

**CLYMER CENTRAL SCHOOL DISTRICT**  
**BASIC FINANCIAL STATEMENTS, REQUIRED**  
**SUPPLEMENTARY INFORMATION,**  
**SUPPLEMENTARY INFORMATION AND INDEPENDENT**  
**AUDITORS' REPORTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**



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## **INDEPENDENT AUDITORS' REPORT**

To the Members of the Board of Education  
Clymer Central School District  
Clymer, New York

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

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

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplemental information schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an



essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Supplementary Information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information, as listed in the table of contents, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Supplementary Information, as listed in the table of contents, is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

R.A. Mercer & Co., P.C.

*R.A. Mercer & Co., P.C.*

West Seneca, New York  
October 21, 2021

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the Clymer Central School District annual financial report, the District's management provides narrative discussion and analysis of the financial activities of the District for the fiscal year ended June 30, 2021. The District's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosure following this section.

### Financial Highlights

The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$5,577,378 for the fiscal year reported. This compares to the previous year when assets exceeded liabilities by \$5,332,149.

Total net position comprises the following:

1. Net investment in capital assets of \$6,985,953 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets (less any unspent proceeds in the Capital Projects Fund).
2. Net position of \$2,817,555 is restricted for various purposes.
3. Unrestricted net position of negative \$4,226,130 represents the portion available to maintain the District's continuing obligations to citizens and creditors.

Total liabilities of the District at June 30, 2021 were \$14,248,328. Bonds and Bond Anticipation Notes Payable totaled \$4,370,000, of which \$3,080,000 was the current portion. The District recorded a liability for post-employment benefits in the amount of \$7,093,624 and a liability for the net pension liability in the amount of \$582,932.

Revenues for the year ended June 30, 2021, totaled \$11,224,271, of which \$4,709,921 was from real property taxes and other tax items collected by the District. Revenue from the State of New York totaled \$5,732,614 and revenue derived from the federal government via various grant programs totaled \$608,371. The District also received \$18,395 from sales in its school lunch programs, \$15,399 in interest income (which includes \$15,386 of premiums on the newly issued BAN and serial bond during 2021), \$56,083 from charges for services, and \$83,488 from other miscellaneous sources. Overall, the District's total revenue decreased by approximately 1.4 percent from the prior year.

Expenses of the District increased by one-half percent from \$10,927,754 in the previous year to \$10,979,042 for the year ended June 30, 2021. It should be noted that this change in expenses from year to year is calculated on the government-wide, full accrual financial statement numbers and is due, in part, to the OPEB and NYS pension actuarially calculated liability adjustments, over which current management has no control. Expenditures, as shown on the fund financial statements, increased from the prior year. See page 13 for further analysis. For the year just completed, the District spent \$8,395,503 for instructional purposes, \$1,667,734 for general support, \$634,148 for pupil transportation, \$450 for census expenses, and \$190,538 for cost of sales in its school lunch program. In addition, the District incurred \$90,669 in interest on its

obligations.

## **Overview of the Financial Statements**

Management's Discussion and Analysis introduces the District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The District also includes additional information to supplement the basic financial statements.

## **Government-wide Financial Statements**

The District's annual report includes two government-wide financial statements. These statements provide both long and short-term information about the District's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Position. This is the district-wide statement of position presenting information that includes all of the District's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. In addition to the financial information provided in this report, an evaluation of the overall economic health of the District would extend to other nonfinancial factors such as diversification of the taxpayer base and the condition of District infrastructure.

The second government-wide statement is the Statement of Activities that reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the Statement of Activities is to show the financial reliance of the District's distinct activities or functions on revenues provided by the District's taxpayers.

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by taxes and intergovernmental revenues, such as grants, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general support, instruction, and transportation. The District has no business-type activities.

The District's financial reporting includes the funds of the District and also organizations for which the District is accountable. The Extraclassroom Activity Fund is reported in the Custodial Fund. Separate audited financial statements of the Extraclassroom Activity Fund can be found at the end of Clymer Central School District's audited financial statements.

## **Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.



The District has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different, with fund statements providing a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliation to the government-wide statements to assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the basic financial statements for the general fund. These statements and schedules demonstrate compliance with the District's adopted and final revised budget.

Fiduciary funds - The District is the trustee, or fiduciary, for assets that belong to others, such as the Scholarship Fund and the Extraclassroom Activity Fund. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. We exclude these activities from the District-wide financial statements because the District cannot use these assets to finance its operations.

## Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements immediately follow the basic financial statements.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's compliance with NYS Education requirements and Capital Projects analysis. Supplementary information follows the notes to the financial statements.

The following table summarizes the major features of the Clymer Central School District's financial statements. The remainder of this overview section highlights the structure and content of each of the statements.

	District-wide	Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the School District that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the School District administers resources on behalf of someone else, such as scholarship programs and student activities monies

Required financial statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of fiduciary net position Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/out flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

### Financial Analysis of the District as a Whole

As year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the District as a whole.

The District's net position at fiscal year-end is \$5,577,378.

#### Summary of Net Position as of June 30, 2021 and 2020

	Governmental Activities		Percent
	2021	2020	Change
Current and Other Assets	\$ 5,778,140	3,451,457	67.4
Capital Assets, Net	13,141,361	13,107,128	0.3
Total Assets	18,919,501	16,558,585	14.3
Deferred Outflows of Resources	3,016,894	2,811,756	7.3
Total Assets and Deferred Outflows of Resources	21,936,395	19,370,341	13.2
Current Liabilities	5,042,415	1,869,698	169.7
Non-Current Liabilities	9,205,913	10,327,112	(10.9)
Total Liabilities	14,248,328	12,196,810	16.8
Deferred Inflow of Resources	2,110,689	1,841,382	14.6
Net Position:			
Net Investment in Capital Assets	6,985,953	9,491,961	(26.4)
Restricted	2,817,555	993,106	183.7
Unrestricted	(4,226,130)	(5,152,918)	(18.0)
Total Net Position	5,577,378	5,332,149	4.6
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 21,936,395	19,370,341	13.2

The following table provides a summary of the District's changes in Net Position.

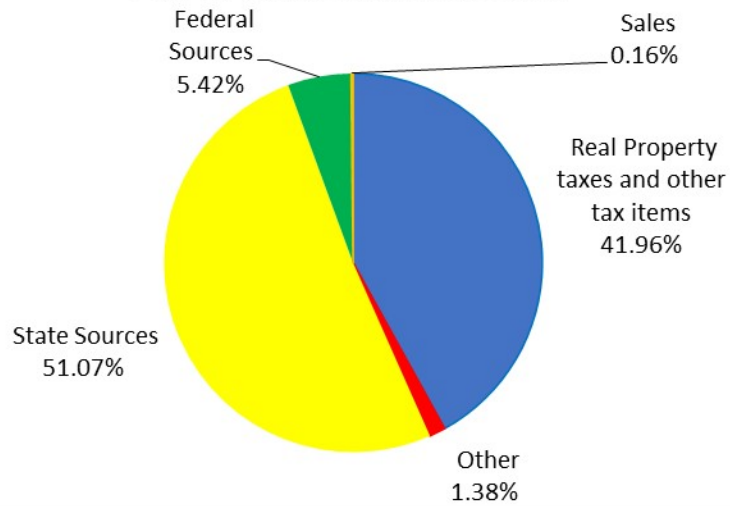
**Summary of Changes in Net Position  
for the Years Ended June 30, 2021 and 2020**

	<u>Governmental Activities</u>		Percent
	<u>2021</u>	<u>2020</u>	<u>Change</u>
Revenue:			
Real Property taxes and other tax items	\$ 4,709,921	4,680,364	0.6
Other	154,970	268,001	(42.2)
State Sources	5,732,614	5,838,400	(1.8)
Federal Sources	608,371	548,094	11.0
Sales	18,395	49,523	(62.9)
Total Revenue	<u>11,224,271</u>	<u>11,384,382</u>	(1.4)
Expenses:			
General Support	1,667,734	1,718,925	(3.0)
Instruction	8,395,503	8,215,049	2.2
Pupil Transportation	634,148	637,904	(0.6)
Interest	90,669	111,496	(18.7)
Cost of Sales and Other	190,988	216,402	(11.7)
Loss on Disposition of Equipment	-	27,978	N/A
Total Expenses	<u>10,979,042</u>	<u>10,927,754</u>	0.5
Changes in Net Position	245,229	456,628	(46.3)
Beginning Net Position	<u>5,332,149</u>	<u>4,875,521</u>	9.4
Ending Net Position	<u>\$ 5,577,378</u>	<u>5,332,149</u>	4.6

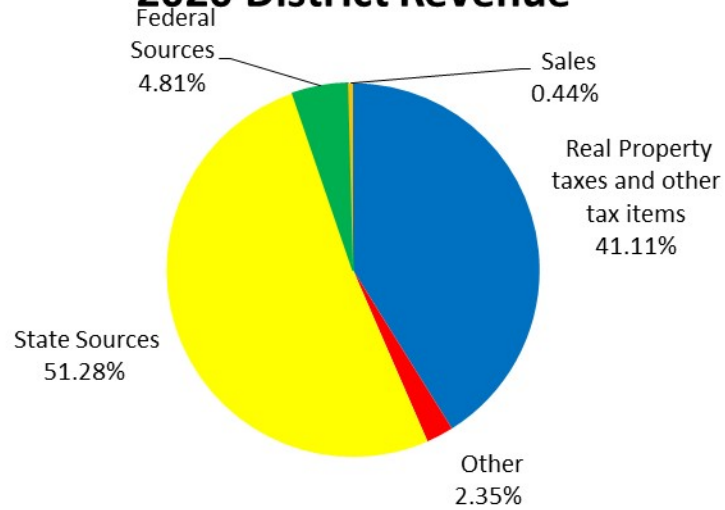
The District is heavily reliant on property taxes to support District operations. Property taxes provided 42.0 percent and 41.1 percent of the District's total governmental revenues in fiscal years 2021 and 2020, respectively.

For the year ended June 30, 2021, governmental activities costs totaled \$10,979,042. Of this amount, instruction, with \$8,395,503 was the largest operating service cost, at 76.5 percent of total cost of services. General support cost an additional \$1,667,734. Each of these services was primarily funded by the District's taxing authority and New York State sources. Other District activities with significant funding requirements include pupil transportation, with expenditures of \$634,148 and bond and debt interest that totaled \$90,669. Interest expense accounted for .8 percent of total expenses in 2021. For the government-wide full accrual statements, capital outlay expenses were eliminated and capital assets were reported. Also, \$683,714 of depreciation expense was allocated to general support, instruction, pupil transportation, and to cost of sales in the District's school lunch program.

