

**EAST RAMAPO CENTRAL  
SCHOOL DISTRICT  
FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
WITH INDEPENDENT AUDITOR'S REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2020**

# EAST RAMAPO CENTRAL SCHOOL DISTRICT

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Education  
East Ramapo Central School District

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the fiduciary fund of the East Ramapo Central School District, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### *Auditor's Responsibility*

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

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

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

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the fiduciary fund of the East Ramapo Central School District, as of June 30, 2020, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in District's total OPEB liability, schedule of District's proportionate share of the net pension liability, and the schedule of District's contributions on pages 3 through 17 and 60 through 64, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

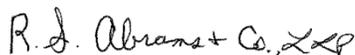
### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the East Ramapo Central School District's basic financial statements. The other supplementary financial information as listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2020 on our consideration of the East Ramapo 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 East Ramapo 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 the East Ramapo Central School District's internal control over financial reporting and compliance.



R.S. Abrams & Co., LLP  
Islandia, NY  
October 9, 2020

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 1**

The following is a discussion and analysis of the East Ramapo Central School District’s (the “District”) financial performance for the fiscal year ended June 30, 2020. This section is a summary of the District’s financial activities based on currently known facts, decisions, or conditions. It is also based on both the District-Wide and Fund 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.

**1. FINANCIAL HIGHLIGHTS**

- The District’s expenses for the year, as reflected in the District-Wide Financial Statements, totaled \$304,054,989. Of this amount, \$1,341,412 was offset by program charges for services, \$46,082,705 by operating grants and contributions, and \$264,412 by capital grants and contributions. General revenues of \$240,969,513 amounted to 83.48% of total revenues.
- The general fund total fund balance, as reflected in the Fund Financial Statements, increased by \$6,989,582. This was due to an excess of revenues and other financing sources over expenditures and other financing uses over based on the modified accrual basis of accounting.
- The District was awarded \$3,000,000 in legislative grants to support instructional programs.
- On December 6, 2016, voters approved a bond authorization for a total estimated cost not to exceed \$58,019,350 to construct infrastructure and other improvements (including roofs, boilers, windows, air handling units, and other improvements), as well as an authorization for a second bond not to exceed \$1,127,920, for windows and door improvements at Kakiat and Fleetwood Elementary Schools. The total authorized debt amounted to \$59,147,270. In prior fiscal years, the District redeemed BANs with general fund appropriations for a total of \$1,780,025 and issued a bond in the amount of \$22,650,000. During the 2019-2020 fiscal year, the District redeemed part of the BAN with general fund appropriations of \$454,897. On March 26, 2020 the District also issued a bond for \$32,281,850 and received a premium of \$320,103, which were both used towards funding this authorization. In addition, the District transferred \$1,660,395 of the premium received on the 2019 bond issuance, to the capital projects fund, to complete this authorization. This completed the funding towards this voter authorization.
- On March 11, 2020, the World Health Organization declared coronavirus (COVID-19) disease as a global pandemic. Schools, along with all but essential businesses, were ordered closed by the State of New York, and remote learning was conducted for the remainder of the school year. The closure of schools resulted in some areas of savings primarily in the area of transportation, but also included unforeseen expenses such as personal protective equipment and cleaning of buildings.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 1**

**2. OVERVIEW OF THE FINANCIAL STATEMENTS**

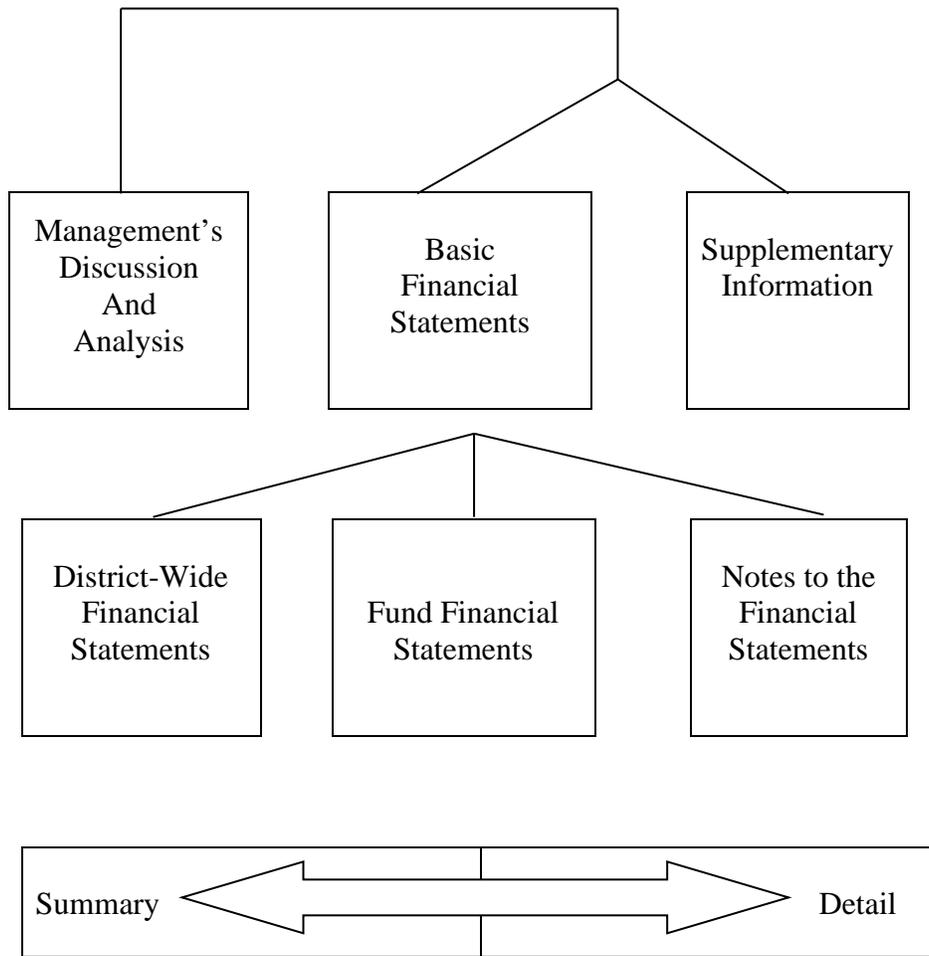
This annual report consists of four parts: management’s discussion and analysis (this section), the basic financial statements, required supplementary information and other supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- 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 operations in *more detail* than the District-Wide Financial Statements.
  - The *Governmental Fund Statements* tell how basic services such as instruction and support functions were financed in the *short term* as well as what remains for future spending.
  - *Fiduciary Fund Financial Statements* provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others, including the employees of the District.

