

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2022
INCLUDING REPORTS ON FEDERAL AWARDS
AND EXTRACLASROOM ACTIVITY FUNDS

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
JUNE 30, 2022
TABLE OF CONTENTS

<u>SCHEDULE NUMBER</u>		<u>PAGE</u>
	Independent Auditor’s Report	1 - 3
	Management Discussion and Analysis	4 – 16
	Basic Financial Statements	
1	Statement of Net Position	17
2	Statement of Activities	18
3	Balance Sheet - Governmental Funds	19
4	Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	20
5	Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	21
6	Reconciliation of Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	22
7	Statement of Fiduciary Net Position – Fiduciary Funds	23
8	Statement of Changes in Fiduciary Net Position – Fiduciary Funds	24
	Notes to Financial Statements	25 – 74
	Required Supplementary Information	
SS-1	Schedule Changes in the District’s Total OPEB Liability and Related Ratios	75
SS-2	Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	76 – 77
SS-3	Schedule of the District’s Proportionate Share of the Net Pension Liability	78
SS-4	Schedule of District Contributions	79
	Supplementary Information	
SS-5	Schedule of Change from Adopted Budget to Final Budget and the Real Property Tax Limit – General Fund	80
SS-6	Schedule of Capital Projects Fund - Project Expenditures and Financing Resources	81
SS-7	Net Investment in Capital Assets	82
	Federal Award Program Information	
	Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards	83 - 84
	Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance	85 - 87
	Schedule of Expenditures of Federal Awards	88
	Notes to the Schedule of Expenditures of Federal Awards	89
	Schedule of Findings and Questioned Costs	90 – 92
	Corrective Action Plan	93
	Summary Schedule of Prior Audit Findings	94
	Extraclassroom Activity Fund	
	Independent Auditor’s Report	95 - 96
	Statement of Assets, Liabilities and Fund Balance - Cash Basis	97
	Summary of Receipts and Disbursements - Cash Basis	98- 99
	Notes to Financial Statements	100



Nugent & Haeussler, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ESTABLISHED 1925

101 Bracken Road
Montgomery, New York 12549
Tel (845) 457-1100
Fax (845) 457-1160
e-mail: nh@nhcpas.com

INDEPENDENT AUDITOR'S REPORT

To the President and Members
of the Board of Education of
Goshen Central School District
Goshen, New York

Report on the Financial Statements

Opinions

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

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 fiduciary activities of the Goshen Central School District, as of June 30, 2022, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 3 to the financial statements, management has adopted Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

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

Peter J. Bullis, CPA, FACFEI, DABFA
Norman M. Sassi, CPA
Christopher E. Melley, CPA
Gary C. Theodore, CPA
Julia R. Fraino, CPA
William T. Trainor, CPA
Mark M. Levy, CPA, CFP
Thomas R. Busse, Jr., CPA
Brent T. Napoleon, CPA
Jennifer L. Capicchioni, CPA
Patrick M. Bullis, CPA
Justin B. Wood, CPA

Richard P. Capicchioni, CPA
Walter J. Jung, CPA
Jennifer A. Traverse, CPA

Goshen Central School District

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental information on pages 4-16 and 75-79 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial

Goshen Central School District

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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Goshen Central School District's basic financial statements. The supplemental schedules on pages 80-82 are required by the New York State Education Department and are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules on pages 80-82 and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2022 on our consideration of the Goshen Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Goshen Central School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Goshen Central School District's internal control over financial reporting and compliance.



Montgomery, New York
October 3, 2022

GOSHEN CENTRAL SCHOOL DISTRICT

Management Discussion and Analysis

Introductory Section

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

Financial Highlights

Key financial highlights for the year ended June 30, 2022 are as follows:

- Net position decreased \$3,771,111. The most significant factors that contributed to this decrease was the expense related to other postemployment benefits of \$10,649,615 offset by the reduction in pension expense of \$5,578,500.
- General Fund revenues exceeded the budget by \$103,736.
- General Fund expenditures and encumbrances were \$2,826,611 under budget.

Overview of the Financial Statements

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

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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year.

Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of MD&A highlights the structure and contents of each of the statements.

GOSHEN CENTRAL SCHOOL DISTRICT

**Management Discussion and Analysis
(Continued)**

Overview of the Financial Statements (Continued)

Major Features of the District-Wide and Fund Financial Statements			
	District-Wide	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the District administers resources on behalf of someone else, such as scholarship programs
Required financial statements	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances 	<ul style="list-style-type: none"> • 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/deferred outflows of resources/liability/deferred inflows of resources information	All assets, deferred outflows of resources, liabilities and deferred inflows of resources both financial and capital, short-term and long-term	Generally, assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due or available during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows of resources (if any), liabilities, and deferred inflows of resources (if any) both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during 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

GOSHEN CENTRAL SCHOOL DISTRICT

Management Discussion and Analysis (Continued)

District-Wide Financial Statements

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

The two district-wide statements report the District's net position and how it has changed. Net position, the difference between the District's assets and liabilities, is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

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

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

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

The District has two kinds of funds:

- **Governmental Funds:** Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information disclosed in Note 2 explains the relationship (or differences) between them.
- **Fiduciary Funds:** The District is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

GOSHEN CENTRAL SCHOOL DISTRICT

**Management Discussion and Analysis
(Continued)**

Financial Analysis of the District as a Whole

Beginning of the year net position decreased \$3,771,111 from (\$74,119,406), as restated to (\$77,890,517). The District's net position at June 30, 2022 is (\$77,890,517). The following table provides a summary of the District's net position:

Summary of Net Position

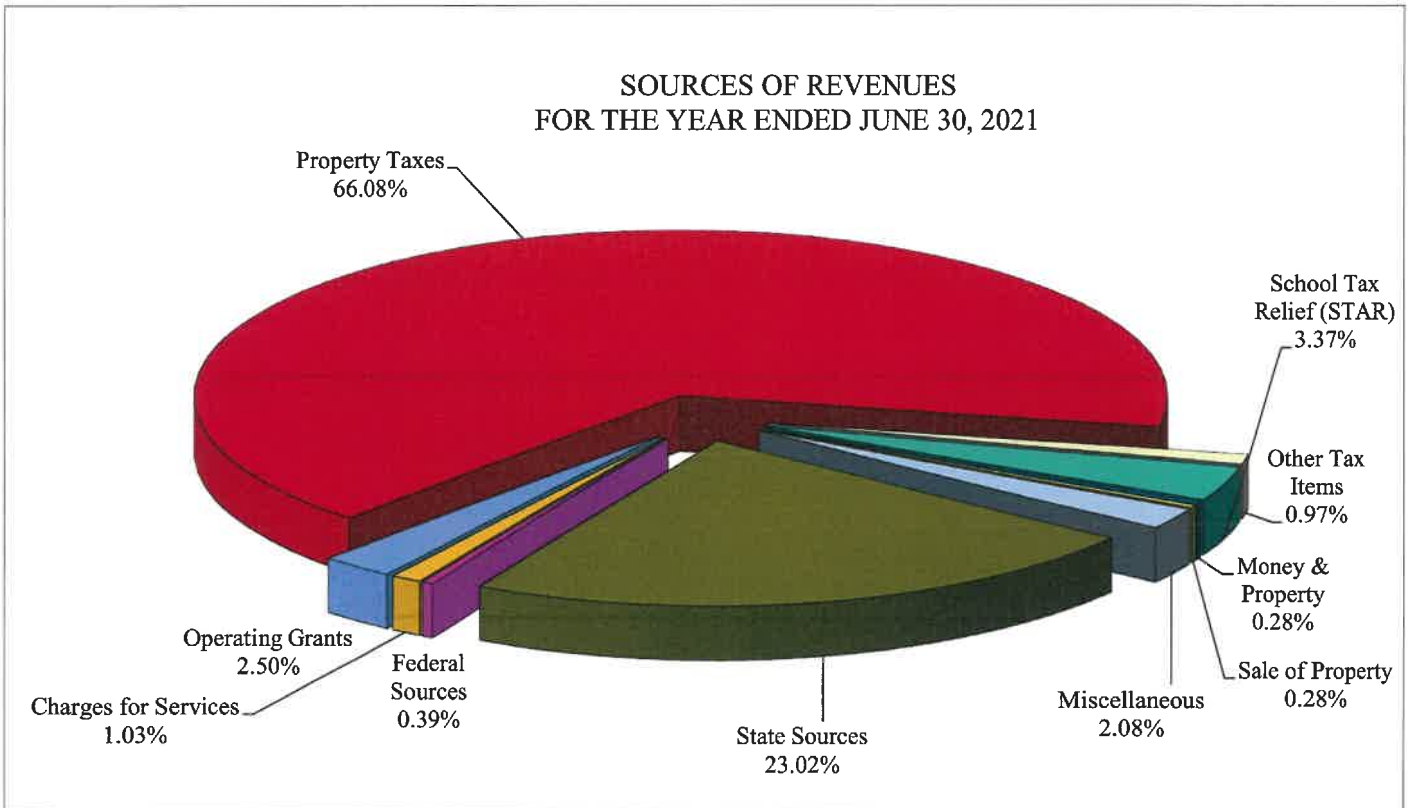
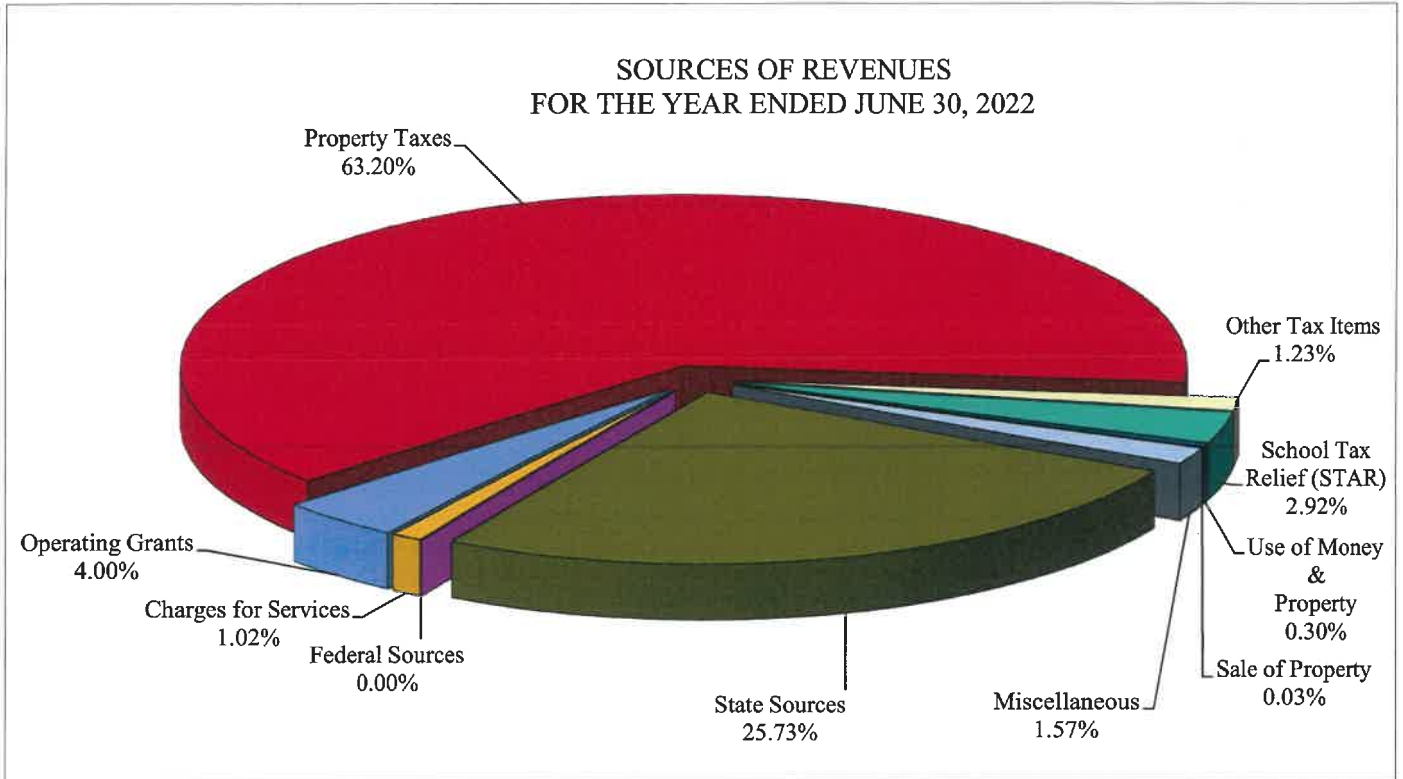
	<u>School District Activities</u>			
	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>\$ Change</u>	<u>% Change</u>
Current Assets	\$ 68,394,057	\$ 34,665,484	\$ 33,728,573	97.30%
Non Current Assets	65,268,969	67,219,010	(1,950,041)	-2.90%
Total Assets	<u>133,663,026</u>	<u>101,884,494</u>	<u>31,778,532</u>	31.19%
Deferred Outflows of Resources	<u>50,060,667</u>	<u>48,216,550</u>	<u>1,844,117</u>	3.82%
Current Liabilities	8,003,901	7,478,234	525,667	7.03%
Long-Term Liabilities	204,078,328	194,589,434	9,488,894	4.88%
Total Liabilities	<u>212,082,229</u>	<u>202,067,668</u>	<u>10,014,561</u>	4.96%
Deferred Inflows of Resources	<u>49,531,981</u>	<u>22,152,782</u>	<u>27,379,199</u>	123.59%
Net Position:				
Net Investment in Capital Assets	47,532,422	46,148,491	1,383,931	3.00%
Restricted	45,237,332	12,635,662	32,601,670	258.01%
Unrestricted, (As Restated)	<u>(170,660,271)</u>	<u>(132,903,559)</u>	<u>(37,756,712)</u>	-28.41%
Total Net Position	<u>\$ (77,890,517)</u>	<u>\$ (74,119,406)</u>	<u>\$ (3,771,111)</u>	-5.09%

The following table and supporting graphs provides a summary of revenues, expenses and changes in net position for the year ended June 30, 2022 and 2021:

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
STATEMENT OF ACTIVITIES
SUMMARY OF CHANGES IN NET POSITION

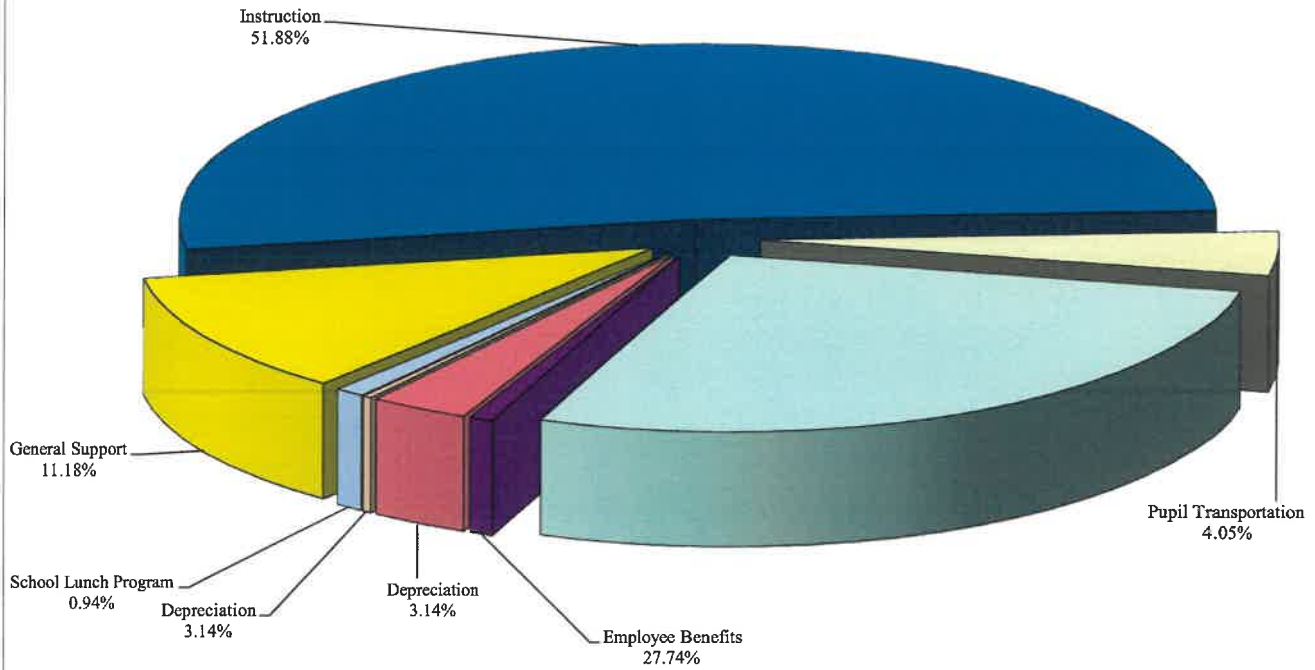
	FOR THE YEAR ENDED JUNE 30, 2022	%	FOR THE YEAR ENDED JUNE 30, 2021	%	\$ Change	% Change
<u>REVENUES</u>						
PROGRAM REVENUES:						
Charges for Services	\$ 831,248	1.02%	\$ 803,744	1.03%	\$ 27,504	3.42%
Operating Grants	3,270,114	4.00%	1,942,691	2.50%	1,327,423	68.33%
GENERAL REVENUES:						
Property Taxes	51,606,540	63.20%	51,388,892	66.08%	217,648	0.42%
Other Tax Items	1,006,084	1.23%	753,114	0.97%	252,970	33.59%
School Tax Relief (STAR)	2,382,340	2.92%	2,617,028	3.37%	(234,688)	-8.97%
Use of Money & Property	243,860	0.30%	219,626	0.28%	24,234	11.03%
Sale of Property	26,239	0.03%	219,342	0.28%	(193,103)	-88.04%
Miscellaneous	1,282,486	1.57%	1,616,158	2.08%	(333,672)	-20.65%
State Sources	21,011,546	25.73%	17,900,526	23.02%	3,111,020	17.38%
Federal Sources	0	0.00%	300,053	0.39%	(300,053)	
TOTAL REVENUES	81,660,457	100.00%	77,761,174	100.00%	3,899,283	5.01%
<u>EXPENSES</u>						
General Support	9,554,884	11.18%	7,947,845	9.11%	1,607,039	20.22%
Instruction	44,320,573	51.88%	42,315,168	48.49%	2,005,405	4.74%
Pupil Transportation	3,457,422	4.05%	2,677,379	3.07%	780,043	29.13%
Employee Benefits	23,700,500	27.74%	30,204,515	34.62%	(6,504,015)	-21.53%
Debt Service Interest	667,191	0.78%	792,470	0.91%	(125,279)	-15.81%
Depreciation	2,683,580	3.14%	2,581,688	2.96%	101,892	3.95%
Capital Outlay	245,051	0.29%	323,526	0.37%	(78,475)	-24.26%
School Lunch Program	802,367	0.94%	407,564	0.47%	394,803	96.87%
TOTAL EXPENSES	85,431,568	100.00%	87,250,155	100.00%	(1,818,587)	-2.08%
CHANGES IN NET POSITION	\$ (3,771,111)		\$ (9,488,981)		\$ 5,717,870	60.26%