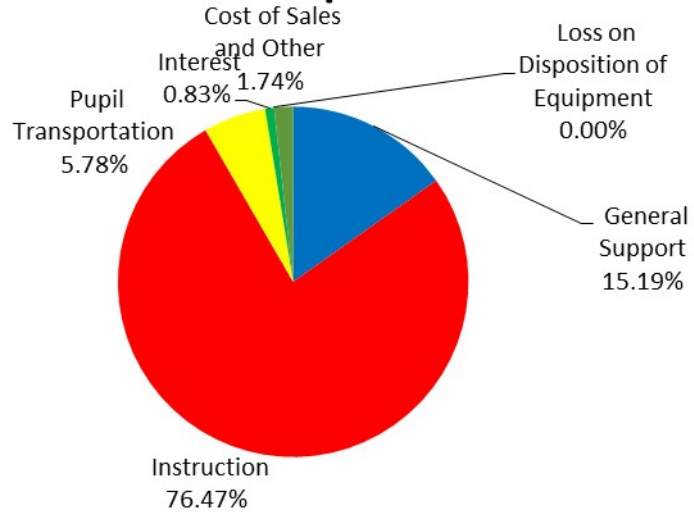
## 2021 District Revenue



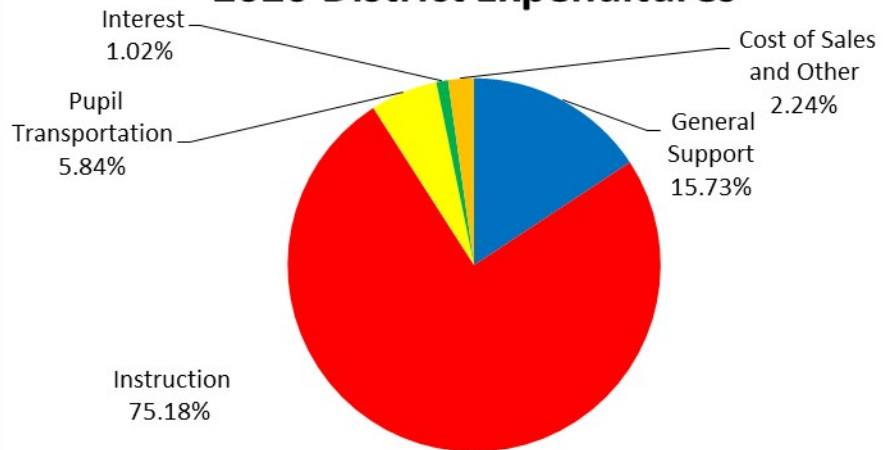
## 2020 District Revenue



## 2021 District Expenditures



## 2020 District Expenditures



## **Financial Analysis of the District's Funds**

### **Governmental Funds**

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$1,689,847. Of this year-end total, \$757,176 is unassigned, indicating availability for continuing District service requirements in the General Fund. The unassigned fund balance in the Capital Fund is a deficit of \$2,638,117. This deficit will be eliminated over time as the outstanding BANs payable are repaid in alignment with the receipt of state aid to fund capital projects. The non-spendable fund balance includes \$8,633 for inventory in the School Lunch Fund. Restricted fund balances include \$446,257 for retirement contributions, \$366,550 for employee benefits, \$113,370 for future TRS payments, and \$154,267 for unemployment insurance all in the General Fund. In addition, \$1,737,111 is restricted in the Capital Projects fund, representing unspent cash in this fund. Assigned, appropriated fund balance includes \$636,940 in the General Fund as the amount appropriated to reduce taxes for the year ending June 30, 2022. Assigned, unappropriated fund balance represented \$50,057 in the School Lunch Fund. The Assigned Fund balances, other includes \$57,603 of outstanding encumbrances of the General Fund at the end of the fiscal year.

The total ending fund balances of governmental funds show an increase of \$136,882 for the General Fund, an increase of \$29,881 in the School Lunch Fund, and a decrease of \$437,173 in the Capital Projects Fund. The increase in the General Fund fund balance is more than the change for which the District budgeted, which was a decrease \$354,142. The District realized favorable budget variances of \$451,841 and \$596,871 for employee benefits and instruction respectively. The decrease in the capital fund ending fund balance was due to capital expenditures exceeding revenues. The District issued a BAN through the Capital Projects Fund in the amount of \$1,850,000. It is the District's intention to roll this BAN over into a serial bond when it matures next year. Under the rules governing fund accounting, the Capital Projects fund will recognize revenue when this occurs.

### **Major Governmental Funds**

The General Fund is the District's primary operating fund and the largest source of day-to-day service delivery. The General Funds fund balance increased by \$136,882 during the year. For the year ended June 30, 2021, state sources contributed \$5,732,614 in revenue to the District. For the prior year, this total was \$5,838,400. This represents a decrease of 1.8 percent. Property taxes increased \$29,557, or 0.6 percent, from the prior year. Total expenditures in the General Fund were \$10,355,561 for the recent fiscal year, compared to \$10,164,638 for the previous year, an increase of 1.9 percent. The cost of employee benefits decreased by 3.6 percent. See General Fund Budgetary Highlights for more information.

### **General Fund Budgetary Highlights**

The General Fund budget for fiscal year 2021 was \$11,715,283. This was an increase of \$335,166 over the previous year's amended budget that totaled \$11,380,117. Amendments to the 2021 General Fund budget totaled \$354,142.

## Capital Asset and Debt Administration

### Capital Assets

The District's investment in capital assets for governmental-type activities as of June 30, 2021 was \$13,141,361. At the close of fiscal year 2020, the investment in capital assets net of accumulated depreciation totaled \$13,107,128.

#### Summary of Capital Assets Net of Accumulated Depreciation as of June 30, 2021 and 2020

	Governmental Activities		(\$ Change)
	2021	2020	
Non-Depreciable			
Land	\$ 68,000	68,000	-
Construction in Progress	708,595	-	708,595
Depreciable			
Buildings	23,024,985	23,024,985	-
Machinery and Equipment	2,661,143	2,651,789	9,354
Accumulated Depreciation	(13,321,362)	(12,637,646)	(683,716)
Total	<u>\$ 13,141,361</u>	<u>13,107,128</u>	<u>34,233</u>

### Long-Term Debt

At the end of fiscal year 2021, the District had total bonds outstanding of \$2,185,000, with \$895,000 due within one year. The District also had short-term bond anticipation notes of \$2,185,000 outstanding at the end of 2021. These obligations are backed by the full faith and credit of the Clymer Central School District with debt service fully funded by voter-approved property taxes and state aid.

### Factors Bearing on the District's Future

The District's state sources of revenue were 51.1 percent and 51.3 percent of total revenue in 2021 and 2020 respectively. The District continues to look for ways to decrease costs, with the intent to make every effort possible to maintain the excellent educational program provided to our students.

The District's continued collaboration with other districts for the purchase of special education services, participation in cooperative self-insured health insurance and workers compensation, heating and electric utilities cooperative purchasing and purchase of various supplies, has worked well to assist in constraining costs in each of these areas, eliminating substantial increases experienced by other employers. The above listed factors have enabled the District to maintain one of the lowest tax rate in Chautauqua County. The District continues to investigate new cost savings strategies including investigation of shared services with other neighboring Districts.

Retirement system contribution rates for the New York State Teachers' Retirement System (TRS) and the New York State Employees' Retirement System (ERS) have fluctuated

dramatically over the last several years. In the coming year, the TRS rate is estimated to be 9.80% and the ERS contributions are estimated to be 14.6%.

In January, 2020, the Secretary of the United States Department of Health and Human Services declared a public health emergency related to the global pandemic of the coronavirus (COVID-19). In an effort to fight the spread of this pandemic, business and state and local governments have implemented mandatory and voluntary closures of many governmental and private businesses. These closures may have a substantial negative effect on the revenue streams of local governments. The extent of the impact of COVID-19 on the District's financial performance will depend on further developments, such as the duration and spread of the outbreak, all of which cannot be predicted at this time.

### **Contacting the District's Financial Management**

This financial report is designed to provide a general overview of the District's finances, comply with finance-related laws and regulations, and demonstrate the District's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the District's business office, Clymer Central School District, 8672 East Main Street, Clymer, New York, 14724.



## **FINANCIAL STATEMENTS**

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

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
<b>ASSETS</b>	
Cash	
Unrestricted	\$ 2,043,229
Restricted	2,817,555
Receivables	
State and Federal Aid	484,856
Other Receivables	4,747
Due from Other Funds	257,416
Prepaid Expenditures	161,704
Inventories	8,633
Capital Assets, net	<u>13,141,361</u>
Total Assets	<u>18,919,501</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Outflows - TRS	1,989,845
Deferred Outflows - ERS	617,720
Deferred Outflows - OPEB	397,789
Defeasance Loss	<u>11,540</u>
Total Deferred Outflows of Resources	<u>3,016,894</u>
Total Assets and Deferred Outflows of Resources	<u>21,936,395</u>
<b>LIABILITIES</b>	
Payables	
Accounts Payable	996,851
Accrued Liabilities	278,810
Accrued Interest Payable	16,882
Due to Other Funds	257,864
Due to Teachers' Retirement System	320,464
Due to Employees' Retirement System	37,266
Notes Payable	
Bond Anticipation Note Payable	2,185,000
Other Liabilities	
Unearned Revenue	12,038
Long Term Liabilities	
Due and Payable Within One Year:	
Compensated Absences/Retirees' Health	42,240
Bonds Payable	895,000
Due and Payable After One Year:	
Compensated Absences	239,357
Post Employment Benefits (OPEB)	7,093,624
Net Pension Liability	582,932
Bonds Payable	<u>1,290,000</u>
Total Liabilities	<u>14,248,328</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Inflows - TRS	305,873
Deferred Inflows - ERS	819,212
Deferred Inflows - OPEB	<u>985,604</u>
Total Deferred Inflow of Resources	<u>2,110,689</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	6,985,953
Restricted for:	
Employee Benefits	366,550
Retirement	446,257
TRS	113,370
Unemployment	154,267
Capital Projects	<u>1,737,111</u>
Total Restricted	2,817,555
Unrestricted Net Position	<u>(4,226,130)</u>
Total Net Position	<u>5,577,378</u>
Total Liabilities, Deferred Inflows or Resources, and Net Position	<u>\$ 21,936,395</u>

The accompanying notes are an integral part of these financial statements.

**EXHIBIT B**

**CLYMER CENTRAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021**

<b>Functions/Programs</b>	<b>Program Revenues</b>			<b>Net (Expense) Revenue and Changes in Net Position</b>
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	
Governmental Activities:				
General Support	\$ 1,667,734	-	-	(1,667,734)
Instruction	8,395,503	56,083	426,591	(7,912,829)
Pupil Transportation	634,148	-	-	(634,148)
Census	450	-	-	(450)
School Lunch Program	190,538	18,395	181,780	9,637
Debt Service:				
Interest Expense	90,669	-	-	(90,669)
Total Functions and Programs	\$ 10,979,042	74,478	608,371	(10,296,193)
Real Property Taxes				4,315,817
Other Tax Items				394,104
Use of Money and Property				15,399
State Sources				5,732,614
Miscellaneous				83,488
Total General Revenue				10,541,422
Other Financing Sources/(Uses)				
Change in Net Position				245,229
Total Net Position - Beginning of Year				5,332,149
Total Net Position - End of Year				\$ 5,577,378

The accompanying notes are an integral part of these financial statements.