The financial statements also include notes that provide additional information about the financial statements and the balances reported. 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. The following shows how the various parts of this annual report are arranged and related to one another.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Organization of the District’s Annual Financial Report



The following table summarizes the major features of the District’s financial statements, including the portion of the District’s activities that they cover and the types of information that they contain. The remainder of this overview section of Management’s Discussion and Analysis highlights the structure and contents of each of the statements.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Major Features of the District-Wide Financial Statements and Fund Financial Statements

	District-Wide Financial Statements	Fund Financial Statements	
		Governmental	Fiduciary
Scope	Entire entity (except fiduciary funds)	The day-to-day operating activities of the District, such as special education and instruction	Instances in which the District administers resources on behalf of others, such as employee benefits
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Fiduciary Net Position</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual and current financial resources measurement focus	Accrual accounting and economic resources focus
Type of asset/deferred outflow of resources and liability/deferred inflow of resources information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both financial and capital, short-term and long-term	Current 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 financial assets, deferred outflows of resources (if any), liabilities, and deferred inflows of resources (if any), short-term and long-term
Type of inflow and outflow information	All revenues and expenses during the year; regardless of when cash is received or paid	Revenues for which cash is received during the year or soon thereafter; 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

**A) District-Wide Financial Statements:**

The District-Wide Financial 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, deferred outflows of resources, liabilities, and deferred inflows of resources. 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.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 1**

The two District-Wide Financial Statements report the District’s net position and how it has changed. Net position, the difference between the assets and deferred outflows of resources, and liabilities and deferred inflows of resources, is one way to measure the District’s financial health or position.

- Over time, increases and decreases in net position are an indicator of whether the financial position is improving or deteriorating, respectively.
- For assessment of the overall health of the District, additional non-financial factors such as changes in the District’s property tax base and the condition of buildings and other facilities should be considered.

Net position of the governmental activities differ from the governmental fund balances because governmental fund level statements only report transactions using or providing current financial resources. Also, capital assets are reported as expenditures when financial resources (money) are expended to purchase or build said assets. Likewise, the financial resources that may have been borrowed are considered revenue when they are received. The principal and interest payments are both considered expenditures when paid. Depreciation is not calculated if it does not provide or reduce current financial resources. Finally, capital assets and long-term debt are both accounted for in account groups and do not affect the fund balances.

District-Wide Financial Statements are reported utilizing an economic resources measurement focus and full accrual basis of accounting that involves the following steps to format the Statement of Net Position:

- Capitalize current outlays for capital assets;
- Report long-term debt as a liability;
- Depreciate capital assets and allocate the depreciation to the proper program/activities;
- Calculate revenue and expense using the economic resources measurement focus and the accrual basis of accounting; and
- Allocate net position balances as follows:
  - *Net investment in capital assets*;
  - *Restricted net position* are those with constraints placed on the use by external sources (creditors, grantors, contributors or laws or regulations of governments) or approved by law through constitutional provisions or enabling legislation; and
  - *Unrestricted net position* are net position that do not meet any of the above restrictions.

**B) Fund Financial Statements:**

The Fund Financial Statements provide more detailed information about the District’s funds. Funds are accounting devices that the District uses to keep track of specific revenue sources and spending on particular programs. The funds have been established by the laws of the State of New York.

The District has two kinds of funds:

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 1**

- *Governmental funds:* Most of the 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 fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the programs of the District. Because this information does not encompass the additional long-term focus of the District-Wide Financial Statements, additional information in a separate reconciliation schedule explains the relationship (or differences) between them. In summary, the Governmental Fund Financial Statements focus primarily on the sources, uses, and balance of current financial resources and often have a budgetary orientation. Included are the general fund, special aid fund, school lunch fund, debt service fund, capital projects fund, and the special purpose fund. Required statements are the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances.
  
- *Fiduciary fund:* The District is the trustee or *fiduciary* for assets that belong to others, such as student activities funds, and employee payroll withholdings. 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. Fiduciary fund reporting focuses on net position and changes in net position.

**3. FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

**A) Net Position:**

The District’s net position decreased by \$15,396,947 in the fiscal year ended June 30, 2020 as detailed in the table that follows.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 1**

Condensed Statement of Net Position

	Fiscal Year 2020	Fiscal Year 2019	Change	Total Percentage Change
Current assets	\$48,614,426	\$58,692,617	(\$10,078,191)	-17.17%
Capital assets	76,445,759	69,324,253	7,121,506	10.27%
Net pension asset -proportionate share	15,179,990	10,671,117	4,508,873	42.25%
Total Assets	<u>140,240,175</u>	<u>138,687,987</u>	1,552,188	1.12%
Deferred outflows of resources	<u>73,206,845</u>	<u>59,521,065</u>	13,685,780	22.99%
Total assets and deferred outflows of resources	<u>213,447,020</u>	<u>198,209,052</u>	15,237,968	7.69%
Current liabilities	23,402,624	63,217,038	(39,814,414)	-62.98%
Long-term liabilities	484,191,366	421,413,190	62,778,176	14.90%
Total Liabilities	<u>507,593,990</u>	<u>484,630,228</u>	22,963,762	4.74%
Deferred inflows of resources	<u>48,407,264</u>	<u>40,736,111</u>	7,671,153	18.83%
Total liabilities and deferred inflows of resources	<u>556,001,254</u>	<u>525,366,339</u>	30,634,915	5.83%
Net Position				
Net investment in capital assets	24,271,890	22,574,427	1,697,463	7.52%
Restricted	1,232,347	2,924,482	(1,692,135)	-57.86%
Unrestricted (deficit)	(368,058,471)	(352,656,196)	(15,402,275)	-4.37%
Total Net Position (Deficit)	<u>(\$342,554,234)</u>	<u>(\$327,157,287)</u>	(\$15,396,947)	-4.71%