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK

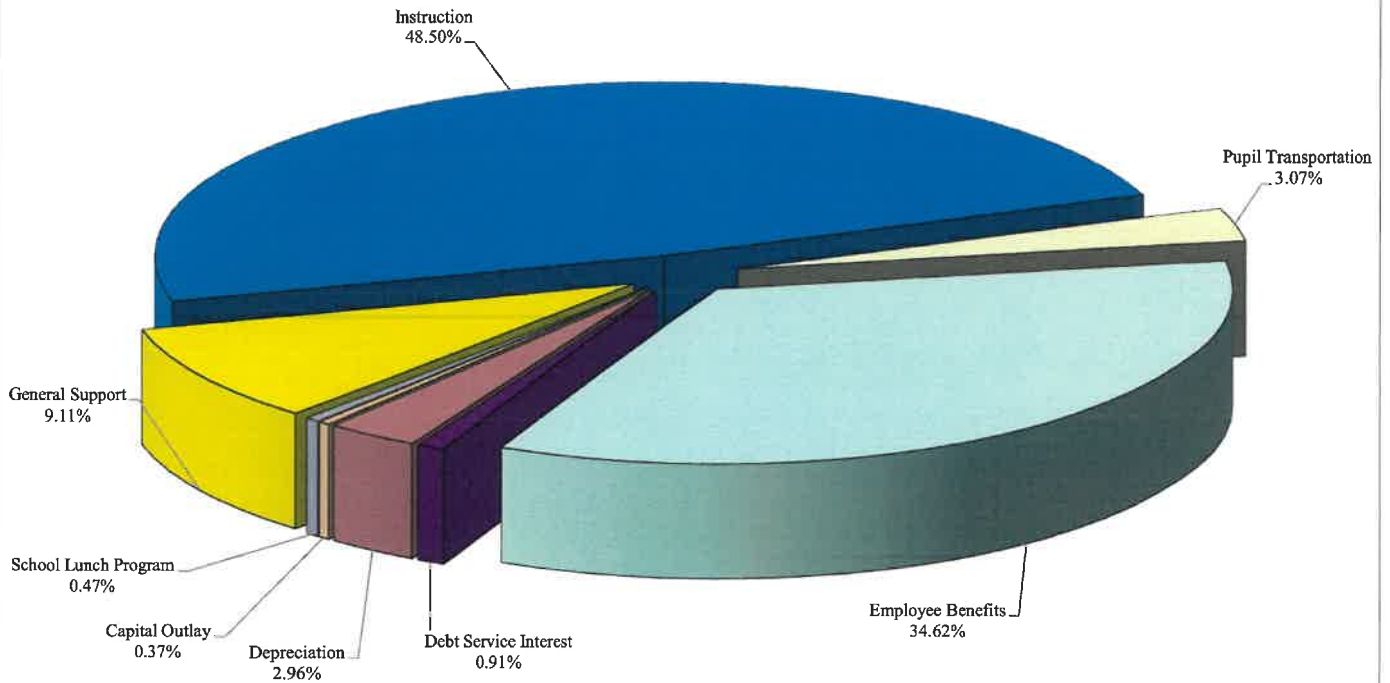


GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK

EXPENSES FOR THE YEAR ENDED JUNE 30, 2022



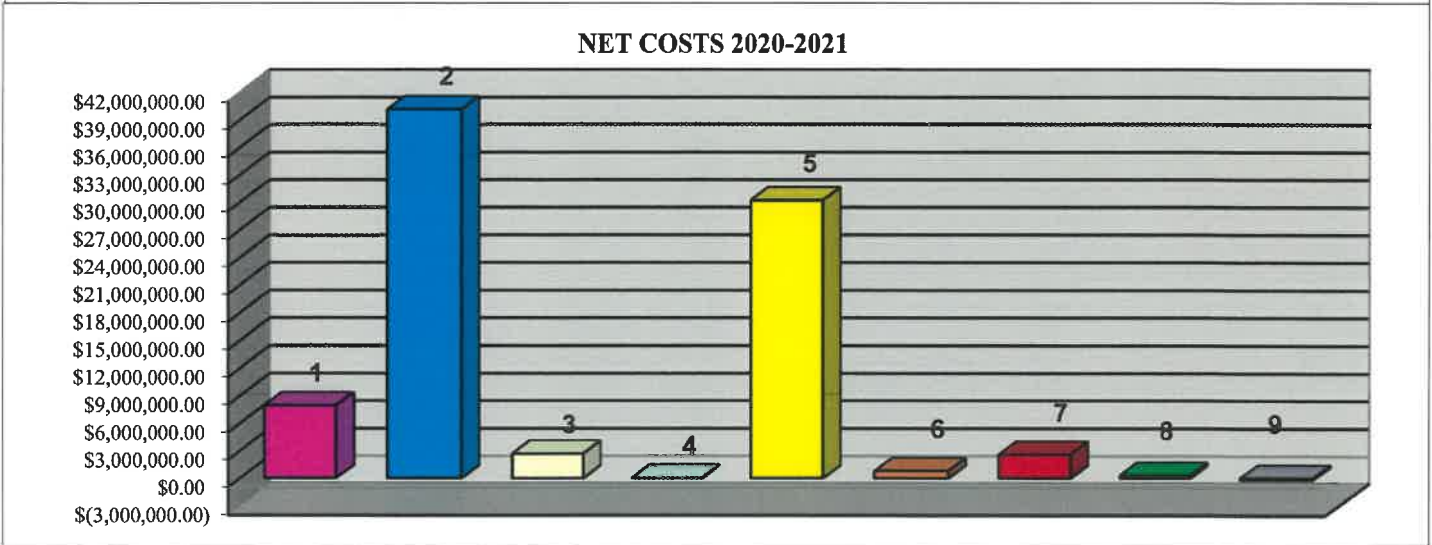
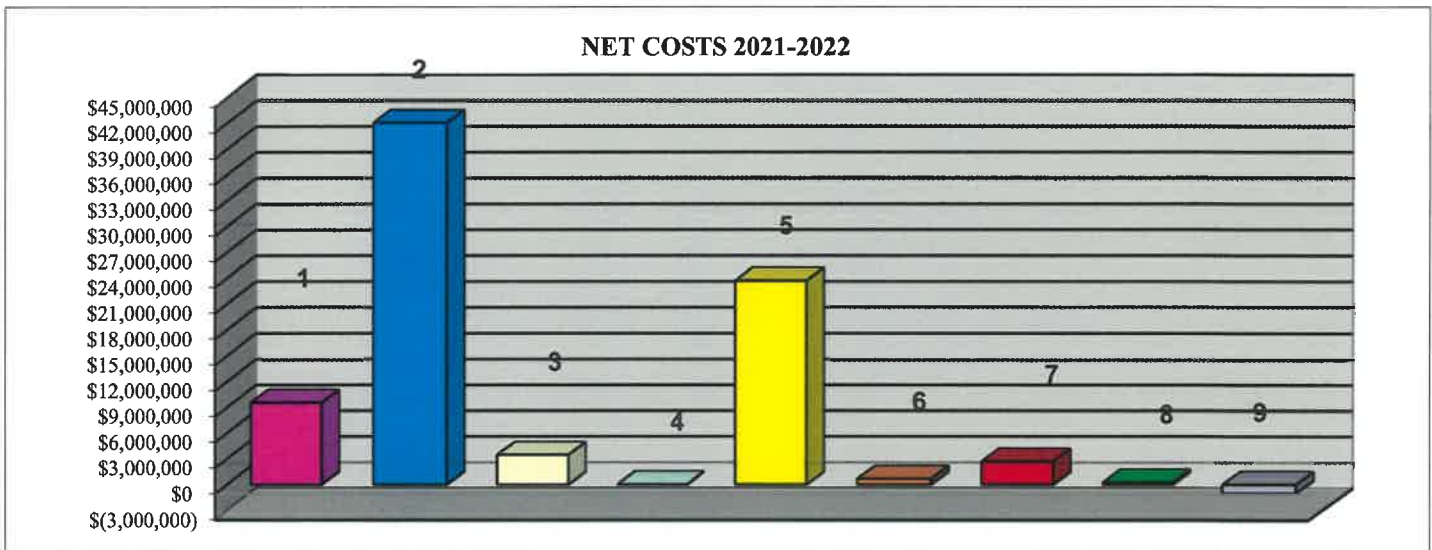
EXPENSES FOR THE YEAR ENDED JUNE 30, 2021



GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
STATEMENT OF ACTIVITIES
NET COSTS

The following information is provided to disclose the net cost of governmental activities:

		TOTAL COST OF SERVICES 2021-2022	NET COST OF SERVICES 2021-2022	TOTAL COST OF SERVICES 2020-2021	NET COST OF SERVICES 2020-2021
General Support	1	\$ 9,554,884	\$ 9,554,884	\$ 7,947,845	\$ 7,947,845
Instruction	2	44,320,574	42,025,510	42,315,168	40,140,722
Pupil Transportation	3	3,457,422	3,457,422	2,677,379	2,677,379
Other Expenses	4	0	0	0	(6)
Employee Benefits	5	23,700,500	23,700,500	30,204,515	30,204,515
Debt Service - Interest	6	667,191	667,191	792,470	792,470
Depreciation	7	2,683,580	2,683,580	2,581,688	2,581,688
Capital Outlay	8	245,051	245,051	323,526	323,526
School Lunch Program	9	802,367	(1,003,931)	407,564	(164,419)
		<u>\$ 85,431,569</u>	<u>\$ 81,330,207</u>	<u>\$ 87,250,155</u>	<u>\$ 84,503,720</u>



GOSHEN CENTRAL SCHOOL DISTRICT

**Management Discussion and Analysis
(Continued)**

Financial Analysis of the District's Funds

As discussed, the District's governmental funds are reported in the fund statements with a modified accrual basis that uses 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 financial requirements. The major governmental funds of the District consist of the General Fund, Special Aid Fund, School Lunch Fund, Debt Service Fund, Capital Projects Fund and Miscellaneous Special Revenue. In accordance with the GASB 54, the total fund balances allocated between non-spendable, restricted, assigned, and unassigned fund balance for each of these funds is as follows:

	June 30, 2022				
	Nonspendable	Restricted	Assigned	Unassigned	Total
General	\$ 880,834	\$ 7,258,786	2,470,006	\$ 4,197,655	\$ 14,807,281
Special Aid	0	3,235	0	0	3,235
School Lunch	59,989	253,929	0	0	313,918
Capital Projects	0	5,401,976	0	0	5,401,976
Debt Service	0	196,673	0	0	196,673
Miscellaneous Special Revenue	0	225,437	0	0	225,437
	<u>\$ 940,823</u>	<u>\$ 13,340,036</u>	<u>\$ 2,470,006</u>	<u>\$ 4,197,655</u>	<u>\$ 20,948,520</u>

	June 30, 2021				
	Nonspendable	Restricted	Assigned	Unassigned	Total
General	\$ 825,265	\$ 12,251,534	\$ 2,721,405	\$ 4,586,949	\$ 20,385,153
Special Aid	0	3,235	0	0	3,235
School Lunch	52,396	0	0	(45,537)	6,859
Capital Projects	0	0	0	(2,013,339)	(2,013,339)
Debt Service	0	196,561	0	0	196,561
Miscellaneous Special Revenue	0	184,332	0	0	184,332
	<u>\$ 877,661</u>	<u>\$ 12,635,662</u>	<u>\$ 2,721,405</u>	<u>\$ 2,528,073</u>	<u>\$ 18,762,801</u>

General Fund Budgetary Highlights

The original budget for the General Fund was revised by \$7,016,004 during the year. The supplemental appropriations consisted of bus purchases of \$652,000, BAN payments of \$1,354,820, capital reserve appropriations of \$5,000,000 and insurance recoveries of \$9,184.

For the year ending June 30, 2022, the District received revenues greater than budgeted amounts totaling \$103,736. This increase primarily consisted of a greater amount of funds received from charges for services in the amount of \$416,103, primarily due to out of district tuition billing, health and welfare billing and Hamptonburgh Residence billing and more was received in the miscellaneous category of \$290,301, primarily due to the refund of prior year expenses from BOCES offset by less state aid than budgeted of \$500,155.

The expenditures for the year ended June 30, 2022 were less than the adjusted budget and year end encumbrances by \$2,826,611. Costs within various budget codes were less than budgeted amounts, in particular the area of Employee Benefits was less than budgeted by \$1,425,530, Instructional was less than budgeted by \$382,074, Teaching Regular Schools was less than budgeted by \$329,376 and Programs for Children with Handicapping Conditions was less than budgeted by \$303,469.

GOSHEN CENTRAL SCHOOL DISTRICT

**Management Discussion and Analysis
(Continued)**

General Fund Budgetary Highlights (Continued)

The results have allowed the District to appropriate \$1,250,000 of year end fund balance to be used in 2022/2023 as appropriated fund balance to offset the 2022/2023 tax levy.

The district continues to have a multitude of pending tax certiorari filings totaling approximately \$9,407,009. With adequate reserves totaling \$3,477,052 as of June 30, 2022, the District is in a strong position to fund potential tax certiorari claims it has received prior to June 30, 2022.

Factors that continue to affect the budget process are as follows:

- COVID 19
- Tax certiorari filings and SCAR proceedings continue to occur.
- Incarcerated youth and St. Dominic enrollments and resultant expenditures.
- New York State Aid revenues have been impacted due to statewide budget constraints.
- Employee Benefits such as health insurance increases which are higher than the tax levy.
- Changes in legislation regarding school finance.
- Impending changes in educational standards.
- Energy costs.
- APPR requirements and curriculum changes.
- Collective Bargaining Agreements under negotiation
- “Tax Cap” Legislation
- Possible Federal Sequestration
- Affordable Care Act
- Library Bond Issue
- Decreases in Galleria Assessments
- New PILOTS - Legoland and Amy’s Kitchen

Management believes that the budget adopted for 2022-2023 is reasonably adaptable to any adverse changes that may arise based on the above factors.

Due to a difficult economic forecast both statewide and nationally, a limited 22/23 budget, the new “Tax Cap” legislation, an existing labor contract and one which is currently being negotiated, the continued drain of tax certiorari proceedings, the effects of federal sequestration, double digit increases in health insurance, retirement system costs and the costs of implementing the Affordable Care Act, the addition to the budget of Library construction bonds, the decrease of Galleria tax assessments, the continued debt payments associated with the District’s \$34.5 M capital project, and the possible addition of large new PILOTS, the District will have to monitor revenues and expenditures closely. The District may also find it difficult to keep the tax levy below the cap in future years while maintaining an applied fund balance equal to the applied fund balance in previous years.

GOSHEN CENTRAL SCHOOL DISTRICT

**Management Discussion and Analysis
(Continued)**

General Fund Budgetary Highlights (Continued)

Other Fund Highlights

The School Lunch Fund had expenditures, which were less than revenues by \$307,059 during the year ended June 30, 2022. As a result, the fund ended the year with \$313,918 fund balance compared to last year's fund balance of \$6,859.

The Special Aid Fund ended the year with a fund balance of \$3,235. The revenues of this fund are expenditure driven meaning that the district receives funds based on the amount of expenditures for each grant. The District is responsible for paying 20% of the approved rate as well as the difference between the actual cost and the approved rate for expenditures of the Summer Handicap program and as such transferred \$165,267 from the General Fund budgeted amounts to the Special Aid Fund to cover these costs.

Debt Service Fund ended the year with a fund balance of \$196,673. This fund balance will be appropriated in future years to offset principal and interest payments.

The Miscellaneous Special Revenue Fund ended the year with a fund balance of \$225,437. Revenues exceeded expenditures by \$41,105.

GOSHEN CENTRAL SCHOOL DISTRICT

**Management Discussion and Analysis
(Continued)**

Capital Asset and Debt Administration

Capital Assets

The district's investment in capital assets, net of accumulated depreciation and amortization for the years ended June 30, 2022 and 2021 was \$65,467,421 and \$67,360,008, as restated, respectively. The capital assets include land, buildings and equipment. The district expended \$733,909 for building improvements, furniture, equipment and buses during the year 2021-2022. The District retired assets with a cost of \$690,832 and accumulated depreciation of \$690,462. Depreciation expense for the year was \$2,683,580 and amortization expense was \$30,669.

CAPITAL ASSETS

Net of Accumulated Depreciation and Amortization

	<u>School District Activities</u>		<u>% Change</u>
	<u>June 30, 2022</u>	<u>As Restated June 30, 2021</u>	
<u>Non-Depreciable Assets:</u>			
Land	\$ 67,819	\$ 67,819	0.00%
Construction in Progress	0	0	n/a
<u>Depreciable Assets:</u>			
Land Improvements	102,086	109,695	-6.94%
Building and Improvements	62,274,268	63,982,827	-2.67%
Furniture and Equipment	467,385	599,440	-22.03%
Vehicles	2,425,229	2,527,049	-4.03%
<u>Right to Use Assets:</u>			
Equipment	130,634	73,178	78.52%
TOTALS	<u>\$ 65,467,421</u>	<u>\$ 67,360,008</u>	-2.81%

Long-Term Debt

At the end of the year, the District had total bonded debt outstanding of \$26,200,000. This amount is backed by the full faith and credit of the Goshen Central School District with debt service fully funded by voter approved property taxes. During the year, the District issued no serial bonds. Activity in bonded debt outstanding during the year was as follows:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Paid</u>	<u>Ending Balance</u>
Serial Bond	\$ 19,125,000	\$ 0	\$ 1,190,000	\$ 17,935,000
Serial Bond - Library	8,485,000	0	220,000	8,265,000
Total Bonded Debt Outstanding	<u>\$ 27,610,000</u>	<u>\$ 0</u>	<u>\$ 1,410,000</u>	<u>\$ 26,200,000</u>

GOSHEN CENTRAL SCHOOL DISTRICT

**Management Discussion and Analysis
(Continued)**

Bond Ratings

Moody's Investors Service ("Moody's") has assigned a rating of Aa2 to outstanding uninsured bonds of the District. This rating reflects only the view of such rating agency and an explanation of the significance of such rating should be obtained from Moody's Investors Service. There can be no assurance that such rating will not be revised or withdrawn, if in the judgment of Moody's circumstances so warrant. Any change or withdrawal of such rating may have an adverse effect on the market price of the Notes or the availability of a secondary market for the Notes.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Lorine Van Put-Lamerand, Assistant Superintendent for Business, at the District's business offices at 227 Main Street, Goshen, New York 10924.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
JUNE 30, 2022

ASSETS

Unrestricted Cash	\$ 9,398,962
Restricted Cash	13,340,036
State & Federal Aid Receivable	2,197,067
Due from Other Governments	9,188,505
Leases Receivable	687,092
Other Receivables, Net	545,825
Prepaid Expenditures	880,834
Inventories	59,989
Net Pension Asset - Proportionate Share	31,897,296
Right to Use Assets, Net	130,634
Non Depreciable Capital Assets	67,819
Depreciable Capital Assets, Net	65,268,969
	<hr/>
TOTAL ASSETS	133,663,028

DEFERRED OUTFLOWS OF RESOURCES

Pensions	20,755,335
Other Postemployment Benefits	29,305,332
	<hr/>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	50,060,667

LIABILITIES

Accrued Liabilities	1,604,511
Due to Other Governments	5,380
Due to Teachers' Retirement System	3,104,936
Due to Employees' Retirement System	282,183
Unearned Revenues	1,561,893
Long-term Liabilities:	
Due and Payable Within One Year:	
Bonds Payable	1,445,000
Due and Payable In More Than One Year:	
Bonds Payable	24,755,000
Compensated Absences	1,400,687
Other Postemployment Benefits	177,243,845
	<hr/>
TOTAL LIABILITIES	211,403,435

DEFERRED INFLOWS OF RESOURCES

Deferred Lease Revenue	678,796
Pensions	40,046,285
Other Postemployment Benefits	9,485,696
	<hr/>
TOTAL DEFERRED INFLOWS OF RESOURCES	50,210,777

NET POSITION

Net Investment in Capital Assets	47,532,422
Restricted	45,237,332
Unrestricted (Deficit)	(170,660,271)
	<hr/>
TOTAL NET POSITION	\$ (77,890,517)

See notes to financial statement.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
STATEMENT OF ACTIVITIES
GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	<u>PROGRAM REVENUES</u>			NET (EXPENSE) REVENUE & CHANGES IN NET ASSETS
	<u>EXPENSES</u>	<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS</u>	
<u>FUNCTIONS & PROGRAMS</u>				
General Support	\$ (13,071,534)	\$ 0	\$ 0	\$ (13,071,534)
Instruction	(65,058,734)	675,718	1,619,346	(62,763,670)
Pupil Transportation	(4,895,238)	0	0	(4,895,238)
Debt Service - Interest	(667,191)	0	0	(667,191)
Capital Outlay	(245,051)	0	0	(245,051)
School Lunch Program	(1,493,820)	155,530	1,650,768	312,478
	<u>(85,431,568)</u>	<u>831,248</u>	<u>3,270,114</u>	<u>(81,330,206)</u>
<u>GENERAL REVENUES</u>				
Real Property Taxes				51,606,540
Other Tax Items				3,388,424
Use of Money & Property				243,860
Sale of Property & Compensation for Loss				26,239
Miscellaneous				1,282,486
State Sources				21,011,546
				<u>77,559,095</u>
				(3,771,111)
				<u>(74,119,406)</u>
				<u>\$ (77,890,517)</u>

See notes to financial statement.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

	GENERAL	SPECIAL AID	SCHOOL LUNCH	CAPITAL PROJECTS	DEBT SERVICE	MISCELLANEOUS SPECIAL REVENUE	TOTAL GOVERNMENTAL FUNDS
ASSETS							
Unrestricted Cash	9,306,977	\$ 0	\$ 60,274	\$ 31,711	\$ 0	\$ 0	\$ 9,398,962
Restricted Cash	7,392,498	167	123,285	5,401,976	196,673	225,437	13,340,036
State & Federal Aid Receivable	660,482	1,253,128	283,457	0	0	0	2,197,067
Due from Other Governments	923,505	0	0	0	0	0	923,505
Due from Other Funds	627,430	83,275	0	0	0	0	710,705
Leases Receivable	687,092	0	0	0	0	0	687,092
Other Receivables, Net	545,825	0	0	0	0	0	545,825
Prepaid Expenditures	880,834	0	0	0	0	0	880,834
Inventories	0	0	59,989	0	0	0	59,989
TOTAL ASSETS	\$ 21,024,643	\$ 1,336,570	\$ 527,005	\$ 5,433,687	\$ 196,673	\$ 225,437	\$ 28,744,015
LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES							
LIABILITIES							
Accrued Liabilities	\$ 1,451,387	\$ 0	\$ 215	\$ 0	\$ 0	\$ 0	\$ 1,451,602
Due to Other Governments	0	5,192	188	0	0	0	5,380
Due to Other Funds	83,275	477,100	118,619	31,711	0	0	710,705
Due to Teachers' Retirement System	3,104,936	0	0	0	0	0	3,104,936
Due to Employees' Retirement System	282,183	0	0	0	0	0	282,183
Unearned Revenues	616,785	851,043	94,065	0	0	0	1,561,893
TOTAL LIABILITIES	5,538,566	1,333,335	213,087	31,711	0	0	7,116,699
DEFERRED INFLOWS OF RESOURCES							
Deferred Lease Revenue	678,796	0	0	0	0	0	678,796
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	6,217,362	1,333,335	213,087	31,711	0	0	7,795,495
FUND BALANCES							
Nonspendable	880,834	0	59,989	0	0	0	940,823
Restricted	7,258,786	3,235	253,929	5,401,976	196,673	225,437	13,340,036
Assigned	2,470,006	0	0	0	0	0	2,470,006
Unassigned	4,197,655	0	0	0	0	0	4,197,655
TOTAL FUND BALANCES (DEFICITS)	14,807,281	3,235	313,918	5,401,976	196,673	225,437	20,948,520
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES (DEFICITS)	\$ 21,024,643	\$ 1,336,570	\$ 527,005	\$ 5,433,687	\$ 196,673	\$ 225,437	\$ 28,744,015

See notes to financial statement.