**CLYMER CENTRAL SCHOOL DISTRICT  
GOVERNMENTAL FUNDS BALANCE SHEET  
AS OF JUNE 30, 2021**

	General Fund	Special Aid	School Lunch	Capital Projects	Total Governmental Funds
<b>ASSETS</b>					
Unrestricted Cash and Cash Equivalents	\$ 1,842,498	141,605	59,126	-	2,043,229
Restricted Cash and Cash Equivalents	1,080,444	-	-	1,737,111	2,817,555
State and Federal Aid Receivable, Net	330,982	135,303	18,571	-	484,856
Other Receivables	-	-	4,747	-	4,747
Due From Other Funds	506,183	219,896	-	48,297	774,376
Prepaid Expenditures	161,704	-	-	-	161,704
Inventories	-	-	8,633	-	8,633
Total Assets	3,921,811	496,804	91,077	1,785,408	6,295,100
<b>LIABILITIES</b>					
Accounts Payable	495,244	-	193	501,414	996,851
Accrued Liabilities	278,810	-	-	-	278,810
Due To Other Funds	257,864	494,310	22,650	-	774,824
Due to Other Governments	-	-	-	-	-
Bond Anticipation Note Payable	-	-	-	2,185,000	2,185,000
Due to Teachers' Retirement System	320,464	-	-	-	320,464
Due to Employees' Retirement System	37,266	-	-	-	37,266
Unearned Revenue	-	2,494	9,544	-	12,038
Total Liabilities	1,389,648	496,804	32,387	2,686,414	4,605,253
<b>FUND BALANCE</b>					
Non-Spendable	-	-	8,633	-	8,633
Restricted	1,080,444	-	-	1,737,111	2,817,555
Assigned					
Appropriated Fund Balance	636,940	-	-	-	636,940
Unappropriated Fund Balance	-	-	50,057	-	50,057
Encumbrances	57,603	-	-	-	57,603
Unassigned	757,176	-	-	(2,638,117)	(1,880,941)
Total Fund Balances	2,532,163	-	58,690	(901,006)	1,689,847
Total Liabilities and Fund Balances	\$ 3,921,811	496,804	91,077	1,785,408	6,295,100

The accompanying notes are an integral part of these financial statements.

**CLYMER CENTRAL SCHOOL DISTRICT**  
**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET/STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	<b>Total Governmental Funds</b>	<b>Long-Term Assets, Liabilities</b>	<b>Reclassifications and Eliminations</b>	<b>Statement of Net Position</b>
<b>ASSETS</b>				
Cash				
Unrestricted	\$ 2,043,229	-	-	2,043,229
Restricted	2,817,555	-	-	2,817,555
Receivables				
State and Federal Aid Receivable, Net	484,856	-	-	484,856
Other Receivables	4,747	-	-	4,747
Due From Other Funds	774,376	-	(516,960)	257,416
Inventories	8,633	-	-	8,633
Capital Assets, net	-	13,141,361	-	13,141,361
Total Assets	<u>6,295,100</u>	<u>13,141,361</u>	<u>(516,960)</u>	<u>18,919,501</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Outflows - TRS	-	1,989,845	-	1,989,845
Deferred Outflows - ERS	-	617,720	-	617,720
Deferred Outflows - OPEB	-	397,789	-	397,789
Defeasance Loss	-	11,540	-	11,540
Total Deferred Outflows of Resources	<u>-</u>	<u>3,016,894</u>	<u>-</u>	<u>3,016,894</u>
Total Assets and Deferred Outflows of Resources	<u>6,295,100</u>	<u>16,158,255</u>	<u>(516,960)</u>	<u>21,936,395</u>
<b>LIABILITIES</b>				
Payables				
Accounts Payable	996,851	-	-	996,851
Accrued Liabilities	278,810	-	-	278,810
Accrued Interest Payable	-	16,882	-	16,882
Due To Other Funds	774,824	-	(516,960)	257,864
Due to Teachers' Retirement System	320,464	-	-	320,464
Due to Employees' Retirement System	37,266	-	-	37,266
Notes Payable				
Bond Anticipation Note Payable	2,185,000	-	-	2,185,000
Other Liabilities				
Unearned Revenue	12,038	-	-	12,038
Long Term Liabilities				
Due and Payable Within One Year:				
Compensated Absences/Retirees' Health	-	42,240	-	42,240
Bonds Payable and Installment Debt	-	895,000	-	895,000
Due and Payable After One Year:				
Compensated Absences	-	239,357	-	239,357
Post Employment Benefits (OPEB)	-	7,093,624	-	7,093,624
Net Pension Liability	-	582,932	-	582,932
Bonds Payable	-	1,290,000	-	1,290,000
Total Liabilities	<u>4,605,253</u>	<u>10,160,035</u>	<u>(516,960)</u>	<u>14,248,328</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Inflows - TRS	-	305,873	-	305,873
Deferred Inflows - ERS	-	819,212	-	819,212
Deferred Inflows - OPEB	-	985,604	-	985,604
Total Deferred Inflows of Resources	<u>-</u>	<u>2,110,689</u>	<u>-</u>	<u>2,110,689</u>
<b>FUND BALANCE / NET POSITION</b>				
Total Fund Balance / Net Position	<u>1,689,847</u>	<u>3,887,531</u>	<u>-</u>	<u>5,577,378</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance / Net Position	<u>\$ 6,295,100</u>	<u>16,158,255</u>	<u>(516,960)</u>	<u>21,936,395</u>

The accompanying notes are an integral part of these financial statements.

**CLYMER CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	General Fund	Special Aid	School Lunch	Capital Projects	Total Governmental Funds	Adjustments (Note II)	Statement of Activities
<b>REVENUES</b>							
Property Taxes and Tax Items	\$ 4,709,921	-	-	-	4,709,921	-	4,709,921
Charges for Services	56,083	-	-	-	56,083	-	56,083
Use of Money and Property	3	-	-	15,396	15,399	-	15,399
Miscellaneous	77,288	-	6,200	-	83,488	-	83,488
State Sources	5,672,081	56,436	4,097	-	5,732,614	-	5,732,614
Federal Sources	56,093	370,498	181,780	-	608,371	-	608,371
Sales	-	-	18,395	-	18,395	-	18,395
Total Revenue	10,571,469	426,934	210,472	15,396	11,224,271	-	11,224,271
<b>EXPENDITURES/EXPENSES</b>							
Current:							
General Support	1,311,669	-	-	-	1,311,669	356,065	1,667,734
Instruction	5,084,636	426,934	-	-	5,511,570	2,883,933	8,395,503
Pupil Transportation	336,650	-	-	-	336,650	297,498	634,148
Census	450	-	-	-	450	-	450
Employee Benefits	2,487,942	-	12,477	-	2,500,419	(2,500,419)	-
School Lunch Program	-	-	168,114	-	168,114	22,424	190,538
Capital Outlay	-	-	-	708,595	708,595	(708,595)	-
Debt Service:							
Principal	1,047,000	-	-	-	1,047,000	(1,047,000)	-
Interest	87,214	-	-	-	87,214	3,455	90,669
Total Expenditures/Expenses	10,355,561	426,934	180,591	708,595	11,671,681	(692,639)	10,979,042
Excess (Deficiency) of Revenues over Expenditures	215,908	-	29,881	(693,199)	(447,410)	692,639	245,229
<b>OTHER FINANCING SOURCES/USES</b>							
Transfers From Other Funds	-	-	-	79,026	79,026	(79,026)	-
Transfer to Other Funds	(79,026)	-	-	-	(79,026)	79,026	-
BAN's Redeemed from Appropriations	-	-	-	177,000	177,000	(177,000)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	136,882	-	29,881	(437,173)	(270,410)	515,639	245,229
Change in Net Position	136,882	-	29,881	(437,173)	(270,410)	515,639	245,229
<b>FUND BALANCES/NET POSITION</b>							
Beginning of the Year	2,395,281	-	28,809	(463,833)	1,960,257	3,371,892	5,332,149
End of the Year	\$ 2,532,163	-	58,690	(901,006)	1,689,847	3,887,531	5,577,378

The accompanying notes are an integral part of these financial statements.

**CLYMER 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, 2021**

Total Net Change in Fund Balances-Governmental Funds	\$	(270,410)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation of \$683,717 did not exceed capital outlays of \$717,950.		34,233
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		1,047,000
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(Increases) decreases in proportionate share of net pension asset / liability, deferred outflows of resources, and deferred inflows of resources reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds.

Teachers' retirement system:	(501,658)	
Employees' retirement system:	<u>66,005</u>	(435,653)

Post employment benefits recorded according to GASB #75		115,186
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In the Statement of Activities, expenses such as compensated absences are measured by the amount earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. For the year ended June 30, 2021 the increase in the estimated liability for compensated absences exceeded payments made.		(64,672)
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Proceeds from the refunding of a BAN is recorded as revenue per governmental accounting but is recorded as a liability per GAAP.		(177,000)
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Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The net accrued interest increased from the prior year by this amount.		2,315
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For refunding bonds, the difference between the reacquisition price and the net carrying amount of the refunded debt should be reported as a deferred charge and recognized as a component of interest expense over either the less of the life of the debt issuance or the bonds refunded for the government-wide statements.		<u>(5,770)</u>
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Change in Net Position of Governmental Activities	\$	<u>245,229</u>
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**EXHIBIT F****CLYMER CENTRAL SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2021**

	<b><u>Custodial</u></b>	<b><u>Private Purpose Trust</u></b>
<b>ASSETS</b>		
Restricted Cash	\$ 37,137	29,906
Due from Other Funds	<u>-</u>	<u>469</u>
Total Assets	<u>37,137</u>	<u>30,375</u>
 <b>LIABILITIES</b>		
Extra-classroom Activity Balances	37,137	-
Due to Other Funds	<u>-</u>	<u>21</u>
Total Liabilities	<u>\$ 37,137</u>	<u>21</u>
 <b>NET POSITION</b>		
Endowment Scholarships		<u>30,354</u>
Total Net Position		<u>\$ 30,354</u>

The accompanying notes are an integral part of these financial statements.

EXHIBIT G

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

	<u>Private Purpose Trusts</u>
<b>ADDITIONS</b>	
Gifts and Contributions	<u>\$ 7,121</u>
Total Additions	<u>7,121</u>
<b>DEDUCTIONS</b>	
Scholarships and Awards	<u>7,507</u>
Change in Net Position	(386)
Net Position- Beginning of Year	<u>30,740</u>
Net Positon- End of Year	<u>\$ 30,354</u>

The accompanying notes are an integral part of these financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS**

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**CLYMER CENTRAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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

The basic financial statements of the Clymer Central School District have been prepared in conformity with Generally Accepted Accounting Principles (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.

**A. FINANCIAL REPORTING ENTITY**

The basic financial statements include all funds of the Clymer Central School District as well as the component units and other organizational entities determined to be included in the District's financial reporting entity.

The Clymer Central School District is governed by the laws of New York State. The District is an independent entity governed by an elected Board of Education consisting of 5 members. The Board is responsible for, and controls all activities related to public school education within the Clymer Central School District. Board members have the authority to make decisions, to appoint management, and hold primary accountability for all fiscal matters.

The reporting entity of the District is based upon criteria set forth by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB 39, *Component Units*, GASB 61, *The Financial Reporting Entity*, and GASB Statement No. 90, *Majority Equity Interests*. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

**The Extraclassroom Activity Fund**

The Extra classroom Activity Fund of the Clymer Central School District represents funds of the students of the District. The Board of Education exercises general oversight of this fund. The Extra classroom Activity Fund is independent of the Clymer Central School District with respect to its financial transactions and the designation of student management. The cash balances are reported in the Custodial Fund of the District. Separate audited financial statements of the

Extraclassroom Activity Fund are included at the end of these basic financial statements. These statements are presented on a cash basis of accounting.

## **B. JOINT VENTURE**

The Clymer Central School District is one of many component school districts in the Erie II Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs that provide educational and support activities.

The Erie II BOCES is organized under Section 1950 of the New York State Education Law. A BOCES board is considered a corporate body. All BOCES property is held by the BOCES board as a corporation [Section 1950(6)]. In addition, BOCES boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under Section 119-n (a) of the New York State General Municipal Law.