Current assets decreased by \$10,078,191 from 2019 to 2020. This change is primarily related to a decrease in cash. Capital assets (net of depreciation) increased \$7,121,506 due to current year capital outlay exceeding depreciation expense. The District reported a net pension asset - proportionate share for the teachers' retirement system of \$15,179,990 as a result of the actuarial valuation provided by the state. The change in deferred outflows of resources represents amortization of the pension related items and the change in the District's contributions subsequent to the measurement date, as discussed in Note 12, as well as amortization on the deferred outflows related to the other post-employment benefits obligation as discussed in Note 15.

Current liabilities decreased by \$39,814,414, primarily due to paying off the bond anticipation note and a decrease in accounts payable. Long-term liabilities increased by \$62,778,176 which was primarily due to an increase in bonds payable due to the issuance of the bond, and an increase in the net pension liability for the employees' retirement system and total other post-employment benefit obligation. The changes in deferred inflows represent amortization of pension related items as discussed in Note 12 and deferred inflows related to other post-employment benefits as discussed in Note 15.

The net investment in capital assets relates to the investment in capital assets at cost such as land, construction in progress, buildings & improvements, and furniture & equipment, net of depreciation and related debt. This number increased from the prior year by \$1,697,463.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 1**

The restricted net position at June 30, 2020, relates to the District’s insurance reserve and restricted amounts for special purposes, and debt service. Restricted net position decreased by \$1,692,135, primarily as a result of using part the premiums received on the bonds to fund the authorization. This is discussed further in section 4 of this Management Discussion and Analysis entitled “Financial Analysis of the District’s Funds” and section 5, “General Fund Budgetary Highlights”.

The unrestricted net position (deficit) at June 30, 2020 of (\$368,058,471) relates to the balance of the District’s net position. The unrestricted net deficit increased by \$15,402,275.

**B) Changes in Net Position:**

The results of operations as a whole are reported in the Statement of Activities. A summary of this statement for the years ended June 30, 2020 and 2019 are as follows:

**Change in Net Position from Operating Results**

	Fiscal Year 2020	Fiscal Year 2019	Increase (Decrease)	Percentage Change
Program Revenues				
Charges for services	\$1,341,412	\$2,671,811	(\$1,330,399)	-49.79%
Operating grants and contributions	46,082,705	47,218,387	(1,135,682)	-2.41%
Capital grants and contributions	264,412	577,351	(312,939)	-54.20%
General Revenues				
Real property taxes and other tax items	154,240,731	150,635,154	3,605,577	2.39%
State sources	83,102,933	80,653,237	2,449,696	3.04%
Use of money and property	700,373	681,345	19,028	2.79%
Sale of property and compensation for loss	182,667	229,448	(46,781)	-20.39%
Other	2,742,809	3,171,902	(429,093)	-13.53%
Total Revenues	<u>\$288,658,042</u>	<u>\$285,838,635</u>	<u>\$2,819,407</u>	0.99%
Expenses				
General support	\$27,838,958	\$25,354,258	\$2,484,700	9.80%
Instruction	238,387,299	220,737,858	17,649,441	8.00%
Pupil transportation	28,751,903	38,903,752	(10,151,849)	-26.09%
Community service	238,713	211,509	27,204	12.86%
Debt service - interest	1,736,825	1,565,717	171,108	10.93%
Food service program	7,095,491	5,394,419	1,701,072	31.53%
Other	5,800	15,400	(9,600)	-62.34%
Total Expenses	<u>\$304,054,989</u>	<u>\$292,182,913</u>	<u>\$11,872,076</u>	4.06%
Total Change in Net Position	<u>(\$15,396,947)</u>	<u>(\$6,344,278)</u>	<u>(\$9,052,669)</u>	-142.69%

The District’s fiscal year 2020 revenues totaled \$288,658,042. Real property taxes and other tax items and state sources accounted for most of the District’s revenue by contributing 53.43% and 28.79%, respectively of total revenue. The remainder came from fees charged for services, operating and capital grants and contributions, use of money and property, sale of property and compensation for loss, and other miscellaneous sources. Total revenues increased by \$2,819,407 or .99%. This was primarily attributable to the increases in real property taxes and other tax items and state sources partially offset by decreases in charges for services and operating grants and contributions.