GOSHEN CENTRAL SCHOOL DISTRICT
 GOSHEN, NEW YORK
 RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
 JUNE 30, 2022

	TOTAL GOVERNMENTAL FUNDS	LONG-TERM ASSETS & LIABILITIES	RECLASSIFICATIONS & ELIMINATIONS	STATEMENT OF NET POSITION TOTALS
ASSETS				
Unrestricted Cash	\$ 9,398,962	\$ 0	\$ 0	\$ 9,398,962
Restricted Cash	13,340,036	0	0	13,340,036
State & Federal Aid Receivable	2,197,067	0	0	2,197,067
Due from Other Governments	923,505	8,265,000	0	9,188,505
Due from Other Funds	710,705	0	(710,705)	0
Leases Receivable	687,092	0	0	687,092
Other Receivables, Net	545,825	0	0	545,825
Prepaid Expenditures	880,834	0	0	880,834
Inventories	59,989	0	0	59,989
Net Pension Asset - Proportionate Share	0	31,897,296	0	31,897,296
Right to Use Assets, Net	0	130,634	0	130,634
Non Depreciable Capital Assets	0	67,819	0	67,819
Capital Assets, Net	0	65,268,969	0	65,268,969
TOTAL ASSETS	28,744,015	105,629,718	(710,705)	133,663,028
DEFERRED OUTFLOWS OF RESOURCES				
Pensions	0	20,755,335	0	20,755,335
Other Post Employment Benefits	0	29,305,332	0	29,305,332
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	\$ 28,744,015	\$ 155,690,385	\$ (710,705)	\$ 183,723,695
LIABILITIES & FUND BALANCES / NET POSITION				
LIABILITIES				
Accrued Liabilities	\$ 1,451,602	\$ 152,909	\$ 0	\$ 1,604,511
Bond Interest and Matured Bonds	0	0	0	0
Due to Other Governments	5,380	0	0	5,380
Due to Other Funds	710,705	0	(710,705)	0
Due to Teachers' Retirement System	3,104,936	0	0	3,104,936
Due to Employees' Retirement System	282,183	0	0	282,183
Compensated Absences Payable	0	1,400,687	0	1,400,687
Unearned Revenues	1,561,893	0	0	1,561,893
Bonds Payable	0	26,200,000	0	26,200,000
Other Postemployment Benefits	0	177,243,845	0	177,243,845
TOTAL LIABILITIES	7,116,699	204,997,441	(710,705)	211,403,435
DEFERRED INFLOWS OF RESOURCES				
Deferred Lease Revenue	678,796	0	0	678,796
Pensions	0	40,046,285	0	40,046,285
Other Post Employment Benefits	0	9,485,696	0	9,485,696
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	7,795,495	254,529,422	(710,705)	261,614,212
FUND BALANCES / NET POSITION	20,948,520	(98,839,037)	0	(77,890,517)
TOTAL LIABILITIES & FUND BALANCES / NET POSITION	\$ 28,744,015	\$ 155,690,385	\$ (710,705)	\$ 183,723,695

See notes to financial statement.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	GENERAL	SPECIAL AID	SCHOOL LUNCH	CAPITAL PROJECTS	DEBT SERVICE	MISCELLANEOUS SPECIAL REVENUE	TOTAL GOVERNMENTAL FUNDS
<u>REVENUES</u>							
Real Property Taxes	\$ 51,606,540	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 51,606,540
Other Tax Items	3,388,424	0	0	0	0	0	3,388,424
Charges for Services	675,718	0	0	0	0	0	675,718
Use of Money & Property	243,714	0	34	0	112	0	243,860
Sale of Property & Compensation for Loss	26,609	0	0	0	0	0	26,609
Miscellaneous	1,071,745	0	0	0	0	430,741	1,502,486
State Sources	21,011,546	244,693	24,972	0	0	0	21,281,211
Federal Sources	0	1,374,653	1,625,796	0	0	0	3,000,449
Sales	0	0	155,530	0	0	0	155,530
TOTAL REVENUES	<u>78,024,296</u>	<u>1,619,346</u>	<u>1,806,332</u>	<u>0</u>	<u>112</u>	<u>430,741</u>	<u>81,880,827</u>
<u>EXPENDITURES</u>							
General Support	8,710,557	70,394	537,564	0	0	0	9,318,515
Instruction	42,463,571	1,529,422	0	0	0	389,636	44,382,629
Pupil Transportation	3,446,997	10,425	0	0	0	0	3,457,422
Employee Benefits	18,301,124	174,372	153,889	0	0	0	18,629,385
Debt Service:							
Principal	3,423,338	0	0	0	0	0	3,423,338
Interest	715,831	0	0	0	0	0	715,831
Cost of Sales	0	0	802,367	0	0	0	802,367
Capital Outlay	350,078	0	5,453	623,429	0	0	978,960
TOTAL EXPENDITURES	<u>77,411,496</u>	<u>1,784,613</u>	<u>1,499,273</u>	<u>623,429</u>	<u>0</u>	<u>389,636</u>	<u>81,708,447</u>
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	<u>612,800</u>	<u>(165,267)</u>	<u>307,059</u>	<u>(623,429)</u>	<u>112</u>	<u>41,105</u>	<u>172,380</u>
<u>OTHER SOURCES & USES</u>							
Bond Anticipation Notes Paid from Current Appropriations	0	0	0	2,013,339	0	0	2,013,339
Operating Transfers In	0	165,267	0	6,053,975	0	0	6,219,242
Operating Transfers (Out)	(6,190,672)	0	0	(28,570)	0	0	(6,219,242)
TOTAL OTHER SOURCES & USES	<u>(6,190,672)</u>	<u>165,267</u>	<u>0</u>	<u>8,038,744</u>	<u>0</u>	<u>0</u>	<u>2,013,339</u>
NET CHANGE IN FUND BALANCE	(5,577,872)	0	307,059	7,415,315	112	41,105	2,185,719
FUND BALANCES (DEFICITS), BEGINNING OF YEAR	<u>20,385,153</u>	<u>3,235</u>	<u>6,859</u>	<u>(2,013,339)</u>	<u>196,561</u>	<u>184,332</u>	<u>18,762,801</u>
FUND BALANCES (DEFICITS), END OF YEAR	<u>\$ 14,807,281</u>	<u>\$ 3,235</u>	<u>\$ 313,918</u>	<u>\$ 5,401,976</u>	<u>\$ 196,673</u>	<u>\$ 225,437</u>	<u>\$ 20,948,520</u>

See notes to financial statement.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK

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

	TOTAL GOVERNMENTAL FUNDS	LONG-TERM REVENUE & EXPENSES	CAPITAL RELATED ITEMS	LONG-TERM DEBT TRANSACTIONS	RECLASSIFICATIONS & ELIMINATIONS	STATEMENT OF ACTIVITIES
REVENUES						
Real Property Taxes	\$ 51,606,540	\$ 0	0	0	0	\$ 51,606,540
Other Tax Items	3,388,424	0	0	0	0	3,388,424
Charges for Services	675,718	0	0	0	0	675,718
Use of Money & Property	243,860	0	0	0	0	243,860
Sale of Property & Compensation for Loss	26,609	0	(370)	0	0	26,239
Miscellaneous	1,502,486	(220,000)	0	0	0	1,282,486
State Sources	21,281,211	0	0	0	0	21,281,211
Federal Sources	3,000,449	0	0	0	0	3,000,449
Sales	155,530	0	0	0	0	155,530
TOTAL REVENUES	81,880,827	(220,000)	(370)	0	0	81,660,457
EXPENDITURES						
General Support	9,318,515	236,369	402,537	0	3,114,113	13,071,534
Instruction	44,382,629	(62,056)	2,281,043	0	18,457,118	65,058,734
Pupil Transportation	3,457,422	0	0	0	1,437,816	4,895,238
Employee Benefits	18,629,385	5,071,115	0	0	(23,700,500)	0
Debt Service:						
Principal	3,423,338	0	0	(3,423,338)	0	0
Interest	715,831	(48,640)	0	0	0	667,191
Cost of Sales	802,367	0	0	0	691,453	1,493,820
Capital Outlay	978,960	0	(733,909)	0	0	245,051
TOTAL EXPENDITURES	81,708,447	5,196,788	1,949,671	(3,423,338)	0	85,431,568
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	172,380	(5,416,788)	(1,950,041)	3,423,338	0	(3,771,111)
OTHER SOURCES & USES						
Bond Anticipation Notes Paid from Current Appropriations	2,013,339	0	0	(2,013,339)	0	0
Operating Transfers In	6,219,242	0	0	0	(6,219,242)	0
Operating Transfers (Out)	(6,219,242)	0	0	0	6,219,242	0
TOTAL OTHER SOURCES & USES	2,013,339	0	0	(2,013,339)	0	0
NET CHANGE FOR THE YEAR	\$ 2,185,719	\$ (5,416,788)	\$ (1,950,041)	\$ 1,409,999	\$ 0	\$ (3,771,111)

See notes to financial statement.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022

	<u>PRIVATE PURPOSE TRUSTS</u>
<u>ASSETS</u>	
Cash	\$ 616,124
TOTAL ASSETS	<u>\$ 616,124</u>
<u>LIABILITIES & NET POSITION</u>	
<u>LIABILITIES</u>	<u>\$ 0</u>
<u>NET POSITION</u>	
Restricted for Scholarships	<u>616,124</u>
TOTAL LIABILITIES & NET POSITION	<u>\$ 616,124</u>

See notes to financial statement.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>PRIVATE PURPOSE TRUSTS</u>	<u>CUSTODIAL FUNDS</u>
<u>ADDITIONS</u>		
Gifts and Contributions	\$ 25	\$ 0
Investment Earnings	307	0
Funds Received for the Library Tax Levy	0	2,192,864
	<u>332</u>	<u>2,192,864</u>
<u>DEDUCTIONS</u>		
Scholarships & Awards	6,000	0
Funds Paid for the Library Tax Levy	0	2,192,864
	<u>6,000</u>	<u>2,192,864</u>
CHANGE IN NET POSITION	(5,668)	0
NET POSITION, BEGINNING OF YEAR	<u>621,792</u>	<u>0</u>
NET POSITION, END OF YEAR	<u>\$ 616,124</u>	<u>\$ 0</u>

See notes to financial statement.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES.

The financial statements of the Goshen Central School District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Where comparative amounts are presented, certain reclassifications may have been made to the prior year amounts so that they would be in conformity with the current year's presentation. Significant accounting principles and policies utilized by the District are described below:

A. Reporting Entity

The Goshen 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 7 members. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for, and controls all activities related to public school education within the District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

The reporting entity of the District is based upon criteria set forth by GASB Statement 14, The Financial Reporting Entity, as amended by GASB Statement 39, Component Units. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

1. Extraclassroom Activity Funds

The Extraclassroom Activity Funds of the District represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the District with respect to its financial transactions and the designation of student management. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds have been included in this report. The District accounts for assets held as an agent for various student organizations in the miscellaneous special revenue fund.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

B. Joint Venture

The District is a component district in the Orange/Ulster Board of Cooperative Education Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs, which provide educational and support activities. There is no authority or process by which a school district can terminate its status as a BOCES component.

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

A BOCES' budget is comprised of separate budgets for administrative, program and capital costs. Each component district's share of administrative and capital cost is determined by resident public school district enrollment, as defined in the New York State Education Law, §1950(4)(b)(7). In addition, component districts pay tuition or a service fee for programs in which its students participate.

During the year ended June 30, 2022, the Goshen Central School District was billed \$6,547,690 for BOCES administrative and program costs. The District's share of BOCES aid amounted to \$1,235,441. Financial statements for BOCES are available from the BOCES administrative office at 53 Gibson Road Goshen, NY 10924.

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.

The Statement of Net Position presents the financial position of the District at June 30, 2022. The Statement of Activities presents a comparison between program expenses and revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended in those areas. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

C. Basis of Presentation (Continued)

2. Funds Statements

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

The District reports the following major governmental funds:

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

Special Revenue Funds: These funds account for the proceeds of specific revenues sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds include the following:

Special Aid Fund: This fund accounts for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties.

School Lunch Fund: This fund is used to account for the school lunch operations. The school lunch operation is supported by federal and state grants and charges participants for its services.

Special Revenue Fund: This fund is used to account for the Extraclassroom Activity Funds.

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

Debt Service Fund: This fund accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of governmental activities.

Fiduciary Fund: 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.

The District reports the following fiduciary funds:

Private purpose trust funds: These funds are used to account for trust arrangements in which principal and income benefits annual third party awards and scholarships for students. Established criteria govern the use of the funds and members of the District or representatives of the donors may serve on committees to determine who benefits.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

C. Basis of Presentation (Continued)

2. Funds Statements (Continued)

Custodial funds: These funds are strictly custodial in nature and do not involve the measurement of results of operations.

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, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants and donations is recognized in the year in which all eligibility requirements have been satisfied.

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

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

E. Property Taxes

Real property taxes are levied annually by the Board of Education no later than August 31 and became a lien on August 20, 2021. Taxes were collected during the period September 1, 2021 through November 1, 2021.

Uncollected real property taxes are subsequently enforced by Orange County, which is the county that the District is located in. The County pays an amount representing uncollected real property taxes transmitted to the County for enforcement to the District no later than the following April 1.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

F. Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District's policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these Notes.

G. Interfund Transactions

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

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

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

Refer to Note 12 for a detailed disclosure by individual fund for interfund receivables, payables, expenditures and revenues activity.

H. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported 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.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

I. Cash and Investments

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

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 United States and its agencies and obligations of the State and its municipalities and Districts.

J. Accounts Receivable

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

K. Leases Receivable

Leases receivable are recorded at the net present value of the lease, with a corresponding deferred inflow of resources.

L. Inventories and Prepaid Items

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

Prepaid items represent payments made by the District for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the district-wide and fund financial statements. These items are reported as assets on the statement of net position or balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed. There were \$880,834 in prepaid items at June 30, 2022.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

M. Capital Assets

Capital assets are reported at cost for acquisitions. Donated assets are reported at estimated fair market value at the time received. Land and construction in progress are not depreciated. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the District-wide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Land Improvements	\$ 15,000	Straight Line	50 years
Buildings and Improvements	15,000	Straight Line	50 years
Furniture and Equipment	3,000	Straight Line	5 - 20 years
Vehicles	3,000	Straight Line	5 - 20 years

N. Right to Use Assets

A right to use asset is a lessee's right to use an asset over the period of use. Right to use assets are reported at the present value.

O. 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 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. For additional information on these deferred outflows related to pensions, see Note 11. The second deferred outflow is related to other postemployment benefits reported in the district-wide Statement of Net Position. For additional information on these deferred outflows related to other postemployment benefits, see Note 13.

In addition to liabilities, the District will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category. The District reports deferred inflows of resources in the Statement of Net Position related to pensions reported in the district-wide statements. For additional information on deferred inflows related to pensions, see Note 11. The District reports deferred inflows of resources in the Statement of Net Position related to other postemployment benefits reported in the district-wide statements. For additional information on deferred inflows related to other postemployment benefits see Note 13. The District also reports deferred inflows of resources in the Statement of Net Position related to deferred lease revenue.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

P. Unearned Revenue

Unearned revenues are reported when potential revenues do not meet both the measurable and available criteria for recognition in the current period. Unearned revenues also arise when the District receives resources before it has legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the District has legal claim to the resources, the liability for deferred revenues is removed and revenues are recorded.

Statute provides the authority for the District to levy taxes to be used to finance expenditures within the first 120 days of the succeeding fiscal year. Consequently, such amounts are recognized as revenue in the subsequent fiscal year, rather than when measurable and available.

Unearned revenues recorded in governmental funds are typically adjusted prior to inclusion in the District-wide statements.

Q. Vested Employee Benefits

1. Compensated Absences

Compensated absences consist of unpaid accumulated annual sick leave, vacation, and sabbatical/personal 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 in 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 funds statements, only the amount of matured liabilities is accrued within the General Fund based upon expendable and available financial resources. These amounts are expensed on a pay-as-you go basis.

2. Other Benefits

District employees participate in the New York State Employees' Retirement System and the New York State Teachers' Retirement System. District employees may choose to participate in the District's elective deferred compensation plans established under Internal Revenue Code Sections 403(b) and 457.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

Q. Vested Employee Benefits (Continued)

2. Other Benefits (Continued)

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provisions of various employment contracts in effect at the time of retirement.

Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the District and the retired employee. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

R. Short-Term Debt

The District may issue Revenue Anticipation Notes (RAN) and Tax Anticipation Notes (TAN), in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RAN's and TAN's represent a liability that will be extinguished by the use of expendable, available resources of the fund.

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

The District may issue Bond Anticipation Notes (BAN), 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 BAN's issued for capital purposes are converted to long-term financing within five years after the original issue date.

The District may issue deficiency notes up to an amount not to exceed 5% of the amount of that same year's annual budget in any fund or funds arising from revenues being less than the amount estimated in the budget for that year. The deficiency notes may mature no later than the close of the year following the year in which they were issued. However, they may mature no later than the close of the second fiscal year after the year in which they were issued, if the notes were authorized and issued after the adoption of the budget for the year following the year in which they were issued.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

S. Accrued Liabilities and Long-Term Obligations

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

T. Equity Classifications

1. District-wide Statements

In the district-wide statements, there are three classes of net position:

Net Investment in capital assets - consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.

Restricted net position - reports net position when constraints placed on the assets or deferred outflows of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted - reports all other net position that does not meet the definition of the above two classifications and are deemed to be available for general use by the District.

2. Funds Statements

In the fund statements there are five classifications of fund balance:

1. Non-spendable: Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Non-spendable fund balance includes prepaid items in the General Fund of \$880,834 and inventory in the School Lunch Fund of \$59,989.