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

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

## **C. BASIS OF PRESENTATION**

### **1. District-wide Statements**

The Statement of Net Position and the Statement of Activities present financial information about the District's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, state aid, intergovernmental revenues, and other exchange and non-exchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants. Discretionary grants can be used for either operating or capital improvement purposes. The District has no business-type activities that rely, to a specific extent, on fees and charges for support.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and

contributions restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

## **2. Fund Financial Statements**

The fund statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds, each of which are displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds. The District reports the following governmental and fiduciary funds:

### **a. General Fund**

The General Fund is the principal operating fund of the Clymer Central School District and is used to account for all financial resources except those required to be accounted for in another fund.

### **b. Special Aid Fund**

This fund is used to account for special operating projects and programs supported in whole, or in part, with federal and state grants.

### **c. School Lunch Fund**

This fund is used to account for the transactions in the District's school lunch and breakfast programs.

### **d. Capital Projects Fund**

The Capital Projects Fund is used to account for and report financial resources to be used for the acquisition, construction, or renovation of major capital facilities, or equipment.

### **e. Fiduciary Fund**

This fund is used to account for fiduciary activities. Fiduciary activities are those in which the District acts as trustee or agent for resources that belong to others. These activities are not included in the district-wide financial statements because their resources do not belong to the District and are not available to be used. There are two classes of fiduciary funds:

#### **i. Private Purpose Trust Fund**

This fund is used to account for trust arrangements in which principal and income benefit annual third-party awards and scholarships for students.

ii. Custodial Fund

This fund is strictly custodial in nature and does not involve the measurement of the results of operations. Assets are held by the District as an agent for various student groups, Extraclassroom activity funds, and for payroll or employee withholding.

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

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

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

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within 90 days after the end of the fiscal year, except for real property taxes that are considered to be available if collected within 60 days after the end of the fiscal year.

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

**E. BUDGETARY DATA**

**1. Budget Policies:**

a. General Fund and School Lunch Fund

- i. The Clymer Central School District administration prepares a proposed budget for approval by the Board of Education.



- ii. The proposed appropriation budget of the General Fund is approved by the voters within the District.
- iii. Appropriations are adopted at the program level.
- iv. Appropriations established by adoption of the budget constitute a limitation on expenditures and encumbrances. Appropriations lapse at the end of the fiscal year. Supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists that was not determined at the time the budget was adopted. The District had no supplemental appropriations during the fiscal year ended June 30, 2021.
- v. The Clymer Central School District Board of Education approves transfers among budgetary line items as deemed necessary.
- vi. The New York State Uniform System of Accounts requires that fixed budgetary controls be used for all governmental fund types.

b. Special Aid Fund

Individual budgets are all adopted based on each federal, state, and local grant award. Transfers among budgetary line items are made as deemed necessary after approval by the grantor agency. Appropriations lapse at the end of the grant period versus the District's fiscal year end. The budget appropriations in the special revenue funds lapse at the end of the grant period, not at the end of the District's fiscal year.

c. Capital Projects Fund

Individual budgets are adopted for each capital project and require approval by New York State. Transfers among budgetary line items are made as deemed necessary after approval by the state. Appropriations lapse at the end of the project, which may continue over several fiscal years.

## **2. Encumbrances**

Encumbrances accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed as a control in preventing over-expenditure of established appropriations. Open encumbrances are reported as reservations of fund balance because they do not constitute expenditures or liabilities and will be honored through budget appropriations in the subsequent year.

## **3. Budget Basis of Accounting**

Budgets are adopted annually on a legally prescribed basis. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

## **F. PROPERTY TAXES**

Real property taxes are levied annually by the Clymer Central School District Board of Education no later than August 31<sup>st</sup>. Taxes were collected during the period September 1, 2020 through October 31, 2020.

Uncollected real property taxes are subsequently enforced by Chautauqua County, where the District is located. An amount representing uncollected real property taxes transmitted to the county for enforcement is paid by the county to the Clymer Central School District no later than the forthcoming April 1<sup>st</sup>.

## **G. ESTIMATES**

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

## **H. CASH AND CASH EQUIVALENTS**

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

New York State law governs the District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements, and obligations of New York State or its localities.

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

## **I. INVESTMENTS**

The Clymer Central School District invests in an authorized investment pool and certificates of deposit. Investments are carried at fair value.

## **J. RECEIVABLES**

All receivables are reported at their gross value, and when appropriate, are reduced by the estimated portion expected to be uncollectible. No allowance for uncollectible accounts has been provided since it is estimated by management that such an allowance would not be material.

## **K. INVENTORY**

Inventories of food and supplies in the School Lunch Fund are recorded at cost on a first-in, first-out basis or, in the case of surplus food, at stated value that approximates market value. Purchases of inventory items in other funds are recorded as expenditures at the time of purchase and are considered immaterial in amount.

## **L. DUE TO/FROM OTHER FUNDS**

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

## **M. INTERFUND TRANSFERS**

The operations of the District will sometimes generate certain transactions between funds, including the transfer of expenditures as well as the transfer of revenues to provide services and construction of assets. Refer to Note IV for a detailed disclosure by individual fund for interfund activity.

## **N. UNEARNED REVENUE**

The District may report unearned revenue on its combined balance sheet. Unearned revenue arises when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Unearned revenue also arises when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the District has legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized.

## **O. CAPITAL ASSETS**

Capital assets are recorded at actual or estimated historical cost. Land and vehicles were recorded at actual historical cost. Leased equipment was recorded at the present value of the minimum lease payments at the inception of the lease. In the case of gifts and contributions, the capital asset is recorded at its fair market value. Depreciation is computed using the straight-line method over estimated useful lives. There is no depreciation expense taken for land and construction in progress.

	Estimated Useful Lives <u>Years</u>	Capitalization <u>Threshold</u>
Buildings	50	\$50,000
Improvements	40	\$50,000
Furniture and Equipment	3-10	\$ 5,000

Interest incurred during construction is not capitalized.

#### **P. SHORT-TERM DEBT**

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

#### **Q. ACCRUED LIABILITIES AND LONG-TERM LIABILITIES**

Payables, accrued liabilities, and long-term liabilities are reported in the district-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Claims and judgements, other postemployment benefits payable, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as liabilities in the fund financial statements when due.

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

#### **R. NET POSITION – DISTRICT WIDE STATEMENTS**

Net position on the Statement of Net Position include the following:

Net Investment in Capital Assets - This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets reduce the balance in this category.

Restricted - The components of net position that reports the financial resources restricted for various purposes.

Unrestricted - The difference between the assets and liabilities that is not reported in Net Investment in Capital Asset, and Net Position Restricted for Capital Projects.

## **S. FUND BALANCE – GOVERNMENTAL FUND STATEMENTS**

There are five classifications of fund balance in the Fund Balance Statements:

### **1. Non-Spendable:**

The non-spendable fund balances include amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact. Non-spendable fund balance includes the inventory recorded in the School Lunch Fund of \$8,633.

### **2. Restricted:**

The restricted fund balances include amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or law or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. All encumbrances of funds other than the General Fund are classified as restricted fund balances. The District has established the following restricted fund balances:

#### **a. Unemployment Compensation Reserve:**

According to Municipal Law Section 6-m, this reserve is used to accumulate funds to pay the cost of reimbursement to the New York State Unemployment Insurance Fund for payments made to claimants. Excess reserve amounts may be either transferred to another reserve or applied to the appropriations of the succeeding fiscal year's budget. The reserve is accounted for in the General Fund.

#### **b. Reserve for Employee Benefit Accrued Liability:**

According to Municipal Law Section 6-p, the purpose of this account is to reserve funds for the payment of any accrued employee benefit due an employee upon termination of service. This reserve fund may be established by a majority vote of the Clymer Central School District Board of Education and funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. The reserve is accounted for in the General Fund.

#### **c. Capital Reserve:**

According to Education Law Section 3651, this reserve is used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of the reserve; the ultimate amount, it is probable term and the source of the funds. Expenditure may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. This reserve is accounted for in the General Fund.

#### **d. Retirement Contribution Reserve:**

According to Municipal Law Section 6-r, this reserve is used to accumulate funds for future payments of retirement contributions. The reserve will be funded from excess money from expenses and revenues each year. The reserve is accounted for in the General Fund.

**e. Encumbrances:**

Encumbrance accounting, under which purchase orders, contracts, and other commitments of expenditures are recorded for budgetary control purposes in order to reserve applicable appropriations, is employed as a control in preventing over-expenditure of established appropriations. Open encumbrances are reported as restricted fund balance in all funds other than the General Fund, since they do not constitute expenditures or liabilities and will be honored through budget appropriations in the subsequent year.

**f. TRS**

According to Municipal Law Section 6-r, this reserve is used to accumulate funds for future payments to the New York State Teachers' Retirement Fund ("TRS").

**3. Committed:**

The committed portion of the fund balance includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the Board. The District has no committed fund balance as of June 30, 2021.

**4. Assigned:**

The assigned portion of the fund balance includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances of the General Fund are classified as Assigned Fund Balance in the General Fund. The reserve for encumbrances represents the amount of outstanding encumbrances at the end of the fiscal year to be potentially expended in the subsequent year. (See related Note I-E-2). \$636,940 has been designated in the General Fund as the amount estimated to be appropriated to reduce taxes for the subsequent year. Encumbrances reported in the General Fund amounted to \$57,603.

**5. Unassigned:**

The unassigned portion of the fund balance includes all other General Fund net position that do not meet the definition of the above four classifications and are deemed to be available for general use by the District.

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

Order and Use of Fund Balance:

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

determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance. The unassigned portion of the fund balance includes all other General Fund net position that do not meet the definition of the above classification and are deemed to be available for general use by the District.

#### **T. OTHER POST EMPLOYMENT BENEFITS**

In addition to providing pension benefits, the District provides health insurance coverage for certain retired employees as described in Note IV(B)(2)(iv).

#### **U. NEW ACCOUNTING STANDARDS**

The District has adopted all current statements of the Governmental Accounting Standards Board (GASB) that are applicable. At June 30, 2021, the District implemented the following new standards issued by GASB:

- GASB Statement No. 84, *Fiduciary Activities*.
- GASB Statement No. 90, *Majority Equity Interests – an Amendment of GASB Statements No. 14 and No. 61*.

#### **V. FUTURE CHANGES IN ACCOUNTING STANDARDS**

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

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

## **W. DEFERRED COMPENSATION PLAN**

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

## **X. JOINT VENTURES**

1. During the year ended June 30, 2021, the District was billed \$1,608,999 for BOCES administrative and program costs. Participating districts issue debt on behalf of BOCES. During the year ended June 30, 2005, BOCES and its component school districts entered into an agreement to provide for the construction of improvements to various BOCES school facilities. The Clymer Central School District is a participating member of the component school districts and will share in the cost of the construction improvements. Financial statements for Erie II BOCES are available from the BOCES administrative office in Angola, New York.
2. The District is a member of the School and Municipal Energy Cooperative that purchases energy and sells it to its members at a reduced cost. The District is also a member of the Chautauqua County School District Consortium for health insurance.

## **Y. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category. First is the difference between the carrying value of bonds payable that were defeased during the year ended June 30, 2015 and the amount for which the bonds were re-issued. This amount is deferred and amortized over the life of the new debt outstanding. The second item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The third item relates to OPEB reporting in the district-wide Statement of Net Position. This represents the effect of the net change in the actual and expected experience as well as the effect of changes of assumptions or other inputs.



In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify for reporting in this category. The first item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability (ERS System) and net pension asset (TRS System) and difference during the measurement periods between the District's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The second item relates to OPEB reporting in the district-wide Statement of Net Position. This represents the effect of the net change in the actual and expected experience as well as the effect of changes of assumption or other inputs.