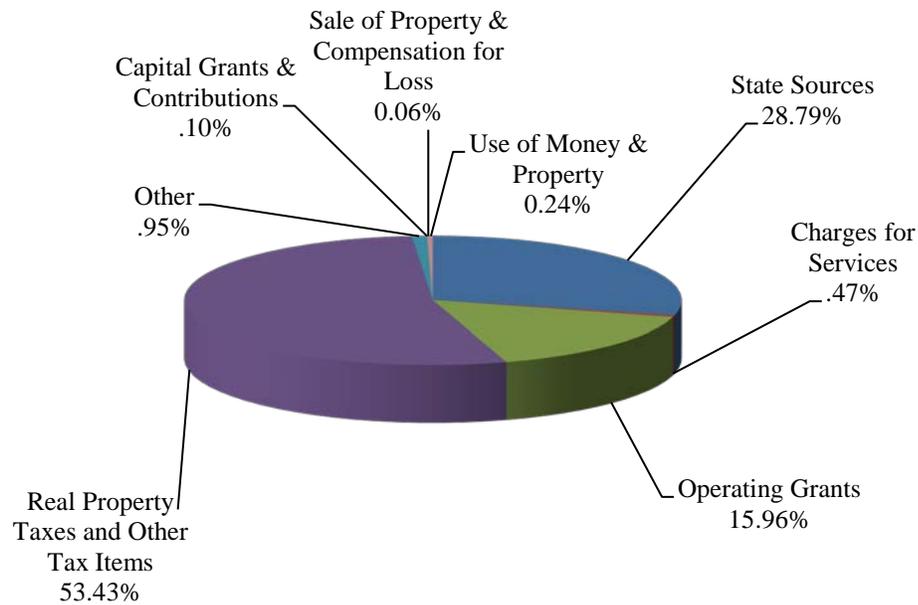
The cost of all programs and services totaled \$304,054,989 for fiscal year 2020. These expenses are predominantly related to instruction, which account for 78.40% of District expenses. The District’s

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

general support activities accounted for 9.16% of total costs. Total expenses increased by \$11,872,076 or 4.06%. This was primarily attributable to the change in pension and OPEB related actuarially calculated information which is allocated to the functions based on salary expenses.

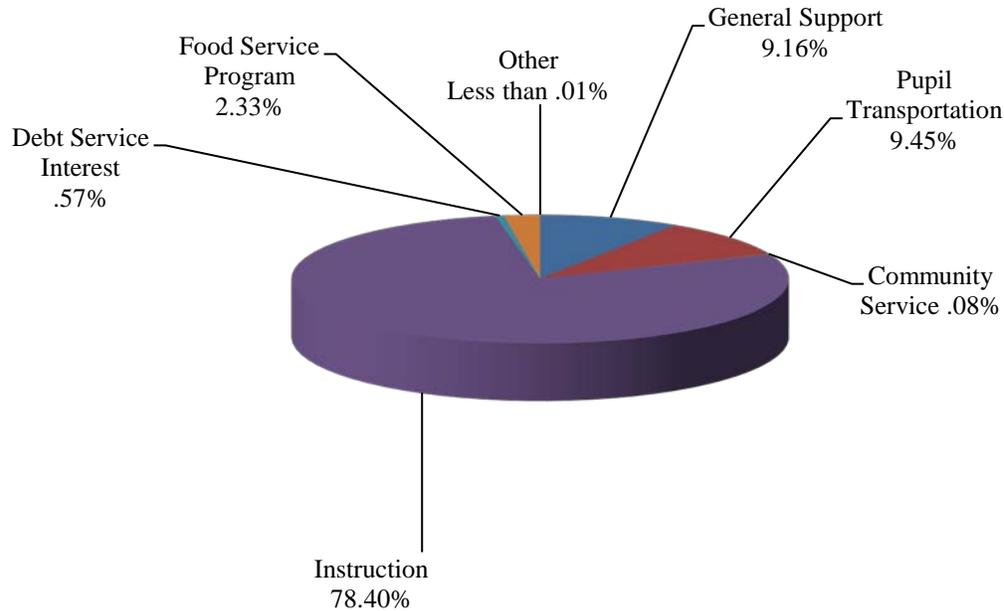
The users of the District’s programs financed \$1,341,412 of the cost. The federal and state governments subsidized certain programs with operating grants and contributions of \$46,082,705 and capital grants and contributions of \$264,412, both of which decreased from the prior year. Most of the District’s net costs of \$256,366,460 were financed by District taxpayers, and state sources.

Revenues for Fiscal Year 2020



**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Expenditures for Fiscal Year 2020



**4. FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

Variances between years for the Fund Financial Statements are not the same as variances between years for the District-Wide Financial Statements. The District's governmental funds are presented on the current financial resources measurement focus and the modified accrual basis of accounting. Based on this presentation, governmental funds do not include long-term liabilities, certain deferred outflows or inflows, and capital assets purchased by the District. Governmental funds will include the proceeds received from the issuance of debt, the current payments for capital assets, and the current payments for debt, and the current payments on other long-term liabilities.

As of June 30, 2020, the District's combined governmental funds reported a total fund balance of \$24,523,196 which is an increase in fund balance of \$28,668,499 from the prior year.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 1**

A summary of the change in fund balance for all the funds is as follows:

	Fiscal Year 2020	Fiscal Year 2019	Increase/ (Decrease)	Total Percentage Change
<b>General Fund</b>				
Nonspendable for advances	\$95,782	\$95,782	\$ -	0.00%
Restricted for insurance	102,895	102,534	361	0.35%
Assigned - general support	160,868	22,069	138,799	628.93%
Assigned - instruction	192,319	570,900	(378,581)	-66.31%
Assigned - pupil transportation	343,876	51,757	292,119	564.40%
Assigned- employee benefits	2,513	-	2,513	N/A
Assigned-designated for subsequent year's expenditures	1,787,900	-	1,787,900	N/A
Unassigned	13,633,216	8,486,745	5,146,471	60.64%
<b>Total Fund Balance - General Fund</b>	<b>\$16,319,369</b>	<b>\$9,329,787</b>	<b>\$6,989,582</b>	<b>74.92%</b>
<b>School Lunch Fund</b>				
Nonspendable for inventory	\$76,792	\$30,480	\$46,312	151.94%
Assigned - unappropriated	136,072	1,201,519	(1,065,447)	-88.68%
<b>Total Fund Balance - School Lunch Fund</b>	<b>\$212,864</b>	<b>\$1,231,999</b>	<b>(\$1,019,135)</b>	<b>-82.72%</b>
<b>Debt Service Fund</b>				
Restricted	\$877,527	\$2,569,614	(\$1,692,087)	-65.85%
<b>Total Fund Balance - Debt Service Fund</b>	<b>\$877,527</b>	<b>\$2,569,614</b>	<b>(\$1,692,087)</b>	<b>-65.85%</b>
<b>Capital Projects Fund</b>				
Restricted - unspent debt proceeds	\$5,823,032	\$ -	\$5,823,032	N/A
Assigned -unappropriated	1,038,479	-	1,038,479	N/A
Unassigned	-	(17,529,037)	17,529,037	-100.00%
<b>Total Fund Balance - Capital Projects Fund</b>	<b>\$6,861,511</b>	<b>(\$17,529,037)</b>	<b>\$24,390,548</b>	<b>-139.14%</b>
<b>Special Purpose Fund</b>				
Restricted	\$251,925	\$252,334	(\$409)	-0.16%
<b>Total Fund Balance - Special Purpose Fund</b>	<b>\$251,925</b>	<b>\$252,334</b>	<b>(\$409)</b>	<b>-0.16%</b>
<b>Total Fund Balance - All Funds</b>	<b>\$24,523,196</b>	<b>(\$4,145,303)</b>	<b>\$28,668,499</b>	<b>691.59%</b>