2. Restricted: Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws 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 balance. The District has established the following reserves that have been included in restricted fund balance.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

T. Equity Classifications (Continued)

2. Funds Statements (Continued)

Reserve for Debt Service

Mandatory Reserve for Debt Service (GML §6-l) is used to establish a reserve for the purpose of retiring the outstanding obligations upon the sale of District property or capital improvement that was financed by obligations that remain outstanding at the time of sale. The funding of the reserve is from the proceeds of the sale of District property or capital improvement. The reserve is accounted for in the Debt Service Fund.

Employee Benefit Accrued Liability Reserve

Reserve for Employee Benefit Accrued Liability (GML §6-p) is used to reserve funds for the payment of accrued employee benefit due an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board, and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. The reserve is accounted for in the General Fund.

Insurance Reserve

Insurance Reserve is used to pay liability, casualty and other types of losses, except losses incurred for which the following types of insurance may be purchased: life, accident, health, annuities, fidelity and surety, credit, title residual value and mortgage guarantee. In addition, this reserve may not be used for any purpose for which a special reserve may be established pursuant to law (for example, for unemployment compensation insurance). The reserve may be established by Board action, and funded by budgetary appropriations, or such other funds as may be legally appropriated. There is no limit on the amount that may be accumulated in the Insurance Reserve; however, the annual contribution to this reserve may not exceed the greater of \$33,000 or 5% of the budget. Settled or compromised claims up to \$25,000 may be paid from the reserve without judicial approval. The reserve is accounted for in the General Fund.

Unemployment Insurance Reserve

Unemployment Insurance Reserve (GML §6-m) is used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the employer has elected to use the benefit reimbursement method. The reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding year's budget. If the District elects to convert to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the General Fund.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

T. Equity Classifications (Continued)

2. Funds Statements (Continued)

Retirement Contributions

According to General Municipal Law §6-r, must be used for financing retirement contributions. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board.

Retirement Contribution Reserve – TRS Sub Fund

According to amendments to General Municipal Law §6-r, this reserve must be used to finance retirement contributions to the New York State Teachers Retirement System (“TRS”) and/or offset all or some of the amount deducted from the moneys apportioned to the District from the state under Education Law §521. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board. This reserve is accounted for in the General Fund. The amount of moneys contributed to the TRS Sub-fund annually cannot exceed 2% of the total salaries of all teachers employed by the District paid during the previous fiscal year. In addition, the total balance of the TRS Sub-fund cannot exceed 10% of the total salaries of all teachers employed by the District paid during the previous fiscal year.

Tax Certiorari Reserve

Tax Certiorari Reserve (Education Law §3651.1-a) is used to establish a reserve fund for tax certiorari and to expend from the fund without voter approval. The monies held in the reserve shall not exceed the amount that might reasonably be deemed necessary to meet anticipated judgments and claims arising out of tax certiorari proceedings. Any resources deposited to the reserve which are not expended for tax certiorari proceedings in the year such monies are deposited must be returned to the General Fund on or before the first day of the fourth year after deposit of these monies. The reserve is accounted for in the General fund.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

T. Equity Classifications (Continued)

2. Funds Statements (Continued)

Restricted fund balance at June 30, 2022 consisted of the following:

General Fund:

Unemployment Insurance Reserve	\$	257,705
Insurance Reserve		496,950
Tax Certiorari Reserve		3,477,052
Employee Benefit Accrued Liability Reserve		1,937,792
Retirement Contributions Reserve - TRS Subfund		542,641
Retirement Contribution Reserve		546,646
General Fund Total		\$ 7,258,786

Special Aid Fund		3,235
School Lunch Fund		253,929
Capital Fund		5,401,976
Debt Service Fund		196,673
Miscellaneous Special Revenue Fund		225,437

Total Restricted Fund Balance		\$ 13,340,036
-------------------------------	--	---------------

3. Committed: Includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Education. The District did not classify any of its fund balances as committed as of June 30, 2022.

4. Assigned: Includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The purpose of the constraint must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balance also includes an amount appropriated to partially fund the subsequent year's budget, as well as encumbrances not classified as restricted at the end of the year.

5. Unassigned: Includes fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, negative unassigned fund balance is reported.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

T. Equity Classifications (Continued)

2. Funds Statements (Continued)

Order of 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 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.

Limitation on Unexpended Surplus Funds:

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

U. New Accounting Standards

GASB has issued Statement 87, *Leases*, which will increase the usefulness of government's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were not classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use and underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The District has implemented Statement 87 as required.

GASB has issued Statement 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which will improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities. The District has implemented Statement 89 as required.

GASB has issued Statement 92, *Omnibus 2020*, which will enhance comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics. The District has implemented Statement 92 as required.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

U. New Accounting Standards (Continued)

GASB 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 supersession of GASB Statement No. 32*, which will result in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans. The District has implemented Statement 97 as required.

V. Future Changes in Accounting Standards

GASB has issued Statement 91, *Conduit Debt Obligations*, which will provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2023 financial statements.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which will improve financial reporting by establishing the definitions of public-public partnership arrangements (PPPs) and availability payment arrangements (APAs) and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. This Statement will enhance the decision usefulness of a government's financial statements by requiring governments to report assets and liabilities related to PPPs consistently and disclose important information about PPP transactions. The required disclosures will allow users to understand the scale and important aspects of a government's PPPs and evaluate a government's future obligations and assets resulting from PPPs. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2023 financial statements.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which will improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

V. Future Changes in Accounting Standards (Continued)

and assets resulting from SBITAs. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2023 financial statements.

GASB has issued Statement 98, *The Annual Comprehensive Financial Report*, this Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2023 financial statements.

GASB has issued Statement 99, *Omnibus 2022*, the objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2023 and/or 2024 financial statements, as applicable.

GASB has issued Statement 100, *Accounting Changes and Error Corrections-An Amendment of GASB Statement No. 62*, the primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2024 financial statements.

GASB has issued Statement 101, *Compensated Absences*, the objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2025 financial statements.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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

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

A. Total Fund Balances of Governmental Funds vs. Net Position of Governmental Activities:

Total fund balances of the District's governmental funds differ from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets.

1. The costs of building and acquiring capital assets (land, buildings and equipment) financed from the governmental funds are reported as expenditures in the year they 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, with their original costs capitalized and depreciation expensed annually over their useful lives. The balances at June 30, 2022 were as follows:

Original Cost of Capital Assets	\$ 111,820,441
Accumulated Depreciation	<u>(46,483,653)</u>
	<u>\$ 65,336,788</u>

2. The cost of right to use assets (equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the Balance Sheet. However, the Statement of Net Position includes those right of use assets among the assets of the District as a whole, with their present value capitalized and amortization expensed annually over the period of use. The balances at June 30, 2022 are as follows:

Original Cost of Right to Use Assets	312,035
Accumulated Amortization	<u>(181,401)</u>
	<u>\$ 130,634</u>

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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

A.e Total Fund Balances of Governmental Funds vs. Net Position of Governmental Activities:e
(Continued)e

3.e In the Statement of Net Position, a liability is recognized for the District's proportionate share of the net pension liability attributable to each defined benefit pension plan in which the District participates. A net pension liability is measured as the proportionate share of the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service (proportionate share of total pension liability), net of the proportionate share of that pension plan's fiduciary net position. If a pension plan's fiduciary net position exceeds its total pension liability, the District's proportionate share of the pension plan's net pension asset is recognized. Also, deferred outflows and inflows of resources related to pensions primarily result from contributions subsequent to the measurement date, as well as changes in the components of the net pension liability or asset. However, none of these amounts are included on the Balance Sheet as they are only recognized to the extent the pension liability is normally expected to be liquidated with expendable available financial resources. These balances at June 30, 2022 were as follows:e

Net Pension Asset - Proportionate Share	\$ 31,897,296
Deferred Outflows of Resources - Pensions	20,755,335
Deferred Inflows of Resources - Pensions	<u>(40,046,285)</u>
	<u>\$ 12,606,346</u>

4.e Interest is accrued in the Statement of Net Position, regardless of when it is due. This liability does not appear on the Balance Sheet because interest is expended when it is due, and thus requiring the use of current financial resources. This liability at June 30, 2022 was as follows:e

Accrued Interest	<u>\$ 193,885</u>
------------------	-------------------

5.e Long-term liabilities and related deferred inflows and outflows are reported in the Statement of Net Position, but not in the Balance Sheet, because the liabilities are not due and payable in the current period. The balances at June 30, 2022 were as follows:e

Bonds Payable	\$ 26,200,000
Compensated Absences	1,400,687
Deferred Outflows of Resources - OPEB	(29,305,332)
Other Postemployment Benefits	177,243,845
Deferred Inflows of Resources - OPEB	<u>9,485,696</u>
	<u>\$ 185,024,896</u>

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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

A. Total Fund Balances of Governmental Funds vs. Net Position of Governmental Activities: (Continued)

6. The Statement of Net Position reflects a receivable from the Library for the amount of the outstanding debt related to the financing of the new library building. The receivable at June 30, 2022 was as follows:

Bonds Payable	\$ 26,200,000
Compensated Absences	1,400,687
Deferred Outflows of Resources - OPEB	(29,305,332)
Other Postemployment Benefits	177,243,845
Deferred Inflows of Resources - OPEB	9,485,696
	\$ 185,024,896

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

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

1. Long-Term Revenue Differences

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

2. Capital Related Differences

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

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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

B. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities and Changes in Net Position: (Continued)

3. Long-Term Debt Transaction Differences

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

4. Pension Plan Transaction Differences

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

5. Other Post Employment Benefit (OPEB) Related Differences

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

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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

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

Explanation of Differences between Governmental Funds Operating Statement and the Statement of Activities

Total Revenues and Other Funding Sources

Total revenues and other funding sources reported in governmental funds (Schedule 5)	\$ 83,894,166
Upon disposition of assets totaling \$690,832, the cost exceeded the accumulated depreciation of \$690,462.	(370)
Revenue was recorded on the General fund for payments received from the Library related to outstanding debt financed for the library project. This payment is a reduction of the receivable on the Statement of Net Position	(220,000)
Repayment of BAN principal is a revenue in the government funds, but reduces liabilities in the Statement of Net Postion, and does not affect the Statement of Activities.	<u>(2,013,339)</u>
Total revenues in the Statement of Activities (Schedule 2)	<u>\$ 81,660,457</u>

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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

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

Explanation of Differences between Governmental Funds Operating Statement and the Statement of Activities (Continued)

Total Expenditures & Other Uses/Expenses

Total expenditures and other uses reported in governmental funds (Schedule 5) \$ 81,708,447

When the purchase or construction of capital assets is financed through governmental funds, the resources expended for those assets are reported as expenditures in the years they are incurred. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital expenditures of \$733,909 were less than depreciation of \$2,683,580. 1,949,671

When the lease of right to use assets are financed through governmental funds, the resources expended for those assets are reported as expenditures in the years they are paid for. However, in the Statement of Activities, the present value of those assets is capitalized and the expense is allocated over the period of use and reported as amortization expense. This is the amount by which amortization of \$88,125 was more than the present value of right to use assets of \$30,669 purchased in the current year. (57,456)

In the Statement of Activities, certain operating expenses (compensated absences and special termination benefits) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts actually paid). Compensated absences earned exceeded the amount paid. 231,769

Interest payable is recognized as an accrued liability in the entity wide statements under full accrual accounting whereas it is not under the governmental fund statements. This is the amount by which interest payable this year is less than the interest payable last year. (48,640)

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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

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

Explanation of Differences between Governmental Funds Operating Statement and the Statement of Activities (Continued)

<p>In the Statement of Activities the expense for other postemployment benefits (OPEB) includes changes in the OPEB liability such as service cost, interest cost and changes in benefit terms, as well as amortization of deferred outflows of resources and deferred inflows of resources related to OPEB. In the governmental funds, however, OPEB expenditures are measured by the amount of financial resources used (essentially the amounts actually paid). This is the amount by which the OPEB expense in the Statement of Activities exceeded the amount of financial resources used during the year.</p>	10,649,615
<p>In the Statement of Activities , pension expense related to ERS and TRS defined benefit pension plans is measured as the change in the District's proportionate shares of the net pension assets and liabilities as of the measurement dates for each plan. In the governmental funds however these expenditures are recognized equal to the total of (1) amounts paid by the employer to the pension plan and (2) the change between the beginning and ending balances of amounts normally expected to be liquidated with expendable available financial resources. This is the amount by which pension expense was exceeded by the amount of financial resources expended during the year.</p>	(5,578,500)
<p>Repayment of bond and installment debt principal is an expenditure in the governmental funds, but reduces liabilities in the Statement of Net Position, and does not affect the Statement of Activities</p>	<u>(3,423,338)</u>
<p>Total expenses in the Statement of Activities (Schedule 2)</p>	<u><u>\$ 85,431,568</u></u>

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3. CHANGE IN ACCOUNTING PRINCIPLE.

For the year ended June 30, 2021, the District implemented GASB Statement #87, *Leases*. The implementation of the statement establishes criteria for identifying lease activities for accounting and financial reporting purposes. See note 20 for the financial statement impact of the implementation of the statement.

NOTE 4. STEWARDSHIP AND COMPLIANCE.

A. Budgets

The District administration prepares a proposed budget for approval by the Board of Education for the following governmental funds for which legal (appropriated) budgets are adopted. The voters of the District approved the proposed appropriation budget for the General Fund. Appropriations are adopted at the program line item level.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These Supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. Supplemental appropriations that occurred during the year are shown on Supplemental Schedule #5.

Budgets are adopted annually on a basis consistent with GAAP. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year. The General Fund is the only fund with a legally approved budget for the fiscal year ended June 30, 2022.

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

B. Encumbrances

Encumbrance accounting is used for budget control and monitoring purposes and is reported as a part of the governmental funds. Under this method, purchase orders, contracts and other commitments for the expenditure of monies are recorded to reserve applicable appropriations. Outstanding encumbrances as of year-end are presented as restrictions or assignments of fund balance and do not represent expenditures or liabilities. These commitments will be honored in the subsequent period. Related expenditures are recognized at that time, as the liability is incurred or the commitment is paid.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4. STEWARDSHIP AND COMPLIANCE. (Continued)

C. Other Stewardship and Compliance Matters

The District's fund balance subject to New York State Real Property Tax Law §1318 limit, which restricts it to an amount not greater than 4% of the District's budget for the upcoming school year, was in excess of the 4% limitation. The District plans to review health and safety issues within the District and make budgetary adjustments where necessary to address this issue.

NOTE 5. CASH - CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE, FOREIGN CURRENCY RISKS AND INVESTMENT POOL.

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. While the District does not have a specific policy for custodial credit risk, New York State statutes govern the District's investment policies, as discussed previously in these Notes.

The District's aggregate bank balances (disclosed in the financial statements), included balances not covered by depository insurance at year-end, collateralized as follows:

Uncollateralized	\$ 0.
Collateralized with securities held by the pledging financial institution, or or its trust department or agent, but not in the District's name	\$ 25,375,273

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes \$13,340,301 within the governmental funds.

The District does not typically purchase investments for a long enough duration to cause it to believe that it is exposed to any material interest rate risk. The District also does not typically purchase investments denominated in a foreign currency, and is not exposed to foreign currency risk.

The District participates in a multi-municipal cooperative investment pool agreements pursuant to New York State General Municipal Law Article 5-G, §119-O, whereby it holds a portion of the investments in cooperation with other participants. The investments are highly liquid and are considered to be cash equivalents.

Total investments of the NYClass cooperative as of year-end are \$4,221,756,185, which consisted of \$1,151,932,926 in repurchase agreements, \$2,138,028,618 in U.S. Treasury Bills, \$90,053,060 in U. S. Treasury Securities and \$841,741,581 in collateralized bank deposits all with various interest rate and due dates.

Total investments of the New York Liquid Asset Fund cooperative as of year-end are \$534,631,412, which consisted of \$265,100,000 in Repurchase Agreements, \$171,432,733 in Bank Products, \$97,894,448 in Treasury/Agency Securities and \$204,231 in cash & equivalents all with various interest rate and due dates.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5. CASH - CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE, FOREIGN CURRENCY RISKS AND INVESTMENT POOL. (Continued)

The above amounts represent the cost of the investment pool shares, and are considered to approximate market value. The investment pool is categorically exempt from the New York State collateral requirements. Additional information concerning the cooperative is presented in the annual report of Cooperative Liquid Assets Securities System – New York (CLASS) and the New York Liquid Asset Funds (NYLAF).

NOTE 6. RECEIVABLES.

Leases Receivable

The District is reporting Leases Receivable of \$687,092 at June 30, 2022. For the fiscal year, the District reported lease revenue of \$170,582 and interest revenue of \$21,224 related to lease payments received. These leases are summarized as follows:

Lease	Lease Receivable	Lease Revenue	Lease Interest Revenue
Main Street (Admin Bldg Space) - BOCES	\$ 687,092	\$ 161,403	\$ 21,097
Lincoln Ave (Second Floor Room) - BOCES	0	9,179	127
Total	\$ 687,092	\$ 170,582	\$ 21,224

Main Street Lease – On July 1, 2021, the District entered into a five year lease agreement with Orange-Ulster Board of Cooperative Educational Services (BOCES) for the lease of real property that is part of the administration building. Based on this agreement, the District is receiving monthly payments through June 30, 2026. Orange-Ulster BOCES has the option to renew the lease for an additional five years.

Lincoln Ave Lease – On July 1, 2021, the District entered into a one year lease agreement with Orange-Ulster Board of Cooperative Educational Services (BOCES) for the lease of real property that is part of the Goshen Middle School. Based on this agreement, the District received payments through June 20, 2022. The District is currently negotiating a new lease.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7. CAPITAL ASSETS.

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets that are not depreciated:				
Land	\$ 67,819	\$ 0	\$ 0	\$ 67,819
Construction In Progress	0	0	0	0
Total Nondepreciable Assets	<u>67,819</u>	<u>0</u>	<u>0</u>	<u>67,819</u>
Capital assets that are depreciated:				
Land Improvements	2,118,131	0	0	2,118,131
Buildings and Improvements	94,272,485	0	0	94,272,485
Furniture & Equipment	5,261,428	57,032	(383,259)	4,935,201
Vehicles	10,057,501	676,877	(307,573)	10,426,805
Total Depreciable Assets	<u>111,709,545</u>	<u>733,909</u>	<u>(690,832)</u>	<u>111,752,622</u>
Less: Accumulated Depreciation	<u>44,490,535</u>	<u>2,683,580</u>	<u>(690,462)</u>	<u>46,483,653</u>
Capital Assets, Net	<u>\$ 67,286,829</u>	<u>\$ (1,949,671)</u>	<u>\$ (370)</u>	<u>\$ 65,336,788</u>

Depreciation expense was charged to governmental functions as follows:

General Support	\$ 402,537
Instruction	<u>2,281,043</u>
Total Depreciation	<u>\$ 2,683,580</u>

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8. RIGHT TO USE ASSETS.

Right to use asset balances and activity for the year ended June 30, 2022, were as follow:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Ending Balance</u>
Governmental activities:				
Right to use assets that are amortized:				
Equipment	\$ 223,910	\$ 88,125	\$ 0	\$ 312,035
Less: Accumulated Amortization	<u>(150,732)</u>	<u>(30,669)</u>	<u>0</u>	<u>(181,401)</u>
Right to Use Assets, Net	<u>\$ 73,178</u>	<u>\$ 57,456</u>	<u>\$ 0</u>	<u>\$ 130,634</u>
General Support	\$ (4,600)			
Instruction	<u>(26,069)</u>			
Total Amortization	<u>\$ (30,669)</u>			

NOTE 9. SHORT-TERM DEBT.

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

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Paid/ Redeemed</u>	<u>Ending Balance</u>
BAN maturing 07/16/21 at 2.92%	\$ 0	\$ 0	\$ 0	\$ 0
BAN maturing 07/16/21 at 2.92%	125,120	0	125,120	0
BAN maturing 07/16/21 at 2.92%	267,070	0	267,070	0
BAN maturing 07/16/21 at 2.92%	393,749	0	393,749	0
BAN maturing 07/16/21 at 2.92%	546,400	0	546,400	0
BAN maturing 07/16/21 at 1.50%	680,999	0	680,999	0
Total Short-Term Debt	<u>\$ 2,013,338</u>	<u>\$ 0</u>	<u>\$ 2,013,338</u>	<u>\$ 0</u>

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9. SHORT-TERM DEBT. (Continued)

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

Interest Paid	\$ 52,637
Less Interest Accrued in the Prior Year	(40,976)
Plus Interest Accrued in the Current Year	<u>0</u>
 Interest Expense	 <u><u>\$ 11,661</u></u>

NOTE 10. LONG-TERM LIABILITIES.