## **Z. VESTED EMPLOYEE BENEFITS**

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

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

Consistent with *GASB Statement 16, Accounting for Compensated Absences*, the liability has been calculated using the vesting / termination method and an accrual for that liability is included in the district-wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year-end.

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

## **NOTE II - EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND GOVERNMENT-WIDE STATEMENTS**

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

## A. TOTAL FUND BALANCES OF GOVERNMENTAL FUNDS VS. NET POSITION OF GOVERNMENTAL ACTIVITIES

Total fund balances of the District's governmental funds differ from net position of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position compared to the current financial resources focus of the governmental fund balance sheets.

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

Original Cost of Capital Assets	\$ 26,462,723
Accumulated Depreciation	<u>(13,321,362)</u>
	<u>\$ 13,141,361</u>

Long-term liabilities are reported in the Statement of Net Position, but not in the governmental funds, because they are not due and payable in the current period. Balances at June 30, 2021, were:

	Due in One Year	Due After One Year	Total
Bonds	\$ 895,000	1,290,000	2,185,000
Compensated Absences	42,240	239,357	281,597
Net Pension Liability	-	582,932	582,932
Post Employment Benefits (OPEB)	-	7,093,624	7,093,624
	<u>\$ 937,240</u>	<u>9,205,913</u>	<u>10,143,153</u>

The amounts reported on the Statement of Net Position for due to and due from other funds represent amounts due between different fund types. Eliminations have been made for amounts due to and due from within the same fund type.

The following is a summary of governmental interfund eliminations:

	Due from Other Funds	Due to Other Funds
General Fund	\$ 506,183	257,864
Special Aid	219,896	494,310
School Lunch	-	22,650
Capital Projects	48,297	-
Private Purpose Trust Fund	<u>469</u>	<u>21</u>
	<u>\$ 774,845</u>	<u>774,845</u>

Interest on short and long-term debt is recorded as an expenditure in governmental funds when it is due, and thus requires the use of current financial resources. On the Statement of Net Position, interest is recognized as it accrues, regardless of when it is due. A summary of additional accrued interest on debt as of June 30, 2021, is as follows:

Accrued Interest on Serial Bonds	<u>\$ 16,882</u>
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Interest earned on savings and investments, but not yet received by the District, does not provide current financial resources and consequently, is not reported as revenue in the fund statements.

## **B. STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE VS. STATEMENT OF ACTIVITIES**

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

### **1. Long-Term Revenue Differences**

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

### **2. Capital Related Differences**

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

### 3. Long-Term Debt Transaction Differences

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

#### **Differences between the Governmental Funds Operating Statement and Statement of Activities**

##### **Total Revenue and Other Funding Sources of Governmental Funds**

Total Revenue and other funding sources of governmental funds	\$ 11,401,271
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In the governmental funds, bond anticipation notes redeemed from appropriations are recorded as revenue. On the government wide financial statements, this redemption from appropriations increases long-term liabilities and does not affect the Statement of Activities.	<u>(177,000)</u>
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Total Revenue and other funding sources of governmental activities in the Statement of Activities	<u>\$ 11,224,271</u>
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## Total Expenditures Reported in Governmental Funds

Total expenditures reported in governmental funds \$ 11,671,681

In the statement of activities, certain operating expenses (compensated absences and retiree health benefits) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). For the year ended June 30, 2021, the amount paid did not exceed the additional obligation by \$64,672. Also, the OPEB accrual (GASB #75) amount paid exceeded the additional obligation by \$115,186.

(50,514)

When the purchase or construction of capital assets is financed through governmental funds, the resources expended for those assets are reported as an expenditure in the year it is incurred. However, in the statement of activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital expenditures.

(34,233)

Repayment of Bond principal and BANs are expenditures in the governmental funds, but they reduce long-term liabilities in the statement of net assets, and do not affect the Statement of Activities.

(1,047,000)

(Increases) decreases in proportionate share of net pension asset / liability, deferred outflows of resources, and deferred inflows of resources reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds.

435,653

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The net interest reported in the statement of activities is the result of accrued interest on bonds, leases and contracts payable as well as the recognition of the defeasance gain over the life of the new bond in accordance with the rules of GASB Statement No. 65.

3,455

Total expenses of governmental activities

\$ 10,979,042

### **NOTE III - STEWARDSHIP, COMPLIANCE, ACCOUNTABILITY**

#### **A. UNASSIGNED FUND BALANCE**

The District's unassigned fund balance was not in excess of the New York State Real Property Tax Law subsection 1318 limit that restricts it to an amount not greater than 4 percent of the District's budget for the upcoming school year.

As a result of expenditures incurred prior to the completion of permanent financing, there is a negative fund balance of \$901,006 in the Capital Projects Fund.

### **NOTE IV - DETAIL NOTES ON ALL FUNDS**

#### **A. ASSETS**

##### **1. Cash and Cash Equivalents**

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

Collateral is required for demand and time deposits and certificates of deposit at 100 percent of all deposits 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.

##### **a. Deposits**

The table presented below is designed to disclose the level of custody credit risk assumed by the District based upon how its deposits were insured or secured with collateral at June 30, 2021. The categories of credit risk are defined as follows:

Category 1 - Insured by FDIC or collateralized with securities held by the District or by its agent in the District's name.

Category 2 - Uninsured but collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.

Category 3 - Uninsured and uncollateralized.

Type of Deposit	Total Bank Balance	Custody Credit Risk Category			Total Carrying Value
		1	2	3	
Demand Deposit	\$ 5,283,860	501,584	4,782,276	-	4,819,893
Savings	107,733	107,734	-	-	107,734
Cash on Hand	-	-	-	-	200
	<u>\$ 5,391,593</u>	<u>609,318</u>	<u>4,782,276</u>	<u>-</u>	<u>4,927,827</u>

Reconciliation to the Statement of Net Position / Governmental and Fiduciary

Unrestricted Cash - Primary Government	\$ 2,043,229
Restricted Cash - Private Purpose Trust	29,906
Restricted Cash - Primary Government	2,817,555
Restricted Cash - Fiduciary Fund	37,137
Total Deposits	<u>\$ 4,927,827</u>

b. Restricted cash and investments in the governmental and fiduciary fund statements for the year ended June 30, 2021, included the following:

Governmental Funds	Amount	Purpose
<u>Major</u>		
General Fund	\$ 366,550	Employee Benefits
	446,257	Retirement
	113,370	TRS
	154,267	Unemployment
Capital Project Fund	1,737,111	Future Capital Projects
<u>Fiduciary Funds</u>		
Fiduciary	67,043	Extraclassroom Activity & Private Purpose Trusts
Total Restricted Cash	<u>\$ 2,884,598</u>	

## 2. Interfund Transactions

Interfund balances as of and for the year ended June 30, 2021 were as follows:

	Due From	Due To	Transfer From	Transfer To
<u>Governmental Funds</u>				
Major:				
General Fund	\$ 506,183	257,864	-	79,026
Capital Projects Fund	48,297	-	79,026	-
Other:				
School Lunch	-	22,650	-	-
Special Aid Fund	219,896	494,310	-	-
Private Purpose Trust Fund	469	21	-	-
Total	<u>\$ 774,845</u>	<u>774,845</u>	<u>79,026</u>	<u>79,026</u>

Interfund receivables and payables, other than between governmental activities and fiduciary funds, are eliminated on the Statement of Net Position. The District typically lends resources between funds for the purpose of mitigating the effect of transient cash flow issues. All interfund payables are expected to be repaid within one year.

## 3. Changes in Capital Assets

Capital assets owned by the District are stated at original cost upon acquisition and at fair market value when received as a donation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, ranging from 3 to 50 years. Depreciation is not recorded for land or construction in progress. Interest incurred during construction is not capitalized. A summary of changes (other than those that resulted from the appraisal) in capital assets during the fiscal year ended June 30, 2021 is as follows:

Category	Balance at July 1, 2020	Additions	Deletions	Balance at June 30, 2021
Non-depreciable Assets:				
Land	\$ 68,000	-	-	68,000
Construction in Progress	-	708,595	-	708,595
Depreciable Assets:				
Buildings	23,024,985	-	-	23,024,985
Furniture & Equipment	2,651,789	9,354	-	2,661,143
Subtotal	25,744,774	717,949	-	26,462,723
Accumulated Depreciation	(12,637,646)	(683,716)	-	(13,321,362)
Net Capital Assets	<u>\$ 13,107,128</u>	<u>34,233</u>	<u>-</u>	<u>13,141,361</u>



Depreciation expense of \$683,716 was charged to the following functions on the Statement of Activities:

General Support	\$ 38,181
Instruction	467,655
Pupil Transportation	168,534
Lunch	<u>9,346</u>
Total	<u>\$ 683,716</u>

During the year ended June 30, 2021, the District began a capital improvements project. Phase 1 of this project will involve replacing the roof on the school building. Phase 2 will be for upgrades to the school's athletic track and tennis courts, resurfacing the gymnasium, upgrades to the school's heating, ventilation, and air conditioning ("HVAC") systems, and other general improvements to the infrastructure of the school. This project is budgeted for \$4.5 million. As of June 30, 2021, the District incurred costs of \$708,595 which are recorded as "construction in progress" in the government-wide financial statements. When the project is completed, these assets will be reclassified to the "buildings" category and will be depreciated going forward. This project is anticipated to be completed in the fall of 2022.

The District issued a bond anticipation note ("BAN") in the amount of \$1,850,000 during the year ended June 30, 2021 to pay for some of these costs. This BAN will mature on June 16, 2022, at which time the District plans on rolling it over into a long-term bond. Additionally, the District used the balance in fund balance that was restricted for capital improvements (\$79,026) to pay for costs incurred during the year ended June 30, 2021. The balance of the cost of this capital improvement project will be paid for with state aid funding.

## **B. LIABILITIES**

### **1. Accounts Payable and Accrued Liabilities**

Accounts payable and accrued liabilities are reported in the district-wide financial statements. In the governmental funds, accounts payable and accrued liabilities are paid from current financial resources.

The District had accrued liability reported in the fund Governmental Funds Balance Sheet at June 30, 2021 in the amount of \$278,810. This account represents accrued payroll liability amounts of \$139,917 and amounts for sick time that retirees of the District have accumulated that the District has not paid out yet of \$138,893. As noted above, the District also has accrued interest recorded in the government-wide financial statements of \$16,882.

## **2. Indebtedness**

### Long-Term Debt

#### i. Serial Bonds

The District borrows money in order to acquire or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of capital assets. These long-term liabilities are full faith and credit debt of the District. The provision to be made in future budgets for capital indebtedness represents the amount exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities.

#### ii. Bond Anticipation Notes

Notes issued in anticipation of proceeds from the subsequent sale of bonds are recorded as a current liability in the General Fund and the Capital Projects Fund, which are the funds that will actually receive the proceeds from the issuance of the bonds.

#### iii. Compensated Absences

The liability for compensated absences is calculated at rates in effect as of the balance sheet date per negotiated contracts, and is recorded in the governmental funds in as much as it will be funded from current financial resources.

A portion of the compensated absence liability recognized may be attributable to the value of sick leave converted to pay employees' share of post-employment health insurance premiums.

#### iv. Post-Employment Benefits

##### Plan Descriptions:

The District's defined benefit other post-employment benefits plan (OPEB) provides benefits for all permanent full-time general and public safety employees of the District. The plan is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in paragraph 5 of GASB Statement No. 75. The Plan does not issue financial statements and is not a trust. Eligibility for benefits is based on covered employees who retire from the District at age 55 or older and have met vesting requirements.