**A) General Fund**

The net change in the general fund – fund balance is an increase of \$6,989,582 as a result of revenues and other financing sources of \$240,938,286 exceeding expenditures and other financing uses of \$233,948,704. Revenues and other financing sources increased \$3,309,473 or 1.39% compared to the prior year, primarily due to increases in real property taxes and other tax items and state sources partially offset by a decrease in charges for services.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 1**

Expenditures and other financing uses decreased \$4,491,405 or 1.88% compared to the prior year in transportation and benefits, while all other areas increased from the prior year.

**B) School Lunch Fund**

The net change in the school lunch fund – fund balance is a decrease of \$1,019,135. This decrease is the operating loss for the current year of \$1,208,855, offset by the transfer from the general fund of \$189,720 for uncollectible negative balances on student accounts, and repayment of disallowed expenditures from prior years.

**C) Debt Service Fund**

The net change in the debt service fund – fund balance is a decrease of \$1,692,087. The debt service fund received interest of \$21,363, transferred \$53,055 to the general fund to offset interest payments made in the current year, and transferred \$1,660,395 of premiums received on bonds to the capital projects fund to partially fund the voter authorized bond projects.

**D) Capital Projects Fund**

The net change in the capital projects fund – fund balance is an increase of \$24,390,548. This increase was due to an excess of revenues and other financing sources over expenditures. The capital projects fund received \$454,897 in general fund budgetary appropriations to redeem the previous bond anticipation note, as well as \$264,412 from New York State in grant funding and Smart Schools Bond Act funds. The District also received \$32,281,850 in serial bond proceeds from the issuance of the bond, as well as a premium on the bond of \$320,103 and a transfer from debt service of \$1,660,395, and incurred \$10,591,109 in capital outlay expenditures.

**E) Special Purpose Fund**

The net change in the special purpose fund represents the amount by which scholarships awarded in the current year exceeded interest and donations.

**5. GENERAL FUND BUDGETARY HIGHLIGHTS**

**A) 2019-2020 Budget:**

The District’s general fund adopted budget for the fiscal year ended June 30, 2020 was \$244,185,222. This amount was increased by encumbrances carried forward from the prior year in the amount of \$644,726, and budget revisions of \$17,759 bringing the final budget to \$244,847,707. The majority of the funding was real property taxes and other tax items budget of \$154,762,901.

**B) Change in the General Fund Unassigned Fund Balance (Budget to Actual):**

The general fund unassigned fund balance is a component to total fund balance that is the residual of prior years’ excess revenues over expenditures, net of transfers to reserves and assignments to fund subsequent years’ budgets. It is this balance that is commonly referred to as “Fund Balance”.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 1**

The change in this balance demonstrated through a comparison of the actual revenues and expenditures for the year compared to budget are as follows:

Opening, unassigned fund balance	\$8,486,745
Revenues under budget	(3,264,695)
Expenditures and encumbrances under budget	10,199,427
Interest allocated to reserves	(361)
Assigned, appropriated for June 30, 2021 Budget	<u>(1,787,900)</u>
Closing, unassigned fund balance	<u><u>\$13,633,216</u></u>

The opening unassigned fund balance of \$8,486,745 is the June 30, 2019 unassigned fund balance.

The revenues under budget were \$3,264,695. Refer to Supplemental Schedule #1 for more details.

The expenditures and encumbrances over budget were \$10,199,427. Refer to Supplemental Schedule #1 for more details.

Interest of \$361 was allocated to the insurance reserve.

The assigned, appropriated fund balance of \$1,787,900 for the June 30, 2021 budget is the amount the District has chosen to use to fund its operating budget for 2020-2021.

The District closed the 2019-2020 fiscal year with \$13,633,216 in unassigned fund balance. NYS Real Property Tax Law §1318 restricts this number to an amount not greater than 4% of the District’s budget for the ensuing fiscal year. The District’s unassigned fund balance is over the legal limit. See Supplemental Schedule #5 for more details.

**6. CAPITAL ASSET AND DEBT ADMINISTRATION**

**A) Capital Assets:**

The District paid for equipment, and various building additions and renovations during the fiscal year 2020. A summary of the District’s capital assets net of depreciation are as follows:

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 1**

Capital Assets (Net of Depreciation)

Category	Fiscal Year 2020	Fiscal Year 2019	Net Increase/ (Decrease)	Percentage Change
Land	\$7,764,601	\$7,764,601	-	0.00%
Construction in Progress	21,971,664	12,452,647	9,519,017	76.44%
Buildings & Improvements	118,432,391	117,360,299	1,072,092	0.91%
Machinery & Equipment	5,697,035	5,270,522	426,513	8.09%
Subtotal	153,865,691	142,848,069	11,017,622	7.71%
Less: Accumulated Depreciation	77,419,932	73,523,816	3,896,116	5.30%
Total Net Capital Assets	<u>\$76,445,759</u>	<u>\$69,324,253</u>	<u>\$7,121,506</u>	10.27%

The District's capital outlay for the year was \$10,591,109 from the capital projects fund and \$426,513 from the general fund and school lunch fund and recorded depreciation expense of \$3,896,116.