Long-term liability balances and activity for the year are summarized below:

	Beginning Balance	Issued	Paid/ Redeemed	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds and Notes					
Payable:					
Bonds Payable	\$ 27,610,000	\$ 0	\$ 1,410,000	\$ 26,200,000	\$ 1,445,000
Total Bonds and Notes Payable	<u>27,610,000</u>	<u>0</u>	<u>1,410,000</u>	<u>26,200,000</u>	<u>1,445,000</u>
Other Liabilities:					
Compensated Absences	1,168,918	231,769	0	1,400,687	0
Other Post Employment Benefits	161,014,911	19,026,420	2,797,486	177,243,845	0
Net Pension Liability - Proportionate Share	<u>4,795,605</u>	<u>0</u>	<u>4,795,605</u>	<u>0</u>	<u>0</u>
Total Other Liabilities	<u>166,979,434</u>	<u>19,258,189</u>	<u>7,593,091</u>	<u>178,644,532</u>	<u>0</u>
Total Long-Term Liabilities	<u><u>\$ 194,589,434</u></u>	<u><u>\$ 19,258,189</u></u>	<u><u>\$ 9,003,091</u></u>	<u><u>\$ 204,844,532</u></u>	<u><u>\$ 1,445,000</u></u>

Description of Issue	Issue Date	Final Maturity	Interest Rate	Balance
Serial Bonds - Library	04/04/17	04/01/46	3.00 - 3.375%	\$ 8,265,000
Serial Bonds - 2020	12/05/19	12/01/35	2.00% - 2.125%	<u>17,935,000</u>
				<u><u>\$ 26,200,000</u></u>

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10. LONG-TERM LIABILITIES. (Continued)

The following is a summary of maturing debt service requirements:

<u>For the Year Ended June 30,</u>	<u>Bonds and Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 1,445,000	\$ 632,494
2024	1,470,000	601,144
2025	1,505,000	569,194
2026	1,535,000	535,844
2027	1,575,000	500,956
Thereafter	<u>18,670,000</u>	<u>3,595,931</u>
TOTAL	<u>\$ 26,200,000</u>	<u>\$ 6,435,563</u>

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

Interest paid	\$ 663,194
Less: Interest accrued in the prior year	(160,572)
Plus: Interest accrued in the current year	<u>152,909</u>
Total interest expense	<u>\$ 655,531</u>

NOTE 11. PENSION PLANS.

Employees' Retirement System Plan Description

The District participates in the New York State and Local Employees' Retirement System (ERS). ERS and the New York State and Local Police and Fire Retirement System (PFRS) are collectively referred to as New York State and Local Retirement System (the ERS System). These are cost-sharing multiple-employer defined benefit retirement systems. The net position of the ERS System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in fiduciary net position allocated to the ERS System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the ERS System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. Thomas P. DiNapoli has served as Comptroller since February 7, 2007. In November, 2018, he was elected for a new term commencing January 1, 2019. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The District also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. Separately issued financial statements for the System can be accessed on the Comptroller's website at www.osc.state.ny.us/retire/about_us/financial_statements_index.php.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11. PENSION PLANS. (Continued)

Teachers' Retirement System Plan Description

The New York State Teachers Retirement System (the TRS System) was created and exists pursuant to Article 11 of the New York State Education Law. The System is the administrator of a cost-sharing, multiple-employer public employee retirement system (PERS), administered by a 10-member Board to provide pension and ancillary benefits to teachers employed by participating employers in the State of New York, excluding New York City. For additional Plan information please refer to the NYSTRS Comprehensive Annual Financial Report which can be found on the System's website located at www.nystrs.org.

ERS Benefits Provided

The ERS System provides retirement benefits as well as death and disability benefits.

Tiers 1 and 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after June 17, 1971, each year of final average salary is limited to no more than 20 percent of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent of the average of the previous two years.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11. PENSION PLANS. (Continued)

ERS Benefits Provided (Continued)

Tiers 3, 4, and 5

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have 10 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with 10 or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 3, 4 and 5 members, each year of final average salary is limited to no more than 10 percent of the average of the previous two years.

Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have 10 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63 for ERS members and 62 for PFRS members.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75 percent of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied 1 for each year of service over 20 years. Tier 6 members with 10 or more years of service can retire as early as age 55 with reduced benefits.

Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10 percent of the average of the previous four years.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11. PENSION PLANS. (Continued)

ERS Benefits Provided (Continued)

Special Plans

The 25-Year Plans allow a retirement after 25 years of service with a benefit of one-half of final average salary, and the 20-Year Plans allow a retirement after 20 years of service with a benefit of one-half of final average salary. These plans are available to certain PFRS members, sheriffs, and correction officers.

Disability Retirement Benefits

Disability retirement benefits are available to ERS members unable to perform their job duties because of permanent physical or mental incapacity. There are three general types of disability benefits: ordinary, performance of duty, and accidental disability benefits. Eligibility benefit amounts and other rules such as any offsets or other benefits depend on a members tier, years of service and plan.

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

Post-Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for 10 years; (iii) all disability pensioners, regardless of age, who have been retired for five years; (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50% of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11. PENSION PLANS. (Continued)

TRS Benefits Provided

The benefits provided to members of the TRS System are established by New York State and may be amended only by the Legislature with the Governor's approval. Benefit provisions vary depending on date of membership and are subdivided into the following six classes:

Tier 1

Members who last joined prior to July 1, 1973 are covered by the provisions of Article 11 of the Education Law.

Tier 2

Members who last joined on or after July 1, 1973 and prior to July 27, 1976 are covered by the provisions of Article 11 of the Education Law and Article 11 of the Retirement and Social Security Law (RSSL).

Tier 3

Members who last joined on or after July 27, 1976 and prior to September 1, 1983 are covered by the provisions of Article 14 and Article 15 of the RSSL.

Tier 4

Members who last joined on or after September 1, 1983 and prior to January 1, 2010 are covered by the provisions of Article 15 of the RSSL.

Tier 5

Members who joined on or after January 1, 2010 and prior to April 1, 2012 are covered by the provisions of Article 15 of the RSSL.

Tier 6

Members who joined on or after April 1, 2012 are covered by the provisions of Article 15 of the RSSL.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11. PENSION PLANS. (Continued)

TRS Benefits Provided (Continued)

Service Retirements

Tier 1 and 2 members are generally eligible for a service retirement benefit of 2% per year of credit service times final average salary (FAS). A 5% reduction generally applies for each full year of state service under 20 years (prorated for partial years with a maximum reduction of 50%). Tier 1 and 2 members may retire as early as age 55 with five or more years of state service credit. Retirement may also occur for Tier 1 members at age 55 with less than five years of service if two years are credited since July 1, 1967, after the current membership date, and since the member turned age 53.

Generally, the maximum pension payable to Tier 1 and 2 members (with two years of credit under the Article 19 Benefit Enhancement law) is 79% of FAS. An age factor applies to Tier 2 members who retire before age 62 with less than 30 years of service. There is no age factor for Tier 1 members.

Tier 3 and 4 members are generally eligible for a service retirement benefit of 1.67% per year of credited service times FAS for less than 20 years of service, 2.0% per year for 20 to 30 years of service, and 60% of FAS plus 1.5% per year for service beyond 30 years. Tier 3 and 4 members may retire as early as age 55 with five years of state service credit. An age factor applies for Tier 3 and 4 members who retire before age 62 with less than 30 years of service.

Tier 5 members are generally eligible for a service retirement benefit of 1.67% per year of credited service times FAS for less than 20 years of service, 1.75% per year for 20 years of service, and 35% of FAS plus 2% per year for service beyond 20 years. Tier 6 members may retire as early as age 55 with 10 years of service credit. An age factor applies to Tier 5 members who retire before age 57 or retire between age 57 and 62 with less than 30 years of service.

Tier 6 members are generally eligible for a service retirement benefit of 1.67% per year of credited service times FAS for less than 20 years of service, 1.75% per year for 20 years of service, and 35% of FAS plus 2% per year for service beyond 20 years. Tier 6 members may retire as early as age 55 with 10 years of state service credit. An age factor applies for Tier 6 members who retire before age 63.

Vested Benefits

Retirement benefits for Tiers 1-4 are vested after five years of credited service while benefits for Tiers 5-6 are vested after 10 years of credited service. Benefits are payable at age 55 or greater with the limitations noted for service retirement above.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11. PENSION PLANS. (Continued)

TRS Benefits Provided (Continued)

Disability Retirement

Members are eligible for disability retirement benefits after 10 years of credited New York State service except for Tier 3 where disability retirement is permissible after 5 years of credited New York State service pursuant to the provisions of Article 14 of the RSSL. The Tier 3 benefit is integrated with Social Security.

Death Benefits

Death benefits are paid to the beneficiary of active members who die in service and certain retirees. For active members, the benefit is based on final salary, age and the number of years of credited service. For retired members, it is also based on the number of years in retirement.

Prior and Military Service

After 2 years of membership, members of all tiers may claim and receive credit for prior New York State public or teaching service. Only Tiers 1 and 2 members may, under certain conditions, claim out of state service. Certain members may also claim military service credit prior to or interrupting membership.

Tier Reinstatement

In accordance with Chapter 640 of the Laws of 1998, any active member who had a prior membership may elect to be reinstated to their original date and Tier of membership.

Permanent Cost of Living Adjustment (COLA)

Section 532-a of the Education Law provides a permanent cost-of-living benefit to both current and future retired members. This benefit will be paid commencing September of each year to retired members who have attained age 62 and have been retired for 5 years or attained age 55 and have been retired for 10 years. Disability retirees must have been retired for 5 years, regardless of age, to be eligible. The annual COLA percentage is equal to 50% of the increase in the consumer price index not to exceed 3% nor be lower than 1%. It is applied to the first eighteen thousand dollars of the annual benefit. The applicable percentage payable beginning September 2020 is 1.0%.

Members who retired prior to July 1, 1970 are eligible for a minimum benefit of seventeen thousand five hundred dollars for 35 years of credited full-time New York State service. Certain members who retire pursuant to the provisions of Article 14 of the RSSL are eligible for automatic cost-of-living supplementation based on the increase in the consumer price index with a maximum per annum increase of 3%.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11. PENSION PLANS. (Continued)

Contributions

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0% to 3.5% 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. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

<u>Year</u>	<u>NYSTRS</u>	<u>NYSERS</u>
2021 - 2022	2,809,402	1,026,096
2020 - 2021	2,685,492	1,108,880
2019 - 2020	2,612,078	1,045,387

The District chose to prepay the required contributions to ERS by December 15th each year and received a discount.

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

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

At June 30, 2022, the District reported the following asset/(liability) for its proportionate share of the net pension liability/(asset) for each of the Systems. The net pension asset/(liability) was measured as of March 31, 2022 for ERS and June 30, 2021 for TRS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. 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.

At March 31, 2022, the District's proportion of the NYSERS net pension asset/(liability) was 0.0210748%, which was an increase of 0.000004338% in its proportion measured as of March 31, 2021.

At June 30, 2021, the District's proportion of the NYSTRS net pension asset/(liability) was 0.174127%, which was an increase of 0.000071326% from its proportion measured as of June 30, 2020.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11. PENSION PLANS. (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the year ended June 30, 2022, the District's recognized pension expense of \$270,713 for ERS and \$(1,889,614) for TRS. At June 30, 2022 the District's reported deferred outflows of resources and deferred inflows of resources related to pensions for the following sources:

	Deferred Outflows or Resources		
	<u>ERS</u>	<u>TRS</u>	<u>Total</u>
Differences between expected and actual experience	\$ 130,469	\$ 4,159,237	\$ 4,289,706
Changes of Assumptions	2,875,129	9,925,029	12,800,158
Net difference between projected and actual earnings on pension plan investments	0	0	-
Changes in proportion and difference between the District's contributions and proportionate share of contributions	537,741	10,853	548,594
District's contributions subsequent to the measurement date	<u>282,183</u>	<u>2,834,694</u>	<u>3,116,877</u>
Total	<u>\$ 3,825,522</u>	<u>\$ 16,929,813</u>	<u>\$ 20,755,335</u>
	Deferred Inflows or Resources		
	<u>ERS</u>	<u>TRS</u>	<u>Total</u>
Differences between expected and actual experience	\$ 169,225	\$ 156,770	\$ 325,995
Changes of Assumptions	48,515	1,757,576	1,806,091
Net difference between projected and actual earnings on pension plan investments	5,641,387	31,580,752	37,222,139
Changes in proportion and difference between the District's contributions and proportionate share of contributions	96,463	595,597	692,060
District's contributions subsequent to the measurement date	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 5,955,590</u>	<u>\$ 34,090,695</u>	<u>\$ 40,046,285</u>

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11. PENSION PLANS. (Continued)

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

Year Ended:	<u>ERS</u>	<u>TRS</u>
2022	\$ 0	\$ 4,053,334
2023	273,739	4,718,760
2024	507,271	5,901,669
2025	1,386,217	7,699,438
2026	245,025	(1,381,769)
Thereafter	0	(995,854)

Actuarial Assumptions

The total ERS pension liability at March 31, 2022 was determined by using an actuarial valuation as of April 1, 2021, with update procedures used to roll forward the total pension liability to March 31, 2022. The total TRS pension liability at June 30, 2021 was determined by using an actuarial valuation as of June 30, 2020, with update procedures used to roll forward the total pension liability to June 30, 2021. These actuarial valuations used the following actuarial assumptions.

Significant actuarial assumptions used in the actuarial valuations referred to above were as follows:

	<u>ERS</u>	<u>TRS</u>										
Inflation Rate	2.7%	2.40%										
Projected Salary Increases	4.4%	Rates of increase differ based on service. They have been										
		<table style="width: 100%; border-collapse: collapse; margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;"><u>Service</u></th> <th style="text-align: center;"><u>Rate</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">5</td> <td style="text-align: center;">5.18%</td> </tr> <tr> <td style="text-align: center;">15</td> <td style="text-align: center;">3.64%</td> </tr> <tr> <td style="text-align: center;">25</td> <td style="text-align: center;">2.50%</td> </tr> <tr> <td style="text-align: center;">35</td> <td style="text-align: center;">1.95%</td> </tr> </tbody> </table>	<u>Service</u>	<u>Rate</u>	5	5.18%	15	3.64%	25	2.50%	35	1.95%
<u>Service</u>	<u>Rate</u>											
5	5.18%											
15	3.64%											
25	2.50%											
35	1.95%											
Projected Cost of Living Adjustments	1.4%	1.3% Compounded annually										
Investment Rate of Return, Including Inflation	5.9% compounded annually, net of investment expenses, including inflation	6.95% compounded annually, net of pension plan investment expense, including inflation										
Decrement Tables	April 1, 2015 - March 31, 2020 System's Experience	July 1, 2015 - June 30, 2020 System's Experience										
Mortality Improvement	Society of Actuaries Scale MP-2020	Society of Actuaries Scale MP-2020										

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11. PENSION PLANS. (Continued)

Actuarial Assumptions (Continued)

The long-term rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of appropriate assumed investment rate of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance.

The Long Term Expected Rates of Return are presented by asset allocation classification, which differs from the financial statement presentation. Best estimates of the arithmetic real rates of return for each major asset class included in the System's target asset allocation as of the measurement date of June 30, 2021 for TRS and March 31, 2022 for ERS are summarized in the following table:

Measurement Date	ERS		Measurement Date	TRS	
	March 31, 2022			June 30, 2021	
	Target Allocation	Long-term expected real rate of return		Target Allocation	Long-term expected real rate of return*
Asset Class:			Asset Class:		
Domestic Equity	32%	3.30%	Domestic Equities	33%	6.80%
International Equity	15%	5.85%	International Equities	16%	7.60%
Private Equity	10%	6.50%	Global Equities	4%	7.10%
Real Estate	9%	5.00%	Real Estate Equities	11%	6.50%
Opportunistic/ARC Portfolio	3%	4.10%	Private Equities	8%	10.00%
Credit	4%	3.78%	Domestic Fixed Income Securities	16%	1.30%
Real Assets	3%	5.80%	Global Bonds	2%	0.80%
Fixed Income	23%	0.00%	Private Debt	1%	5.90%
Cash	1%	-1.00%	Real Estate Debt	7%	3.30%
			High-Yield Bonds	1%	3.80%
			Cash Equivalents	1%	-0.20%
Total	100%			100%	

The real rate of return is net of the long-term inflation assumption of 2.5%.

* Real rates of return are net of a long-term inflation assumption of 2.4%

(1) Excludes equity-oriented and long-only funds. For investment management purposes, these funds are included in domestic equity and international equity.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11. PENSION PLANS. (Continued)

Discount Rate

The discount rate used to calculate the total pension liability was 5.90% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's 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 ERS and TRS net pension liability calculated using the discount rates referred to above, 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 or 1-percentage-point higher than the current rate referred to above:

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

<u>ERS</u>	<u>1% Decrease 4.90%</u>	<u>Current Assumption 5.90%</u>	<u>1% Increase 6.90%</u>
Employer's Proportionate Share of the Net Pension Asset/(Liability)	\$ (4,434,420)	\$ 1,722,781	\$ 6,872,983
<u>TRS</u>	<u>1% Decrease 5.95%</u>	<u>Current Assumption 6.95%</u>	<u>1% Increase 7.95%</u>
Employer's Proportionate Share of the Net Pension Asset/(Liability)	\$ 3,166,375	\$ 30,174,515	\$ 52,872,896

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11. PENSION PLANS. (Continued)

Pension plan fiduciary net position

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

Measurement Date	(Dollars in Thousands)	
	ERS	TRS
	March 31, 2021	June 30, 2021
Employers' total pension asset/(liability)	\$ (223,874,888)	\$ (130,819,415,417)
Plan net position	(232,049,473)	(148,148,457,363)
Employer's net pension asset/(liability)	\$ 8,174,585	\$ 17,329,041,946
Ration of plan net position to the employers' total pension asset/(liability)	103.65%	113.2%

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's year which ends on March 31st. Accrued retirement contributions as of June 30, 2022 represent the projected employer contributions for the period of April 1, 2022 through June 30, 2022 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2022 amounted to \$282,183 of employer contributions. Employee contributions are remitted monthly.

For TRS, employer and employee contributions for the year ended June 30, 2022 are paid to the System in September, October and November 2022 through state aid intercept. Accrued retirement contributions as of June 30, 2022 represent employee and employer contributions for the year ended June 30, 2022. Employer contributions are based on paid TRS covered wage multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2022 amounted to \$3,104,936.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 12. INTERFUND BALANCES AND ACTIVITY.

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

	<u>Interfund</u>		<u>Interfund</u>	
	<u>Receivable</u>	<u>Payable</u>	<u>Revenues</u>	<u>Expenditures</u>
General Fund	\$ 627,430	\$ 83,275	\$ 0	\$ 6,190,672
Special Aid Fund	83,275	477,100	165,267	0
School Lunch Fund	0	118,619	0	0
Capital Fund	0	31,711	6,053,975	28,570
Debt Service Fund	0	0	0	0
Total Governmental Activities	710,705	710,705	6,219,242	6,219,242
Fiduciary Fund	0	0	0	0
Totals	<u>\$ 710,705</u>	<u>\$ 710,705</u>	<u>\$ 6,219,242</u>	<u>\$ 6,219,242</u>

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

The District typically transfers from the General Fund to the Special Aid Fund to fund the portion of the Summer Handicapped Program not funded by aid from New York State.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 13. OTHER POSTEMPLOYMENT BENEFITS. (Continued)

Employees Covered by Benefit Terms – At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	362
Active employees	<u>416</u>
 Total Employees Covered by Benefit Terms	 <u><u>778</u></u>

Total OPEB Liability

The District’s total OPEB liability of \$177,243,845 was measured as of June 30, 2021.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.16%
Healthcare Cost Trend Rates	Pre-65: 7.69% for 2020, decreasing to an ultimate rate of 4.50% for 2029 and later years
	Post-65: 8.68% for 2020, decreasing to an ultimate rate of 4.50% for 2029 and later years
Current Retirees' Share of Benefit Related Costs	Retirees pay 0% - 50% of the cost of single coverage and 50% - 65% for the spouse/family based on years of service with the District.
Future Retirees' Share of Benefit Related Costs	Retirees pay 0% - 50% of the cost of single coverage and 50% - 65% for the spouse/family based on years of service with the District.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 13. OTHER POSTEMPLOYMENT BENEFITS. (Continued)

The discount rate was based on a review of the yield derived from the Bond Buyer 20 GO Bond Index closest to the measurement date.