##### Benefits Provided:

The District provides health insurance benefits for retirees and their

dependents. The benefit terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the District offices and are available upon request.

Employees Covered by Benefit Terms:

At June 30, 2021, the total number of participants in the OPEB plan were comprised as follows:

Active employees, not eligible to retire	56
Active employees, eligible to retire	20
Retired employees and surviving spouses	47
Retiree spouses covered	<u>22</u>
Total	<u>145</u>

Total OPEB Liability:

The District's total OPEB liability of \$7,093,624 was measured as of June 30, 2021, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs:

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

*Healthcare cost trend rates* – based on the National Health Expenditure Projections 2011-2027 for short-term rates and the Society of Actuaries Getzen Long-Term Healthcare Cost Trend Resources Model v2020\_a (updated September, 2019) for long-term rates, initially 5.20% in 2020 and fluctuating to an ultimate rate of 4.18% after 2070.

*Salary increases* – 3.11%

*Mortality* – Pub-2010 Public Retirement Plans Mortality Tables, Headcount-Weighted, distinct for Teachers, General, and Safety, without separate Contingent Survivor mortality, fully generational using scale MP-2020.

*Discount rate* – 2.27% based on the Fidelity Municipal GO AA 20-Year Bond rate as of the measurement date (previously 2.48%).

	<b>Total OPEB Liability</b>
Balance at June 30, 2020	\$ 7,205,393
Changes for the year:	
Service cost	236,032
Interest	177,676
Differences between expected and actual experience	(388,442)
Changes in assumptions or other inputs	140,026
Benefit payments	(277,061)
Net changes	(111,769)
Balance at June 30, 2021	<u>\$ 7,093,624</u>

**Sensitivity of the Total OPEB Liability to the Change in the Discount Rate and Healthcare Cost Trend Rate**

The following table presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point higher or lower than the current discount rate.

	<b>1% Decrease (1.27%)</b>	<b>Discount Rate (2.27%)</b>	<b>1% Increase (3.27%)</b>
Total OPEB liability	\$ 7,711,601	7,093,624	6,536,151

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

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

	<b>1% Decrease (3.00% to 3.08%)</b>	<b>Healthcare Cost Trend Rate (4.00% to 4.08%)</b>	<b>1% Increase (5.00% to 5.08%)</b>
Total OPEB liability	\$ 6,339,346	7,093,624	7,974,128

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

For the year ended June 30, 2021, the District recognized OPEB expense of \$161,875. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 30,553	968,524
Changes of assumptions or other inputs	367,236	17,080
Total	<u>\$ 397,789</u>	<u>985,604</u>

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

<b>Years ending June 30,</b>	<b>Amount</b>
2022	\$ (301,452)
2023	(186,913)
2024	(71,846)
2025	(27,604)
2026	-
Thereafter	-

vii. Changes

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

					Amounts Due Within
Government Activities:	7/1/20	Additions	Deletions	6/30/21	One Year
Serial Bonds	\$ 3,055,000	-	870,000	2,185,000	895,000
Bond Anticipation Notes	512,000	2,185,000	512,000	2,185,000	2,185,000
Compensated Absences	216,925	64,672	-	281,597	42,240
Net Pension Liability - ERS	752,333	-	749,597	2,736	-
Net Pension Liability - TRS	-	580,196	-	580,196	-
Post Employment Benefits (OPEB)	7,250,393	120,292	277,061	7,093,624	-
Total	<u>\$ 11,786,651</u>	<u>2,950,160</u>	<u>2,408,658</u>	<u>12,328,153</u>	<u>3,122,240</u>

Note that the TRS amount was classified as an asset at June 30, 2020 and, due to the performance of the investment markets, was reclassified as a liability at June 30, 2021.

Additions and deletions to compensated absences are shown net since it is impractical to determine these amounts separately.

viii. Maturity

The \$2,009,800 in serial bonds, issued in 2009 at a variable interest rate, has a final maturity of June 15, 2024. Principal and interest is payable semi-annually on June 15 and December 15. Interest charged to the

General Fund was \$20,475 for the year ended June 30, 2021.

The \$5,375,000 in serial bonds, issued in 2015 (upon defeasance of older bonds) at interest rates of between 2.00% and 2.50%, has a final maturity of June 15, 2023. Principal and interest are payable semi-annually on June 15 and December 15. Interest charged to the General Fund was \$47,763 for the year ended June 30, 2021.

The \$355,000 in serial bonds, issued in 2018 at interest rates between 2.25% and 3.00%, has a final maturity of June 15, 2030. Principal and interest are payable semi-annually on June 15 and December 15. Interest charged to the General Fund was \$8,156 for the year ended June 30, 2021.

The \$512,000 bond anticipation note payable issued July 11, 2019 at an interest rate of 2.125% had a final maturity date of July 9, 2020. Interest charged to the General Fund was \$10,820 for the year ended June 30, 2021.

The \$355,000 bond anticipation note payable issued on July 8, 2020 at an interest rate of 2% has a final maturity date of July 8, 2021. No interest was charged to the General Fund during the year ended June 30, 2021. Interest will be charged when paid during the year ended June 30, 2022.

The \$1,850,000 bond anticipation not payable issued on June 16, 2021 at an interest rate of 1% has a final maturity date of June 16, 2022. No interest was charged to the General Fund during the year ended June 30, 2021. Interest will be charged when paid during the year ended June 30, 2022.

The following is a summary of maturing debt service requirements for serial bonds payable.

<b>Fiscal Year</b>			
<b>Ended June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 895,000	61,401	956,401
2023	915,000	38,713	953,713
2024	200,000	13,288	213,288
2025	30,000	5,025	35,025
2026	30,000	4,200	34,200
2027-2030	115,000	7,875	122,875
	<u>\$ 2,185,000</u>	<u>130,502</u>	<u>2,315,502</u>

ix. Defeasance

During November, 2014, the District issued \$5,375,000 in general

obligation bonds with a variable interest rate between 2.0% and 2.5% to advance refund of \$5,325,000 of outstanding bonds a variable interest rate between 3.00% and 5.25%. As a result, the bonds are considered to be defeased, and the liability for these bonds has been removed from the District's financial statements. The economic gain on the transaction (the difference between the present values of the debt service payments on the old and new debt) was approximately \$345,075. The defeasance of this debt resulted in a deferred outflow of resources of \$50,000. This amount is being amortized over 9 years. The balance at June 30, 2021 was \$11,540.

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

Interest Paid	\$ 87,214
Less: Interest Accrued in the Prior Year	(19,197)
Plus: Interest Accrued in the Current Year	16,882
Plus: Defeasance Loss Recognized in the Current Year	<u>5,770</u>
	<u>\$ 90,669</u>

#### **NOTE V - PENSION PLANS**

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

##### Provisions and Administrations:

A 10-member Board of Trustees of the New York State Teachers' Retirement Board administers TRS. TRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law (NYSRSSL). Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors, and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. TRS issues a publicly available financial report that contains financial statements and required supplementary information. The report may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York 12211-2395 or by referring to the TRS Comprehensive Annual Financial report, which can be found on the System's website at [www.nystrs.org](http://www.nystrs.org).

ERS provides retirement benefits as well as death and disability benefits. The net position of the System is held in New York State Common Retirement Fund (the "Fund"), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. NYSRSSL govern the obligations of employers and employees to contribute, and benefits to employees. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The District also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report may be obtained by writing to NYSEERS, Office of the State Comptroller, 110 State Street, Albany, New York 12244, or by referring to the ERS Comprehensive Annual Report, which can be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php).

#### Funding Policies:

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education law. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. The District paid 100% of the required contributions as billed by the TRS and ERS for the current year and each of the two preceding years.

The District's share of the required contributions based on covered payroll for the current year and the two preceding years were:

Year	ERS Amount	TRS Amount
2021	\$ 138,433	294,040
2020	\$ 136,395	320,024
2019	\$ 138,769	365,493

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

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

At June 30, 2021, the District reported the following asset / (liability) for its proportionate share of the net pension asset / (liability) for each of the Systems. The net pension asset / (liability) was measured as of March 31, 2021 for ERS and



June 30, 2020 for TRS. The total pension asset / (liability) used to calculate the net pension asset / (liability) was determined by an actuarial valuation. The District's proportion of the net pension asset / (liability) was based on a projection of the District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS Systems in reports provided to the District.

	ERS	TRS
Measurement date	March 31, 2021	June 30, 2020
District's proportionate share of the net pension liability (asset)	\$ 2,736	580,196
District's portion of the Plan's total Net pension asset / (liability)	0.0027473%	0.020997%
Change in proportion since the prior measurement date	(.0000938%)	0.0000870%

For the year ended June 30, 2021, the District recognized net pension expense of \$868,045 on the government-wide statements (\$72,413 of expense from ERS and \$795,632 of expense from TRS). At June 30, 2021, the District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience	\$ 33,409	508,368	-	29,734
Change of assumptions	502,988	733,813	9,487	261,566
Net difference between projected and actual earnings on pension plan investment	-	378,919	785,824	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	44,058	75,251	23,901	14,573
District's contributions subsequent to the measurement date	<u>37,265</u>	<u>293,494</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 617,720</u>	<u>1,989,845</u>	<u>819,212</u>	<u>305,873</u>

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

	ERS	TRS
Year ended:		
	\$ -	240,502
2022	(39,862)	470,738
2023	(10,308)	389,980
2024	(39,767)	243,823
2025	(148,820)	18,469
Thereafter	-	26,966

#### Actuarial Assumptions

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

	ERS	TRS
Measurement date	March 31, 2021	June 30, 2020
Actuarial valuation date	April 1, 2020	June 30, 2019
Interest rate	5.90%	7.10%
Salary scale	4.40%	1.90% - 4.72%
Decrement tables	April 1, 2015 - March 31, 2020 System's experience	July 1, 2009 - June 30, 2014 System's experience
Inflation rate	2.70%	2.20%

For ERS, the actuarial assumptions used in the April 1, 2020 valuations, with update procedures used to roll forward the total pension liability to March 31, 2021, were based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020, based on the Society of Actuaries' Scale MP2018.

For TRS, the actuarial assumptions used in the June 30, 2019 valuation, with update procedures used to roll forward the total pension liability to June 30, 2020, were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2014, based on the Society of Actuaries' Scale MP2019.