**B) Long-Term Debt:**

At June 30, 2020, the District had total debt payable of \$56,471,850. The increase is due to the issuance of a bond in the current year, reduced by the principal payments made. More detailed information about the District's long-term debt is presented in the Notes to the Financial Statements. A summary of outstanding debt at June 30, 2020 and 2019 is as follows:

	2020	2019	Increase (Decrease)
Bonds payable	\$56,471,850	\$25,770,000	\$30,701,850
Total	<u>\$56,471,850</u>	<u>\$25,770,000</u>	<u>\$30,701,850</u>

**7. FACTORS BEARING ON THE DISTRICT'S FUTURE**

- A)** The general fund contingency budget for the 2020-21 school year is \$246,744,853. This is an increase of \$2,559,631 or 1.05% from the previous year's budget. The tax cap discussed below, as well as uncertainty in state aid and federal funds, as well as potential operating adjustments that may be needed due to COVID-19 may impact the District's future budgets.
- B)** The NYS Legislature introduced and approved a property tax cap beginning in the 2012-2013 school year, which was made permanent. This bill limits tax levy growth to the lesser of two percent or the annual increase in the CPI. Limited exemptions to exceed the levy cap are provided for taxes needed to pay for voter-approved capital expenditures, pension rate increases, court orders and torts over five percent of the prior year's levy. If the tax levy proposed to the voters is within the district's tax levy cap, then a majority vote would be required for approval. If the proposed tax levy exceeds the district's tax levy cap, the threshold required for approval would be 60 percent of the vote.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 1**

- C) On July 16, 2020, the District issued tax anticipation notes (TANs) for \$18,000,000, maturing on October 16, 2020 for interim financing of the general fund operations. The TAN has a stated interest rate of 2.00% resulting in interest expense of \$90,000. They also include a total premium of \$48,800, which results in a net interest cost of \$41,200.

**8. CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide citizens, taxpayers, customers, and investors and creditors with a general overview of the finances of the District and to demonstrate our accountability with the money we receive. If you have any questions about this report or need additional financial information, contact:

East Ramapo Central School District  
Mr. Valter Paci  
Assistant Superintendent for Finance  
105 S. Madison Avenue  
Spring Valley, NY 10977  
(845)-577-6000

**EAST RAMAPO CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

<b>ASSETS</b>	
Current assets	
Cash	
Unrestricted	\$13,662,779
Restricted	8,766,369
Receivables	
Accounts receivable, net of allowance	65,915
State and federal aid	22,898,051
Due from other governments, net of allowance	1,710,146
Due from fiduciary funds	1,434,374
Inventories	76,792
Capital assets	
Not being depreciated	29,736,265
Being depreciated, net of accumulated depreciation	46,709,494
Net pension asset - proportionate share -teachers' retirement system	15,179,990
<b>TOTAL ASSETS</b>	<u>140,240,175</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pensions	58,004,688
Other post-employment benefits obligation	15,202,157
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>73,206,845</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>213,447,020</u>
<b>LIABILITIES</b>	
Payables	
Accounts payable	10,460,718
Accrued liabilities	1,773,495
Accrued interest payable	452,397
Due to teachers' retirement system	9,983,425
Due to employees' retirement system	662,943
Due to other governments	16,847
Unearned credits	
Collections in advance	52,799
Long-term liabilities	
Due and payable within one year	
Bonds payable (inclusive of unamortized premium)	2,880,166
Judgements, claims and settlements payable	221,209
ERS stabilization program liability	263,849
Due and payable after one year	
Bonds payable (inclusive of unamortized premium)	55,116,735
Judgements, claims and settlements payable	263,627
ERS stabilization program liability	1,827,766
Compensated absences payable	663,321
Total other post-employment benefits obligation	410,356,406
Net pension liability - proportionate share -employees' retirement system	12,598,287
<b>TOTAL LIABILITIES</b>	<u>507,593,990</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pensions	22,931,118
Other post-employment benefits obligation	25,476,146
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>48,407,264</u>
<b>NET POSITION</b>	
Net investment in capital assets	<u>24,271,890</u>
Restricted	
Insurance	102,895
Debt	877,527
Special purpose	251,925
	<u>1,232,347</u>
Unrestricted (deficit)	<u>(368,058,471)</u>
<b>TOTAL NET POSITION (DEFICIT)</b>	<u><u>(\$342,554,234)</u></u>

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
<b>FUNCTIONS / PROGRAMS</b>					
General support	(\$27,838,958)			(\$27,838,958)	
Instruction	(238,387,299)	\$1,158,740	\$40,300,882	\$264,412	(196,663,265)
Pupil transportation	(28,751,903)		135,541		(28,616,362)
Community service	(238,713)				(238,713)
Debt service-interest	(1,736,825)				(1,736,825)
Food service program	(7,095,491)	182,672	5,644,412		(1,268,407)
Other	(5,800)		1,870		(3,930)
<b>TOTAL FUNCTIONS AND PROGRAMS</b>	<u>(\$304,054,989)</u>	<u>\$1,341,412</u>	<u>\$46,082,705</u>	<u>\$264,412</u>	<u>(256,366,460)</u>
<b>GENERAL REVENUES</b>					
Real property taxes					143,836,224
Other tax items - including STAR reimbursement					10,404,507
Use of money and property					700,373
Sale of property and compensation for loss					182,667
Miscellaneous					1,489,220
State sources					83,102,933
Medicaid reimbursement					1,253,589
<b>TOTAL GENERAL REVENUES</b>					<u>240,969,513</u>
<b>CHANGE IN NET POSITION</b>					(15,396,947)
<b>TOTAL NET POSITION (DEFICIT) - BEGINNING OF YEAR</b>					<u>(327,157,287)</u>
<b>TOTAL NET POSITION (DEFICIT) - END OF YEAR</b>					<u>(\$342,554,234)</u>