Mortality rates were based on Pub-2010 Headcount Weighted Mortality Table, Teachers Classification – for Teachers bargaining unit and Pub-2010 Headcount Weighted Mortality Table, General Classification – for all other bargaining units.

Projection Scale: Mortality is projected generationally with scale MP-2021, adjusted for COVID-19 Slow Recovery.

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

Changes in the Total OPEB Liability

Balance at June 30, 2021	<u>\$ 161,014,911</u>
<u>Changes for the Year:</u>	
Service cost	7,674,259
Interest	3,700,157
Changes of benefit terms	129,844
Differences between expected and actual experience	(137,441)
Changes in assumptions or other inputs	7,659,601
Benefit payments	<u>(2,797,486)</u>
Net Changes	<u>16,228,934</u>
Balance at June 30, 2022	<u><u>\$ 177,243,845</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.21 in the previous year to 2.16 in the current year.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.16 percent) or 1 percentage point higher (3.16 percent) than the current discount rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB Liability	<u>\$ 213,657,682</u>	<u>\$ 177,243,845</u>	<u>\$ 148,773,445</u>

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 13. OTHER POSTEMPLOYMENT BENEFITS. (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current Health Care Cost Trend Rates	1% Increase
Total OPEB Liability	\$ 143,638,794	\$ 177,243,845	\$ 222,256,568

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

For the year ended June 30, 2022, the District recognized OPEB expense of \$10,649,615. At June 30, 2022, the District reported the following deferred outflows of resources and deferred inflows of resources related to OPEB.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,959,204	\$ 2,622,186
Changes of assumptions or other inputs	23,511,651	6,863,510
District's contributions subsequent to the measurement date	2,834,477	0
Total	\$ 29,305,332	\$ 9,485,696

District contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the fiscal year ended June 20, 2022. Amounts recognized in the deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the OPEB expense as follows:

Fiscal Year Ending June 30,	Amount
2023	\$ (1,979,832)
2024	(1,979,832)
2025	(4,333,565)
2026	(4,074,217)
2027	(3,146,467)
Thereafter	(1,471,246)

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 14. RISK MANAGEMENT.

General Information

The District is exposed to various risks of loss related to torts, theft, damage, injuries, errors and omissions, natural disasters, and other risks. 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.

Pool, Non-Risk Retained

For its employee health insurance coverage, the District participates in Orange/Ulster School District Health Plan, a public entity risk pool operated for the benefit of 21 individual governmental units located within the County of Orange. The School District pays an annual premium to the Plan for this health insurance coverage. The Orange/Ulster School District Health Plan is considered a self-sustaining risk pool that will provide coverage for its members. The District has essentially transferred all related risk to the Fund/Pool/Plan.

The District participates in Orange/Ulster School District Workers Compensation Plan, a non-risk-retained public entity risk pool for its employee health and accident insurance coverage. The pool is operated for the benefit of 20 individual governmental units located within the pool's geographic area, and is considered a self-sustaining risk pool that will provide coverage for its members up to \$500,000 per insured event. The pool obtains independent coverage for insured events in excess of the \$500,000 limit, and the District has essentially transferred all related risk to the pool.

NOTE 15. COMMITMENTS AND CONTINGENCIES.

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

The District is subject to numerous tax certiorari claims that are currently being litigated with the support of legal counsel. Such proceedings are not uncommon to school districts. As of June 30, 2022, there was approximately \$9,656,770 of tax certiorari claims filed against the District. Since the outcome of this litigation is unknown at this time, management is unable to make an estimate of the possible liability to the district.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 16. ENCUMBRANCES.

Encumbrances represent contracts, purchase orders, payroll commitments, tax payables, or legal penalties that are chargeable to an account. They cease to be encumbrances when paid or when the actual liability amount is determined and recorded as an expenditure. Encumbrances of appropriations of budgets for the year ended June 30, 2022 have been included in the assigned fund balance of the General Fund and in the restricted fund balance of all other funds as follows:

General Fund	\$	1,220,006
Special Aid Fund		3,500
Capital Projects Fund		<u>382,875</u>
 Total Encumbrances	 \$	 <u><u>1,606,381</u></u>

NOTE 17. DONOR-RESTRICTED ENDOWMENTS.

Endowment funds are restricted by the donor for the purpose of student scholarships and awards. Expenditures from donor-restricted endowments are made in compliance with the wishes expressed by the donor.

NOTE 18. TAX ABATEMENTS.

The Orange County Industrial Development Agency (“the IDA”) entered into property tax abatement agreements that reduced the District’s gross tax revenues. Generally, property tax abatement agreements are entered into by the IDA under New York Real Property Tax Law, Section 412-a and General Municipal Law, Section 874 in order to induce businesses to acquire, renovate, construct and upgrade certain real property within Orange County. For a qualified and approved project, the IDA takes title or a leasehold interest in the property thereby technically making the property exempt from all real property taxes. However, the IDA requires the execution of a Payment in Lieu of Taxes (PILOT) Agreement with the company which requires the company to pay the current real property taxes, including land and special district taxes, to the County, Town/Village and School District in which it is located and a graduated percentage of taxes upon the improvements constructed on the property.

For the year ended June 30, 2022, the District abated property taxes totaling \$1,480,875 under these property tax abatement agreements and received payments in lieu of tax (PILOT) in the amount of \$849,308. The District has a PILOT agreement with an entity that has not paid their payment to the district for the fiscal years ended June 30, 2021 and 2022, in the amount of \$224,723 and 231,464. The District has contacted their attorney to assist with collection action.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 19. SUBSEQUENT EVENTS.

The District has evaluated subsequent events through October 3, 2022 the date that the financial statements were available to be issued. No significant subsequent events have been identified that would require adjustment of or disclosure in the accompanying financial statements.

NOTE 20. RESTATEMENT OF NET POSITION AND FUND BALANCE (DEFICIT).

For the fiscal year ended June 30, 2022, the District implemented GASB Statement 87, *Leases*. GASB 87, *Leases* establishes criteria for the recognition of certain lease assets and liabilities that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

The implementation of this statement has resulted in changing the presentation of Lessee and Lessor (if applicable), transactions in the financial statements. Under this Statement, Lessee transactions will now recognize a lease liability and an intangible right-to-use lease asset and a Lessor is required to recognize a lease receivable and a deferred inflow of resources. Right-to-use assets are amortized over the lease term.

As a result of implementing this statement, the District's net position has been restated as follows:

	Governmental Activities
Net Position Beginning of Year, as Previously Stated	\$ (74,192,584)
Plus: Change in Accounting Principle, Right to Use Assets, Net - June 30, 2021	73,178
Net Position Beginning of Year, as Restated	\$ (74,119,406)

SUPPLEMENTAL SCHEDULE #1

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2022

	06/30/21	06/30/20	06/30/19	06/30/18	06/30/17
<u>Total OPEB Liability</u>					
Service cost	\$ 7,674,259	\$ 5,788,729	\$ 5,029,825	\$ 4,272,070	\$ 5,165,889
Interest	3,700,157	5,042,276	4,942,513	4,250,985	3,708,574
Changes of benefit terms	129,844	0	0	0	0
Differences between expected and actual experience	(137,441)	(3,151,077)	(401,402)	6,878,676	0
Changes in assumptions or other inputs	7,659,601	16,837,305	8,255,891	(4,676,742)	(16,860,435)
Benefit payments	(2,797,486)	(2,712,974)	(2,575,265)	(2,451,272)	(2,558,393)
Net change in total OPEB liability	16,228,934	21,804,259	15,251,562	8,273,717	(10,544,365)
Total OPEB liability-beginning	161,014,911	139,210,652	123,959,090	115,685,373	126,229,738
Total OPEB liability-ending	\$ 177,243,845	\$ 161,014,911	\$ 139,210,652	\$ 123,959,090	\$ 115,685,373
Covered-employee payroll	\$ 39,503,364	\$ 34,543,505	\$ 31,768,700	\$ 31,768,700	\$ 29,144,467
Total OPEB liability as a percentage of covered-employee payroll	448.68%	466.12%	438.20%	390.19%	396.94%

Notes to Schedule:

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

6/30/2021	2.16%
6/30/2020	2.21%
6/30/2019	3.51%
6/30/2018	3.87%
6/30/2017	3.58%

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

* GASB 75 requires that the past 10 years of information be presented. Due to the fact that this statement was implemented for the year ended June 30, 2018, prior year information is not available for 10 years. The data will be accumulated over time and presented according to GASB 75.

See paragraph on supplementary schedules included in auditor's report.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	REVISED BUDGET	CURRENT YEAR'S REVENUES	OVER (UNDER) REVISED BUDGET
<u>REVENUES</u>				
LOCAL SOURCES:				
Real Property Taxes	\$ 51,549,736	\$ 51,656,884	\$ 51,606,540	\$ (50,344)
Other Tax Items	3,607,880	3,500,732	3,388,424	(112,308)
Charges for Services	259,615	259,615	675,718	416,103
Use of Money & Property	201,000	201,000	243,714	42,714
Sale of Property & Compensation for Loss	0	9,184	26,609	17,425
Miscellaneous	781,444	781,444	1,071,745	290,301
STATE SOURCES	21,511,701	21,511,701	21,011,546	(500,155)
TOTAL REVENUES	77,911,376	77,920,560	78,024,296	103,736
APPROPRIATED FUND BALANCE	2,721,405	9,728,225		
TOTAL REVENUES & APPROPRIATED FUND BALANCE	\$ 80,632,781	\$ 87,648,785		

See paragraph on supplementary schedules included in auditor's report.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	REVISED BUDGET	CURRENT YEAR'S EXPENDITURES	ENCUMBRANCES	UNENCUMBERED BALANCE
EXPENDITURES					
GENERAL SUPPORT:					
Board of Education	\$ 34,336	\$ 45,336	\$ 44,323	\$ 0	\$ 1,013
Central Administration	30,591	26,091	19,653	0	6,438
Finance	372,791	364,291	336,010	0	28,281
Central Services	6,924,446	7,739,318	7,009,213	944,842	(214,737)
Special Items	861,860	1,336,052	1,333,939	0	2,113
INSTRUCTIONAL:					
Instruction, Administration & Improvement	3,058,826	3,105,982	2,997,640	26,822	81,520
Teaching - Regular School	22,604,214	21,958,962	21,570,002	59,584	329,376
Programs for Children with Handicapping Conditions	12,117,628	12,601,326	12,255,076	42,781	303,469
Teaching - Special Schools	1,105,352	307,027	181,579	0	125,448
Instructional Media	1,893,782	2,190,716	1,778,681	29,961	382,074
Pupil Services	4,045,477	4,087,499	3,926,772	29,537	131,190
PUPIL TRANSPORTATION					
EMPLOYEE BENEFITS	3,786,040	3,759,554	3,518,315	74,647	166,592
	20,817,419	19,738,486	18,301,124	11,832	1,425,530
DEBT SERVICE:					
Debt Service - Principal	2,072,705	3,423,338	3,423,338	0	0
Debt Service - Interest	712,314	715,832	715,831	0	1
TOTAL EXPENDITURES	80,437,781	81,399,810	77,411,496	1,220,006	2,768,308
OTHER USES:					
Operating Transfers Out	195,000	6,248,975	6,190,672	0	58,303
TOTAL EXPENDITURES & OTHER USES	\$ 80,632,781	\$ 87,648,785	\$ 83,602,168	\$ 1,220,006	\$ 2,826,611
EXCESS OF EXPENDITURES & OTHER USES OVER REVENUES & OTHER SOURCES					
			\$ (5,577,872)		

See paragraph on supplementary schedules included in auditor's report.

GOSHEN CENTRAL SCHOOL DISTRICT
 GOSHEN, NEW YORK
SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2022

	NYSERS Pension Plan Last 10 Fiscal Years*									
	3/31/2022	3/31/2021	3/31/2020	3/31/2019	3/31/2018	3/31/2017	3/31/2016	3/31/2015	3/31/2014	
District's proportion of the net pension asset/(liability)	0.0210748%	0.0206410%	0.0219703%	0.0215221%	0.0221220%	0.0223709%	0.0215545%	0.0222909%	0.0222909%	
District's proportionate share of the net pension asset/(liability)	\$ 1,722,781	\$ (20,553)	\$ (5,817,874)	\$ (1,524,903)	\$ (713,976)	\$ (2,102,018)	\$ (3,459,558)	\$ (753,042)	\$ (1,007,295)	
District's covered-employee payroll	\$ 8,213,878	\$ 7,732,839	\$ 7,776,130	\$ 7,204,665	\$ 6,956,986	\$ 6,843,605	\$ 6,291,487	\$ 6,481,990	\$ 6,386,371	
District's proportionate share of the net pension asset/(liability) as a percentage of its covered-employee payroll	20.97%	-0.27%	-74.82%	-21.17%	-10.26%	-30.72%	-54.99%	-11.62%	-15.77%	
Plan fiduciary net position as a percentage of the total pension liability	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.95%	97.15%	

	NYSTRS Pension Plan Last 10 Fiscal Years*									
	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	
District's proportion of the net pension asset/(liability)	0.174127%	0.172801%	0.168211%	0.163917%	0.159844%	0.160361%	0.158132%	0.154371%	0.153480%	
District's proportionate share of the net pension asset/(liability)	\$ 30,174,515	\$ (4,775,052)	\$ 4,370,137	\$ 2,964,057	\$ 1,214,972	\$ (1,717,538)	\$ 16,424,915	\$ 17,195,915	\$ 1,010,286	
District's covered-employee payroll	\$ 29,554,911	\$ 30,415,929	\$ 28,781,539	\$ 27,248,739	\$ 25,753,977	\$ 25,147,034	\$ 24,097,837	\$ 23,132,735	\$ 23,066,933	
District's proportionate share of the net pension asset/(liability) as a percentage of its covered-employee payroll	102.10%	-15.70%	15.18%	10.88%	4.72%	-6.83%	68.16%	74.34%	4.38%	
Plan fiduciary net position as a percentage of the total pension liability	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%	100.70%	

* GASB 68 requires that the past 10 years of information be presented. Due to the fact that this statement was implemented for the year ended June 30, 2015, prior year information is not available for 10 years. The data will be accumulated over time and presented according to GASB 68.

See paragraph on supplementary schedules included in auditor's report.

GOSHEN CENTRAL SCHOOL DISTRICT
 GOSHEN, NEW YORK
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 FOR THE YEAR ENDED JUNE 30, 2022

	NYSTRS Pension Plan Last 10 Fiscal Years*									
	3/31/2022	3/31/2021	3/31/2020	3/31/2019	3/31/2018	3/31/2017	3/31/2016	3/31/2015	3/31/2014	
Contractually required contribution	\$ 1,222,246	\$ 1,099,344	\$ 1,067,917	\$ 1,036,988	\$ 1,029,472	\$ 1,036,089	\$ 1,126,418	\$ 1,320,134	\$ 1,234,162	
Contributions in relation to the contractually required contribution	1,222,246	1,099,344	1,067,917	1,036,988	1,029,472	1,036,089	1,126,418	1,320,134	1,234,162	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Covered Employee Payroll	\$ 8,213,878	\$ 7,732,839	\$ 7,776,130	\$ 7,204,665	\$ 6,956,986	\$ 6,843,605	\$ 6,291,487	\$ 6,481,990	\$ 6,386,371	
Contributions as a percentage of its covered-employee payroll	14.88%	14.22%	13.73%	14.39%	14.80%	15.14%	17.90%	20.37%	19.32%	

NYSTRS Pension Plan
Last 10 Fiscal Years*

	NYSTRS Pension Plan Last 10 Fiscal Years*									
	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	
Contractually required contribution	\$ 2,816,583	\$ 2,694,851	\$ 3,056,602	\$ 2,670,376	\$ 3,018,366	\$ 3,334,497	\$ 4,224,351	\$ 3,759,070	\$ 2,731,125	
Contributions in relation to the contractually required contribution	2,816,583	2,694,851	3,056,602	2,670,376	3,018,366	3,334,497	4,224,351	3,759,070	2,731,125	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Covered Employee Payroll	\$ 29,554,911	\$ 30,415,929	\$ 28,781,539	\$ 27,248,739	\$ 25,753,977	\$ 25,147,034	\$ 24,097,837	\$ 23,132,735	\$ 23,066,933	
Contributions as a percentage of its covered-employee payroll	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%	16.23%	11.84%	

* GASB 68 requires that the past 10 years of information be presented. Due to the fact that this statement was implemented for the year ended June 30, 2015, prior year information is not available for 10 years. The data will be accumulated over time and presented according to GASB 68.

See paragraph on supplementary schedules included in auditor's report.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET &
AND REAL PROPERTY TAX LIMIT - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

CHANGE FROM ADOPTED TO FINAL BUDGET

ADOPTED BUDGET	\$ 78,811,376
ADDITIONS:	
Encumbrances from Prior Year	1,821,405
ORIGINAL BUDGET	80,632,781
BUDGET REVISIONS:	
Bus Purchases	652,000
BAN Payments	1,354,820
Capital Reserve Appropriations	5,000,000
NYSIR Insurance Recoveries	9,184
REVISED BUDGET	\$ 87,648,785

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2022-2023 Voter-approved expenditure budget maximum allowed (4% of 2022-2023 budget of \$83,700,000)	\$ 3,348,000
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	
Unrestricted Fund Balance:	
Assigned Fund Balance	\$ 2,470,006
Unassigned Fund Balance	4,197,655
Total Unrestricted Fund Balance	\$ 6,667,661
Less:	
Appropriated Fund Balance	\$ 1,250,000
Encumbrances Included in Assigned Fund Balance	1,220,006
Total Adjustments	\$ 2,470,006
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	\$ 4,197,655
Actual Percentage	5.02%

See paragraph on supplementary schedules included in auditor's report.

GOSHEN CENTRAL SCHOOL DISTRICT
 GOSHEN, NEW YORK
 SCHEDULE OF CAPITAL PROJECTS FUND - PROJECT EXPENDITURES AND FINANCING RESOURCES
 FOR THE YEAR ENDED JUNE 30, 2022

	ORIGINAL APPROPRIATION	REVISED APPROPRIATION	EXPENDITURES TO DATE			UNEXPENDED BALANCE	
			PRIOR YEARS	CURRENT YEAR	TRANSFERS OUT		TOTAL
Bus Purchases 2022	\$ 652,000	\$ 652,000	\$ 0	\$ 623,429	\$ 28,571	\$ 652,000	\$ 0
Emergency Repair Project - Scotchtown Elementary	401,975	401,975	0	0	0	0	401,975
District Capital Project	9,082,558	9,082,558	0	0	0	0	9,082,558
	<u>\$ 10,136,533</u>	<u>\$ 10,136,533</u>	<u>\$ 0</u>	<u>\$ 623,429</u>	<u>\$ 28,571</u>	<u>\$ 652,000</u>	<u>\$ 9,484,533</u>

	METHODS OF FINANCING					FUND BALANCE JUNE 30, 2022
	PROCEEDS FROM DEBT	STATE AID	LOCAL SOURCES	GENERAL APPROPRIATION	TOTAL	
Bus Purchases 2022	\$ 0	\$ 0	\$ 0	\$ 652,000	\$ 652,000	\$ 0
Emergency Repair Project - Scotchtown Elementary	0	0	0	401,975	401,975	401,975
District Capital Project	0	0	0	5,000,000	5,000,000	5,000,000
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,053,975</u>	<u>\$ 6,053,975</u>	<u>\$ 5,401,975</u>

See paragraph on supplementary schedules included in auditor's report.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NET INVESTMENT IN CAPITAL ASSETS
FOR THE YEAR ENDED JUNE 30, 2022

CAPITAL ASSETS, NET		\$ 65,336,788
RIGHT TO USE ASSETS, NET		<u>130,634</u>
TOTAL CAPITAL ASSETS		65,467,422
DEDUCTIONS:		
Short-term Portion of Bonds Payable	\$ 1,225,000	
Long-term Portion of Bonds Payable	<u>16,710,000</u>	
TOTAL DEDUCTIONS		<u>(17,935,000)</u>
NET INVESTMENT IN CAPITAL ASSETS		<u><u>\$ 47,532,422</u></u>

See paragraph on supplementary schedules included in auditor's report.