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

	Target Allocation		Long-Term Expected Real Rate of Return	
	ERS	TRS	ERS	TRS
			March 31, 2021	June 30, 2020
Measurement date				
Asset class:				
Domestic Equity	32%	4.05%	33%	7.10%
International Equity	15%	6.30%	16%	7.70%
Global Equity	0%	0.00%	4%	7.40%
Real Estate	9%	4.95%	11%	6.80%
Domestic Fixed Income Securities	0%	0.00%	16%	1.80%
Absolute Return Strategy Investment	0%	0.00%	0%	0.00%
Opportunistic Funds	3%	4.50%	0%	0.00%
Credit	4%	3.63%	0%	0.00%
Real Assets	3%	5.95%	0%	0.00%
Fixed Income	23%	0.00%	0%	0.00%
Private Equity	10%	6.75%	8%	10.40%
Global Fixed Income Securities	0%	0.00%	2%	1.00%
High-Yield Fixed Income Securities	0%	0.00%	1%	3.90%
Real Estate Debt	0%	0.00%	7%	3.60%
Private Debt	0%	0.00%	1%	5.20%
Mortgages	0%	0.00%	0%	0.00%
Short-Term	0%	0.00%	0%	0.00%
Cash	1%	0.50%	1%	0.70%
Inflation-Indexed Bonds	0%	0.00%	0%	0.00%

#### Discount Rate

The discount rate used to calculate the total pension liability was 5.90% for ERS and 7.10% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 5.90% for ERS and 7.10% for TRS, as well as what the District's proportionate share of the net pension asset / (liability) would be if it were calculated using a discount rate that is 1 percentage point lower (4.90% for ERS and 6.10% for TRS) or 1 percentage point higher (6.9% for ERS and 8.10% for TRS) than the current rate:

ERS	1% Decrease (4.80%)	Current Assumption (5.80%)	1% Increase (6.80%)
Employer's proportionate share of the net pension (asset) liability	\$ 759,296	2,736	(694,990)
TRS	1% Decrease (6.10%)	Current Assumption (7.10%)	1% Increase (8.10%)
Employer's proportionate share of the net pension (asset) liability	\$ 3,664,898	580,196	(2,008,651)

#### Pension Plan Fiduciary Net Position

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

	(Dollar in Thousands)	
	ERS	TRS
Valuation date	March 31, 2021	June 30, 2020
Employers' total pension liability	\$ 220,680,157	123,242,776
Plan fiduciary net position	220,580,583	120,479,505
Employers' net pension liability	\$ 99,574	2,763,271
System fiduciary net position as a percentage of total pension liability	100.0%	97.8%

#### Payables to the pension plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31. Accrued retirement contributions as of June 30, 2021 represent the projected employer contribution for the period of April 1, 2021 through June 30, 2021 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2021 amounted to \$37,266 of employer contributions. Employee contributions were remitted monthly.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2021 are paid to the System in September, October and November 2021 through a state aid intercept. Accrued retirement contributions as of June 30, 2021 represent employee and employer contributions for the fiscal year ended June 30, 2021 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2021 amounted to \$320,464 of employer contributions. Employee contributions were remitted monthly.

## NOTE VI - FUND BALANCE CLASSIFICATIONS

The District's restricted fund balance comprises various components.

<b>Restricted Fund Balance</b>		
<b>General</b>	Employee Benefits	\$ 366,550
	Retirement	446,257
	TRS	113,370
	Unemployment	154,267
	Capital Projects	<u>1,737,111</u>
<b>Total Restricted Fund Balance</b>		<u>2,817,555</u>
<b>Assigned Fund Balance</b>		
<b>General</b>	Subsequent Year's Expenditures	636,940
	Encumbrances	
	General Support	39,329
	Instruction	18,160
	Pupil Transportation	114
<b>School Lunch</b>	School Lunch	<u>50,057</u>
<b>Total Assigned Fund Balance</b>		<u>\$ 744,600</u>

## NOTE VII - COMMITMENTS AND CONTINGENCIES

### A. RISK FINANCING AND RELATED INSURANCE

#### 1. General Information

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

#### 2. Medical Health Insurance Plan

The Clymer Central School District incurs costs related to an employee health insurance plan sponsored by Chautauqua County School Districts' consortium and its component districts. The plan's objectives are to formulate, develop, and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program. Districts joining the plan do not have a minimum requirement for withdrawal; a member may withdraw from the plan by informing the plan administrator 30 days prior to withdrawal. Plan members include 19 Districts, with the Clymer Central School District bearing a 4 percent share of the plan's assets and claims liabilities. Plan members are subject to a supplemental assessment in the event of deficiencies. In the

event the plan's assets were exhausted, members would be responsible for the plan's liabilities. The plan uses a reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability of the plan as direct insurer of the risks reinsured. The plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate costs of claims (including future claim adjustment expenses) that have been reported but not settled and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. During the year ended June 30, 2021, the Clymer Central School District incurred premiums or contribution expenditures totaling \$1,827,299. Payments of claims and claim adjustment expenses attributable to insured events of the current fiscal year totaled \$54,572,461 for the total consortium, which has a fund balance of \$44,048,872 based on unaudited financial statements.

### **3. Workers' Compensation**

The Clymer Central School District is insured with the State Insurance Fund. For the year ended June 30, 2021, the District paid \$34,940 of premiums from the General Fund. The District did not recognize a liability for unbilled and open claims, if any, as those would be deemed immaterial.

### **4. Unemployment Insurance**

The District provides unemployment insurance through direct billings from the New York State Unemployment Insurance Fund. For the year ended June 30, 2021, the District paid \$5,941 of premiums from the General Fund. At June 30, 2021, the District did not recognize a liability for unpaid, unasserted claims, if any, as these would be deemed immaterial.

## **B. FEDERAL AND STATE GRANTS**

The District has received grants totaling \$6,340,985 that are subject to audit by agencies of the state and federal government. Such audits may result in disallowances and a request for a return of funds. Based on past audits, the District believes disallowances, if any, will not be material.

### **C. COMPENSATED ABSENCES**

The Clymer Central School District accrued a liability for vested sick leave in the amount of \$202,214 that is recorded as long-term debt. In accordance with the provisions of Governmental Accounting Standards Board Statement No. 16, the District has accrued a liability for non-vested sick leave in the amount of \$79,383 for the year ended June 30, 2021. This liability is based on assumptions concerning the probability that individual employees or classes of employees will become eligible to receive termination benefits in future periods.

### **NOTE VIII – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through October 21, 2021, the date on which the financial statements were available to be issued.

### **NOTE IX – COVID-19 PANDEMIC**

In January, 2020, the Secretary of the United States Department of Health and Human Services declared a public health emergency related to the global pandemic of the coronavirus (COVID-19). In an effort to fight the spread of this pandemic, business and state and local governments have implemented mandatory and voluntary closures of many governmental and private businesses. These closures may have a negative effect on the revenue streams of local governments. The extent of the impact of COVID-19 on the District's financial performance will depend on further developments, such as the duration and spread of the outbreak, all of which cannot be predicted at this time.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

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**SUPPLEMENTAL SCHEDULE 1**

**CLYMER CENTRAL SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS  
LAST FOUR FISCAL YEARS\***

	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018
Measurement date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB liability				
Service Cost	\$ 236,032	\$ 249,800	301,980	270,081
Interest	177,676	244,605	303,564	302,986
Change in benefit terms	-	-	(395,435)	-
Differences between expected and actual experience in the measurement of the total OPEB liability	(388,442)	(610,244)	(1,028,901)	336,065
Changes in assumptions or other inputs	140,026	460,433	(53,677)	27,826
Benefit payments	<u>(277,061)</u>	<u>(373,720)</u>	<u>(533,193)</u>	<u>(376,255)</u>
Net change in OPEB liability	(111,769)	(29,126)	(1,405,662)	560,703
Total OPEB liability - beginning, as restated	<u>7,205,393</u>	<u>7,234,519</u>	<u>8,640,181</u>	<u>8,079,478</u>
Total OPEB liability - ending	<u>\$ 7,093,624</u>	<u>7,205,393</u>	<u>7,234,519</u>	<u>8,640,181</u>
Covered payroll	\$ 5,003,025	4,852,124	4,753,014	4,655,472
Total OPEB liability as a percentage of covered payroll	141.79%	148.50%	152.21%	185.59%

Notes to schedule:

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of the discount rate each period. The following are the discount rates used in each period.

6/30/2021	2.27%
6/30/2020	2.48%
6/30/2019	3.44%
6/30/2018	3.61%

\* Ten years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.

The accompanying independent auditors' report should be read in conjunction with these financial statements.

**CLYMER CENTRAL SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY (ASSET) - TEACHERS' RETIREMENT SYSTEM  
LAST SEVEN FISCAL YEARS \***

	Year Ended June 30,						
Measurement date	2021 June 30, 2020	2020 June 30, 2019	2019 June 30, 2018	2018 June 30, 2017	2017 June 30, 2016	2016 June 30, 2015	2015 June 30, 2014
District's proportion of the net pension liability (asset)	0.0209970%	0.0209100%	0.0217590%	0.0221880%	0.0225940%	0.0223660%	0.0219310%
District's proportionate share of the net pension liability (asset)	<u>\$ 580,196</u>	<u>(543,238)</u>	<u>(393,462)</u>	<u>(168,651)</u>	<u>241,988</u>	<u>(2,323,087)</u>	<u>(2,442,936)</u>
District's covered-employee payroll	\$ 3,362,683	3,560,446	3,442,802	3,544,315	3,516,075	3,487,843	3,360,309
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	17.3%	-15.3%	-11.4%	-4.8%	6.9%	-66.6%	-72.7%
Plan fiduciary net position as a percentage of the total pension liability	97.80%	102.17%	101.53%	100.66%	99.01%	100.46%	111.48%

\* Ten years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.

The accompanying independent auditors' report should be read in conjunction with these financial statements.

**SUPPLEMENTAL SCHEDULE 3**

**CLYMER CENTRAL SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
NYSTRS PENSION PLAN  
LAST SEVEN FISCAL YEARS \***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 320,464	315,455	365,626	347,342	412,084	462,301	588,944
Contributions in relation to the contractually required contribution	<u>320,464</u>	<u>315,455</u>	<u>365,626</u>	<u>347,342</u>	<u>412,084</u>	<u>462,301</u>	<u>588,944</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered-employee payroll	\$3,362,683	\$3,560,446	\$3,442,802	3,544,315	3,516,075	3,487,843	3,360,309
Contributions as a percentage of covered-employee payroll	9.5%	8.9%	10.6%	9.8%	11.7%	13.3%	17.5%

\* Ten years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.

The accompanying independent auditors' report should be read in conjunction with these financial statements.

**SUPPLEMENTAL SCHEDULE 4**

**CLYMER CENTRAL SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY (ASSET) - EMPLOYEES' RETIREMENT SYSTEM  
LAST SEVEN FISCAL YEARS \***

	Year Ended June 30,						
	2021	2020	2019	2018	2017	2016	2015
Measurement date	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
District's proportion of the net pension liability (asset)	0.0027473%	0.0028411%	0.0031970%	0.0032162%	0.0033776%	0.0035043%	0.0033458%
District's proportionate share of the net pension liability (asset)	<u>\$ 2,736</u>	<u>752,333</u>	<u>226,515</u>	<u>103,801</u>	<u>317,367</u>	<u>562,456</u>	<u>113,031</u>
District's covered-employee payroll	\$ 885,754	933,850	985,415	978,519	967,534	1,021,872	1,032,420
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.3%	80.6%	23.0%	10.6%	32.8%	55.0%	10.9%
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.95%

\* Ten years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.

The accompanying independent auditors' report should be read in conjunction with these financial statements.

**SUPPLEMENTAL SCHEDULE 5**

**CLYMER CENTRAL SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
NYSERS PENSION PLAN  
LAST SEVEN FISCAL YEARS \***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 137,658	136,362	140,833	141,073	147,592	167,958	174,788
Contributions in relation to the contractually required contribution	<u>137,658</u>	<u>136,362</u>	<u>140,833</u>	<u>141,073</u>	<u>147,592</u>	<u>167,958</u>	<u>174,788</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered-employee payroll	\$ 885,754	933,850	985,415	978,519	967,534	1,021,872	1,032,420
Contributions as a percentage of covered-employee payroll	15.5%	14.6%	14.3%	14.4%	15.3%	16.4%	16.9%

\* Ten years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.

The accompanying independent auditors' report should be read in conjunction with these financial statements.