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2020**

	<u>General</u>	<u>Special Aid</u>	<u>School Lunch</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Special Purpose</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>							
Cash and cash equivalents							
Unrestricted	11,984,543	\$1,513,953	\$164,283				\$13,662,779
Restricted	102,895			\$2,857,730	\$5,553,819	\$251,925	8,766,369
Receivables							
Accounts receivable, net	65,915						65,915
State and federal aid	8,651,674	12,795,974	1,450,403				22,898,051
Due from other governments, net	1,690,506	19,640					1,710,146
Advances to other funds	95,782						95,782
Due from other funds	13,971,310		41,053		1,980,203		15,992,566
Inventories			76,792				76,792
<b>TOTAL ASSETS</b>	<u>\$36,562,625</u>	<u>\$14,329,567</u>	<u>\$1,732,531</u>	<u>\$2,857,730</u>	<u>\$7,534,022</u>	<u>\$251,925</u>	<u>\$63,268,400</u>
<b>LIABILITIES</b>							
Payables							
Accounts payable	\$6,652,850	\$1,738,527	\$1,492,802		\$576,539		\$10,460,718
Accrued liabilities	1,738,197	29,809	5,489				1,773,495
Due to other governments		14,411	2,436				16,847
Advances from other funds					95,782		95,782
Due to other funds	41,053	12,536,746		\$1,980,203	190		14,558,192
Due to teachers' retirement system	9,983,425						9,983,425
Due to employees' retirement system	662,943						662,943
Unearned credits							
Collections in advance	38,170	10,074	4,555				52,799
<b>TOTAL LIABILITIES</b>	<u>19,116,638</u>	<u>14,329,567</u>	<u>1,505,282</u>	<u>1,980,203</u>	<u>672,511</u>	<u>-</u>	<u>37,604,201</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
NYS aid	1,126,618	-	14,385	-	-	-	1,141,003
<b>FUND BALANCES</b>							
Nonspendable							
Inventory			76,792				76,792
Advances to other funds	95,782						95,782
Restricted							
Insurance	102,895						102,895
Debt				877,527			877,527
Unspent bond proceeds					5,823,032		5,823,032
Special purpose						\$251,925	251,925
Assigned							
Appropriated fund balance	1,787,900						1,787,900
Unappropriated fund balance	699,576		136,072		1,038,479		1,874,127
Unassigned	13,633,216						13,633,216
<b>TOTAL FUND BALANCES</b>	<u>16,319,369</u>	<u>-</u>	<u>212,864</u>	<u>877,527</u>	<u>6,861,511</u>	<u>251,925</u>	<u>24,523,196</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$36,562,625</u>	<u>\$14,329,567</u>	<u>\$1,732,531</u>	<u>\$2,857,730</u>	<u>\$7,534,022</u>	<u>\$251,925</u>	<u>\$63,268,400</u>

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
RECONCILIATION OF GOVERNMENTAL FUNDS  
BALANCE SHEET TO STATEMENT OF NET POSITION  
JUNE 30, 2020**

Total Governmental Fund Balances \$ 24,523,196

Amounts reported for governmental activities in the Statement of Net Position are different because:

The cost of building and acquiring capital assets (land, buildings, 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 include those capital assets among the assets of the District as a whole, and their original costs are expensed annually over their useful lives.

Original cost of capital assets	\$153,865,691	
Accumulated depreciation	<u>(77,419,932)</u>	76,445,759

Deferred inflows of resources- The Statement of Net Position recognizes revenues and expenditures under the full accrual method. Governmental funds recognize revenues and expenditures under the modified accrual method. These amounts will be amortized in future years.

Deferred inflows related to pensions		(22,931,118)
Deferred inflows related to total OPEB liability		(25,476,146)

Deferred outflows of resources - The Statement of Net Position recognizes expenditures incurred under the full accrual method. Governmental funds recognize expenditures under the modified accrual method. Deferred outflows related to pensions and OPEB that will be recognized as expenditures in future periods amounted to:

Deferred outflows related to pensions		58,004,688
Deferred outflows related to total OPEB liability		15,202,157

Certain disbursements previously expended in the governmental funds and invested with the pension system are treated as long term assets and increase net position. The teachers' retirement system pension asset proportionate share amounted to:

15,179,990

Deferred inflows -NYS Aid- The Statement of Net Position recognizes revenues received under the full accrual method. Governmental funds recognize revenue under the modified accrual method.

1,141,003

Payables that are associated with long-term liabilities that are not payable in the current period are not reported as liabilities in the funds. Additional payables relating to long-term liabilities at year end consisted of accrued interest payable on bonds of:

(452,397)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consisted of:

Bonds payable (inclusive of unamortized premium)	(\$57,996,901)	
Judgements, claims and settlements payable	(484,836)	
ERS stabilization program liability	(2,091,615)	
Compensated absences payable	(663,321)	
Total other post-employment benefits obligation payable	(410,356,406)	
Net pension liability - proportionate share -employees' retirement system	<u>(12,598,287)</u>	<u>(484,191,366)</u>

Total Net Position

(\$342,554,234)

