically define the amount or nature of the training required for certification. These decisions are left to each district and board of education to determine locally.

On September 15, 2023, Rob Michel (Assistant Superintendent for Human Resources) provided Cesar Marchioli and Ann Logel with a 1-hour recertification session covering the required APPR elements.

At the September 25th meeting I will ask the board to take action on certifying Mr. Marchioli and Ms. Logel as lead evaluators for teachers.

Based on my past experience evaluating teachers, I am confident that the individuals have not only met but exceeded the requirement for certification as lead evaluators pursuant to §3012-c of the Commissioner's Regulations.

BE IT RESOLVED THAT Cesar Marchioli and Ann Logel have successfully completed the training requirements prescribed in 8 NYCRR §30-2.9(b), including:

- (1) The New York State Teaching Standards, and their related elements and performance indicators/the Leadership

Standards and their related functions;

- (2) Evidence-based observation techniques that are grounded in research;
- (3) Application and use of the student growth percentile model and the value-added growth model as defined in 8 NYCRR §30-2.2;
- (4) Application and use of the State-approved teacher rubric selected by the Clarence Central School District for use in the evaluations of teachers including training on the effective application of such rubrics to observe a teacher’s practice;
- (5) Application and use of the assessment tools that the Clarence Central School District utilizes to evaluate its teachers including, but not limited to observations; structured portfolio reviews; etc.
- (6) Application and use of the State-approved locally selected measures of student achievement used by the Clarence Central School District to evaluate its teachers;
- (7) The scoring methodology utilized by the Department and the Clarence Central School District to evaluate a teacher under 8 NYCRR Subpart 30-2, including:
 - (a) how scores are generated for each subcomponent and the composite effectiveness score of teachers, and
 - (b) application and use of the scoring ranges prescribed by the Commissioner for the four designated rating categories used for the overall rating of teachers and their subcomponent ratings; and
- (8) Specific considerations in evaluating teachers of English language learners and students with disabilities.

This certification has been issued in accordance with the process for certifying lead evaluators described in the Clarence Central School District annual professional performance review plan.

(Signature of School District Board President)

Date of Adoption

P6 RESIGNATION

Recommended Action: Acceptance of the following non-instructional resignation:

Kathleen Dyke, teacher aide, resigns effective August 28, 2023. See attached email.

P7 PRIOR APPOINTMENT APPROVED BY SUPERINTENDENT

Recommended Action: Approval of the following non-instructional appointment made prior to the September BOE meeting which have been approved by the Superintendent, Dr. Frahm:

A. Name:	Nicole Blasko
Assignment:	Registered Professional Nurse (Probationary) – Ledgeview
Effective:	September 25, 2023
Salary:	\$23.00/hour 8 hours/day
Additional Information:	Ms. Blasko comes to the district with nursing experience in the private sector. She replaces Samantha Kelly, who resigned.

P7 APPOINTMENTS

Recommended Action: Approval of the following non-instructional appointments:

A. Name:	Grace Boyd-Pollack
Assignment:	Senior Account Clerk Typist-Payroll (Probationary) – District Office
Effective:	October 2, 2023
Salary:	\$27.72/hour 8 hours/day
Additional Information:	Ms. Boyd-Pollack has served as a provisional payroll clerk since October 2021 awaiting a civil service exam for this position. We now have the civil service list showing Ms. Boyd-Pollack eligible for this position. This appointment will change her status from provisional to probationary.
B. Name:	Kimberly Fish
Assignment:	Activities Monitor (Temporary) – Clarence High School
Effective:	September 26, 2023 – June 30, 2024
Salary:	\$89.69/event
Additional Information:	This is an annual appointment to assist the athletic department during sporting events.
C. Name:	Quinn Lee Yaw
Assignment:	Teacher Aide (Probationary) – Clarence High School
Effective:	October 2, 2023
Salary:	\$15.50/hour 7.15 hours/day
Additional Information:	Mr. Lee Yaw comes to the District with experience in the private sector. He replaces Dawn Van Fossen, who resigned.

- D. Name: Ramsey Ross
Assignment: School Monitor – Pool (Temporary)- Clarence High School
Effective: September 26, 2023 – June 20, 2024
Salary: \$14.20/hour hours as needed
Additional Information: Mr. Ross will serve as a “Second Set of Eyes” during the boys’ varsity and boys’/girls’ modified swimming seasons. This is an annual appointment.
- E. Name: William Sees
Assignment: Bus Attendant (Probationary) – Transportation
Effective: September 26, 2023
Salary: \$15.50/hour 5.8 hours/day
Additional Information: Mr. Sees has served as a substitute bus attendant for the District since July 2022. This is a new position.

P9 SUBSTITUTES**Bus Attendant***Add:*

Michael Alberico

Remove:

William Sees

Clerical*Add:*

Alexa Norman

Kelly Stoklosa

Registered Professional Nurse (School)*Add:*

Gretchen Carney

Selah Raybuck

Kristen Rider

CLARENCE CENTRAL SCHOOL DISTRICT

MEMORANDUM

Superintendent's Office

TO: Board of Education
FROM: Matthew Frahm
DATE: September 22, 2023
RE: Schedule of Meetings

September 25, 2023 BOE Regular Meeting
CMS Auditorium, 6PM

September 27, 2023 Policy Committee Meeting
CHS Library, 4PM

October 11, 2023 BOE Retreat
5PM – 8PM

October 16, 2023 Building Tour of High School, 9AM

BOE Regular Meeting
CMS Auditorium, 6PM

October 23, 2023 Facilities Committee Meeting
CHS Library, 4PM

October 26-28, 2023 NYSSBA Annual Convention

October 30, 2023 BOE Regular Meeting
CMS Auditorium, 6PM

CLARENCE CENTRAL SCHOOL DISTRICT

MEMORANDUM

Superintendent's Office

TO: Board of Education
FROM: Matthew Frahm
DATE: September 22, 2023
RE: Upcoming Events

**PLEASE CHECK THE CCSD DISTRICT
WEBSITE FOR MORE DETAILED INFORMATION**

September 22	HH Welcome Back Assembly CC PTO Fall Teacher Appreciation Luncheon	
September 25	BOE Meeting CMS Auditorium Yom Kippur	6PM
September 25-29	Homecoming Spirit Week	
September 26	HH School Pictures SH PTO Meeting Library	6:30PM
September 29	HH Spirit Day SH PTO Cider Run Homecoming Pep Rally & Football Game	
September 30	Elementary School Fun Run Homecoming Dance	
October 5	HH Family Night CMS School Pictures	
October 6	Emergency Drill K-5 Half Day CMS School Pictures	
October 9	Columbus Day / No School	
October 10	HH PTO Meeting	
October 11	CMS PTO Meeting	7PM
October 13	Registration for Winter Sports Opens	
October 14	CHS PSAT/NMSQT Test	
October 16	BOE Meeting CMS Auditorium	6PM