**SUPPLEMENTAL SCHEDULE 6**

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

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance With Budgetary Actual
<b>REVENUES</b>				
Local Sources				
Real Property Taxes	\$ 4,694,231	4,694,231	4,707,780	13,549
Real Property Tax Items	6,398	6,398	2,141	(4,257)
Charges for Services	96,300	96,300	56,083	(40,217)
Use of Money and Property	1,000	1,000	3	(997)
Miscellaneous	66,000	66,000	77,288	11,288
State Sources	5,843,663	5,843,663	5,672,081	(171,582)
Federal Sources	8,000	8,000	56,093	48,093
Total Revenues	10,715,592	10,715,592	10,571,469	(144,123)
Other Sources	-	-	-	-
Operating Transfers In	-	-	-	-
Total Revenues and Other Sources	10,715,592	10,715,592	10,571,469	(144,123)
Appropriated Fund Balance, Net of Planned Balance	645,549	645,549	-	-
Total Revenues, Other Sources, and Appropriated Fund Balance	11,361,141	11,361,141	10,571,469	



	Original Budget	Final Budget	Actual (Budgetary Basis)	Year-End Encumbrances	Final Budget Variance With Budgetary Actual and Encumbrances
<b>EXPENDITURES</b>					
General Support					
Board of Education	13,468	38,423	47,567	-	(9,144)
Central Administration	183,714	182,162	189,835	-	(7,673)
Finance	161,033	167,522	170,994	3,160	(6,632)
Staff	30,000	39,264	36,209	-	3,055
Central Services	858,089	918,948	749,741	36,169	133,038
Special Items	126,263	152,326	117,323	-	35,003
Instructional					
Instruction, Administration, & Improvement	304,696	323,535	284,450	-	39,085
Teaching - Regular School	2,616,270	2,639,296	2,472,564	12,808	153,924
Programs for Students With Disabilities	1,404,854	1,457,419	1,346,397	2,644	108,378
Occupational Education	491,736	502,771	352,258	722	149,791
Teaching - Special Schools	2,250	3,312	1,062	-	2,250
Pupil Services	221,854	328,389	299,569	366	28,454
Instructional Media	438,586	444,945	328,336	1,620	114,989
Pupil Transportation	411,298	419,791	336,650	114	83,027
Contractual and Other	11,237	11,387	450	-	10,937
Employee Benefits	2,939,783	2,939,783	2,487,942	-	451,841
Debt Service					
Debt Service Principal and Interest	1,134,010	1,134,010	1,134,214	-	(204)
Total Expenditures	11,349,141	11,703,283	10,355,561	57,603	1,290,119
Other Uses					
Operating Transfers Out	12,000	12,000	79,026	-	(67,026)
Total Expenditures	11,361,141	11,715,283	10,434,587	57,603	1,223,093
Net Change in Fund Balances	-	(354,142)	136,882		
Fund Balance - Beginning of Year	2,395,281	2,395,281	2,395,281		
Fund Balance - End of Year	<u>2,395,281</u>	<u>2,041,139</u>	<u>2,532,163</u>		

The accompanying independent auditors' report should be read in conjunction with these financial statements.

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## **SUPPLEMENTARY INFORMATION**

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CLYMER CENTRAL SCHOOL DISTRICT  
SCHEDULE OF PROJECT EXPENDITURES (CASH BASIS)  
CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2021

Project Title	Expenditures to Date						Unexpended Balance	Proceeds of Obligations	Local Sources	Transfers	EXCEL Aid	Fund Balance as of 6/30/21
	Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total							
CLOSED PROJECTS:												
BUSES	\$ -	344,921	171,798	-	171,798	173,123	171,798	-	-	-	-	-
BUSES	356,625	356,626	184,826	-	184,826	171,800	184,826	-	-	-	-	-
BUSES	240,000	240,000	187,682	-	187,682	52,318	451,754	-	(264,072)	-	-	-
PHASE V	704,000	704,000	686,322	-	686,322	17,678	167,037	-	87,496	31,789	(400,000)	
BUSES	85,000	258,123	239,529	-	239,529	18,594	348,956	3,740	-	-	113,167	
BUSES	81,561	81,561	81,561	-	81,561	-	81,339	222	-	-	-	-
OPEN PROJECTS:												
2021 CAPITAL IMPROVEMENTS PROJECT	4,500,000	4,500,000	-	708,595	708,595	3,791,405	-	15,396	79,026	-	(614,173)	
Total Capital Projects	\$ 5,967,186	6,485,231	1,551,718	708,595	2,260,313	4,224,918	1,405,710	19,358	(97,550)	31,789	(901,006)	

The accompanying independent auditors' report should be read in conjunction with these financial statements.

**SUPPLEMENTAL SCHEDULE 8**

**CLYMER CENTRAL SCHOOL DISTRICT  
SCHEDULE OF CHANGE FROM ADOPTED  
BUDGET TO FINAL BUDGET  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

Adopted Budget	\$ 11,361,141
Additions:	
Prior Year Encumbrances	<u>354,142</u>
Final Budget	<u>\$ 11,715,283</u>

Next year's voter approved budget provides for \$11,492,368 of expenditures.

The accompanying independent auditors' report should be read in conjunction with these financial statements.

**SUPPLEMENTAL SCHEDULE 9**

**CLYMER CENTRAL SCHOOL DISTRICT  
NET INVESTMENT IN CAPITAL ASSETS  
AS OF JUNE 30, 2021**

Capital Assets, Net	\$ 13,141,361
Deduct:	
Bond Anticipation Notes Payable	(2,185,000)
Less: Unspent Proceeds	(1,785,408)
Short-Term Portion of Bonds Payable	(895,000)
Long-Term Portion of Bonds Payable	<u>(1,290,000)</u>
Net Investment in Capital Assets	<u>\$ 6,985,953</u>

The accompanying independent auditors' report should be read in conjunction with these financial statements.

**SUPPLEMENTAL SCHEDULE 10**

**CLYMER CENTRAL SCHOOL DISTRICT  
SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION  
FOR THE YEAR ENDED JUNE 30, 2021**

2021 - 2022 Voter Approved Expenditure Budget	\$ 11,492,368
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Maximum Allowed (4% of 2020 - 2021 Budget)	459,695
--	---------

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

Unrestricted Fund Balance:	
Assigned Fund Balance	694,543
Unassigned Fund Balance	<u>757,176</u>
Total Unrestricted Fund Balance	1,451,719

Less:	
Appropriated Fund Balance	636,940
Encumbrances Included in Assigned Fund Balance	<u>57,603</u>
Total Adjustments	<u>694,543</u>

General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u>\$ 757,176</u>
--	-------------------

Actual Percentage	7%
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\* Per office of the State Comptroller's "Fund Balance Reporting and Governmental Fund Type Definitions," updated April, 2011 (originally issued November, 2010), the portion of General Fund fund balance subject to Section 1318 of the Real Property Tax Law is: unrestricted fund balance (i.e., the total of the committed, assigned, and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

The accompanying independent auditors' report should be read in conjunction with these financial statements.



## **INTERNAL CONTROL AND COMPLIANCE**

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Kenneth S. Frank, CPA  
Roger J. Lis, Jr. CPA  
Julie L. Jagoda-Booth, CPA  
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**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**

To the Member of the Board of Education  
Clymer Central School District  
Clymer, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Clymer Central School District (the "District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 21, 2021

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Clymer Central School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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



### Purpose of This Report

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

R.A. Mercer & Co., P.C.

*R.A. Mercer & Co., P.C.*

West Seneca, New York  
October 21, 2021

## **EXTRACLASSROOM ACTIVITY FUND**

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## **INDEPENDENT AUDITORS' REPORT**

To the Members of the Board of Education  
Clymer Central School District  
Clymer, New York 14724

We have audited the accompanying statement of assets, liabilities, and fund balance – cash basis and statement of cash receipts and disbursements of the Extraclassroom Activity Fund, a component unit of the Clymer Central School District, as of and for the year ended June 30, 2021.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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 error or fraud.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Basis for Qualified Opinion**

The records of the Extraclassroom Activity Fund of the Clymer Central School District were not adequate to permit the application of adequate auditing procedures to indicate whether all receipts were recorded. As described in Note I, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

### **Opinion**

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the recorded cash transactions of the Extraclassroom Activity Fund of the Clymer Central School District, as of June 30, 2021, and the revenue it received and expenditures it paid for the year then ended in accordance with the basis of accounting as described in Note I.



**Basis of Accounting**

We draw attention to Note I of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

R. A. MERCER & CO., P.C.

*R.A. Mercer & Co., P.C.*

West Seneca, New York  
October 21, 2021



**CLYMER CENTRAL SCHOOL DISTRICT  
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE - CASH BASIS  
EXTRACLASSROOM ACTIVITY FUND  
AS OF JUNE 30, 2021**

Assets

Cash	<u>\$37,137</u>	
Total Assets		<u>37,137</u>

Liabilities & Fund Balance

Fund Balance	<u>37,137</u>	
Total Liabilities and Fund Balance		<u>\$37,137</u>

The accompanying note to the Extraclassroom Activity Fund is an integral part of this financial statement.

**CLYMER CENTRAL SCHOOL DISTRICT  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
EXTRACLASROOM ACTIVITY FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

<b>Extra-classroom Accounts</b>	<b>Beginning</b>	<b>Less</b>		<b>Ending Balance</b>
	<b>Balance</b>	<b>Plus Receipts</b>	<b>Disbursements</b>	
	<b>7/01/2020</b>			<b>6/30/2021</b>
CLASS OF 2019	\$ 613	-	250	363
CLASS OF 2020	9,934	3,375	13,234	75
CLASS OF 2021	12,504	16,151	27,487	1,168
CLASS OF 2022	4,677	3,460	3,411	4,726
CLASS OF 2023	3,295	-	30	3,265
CLASS OF 2024	2,011	-	35	1,976
CLASS OF 2025	208	-	-	208
STUDENT COUNCIL	4,497	3,660	1,486	6,671
FFA	5,456	-	-	5,456
N.H.S.	2,346	-	26	2,320
MUSIC FUND	2,151	496	1,153	1,494
YEARBOOK FUND	3,212	12,526	13,044	2,694
TRAP CLUB	1,174	-	-	1,174
A.F.S.	-	-	-	-
FBLA	1,822	2,532	2,108	2,246
FBLA DIST. #13	645	599	-	1,244
SADD	642	-	-	642
ENVIRONMENTAL CLUB	1,415	-	-	1,415
<b>Total Extraclassroom Activities</b>	<b>\$ 56,602</b>	<b>42,799</b>	<b>62,264</b>	<b>37,137</b>

The accompanying note to the Extraclassroom Activity Fund is an integral part of this financial statement.

**CLYMER CENTRAL SCHOOL DISTRICT  
NOTE TO THE FINANCIAL STATEMENTS  
EXTRACLASSROOM ACTIVITY FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE I. ACCOUNTING POLICY**

The transactions of the Extraclassroom Activity Fund are independent of the reporting entity of Clymer Central School District. Consequently, such transactions are not included in the basic financial statements of the District. The Clymer Central School District Board of Education exercises general oversight of these funds, therefore, for the year ended June 30, 2021, the cash and corresponding liabilities of the Extraclassroom Activity Fund are being included in the Statement of Fiduciary Net Position.

The accounts of the Extraclassroom Activity Fund of Clymer Central School District are maintained on a cash basis, and the statement of cash receipts and disbursements reflects only cash received and disbursed. Therefore, receivables and payables (other than sales tax payable), inventories, capital assets, and accrued income and expenses that would be recognized under generally accepted accounting principles, and that may be material in amount, are not recognized in the accompanying financial statements.