Nugent & Haeussler, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ESTABLISHED 1925

101 Bracken Road
Montgomery, New York 12549
Tel (845) 457-1100
Fax (845) 457-1160
e-mail: nh@nhcpas.com

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the President and Members
of the Board of Education of the
Goshen Central School District
Goshen, New York

Peter J. Bullis, CPA, FACFEI, DABFA
Norman M. Sassi, CPA
Christopher E. Melley, CPA
Gary C. Theodore, CPA
Julia R. Fraino, CPA
William T. Trainor, CPA
Mark M. Levy, CPA, CFP
Thomas R. Busse, Jr., CPA
Brent T. Napoleon, CPA
Jennifer L. Capicchioni, CPA
Patrick M. Bullis, CPA
Justin B. Wood, CPA

Richard P. Capicchioni, CPA
Walter J. Jung, CPA
Jennifer A. Traverse, CPA

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 fiduciary fund of Goshen Central School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Goshen Central School District's basic financial statements and have issued our report thereon dated October 3, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Goshen 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 Goshen Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Goshen Central School District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we considered 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 Goshen Central School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Jugent + Hausler, P.C.

Montgomery, New York
October 3, 2022



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

To the President and Members
of the Board of Education of the
Goshen Central School District
Goshen, New York

Peter J. Bullis, CPA, FACFEI, DABFA
Norman M. Sassi, CPA
Christopher E. Melley, CPA
Gary C. Theodore, CPA
Julia R. Fraino, CPA
William T. Trainor, CPA
Mark M. Levy, CPA, CFP
Thomas R. Busse, Jr., CPA
Brent T. Napoleon, CPA
Jennifer L. Capicchioni, CPA
Patrick M. Bullis, CPA
Justin B. Wood, CPA

Richard P. Capicchioni, CPA
Walter J. Jung, CPA
Jennifer A. Traverse, CPA

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Goshen Central School District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Goshen Central School District's major federal programs for the year ended June 30, 2022. Goshen Central School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Goshen Central School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Goshen Central School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Goshen Central School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Goshen Central School District's federal programs.

To the President and Members
of the Board of Education of the
Goshen Central School District

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Goshen Central School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Goshen Central School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Goshen Central School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Goshen Central School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Goshen Central School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on Goshen Central School District, Goshen, New York's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Goshen Central School District, Goshen New York's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Jugent & Hausler, P.C.

Montgomery, New York
October 3, 2022

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM OR CLUSTER TITLE</u>	<u>FEDERAL ASSISTANCE LISTING NUMBER</u>	<u>PASS-THROUGH ENTITY IDENTIFYING NUMBER</u>	<u>PASS-THROUGH TO SUBRECIPIENTS</u>	<u>TOTAL FEDERAL EXPENDITURES</u>
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Passed-through NYS Education Department:				
Child Nutrition Cluster:				
Cash Assistance				
National School Lunch Program	10.555	N/A		1,314,638
National School Breakfast Program	10.553	N/A		<u>190,467</u>
Cash Assistance Subtotal				1,505,105
Non-Cash Assistance (food distribution)				
National School Lunch Program	10.555	N/A		<u>120,691</u>
TOTAL U.S. DEPT. OF AGRICULTURE, CHILD NUTRITION CLUSTER				<u>1,625,796</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Passed-through NYS Education Department:				
Special Education Cluster:				
IDEA - Part B, Section 611	84.027	0032-22-0680	\$ 40,785	\$ 677,542
IDEA - Part B, Section 619	84.173	0033-22-0680	<u>7,384</u>	<u>18,084</u>
Total Special Education Cluster			<u>\$ 48,169</u>	695,626
Title I Parts A&D, Basic Program	84.010	0021-22-2245		315,356
Title III Part A, LEP	84.365	0293-22-2245		17,176
Title IV	84.424	0204-21-2245		2,663
Title IV	84.424	0204-22-2245		2,000
Title II Part A, Teacher & Principal Training & Recruiting	84.367	0147-21-2245		1,900
Title II Part A, Teacher & Principal Training & Recruiting	84.367	0147-22-2245		59,626
Education Stabilization Funds				
Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA) - GEER II				
American Rescue Plan (ARP) - ESSER	84.425 C	5896-21-2245		177,708
	84.425U	5870-22-9104		<u>102,598</u>
Total Education Stabilization Funds				<u>280,306</u>
TOTAL U.S. DEPARTMENT OF EDUCATION				<u>1,374,653</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ 3,000,449</u>

The accompanying notes are an integral part of the schedule.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1. BASIS OF PRESENTATION.

The accompanying schedule of expenditures of federal awards presents the activity of federal award programs administered by the District, which is described in Note 1 to the District's accompanying financial statements, using the modified accrual basis of accounting. Federal awards that are included in the schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. Because the schedule of expenditures of federal awards presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, change in net assets or cash flows of the District.

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. Certain of the District's federal award programs have been charged with indirect costs, based upon an established rate applied to overall expenditures. There is no other indirect cost allocation plan in effect.

Matching costs (the District's share of certain program costs) are not included in the reported expenditures. The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program. The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system.

NOTE 2. NON-CASH ASSISTANCE.

The District is the recipient of a federal award program that does not result in cash receipts or disbursements. The District was granted \$120,691 of commodities under the Commodity Supplemental Food Program (Federal Assistance Listing Number 10.555).

NOTE 3. OTHER DISCLOSURES.

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value, and is covered by the District's casualty insurance policies.

There were no loans or loan guarantees outstanding at year-end.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of Report the Auditor Issued on Whether the Financial Statements Audited Were Presented in Accordance with GAAP: Unmodified

Internal Control over Financial Reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? _____ Yes X None Reported

Noncompliance material to financial statements noted? _____ Yes X No

FEDERAL AWARDS

Internal Control over Major Programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? X Yes _____ None Reported

Type of Auditor's Opinion Issued on Compliance for Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR-200.516(a)? X Yes _____ No

IDENTIFICATION OF MAJOR PROGRAMS:

FEDERAL ASSISTANCE

<u>LISTING NUMBERS</u>	<u>NAME OF FEDERAL PROGRAM OR CLUSTER</u>
84.010	IDEA Title I, Parts A & D
84.367	IDEA Title II, Part A
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000.00

Auditee qualified as low-risk auditee? X Yes _____ No

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements as required to be reported in accordance with the Uniform Guidance.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022
SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

A. Finding on Internal Control over Compliance

Finding Reference: 2022-001

Federal Agency: U.S. Department of Education

Federal Program: IDEA – Part B, Section 611 (84.027)

IDEA – Part B, Section 619 (84.173)

Compliance Requirement: Activities Allowed or Unallowed

Type of Finding: a) Significant Deficiencies in Internal Control Over Compliance
b) Compliance Finding

Criteria: According to 2 CFR, Part 200.430(i)(1) of the Office of Management and Budget’s Uniform Grant Guidance, charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed, which must, among other things:

- a) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- b) Be incorporated into the official records of the non-Federal entity;
- c) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity;
- d) Encompass both federally assisted and all other activities compensated by the non-Federal entity;
- e) Support the distribution of the employee’s salary or wages amount specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.

Condition: Several of the District employees whose time was being charged to the grants but who were working less than 100% of the time in the federal award program, were required to complete monthly certifications of the percentage of time they worked in each federal award program however, they were not completed timely.

Cause: The School District did not have adequate review procedures in place to ensure that the monthly certifications were being completed by each employee working in the federal award programs timely.

Effect: Without adequate internal controls over the employee’s time being charged to the grant and the certification requirement, the School District cannot ensure that federal funds are paid in accordance with allowable costs and the time worked in the grant. Additionally, they cannot easily monitor the amount of funds that can be charged to the grant for salaries and benefits. Payments that do not agree with the time worked are unallowable and subject to recovery by the grantor.

Identification of a Repeat Finding: This is a repeat finding for IDEA, Section 611 (84.027) and Section 619 (84.173), from the immediate previous audit, 2021-001.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

A. Finding on Internal Control over Compliance (Continued)

Finding Reference: 2022-001 (Continued)

Federal Agency: U.S. Department of Education

Federal Program: IDEA – Part B, Section 611 (84.027)

IDEA – Part B, Section 619 (84.173)

Compliance Requirement: Activities Allowed or Unallowed

Type of Finding: a) Significant Deficiencies in Internal Control Over Compliance
b) Compliance Finding

Questioned Costs: The employees' certifications in questions were reviewed and after reviewing the allocation of each employees' time it was determined that the time being charged to the grant was appropriate, therefore, there were no questioned costs.

Recommendation: We recommend that the District have proper internal controls in place to ensure that the employees working in the grants are certifying their actual percent of time and effort that is being spent working in the federal award program. Monthly certifications should be completed if less than 100% of time is being worked in the federal award program or semiannually if 100% of time is being spent.

Management Response: The District agrees with the finding and will implement adequate checks and balances to ensure that this problem does not recur. Please refer to the corrective action plan on the following page.



Lorine Van Put-Lamerand
Assistant Superintendent for Business
(845) 615-6740

CENTRAL SCHOOL DISTRICT

227 Main Street Goshen, NY 10924 ■ (845) 615-6720

October 2, 2022

Goshen Central School District respectfully submits the following corrective action plan for the year ended June 30, 2022.

Name and address of independent public accounting firm:

Nugent & Haeussler, PC
101 Bracken Road
Montgomery, NY 12549

Audit Period: Year ended June 30, 2022

Name of District Contact Person: Lorine Van Put-Lamerand, Assistant Superintendent for Business

The finding from the June 30, 2022 schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the number assigned in the schedule.

FINDINGS – FEDERAL AWARD PROGRAM AUDITS

U.S. DEPARTMENT OF EDUCATION

Finding: 2022-001: IDEA – Part B, Section 611 (84.027) & IDEA – Part B, Section 619 (84.173)

Recommendation: We recommend that the District have proper internal controls in place to ensure that the employees working in the grants are certifying their actual percent of time and effort that is being spent working in the federal award program. Monthly certifications should be completed if less than 100% of time is being worked in the federal award program or semiannually if 100% of time is being spent.

Corrective Action Plan: The District will implement a system of internal controls to ensure that all certifications are completed in accordance with the percentage of time worked (ie. Monthly or semiannually) and that they are completed timely. Additionally, the District will ensure that time being charged to the grant agrees to actual time spent working in the grant for each employee.

Anticipated Completion Date: Currently in process with a final expected date of October 31, 2022.

Sincerely Yours,

Lorine Van Put-Lamerand, Assistant Superintendent for Business

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2022

Finding: 2021-001: IDEA – Part B, Section 611 (84.027) & IDEA – Part B, Section 619 (84.173)

Condition: Several of the District employees whose time was being charged to the grants but who were working less than 100% of the time in the federal award program, were required to complete monthly certifications of the percentage of time they worked in each federal award program however, they were not being completed timely.

Recommendation: We recommend that the District ensure that the employees working in the grants are timely certifying their actual percent of time and effort that is being spent working in the federal award program. Monthly certifications should be completed if less than 100% of time is being worked in the federal award program or semiannually if 100% of time is being spent.

Current Status: This finding is repeated as 2021-001.



Nugent & Haeussler, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

ESTABLISHED 1925

101 Bracken Road
Montgomery, New York 12549
Tel (845) 457-1100
Fax (845) 457-1160
e-mail: nh@nhcpas.com

Peter J. Bullis, CPA, FACFEI, DABFA
Norman M. Sassi, CPA
Christopher E. Melley, CPA
Gary C. Theodore, CPA
Julia R. Fraino, CPA
William T. Trainor, CPA
Mark M. Levy, CPA, CFP
Thomas R. Busse, Jr., CPA
Brent T. Napoleon, CPA
Jennifer L. Capicchioni, CPA
Patrick M. Bullis, CPA
Justin B. Wood, CPA

Richard P. Capicchioni, CPA
Walter J. Jung, CPA
Jennifer A. Traverse, CPA

INDEPENDENT AUDITOR'S REPORT

To the President and Members
of the Board of Education of the
Goshen Central School District
Goshen, New York

Opinion

We have audited the accompanying financial statements of Goshen Central School District extraclassroom activity funds, which comprise the statement of assets, liabilities, and fund balance-cash basis as of June 30, 2022 and the related statement of receipts and disbursements-cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund balance of Goshen Central School District extraclassroom activity funds as of June 30, 2022, and its receipts and disbursements-cash basis for the year then ended, in accordance with the cash basis of accounting as described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Goshen Central School District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 1 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Jugent & Hausler, P.C.

Montgomery, New York
October 3, 2022

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
EXTRACLASROOM ACTIVITY FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - CASH BASIS
JUNE 30, 2022

ASSETS

Cash in Checking		
Middle School - Demand Account	\$ 82,773	
High School - Demand Account	<u>142,664</u>	
TOTAL ASSETS		<u><u>\$ 225,437</u></u>

FUND BALANCE

Fund Balance, Beginning of Year	\$ 184,332	
Excess of Receipts over Disbursements	<u>41,105</u>	
Fund Balance, End of Year		<u><u>\$ 225,437</u></u>

See notes to financial statement.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
EXTRACLASROOM ACTIVITY FUND
SUMMARY OF RECEIPTS & DISBURSEMENTS - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	CASH BALANCE JUNE 30, 2021	RECEIPTS	DISBURSEMENTS	CASH BALANCE JUNE 30, 2022
Band	\$ 1,805	\$ 2,780	\$ 2,910	\$ 1,675
Basketball	221	436	506	151
Class of 2020	6,233	0	0	6,233
Class of 2021	1,759	0	1,759	0
Class of 2022	2,196	201,400	196,286	7,310
Class of 2023	4,775	7,088	5,497	6,366
Class of 2024	649	2,815	1,417	2,047
Class of 2025	0	10,221	6,232	3,989
Cheerleaders	2,451	7,224	5,480	4,195
Cultural Diversity Club	121	0	0	121
Dungeons & Dragons	86	0	0	86
Drama Club	8,645	1,926	2,593	7,978
ENL Club	1,167	5,074	5,714	527
Fine Arts Scholarship	1,282	420	1,110	592
The "G" Club	200	0	200	0
Garden Club	110	45	0	155
GHS Theatre Group	4,726	0	4,726	0
Goshen Lady Gladiators	397	1,680	782	1,295
Goshen Varsity Club	3,447	2,564	789	5,222
Hope Club	495	0	495	0
Interact	392	1,025	842	575
Language Honor Society	967	0	400	567
Leo Club	4,570	3,330	2,903	4,997
LGBTQ+ Allies	799	0	0	799
Mock Trial Team	554	100	451	203
National Honor Society	4,701	950	610	5,041
Orchestra	2,486	249	852	1,883
PAES	1,015	165	0	1,180
Performing Arts	30,337	31,630	32,048	29,919
Ski Club	2,550	2,471	3,375	1,646
Student Senate	9,063	15,541	16,939	7,665
Page Totals	\$ 98,199	\$ 299,134	\$ 294,916	\$ 102,417

See notes to financial statement.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
EXTRACLASROOM ACTIVITY FUND
SUMMARY OF RECEIPTS & DISBURSEMENTS - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	CASH BALANCE JUNE 30, 2021	RECEIPTS	DISBURSEMENTS	CASH BALANCE JUNE 30, 2022
Balance From Previous Page	\$ 98,199	\$ 299,134	\$ 294,916	\$ 102,417
Student Senate Scholarship	4,152	4,652	4,775	4,029
Swift - Outdoor Club	284	0	0	284
TEDEX of Goshen	351	2,100	2,451	0
Track Team Fund	4,398	13,827	4,530	13,695
Volleyball Club	66	292	0	358
Wrestling Fund	4,199	2,102	2,245	4,056
Yearbook	15,300	4,963	3,015	17,248
Young Progressives	502	100	100	502
Young Republicans	0	75	0	75
TOTAL - High School	127,451	327,245	312,032	142,664
TOTAL - Middle School	56,881	103,496	77,604	82,773
GRAND TOTAL	\$ 184,332	\$ 430,741	\$ 389,636	\$ 225,437

See notes to financial statement.

GOSHEN CENTRAL SCHOOL DISTRICT
GOSHEN, NEW YORK
EXTRACLASROOM ACTIVITY FUNDS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

- (a) The transactions of the Extraclassroom Activity Funds are considered part of the reporting entity of the Goshen Central School District. We have included the Extraclassroom Activity Fund balances within the miscellaneous special revenue fund of the financial statements. The separate audit report of the Extraclassroom Activity Funds is required due to the fact that the transactions of this fund are controlled by student management.
- (b) The books and records of the Goshen Central School District's Extraclassroom Activity Funds are maintained on the cash basis of accounting. Under this basis of accounting, revenues are recognized when cash is received and expenditures recognized when cash is disbursed.
- (c) The Extraclassroom Activity Funds are used to record the activity of all student-related activities within the District. These funds are under the control of an appointed central treasurer who maintains cash receipts and cash disbursement books. All receipts are collected by the student activity treasurer and disbursements must be approved by the student management.



Nugent & Haeussler, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ESTABLISHED 1925

101 Bracken Road
Montgomery, New York 12549
Tel (845) 457-1100
Fax (845) 457-1160
e-mail: nh@nhcpas.com

Peter J. Bullis, CPA, FACFEI, DABFA
Norman M. Sassi, CPA
Christopher E. Melley, CPA
Gary C. Theodore, CPA
Julia R. Fraino, CPA
William T. Trainor, CPA
Mark M. Levy, CPA, CFP
Thomas R. Busse, Jr., CPA
Brent T. Napoleon, CPA
Jennifer L. Capicchioni, CPA
Patrick M. Bullis, CPA
Justin B. Wood, CPA

Richard P. Capicchioni, CPA
Walter J. Jung, CPA
Jennifer A. Traverse, CPA

October 3, 2022

To the President and Members
of the Board of Education of the
Goshen Central School District
Goshen, New York 10924

We have audited the financial statements of the governmental activities, each major fund, and the Fiduciary fund information of Goshen Central School District for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 12, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Goshen Central School District are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, in 2022 the District implemented Governmental Accounting Standards Board Statement 87, *Leases*, was adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by Goshen Central School District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the Goshen Central School District's financial statements were:

Management's estimate of the annual OPEB costs, deferred inflows and outflows of resources and related obligation which are based on a census of employee data and other relevant data provided to an independent actuarial firm. We evaluated the key factors and assumptions used to develop the annual OPEB costs and related obligation in determining that it is reasonable in relation to the financial statements taken as a whole.

Depreciation of fixed assets is based on estimated useful lives of the assets. We evaluated the key factors and assumptions used to develop the depreciation of fixed assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the annual pension costs and its proportionate share of related net pension assets, deferred outflows, net pension liabilities and deferred inflows which are based on information provided by New York State Employees' Retirement System (ERS) and the New York State Teachers' Retirement System (TRS) and other relevant data provided to independent actuarial firms hired by the retirement systems. We evaluated the key factors and assumptions used by the retirement systems to develop the annual pension costs and the District's proportionate share of related net pension assets, deferred outflows, net pension liabilities and deferred inflows in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following misstatements detected as a result of audit procedures were corrected by management. See attached detail of audit adjustments.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 3, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Goshen Central School District’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

General Fund

1. We reviewed the District’s compliance with New York State Real Property Tax Law §1318 which limits the amount of unreserved, undesignated fund balance to an amount not greater than 4% of the District’s budget for the upcoming school year. We found that the District’s retained funds were in excess of the 4% limit.

We recommend that the District retain fund balance within the 4% limitation required by New York State Law. We also recommend that the District establish and fund, new and existing reserves within applicable general municipal and education law prior to the end of the fiscal year when, in its judgment, taking such action is in the best interest of the District and its taxpayers.

Managements Response: The District is aware that there is an excess in the 4% limit of fund balance and has increased the amount of appropriated fund balance for the 2022-23 budget. In addition, in May 2022, the voters approved a Capital Reserve Fund to be established and excess fund balance will be placed in this new reserve.

The anticipated date of completion for this is April 2023, after the 2023-24 budget has been presented and approved by the Board of Education.

2. Upon or review of fund balance, we found that entries were made for prepaid expenditures, use of reserves and interest earnings on reserves that were misposted.

We recommend that the District review the accounting entries necessary to record prepaid expenditures, use of reserves and interest earnings on reserves to ensure proper accounting for these transactions.

Managements Response: Journal entries will be entered by the Treasurer and after careful review, approved by the Assistant Superintendent for Business.

The corrective action for this finding has begun with the new fiscal year, July 1, 2022.

3. Upon our review of a sample of budget transfers we noted instances where approval was not obtained in accordance with the Board approved policy.

We recommend that the District review the current budget transfer process and align it with the Board approved policy.

Managements Response: Management has reviewed the Board policy for budget transfers and began to obtain proper approval for budget transfers in accordance with the policy. In addition, budget transfer reports will be shared with the Board of Education with the monthly financial reports.

The corrective action for this finding began July 1, 2022.

Federal Fund

- 1) During our compliance review of the IDEA Section 611 & 619 grants, we found several of the employees whose time was charged to the grants but who were working less than 100% of the time in the federal award program, were required to complete monthly certifications of the percentage of time they worked in each federal award program however, they were not completed timely.

We recommend that the District have proper internal controls in place to ensure that the employees working in the grants are certifying their actual percent of time and effort that is being spent working in the federal award program. Monthly certifications should be completed if less than 100% of time is being worked in the federal award program or semiannually if 100% of time is being spent.

Managements Response: Management has reviewed this finding and moving forward, the Business Office will be responsible for the distribution and collection of these letters.

The corrective action for this finding will begin by October 31, 2022.

Miscellaneous Special Revenue Fund

- 1) Upon our review of the current year activity, we found that the transactions for the Extraclassroom activities were not posted regularly or correctly.

We recommend that the transactions for the Extraclassroom activities be recorded on a regular basis to the proper revenue and expense accounts.

Managements Response: Management will ensure that monthly revenues and expenses will be recorded for the Extra-classroom activities at the end of each month

The corrective action for this finding will begin by October 31, 2022.

- 2) Upon our review of the individual club balances we noted that there remains a balance in the Class of 2020 club and the club was not closed out.

We recommend that the student officers of each Class club determine where any remaining balance in their account be disbursed to and the club closed.

Managements Response: Management will meet with the Extra-classroom Treasurer and discuss where the Class of 2020 club funds can be closed out to.

The corrective action for this finding will be completed by June 1, 2023.

Other

- 1) Upon our review of a sample of journal entries we found that both the Interim Assistant Superintendent and the Treasurer were able to post journal entries in Wincap without an electronic approval and there were several entries with no indication of approval.

We recommend that the District implement procedures to ensure there are controls in place over who can prepare, approve & post journal entries to the general ledger system.

Managements Response: The District has changed software companies for the financial software and Management has initiated procedures for the Treasurer to prepare and enter the journal entries. The software has been set up to require approval by the Assistant Superintendent for Business.

The corrective action for this finding was completed on July 1, 2022.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Goshen Central School District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, Schedule of Changes in The District's Total OPEB Liability and Related Ratio's and the Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget to Actual – General Fund, the Schedule of the District's Proportionate Share of the Net Pension Liability and the Schedule of District Contributions which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquires of management regarding 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 did not audit the RSI and do not express and opinion or provide any assurance on the RSI.

We were engaged to report on the following schedules which are not RSI:

The Schedule of Change from Adopted Budget to Final Budget and the Real Property Tax Limit – General Fund, the Schedule of Capital Projects Fund – Project Expenditures and Financing Sources, the Net Investment in Capital Assets, are supplemental schedules required by the New York State Education Department.

The Schedule of Expenditures of Federal Awards, is required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements of Federal Awards.

With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Education and management of Goshen Central School District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



NUGENT & HAEUSSLER, P.C.

Client: **GOSH2437 - Goshen Central School District**
 Engagement: **Goshen Central School District**
 Period Ending: **6/30/2022**
 Trial Balance: **3000A.00 - Fund A TB**
 Workpaper: **General Adjusting Journal Entries Report**

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
To adjust for unspent funds for bus purchases			
A391.00	Due From Other Funds	28,570.78	
A 522. 9950.900.00.0000	TRANSFER TO CAPITAL FUND		28,570.78
Total		<u>28,570.78</u>	<u>28,570.78</u>
Adjusting Journal Entries JE # 2			
To record interest earned on funds transferred to capital			
A391.00	Due From Other Funds	3,139.93	
A 980. 2401.000	Interest and Earnings		3,139.93
Total		<u>3,139.93</u>	<u>3,139.93</u>
Adjusting Journal Entries JE # 3			
Client Prepared Entry to record Incarcerated Youth activity.			
A 522. 2330.490.00.0000	BOCES-Jailed Youth	15,943.73	
A410.00	Due From State and Federal	18,496.00	
A 980. 3289.100	Incarcerated Youth Aid		18,496.00
A601.00	Accrued Liabilities		15,943.73
Total		<u>34,439.73</u>	<u>34,439.73</u>
Adjusting Journal Entries JE # 4			
To correct accrual for ERS.			
A637.00	Due to Employees' Ret. System	101,310.38	
A 522. 9010.800.00.0000	ERS		101,310.38
Total		<u>101,310.38</u>	<u>101,310.38</u>
Adjusting Journal Entries JE # 5			
To reclassify June 22 Health Insurance payment for July 22 as prepaid.			
A480.00	Prepaid Expenditures	880,834.00	
A 522. 9060.800.00.0000	Medical Insurance		880,834.00
Total		<u>880,834.00</u>	<u>880,834.00</u>
Adjusting Journal Entries JE # 6			
To correct entry #405 to record use of capital reserve			
A 522. 9950.900.00.0000	TRANSFER TO CAPITAL FUND	5,000,000.00	
A917.00	Unassigned Fund Balance		5,000,000.00
Total		<u>5,000,000.00</u>	<u>5,000,000.00</u>
Adjusting Journal Entries JE # 7			

Client: **GOSH2437 - Goshen Central School District**
 Engagement: **Goshen Central School District**
 Period Ending: **6/30/2022**
 Trial Balance: **3000A.00 - Fund A TB**
 Workpaper: **General Adjusting Journal Entries Report**

Account	Description	Debit	Credit
To reclassify where the amount of reserve interest was recorded			
A917.00	Unassigned Fund Balance	7,251.54	
A909.00	Unrestricted Fund Balance		7,251.54
Total		7,251.54	7,251.54
Adjusting Journal Entries JE # 8			
To adjust the amount of Fund balance appropriated for 22/23			
A917.00	Unassigned Fund Balance	350,000.00	
A914.00	Assigned Appropriated Fund Bal		350,000.00
Total		350,000.00	350,000.00
Adjusting Journal Entries JE # 9			
To correct client entry #403 - should not have reduced expense			
A 522. 9060.800.00.0000	Medical Insurance	807,765.00	
A917.00	Unassigned Fund Balance		807,765.00
Total		807,765.00	807,765.00
Adjusting Journal Entries JE # 10			
To correct entry #332 - should be in expense			
A 522. 1621.200.07.0000	Equipment	17,500.00	
A917.00	Unassigned Fund Balance		17,500.00
Total		17,500.00	17,500.00
Adjusting Journal Entries JE # 11			
To reverse portion of entry #208 that hit fund balance incorrectly			
A 980. 2401.000	Interest and Earnings	6.84	
A917.00	Unassigned Fund Balance		6.84
Total		6.84	6.84
Adjusting Journal Entries JE # 12			
To write off uncollectible District of Location amounts from prior years.			
A 980. 2230.000	Day School Tuit-Oth Dist.	11,363.46	
A440.00	Due From Other Governments		11,363.46
Total		11,363.46	11,363.46
Adjusting Journal Entries JE # 13			
To reverse entry to record Hamptonburgh Billing - billed July 2022			
A691.00	Deferred Revenues	156,820.00	
A380.00	Accounts Receivable		156,820.00
Total		156,820.00	156,820.00

Client: **GOSH2437 - Goshen Central School District**
 Engagement: **Goshen Central School District**
 Period Ending: **6/30/2022**
 Trial Balance: **3000A.00 - Fund A TB**
 Workpaper: **General Adjusting Journal Entries Report**

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 14			
To reclassify hamptonburgh payment received and misposted			
A 980. 2703.000	Refund PY Exp-Other-Not T	1,168.00	
A 980. 2230.H00	Hamptonburgh Residence		1,168.00
Total		1,168.00	1,168.00

Adjusting Journal Entries JE # 15			
To record balance of 20/21 Hamptonburgh billing not received.			
A440.00	Due From Other Governments	10,222.00	
A 980. 2230.H00	Hamptonburgh Residence		10,222.00
Total		10,222.00	10,222.00

Adjusting Journal Entries JE # 16			
To adjust for misposting of payroll amounts			
A726.00	Social Security Tax	653.52	
A788.00	UNITED WAY, Other	3,944.56	
A 522. 2020.160.06.0000	Support Staff Sal-PPS		981.29
A 522. 2110.120.04.0000	Instruct Sal K-2 SAS		3,290.03
A 522. 9030.800.00.0000	FICA		326.76
Total		4,598.08	4,598.08

Adjusting Journal Entries JE # 17			
To record accrued payroll at June 30, 2022			
A 522. 1010.150.00.0000	Salary-Live Stream	160.00	
A 522. 1620.161.00.0000	Custodial Salaries	511.52	
A 522. 1620.166.00.0000	Custodial Summer Work	6,146.40	
A 522. 1620.167.00.0000	Custodial Overtime Sal	3,049.28	
A 522. 2020.150.04.0000	Supervision Salaries SAS	1,200.00	
A 522. 2020.160.02.0000	Support Staff Sal-CJH	931.15	
A 522. 2020.160.06.0000	Support Staff Sal-PPS	203.18	
A 522. 2110.131.02.0000	Supervision CJH	1,040.68	
A 522. 2110.162.03.0000	Teacher Aides GIS	200.00	
A 522. 2110.162.04.0000	Teacher Aides SAS	498.90	
A 522. 2250.150.01.0000	Special Ed Tch Sal GHS	327.96	
A 522. 2250.150.06.0000	Evaluations	500.00	
A 522. 2250.151.02.0000	SPEECH TCHR SAL, CJH	163.98	
A 522. 2250.151.04.0000	SPEECH TCHR SAL, SAS	41.00	
A 522. 2250.162.01.0000	Special Ed Aides GHS	29.03	
A 522. 2250.162.04.0000	Special Ed Aides SAS	748.36	
A 522. 2820.150.02.0000	Sal-Psychologist, CJH	41.00	
A 522. 2850.150.02.0000	Co-Curricular CJH	7,821.50	
A 522. 2850.150.03.0000	Co-Curricular GIS	4,800.50	
A 522. 2850.160.02.0000	Co-Corricular NI-CJH	1,067.00	
A 522. 5510.161.09.0000	Athletic Trip Salaries	974.55	
A 522. 9030.800.00.0000	FICA	2,329.88	

Client: **GOSH2437 - Goshen Central School District**
 Engagement: **Goshen Central School District**
 Period Ending: **6/30/2022**
 Trial Balance: **3000A.00 - Fund A TB**
 Workpaper: **General Adjusting Journal Entries Report**

Account	Description	Debit	Credit
A601.00	Accrued Liabilities		32,785.87
Total		32,785.87	32,785.87
Adjusting Journal Entries JE # 18			
To record TRS expense that should have been charged to Title I.			
A391.00	Due From Other Funds	40,379.31	
A 522. 2110.120.03.0000	Instruct Sal GIS Grd3		17,014.55
A 522. 9020.800.00.0000	TRS		23,364.76
Total		40,379.31	40,379.31
Adjusting Journal Entries JE # 19			
To adjust opening fund balance			
A917.00	Unassigned Fund Balance	2,668.55	
A 980. 2770.000	Other Unclassified Rev.(S		2,668.55
Total		2,668.55	2,668.55
Adjusting Journal Entries JE # 20			
To record additional transfer to Federal Fund for SHC program costs			
A 522. 9901.950.00.0000	Interfund Special Aid	83,275.44	
A630.00	Due To Other Funds		83,275.44
Total		83,275.44	83,275.44
Adjusting Journal Entries JE # 21			
To record additional excess cost aid - client entry			
A410.00	Due From State and Federal	185,224.00	
A 980. 3101.EXC	EXCESS COST AID		185,224.00
Total		185,224.00	185,224.00
Adjusting Journal Entries JE # 22			
To record Main St Lease Receivable			
A454	Leases Receivable	848,495.56	
A691.1	Deferred Lease Revenue		848,495.56
Total		848,495.56	848,495.56
Adjusting Journal Entries JE # 23			
To reclassify payments received on Main St Lease Receivable			
A 980. 2413.000	Rent Real Property - Boce	182,500.00	
A691.1	Deferred Lease Revenue	169,699.11	
A 980. 2401.000	Interest and Earnings		21,097.00
A 980. 2421	Lease Payments Received		169,699.11
A454	Leases Receivable		161,403.00
Total		352,199.11	352,199.11

Client: **GOSH2437 - Goshen Central School District**
 Engagement: **Goshen Central School District**
 Period Ending: **6/30/2022**
 Trial Balance: **3000A.00 - Fund A TB**
 Workpaper: **General Adjusting Journal Entries Report**

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 24			
To record Lease Receivable - Lincoln Ave			
A454	Leases Receivable	9,179.34	
A691.1	Deferred Lease Revenue		9,179.34
Total		9,179.34	9,179.34
Adjusting Journal Entries JE # 25			
To record payments received on Lincoln Ave lease receivable			
A 980. 2413.000	Rent Real Property - Boce	9,306.00	
A691.1	Deferred Lease Revenue	9,179.42	
A 980. 2401.000	Interest and Earnings		126.58
A 980.2421	Lease Payments Collected		9,179.42
A454	Leases Receivable		9,179.42
Total		18,485.42	18,485.42

Client: **GOSH2437 - Goshen Central School District**
 Engagement: **Goshen Central School District**
 Period Ending: **6/30/2022**
 Trial Balance: **3000C.00 - Fund C TB**
 Workpaper: **Adjusting Journal Entries Report - 4**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1				
To adjust Due from St and Fed and record revenues for SBR (122 + 389) and FBR (2965+10001) for Nov 21 and March 22. Amounts were				
C410.00	Due From State and Federal		13,477.00	
C 980 3191.000	State Aid - Breakfast			122.00
C 980 3191.000	State Aid - Breakfast			389.00
C 980 4191.000	Federal Aid - Breakfast			2,965.00
C 980 4191.000	Federal Aid - Breakfast			10,001.00
Total			13,477.00	13,477.00
Adjusting Journal Entries JE # 2				
to record accrued payroll for 2021-22. Not entered by client due to change in accounting system.				
C 522 2860.160	Salaries - Regular		200.00	
C 522 9030.800	Social Security/Medicare		15.30	
C601.00	Accrued Liabilities			215.30
Total			215.30	215.30
Adjusting Journal Entries JE # 3				
To reclassify funds received for Supply Chain Assistance not expended as of year end.				
C 980 4191.100	Supply Chain Assistance Funds		60,274.00	
C691.00	DEFERRED REVENUE			60,274.00
Total			60,274.00	60,274.00

Client: **GOSH2437 - Goshen Central School District**
 Engagement: **Goshen Central School District**
 Period Ending: **6/30/2022**
 Trial Balance: **3000CM - Fund CM TB**
 Workpaper: **Adjusting Journal Entries Report CM**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To reclassify current year activity as revenue and expense - misposted to fund balance.				
CM522	Expenditures		389,636.30	
CM915.00	Assigned Unapprpr Fund Bal		41,104.69	
CM980	Revenues			430,740.99
Total			430,740.99	430,740.99
Total Adjusting Journal Entries			430,740.99	430,740.99
Total All Journal Entries			430,740.99	430,740.99

Client: **GOSH2437 - Goshen Central School District**
 Engagement: **Goshen Central School District**
 Period Ending: **6/30/2022**
 Trial Balance: **3000F.00 - Fund F TB**
 Workpaper: **3700F.01 - Federal Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1				
to record 80% SHC due from State and Fed				
F410	Due From State and Federal		255,667.01	
F980 3289.000.224408	Other State Aid			255,667.01
Total			255,667.01	255,667.01
Adjusting Journal Entries JE # 2				
to adjust expenditures to FS-10-F for 20-21 Title IV Grant				
F980 4129.000.210204	NCLB Title IV 0204		4.62	
F 2110.450.04.210204	Title IV Mat & Supp SAS			4.62
Total			4.62	4.62
Adjusting Journal Entries JE # 3				
to record salary & TRS expense that was budgeted for Title IA				
2110.150.03.220021	Title I Prof Salaries GIS		17,014.55	
2110.801.00.220021	Title I TRS		23,364.76	
F410	Due From State and Federal		40,379.31	
F630.A0	Due To A			40,379.31
F980 4126.000.220021	NCLB Title I Part A 0021			40,379.31
Total			80,758.62	80,758.62
Adjusting Journal Entries JE # 4				
To record Encumbrance				
F917.00	Unassigned Fund Balance		3,500.00	
F821	Reserve for Encumbrances			3,500.00
Total			3,500.00	3,500.00
Adjusting Journal Entries JE # 5				
To record additional adjustment for transfer from General for SHC program costs				
F391	Due From Other Funds		83,275.44	
F980 3289.000.224408	Other State Aid		83,275.44	
F410	Due From State and Federal			83,275.44
F980 5031.000.224408	Interfund Transfers Summe			83,275.44
Total			166,550.88	166,550.88

Client: **GOSH2437 - Goshen Central School District**
 Engagement: **Goshen Central School District**
 Period Ending: **6/30/2022**
 Trial Balance: **3000H.00 - Fund H TB**
 Workpaper: **3700H.01 - Adjusting Journal Entries Report - 5**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1				
To record transfer of unspent BAN proceeds to General Fund				
H522.01	Interfund Expenses		28,570.78	
H630.00	Due To Other Funds			28,570.78
Total			28,570.78	28,570.78
Adjusting Journal Entries JE # 2				
To correct JE473 & JE406 and record BANs redeemed from appropriations				
H917.00	Unassigned Fund Balance		2,013,339.00	
H980 5731.000.000000	Bond Anticip.Notes Redmd			2,013,339.00
Total			2,013,339.00	2,013,339.00
Adjusting Journal Entries JE # 3				
To record encumbrance balance				
H917.00	Unassigned Fund Balance		382,875.00	
H821	Reserve for Encumbrances			382,875.00
Total			382,875.00	382,875.00

Client: **GOSH2437 - Goshen Central School District**
 Engagement: **Goshen Central School District**
 Period Ending: **6/30/2022**
 Trial Balance: **3000T.00 - Fund T TB**
 Workpaper: **3700T.01 - Adjusting Journal Entries Report - 3**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1				
To reverse client entry #491				
TE522.2989.410	E. Hasbrouck Scholarship		1,000.00	
TE522.2989.444	R Gillette Schoarship		5,000.00	
TE923.10	E. Hasbrouck Scholarship			1,000.00
TE924.00	Net Assets Non Restricted			5,000.00
Total			6,000.00	6,000.00
Adjusting Journal Entries JE # 2				
To correct entry to record interest and donations received				
TE924.00	Net Assets Non Restricted		327.89	
TE980.2401.000	Interest and Earnings			15.55
TE980.2401.000	Interest and Earnings			287.34
TE980.2705.039	Class of 1963 Scholarship			25.00
Total			327.89	327.89
Adjusting Journal Entries JE # 3				
To reclassify				
TE923.10	E. Hasbrouck Scholarship		568,620.00	
TE923.39	Class Of 1963 Scholarship		22,138.00	
TE923.44	R. Gillette Mem Scholarship		11.00	
TE924.00	Net Assets Non Restricted		4.55	
TE924.00	Net Assets Non Restricted		31,021.56	
TE909	Fund Balance			4.55
TE909	Fund Balance			621,790.56
Total			621,795.11	621,795.11
Adjusting Journal Entries JE # 4				
To record funds received and paid for the Library Tax Levy				
TC522	Payments of Real Property Taxes - Library		2,192,864.00	
TC980	Real Property Taxes - Library			2,192,864.00
Total			2,192,864.00	2,192,864.00

Client: **GOSH2437 - Goshen Central School District**
 Engagement: **Goshen Central School District**
 Period Ending: **6/30/2022**
 Trial Balance: **3000V.00 - Fund V TB**
 Workpaper: **3700V.01 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To adjust for interest transferred to debt service on Capital				
V980. 2401.000	Interest and Earnings		3,139.93	
V391.00	Due From Other Funds			3,139.93
Total			3,139.93	3,139.93
	Total Adjusting Journal Entries		3,139.93	3,139.93
	Total All Journal Entries		3,139.93	3,139.93