**EAST RAMAPO CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	General	Special Aid	School Lunch	Debt Service	Capital Projects	Special Purpose	Total Governmental Funds
<b>REVENUES</b>							
Real property taxes	\$143,836,224						\$143,836,224
Other tax items - including STAR reimbursement	10,404,507						10,404,507
Charges for services	1,158,740						1,158,740
Use of money and property	675,212		\$277	\$21,363		\$3,521	700,373
Sale of property and compensation for loss	182,667						182,667
Miscellaneous	1,398,441	\$76,858				1,870	1,477,169
State sources	81,961,930	9,604,254	160,686		\$264,412		91,991,282
Federal sources	1,253,589	30,832,169	5,156,878				37,242,636
Surplus food			326,848				326,848
Sales			182,672				182,672
<b>TOTAL REVENUES</b>	<b>240,871,310</b>	<b>40,513,281</b>	<b>5,827,361</b>	<b>21,363</b>	<b>264,412</b>	<b>5,391</b>	<b>287,503,118</b>
<b>EXPENDITURES</b>							
General support	22,753,593						22,753,593
Instruction	127,226,500	41,269,239					168,495,739
Pupil transportation	28,120,457	135,541					28,255,998
Community service	145,768						145,768
Employee benefits	50,489,305						50,489,305
Debt service - principal	2,034,897						2,034,897
Debt service - interest	2,096,965						2,096,965
Cost of sales			7,036,216				7,036,216
Other expenditures						5,800	5,800
Capital outlay					10,591,109		10,591,109
<b>TOTAL EXPENDITURES</b>	<b>232,867,485</b>	<b>41,404,780</b>	<b>7,036,216</b>		<b>10,591,109</b>	<b>5,800</b>	<b>291,905,390</b>
<b>EXCESS (DEFICIENCY)</b>							
<b>OF REVENUES OVER EXPENDITURES</b>	<b>8,003,825</b>	<b>(891,499)</b>	<b>(1,208,855)</b>	<b>21,363</b>	<b>(10,326,697)</b>	<b>(409)</b>	<b>(4,402,272)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Operating transfers in	53,055	891,499	189,720		1,660,395		2,794,669
Operating transfers (out)	(1,081,219)			(1,713,450)			(2,794,669)
Premiums on obligations	13,921				320,103		334,024
BAN redeemed with appropriations					454,897		454,897
Proceeds from serial bonds					32,281,850		32,281,850
<b>TOTAL OTHER FINANCING SOURCES AND (USES)</b>	<b>(1,014,243)</b>	<b>891,499</b>	<b>189,720</b>	<b>(1,713,450)</b>	<b>34,717,245</b>	<b>-</b>	<b>33,070,771</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>6,989,582</b>	<b>-</b>	<b>(1,019,135)</b>	<b>(1,692,087)</b>	<b>24,390,548</b>	<b>(409)</b>	<b>28,668,499</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>9,329,787</b>	<b>-</b>	<b>1,231,999</b>	<b>2,569,614</b>	<b>(17,529,037)</b>	<b>252,334</b>	<b>(4,145,303)</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$16,319,369</b>	<b>\$ -</b>	<b>\$212,864</b>	<b>\$877,527</b>	<b>\$6,861,511</b>	<b>\$251,925</b>	<b>\$24,523,196</b>

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
RECONCILIATION OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Net Change in Fund Balances \$28,668,499

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

Long-Term Revenue and Expense Differences

In the Statement of Activities, certain operating expenses are measured by the amounts earned or incurred during the year. In the governmental funds, expenditures for these items are measured by the amount of financial resources used.

Decrease in judgements, claims and settlements payable	\$221,209	
Decrease in ERS stabilization program liability	255,668	
Increase in compensated absences payable	<u>(20,989)</u>	455,888

Changes in the proportionate share of net pension asset/liability, and total other post-employment benefits obligation and related deferred inflows and outflows reported in the Statement of Activities do not provide for or require use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds.

Teachers' retirement system	(\$9,312,833)	
Employees' retirement system	(2,306,856)	
Other post-employment benefits obligation	<u>(10,502,341)</u>	(22,122,030)

Deferred inflows - The Statement of Net Position recognized revenues received under the full accrual method. Governmental funds recognize revenue under the modified accrual method. The difference in revenues recognized under the full accrual method for the fiscal year ended June 30, 2020 is 1,141,003

Capital Related Items

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are capitalized and shown in the Statement of Net Position and allocated over their useful lives as annual depreciation expense in the Statement of Activities.

Capital outlays	\$11,017,622	
Depreciation expense	<u>(3,896,116)</u>	7,121,506

Long-Term Debt Transactions

Repayment of bond principal is an expenditure in the governmental funds, but it reduced long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities. 1,580,000

Interest on short and long-term debt in the Statement of Activities differs from the amounts reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, interest expense is recognized as it accrues. Accrued interest from June 30, 2019 to June 30, 2020 changed by (73,279)

Governmental funds report the effect of premiums, discounts and similar items when long-term debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The amount of amortization on the bond premium is: 433,419

Proceeds and premiums from serial bonds are an other financing source in the governmental funds, but they increase long-term liabilities in the Statement of Net Position and do not affect the Statement of Activities. (32,601,953)

Change in Net Position (\$15,396,947)

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION -  
FIDUCIARY FUND  
JUNE 30, 2020**

	<b>Agency Funds</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$2,218,722
<b>TOTAL ASSETS</b>	<b>\$2,218,722</b>
<b>LIABILITIES</b>	
Due to governmental funds	\$1,434,374
Accrued liabilities	404,297
Extraclassroom activity balance	203,663
Deposits on hand	176,388
<b>TOTAL LIABILITIES</b>	<b>\$2,218,722</b>

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

**NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES:**

The financial statements of East Ramapo 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.

Certain significant accounting principles and policies utilized by the District are described below:

**A) Reporting entity:**

The 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 9 members. The Board of Education serves as the legislative body and has the authority to make decisions, power to appoint management, and primary accountability for all fiscal matters. In addition, the Board is responsible for, and controls all activities related to public school education within the District. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer.

The reporting entity of the District is based upon criteria set forth by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-An Amendment of GASB Statements No. 14 and No. 34*. 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 and its component unit and other organizational entities determined to be includable in the District’s financial reporting entity. 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 an entity included in the District’s financial reporting entity.

i) 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 can be found at the District’s business office. The District reports these assets held as an agent for the Extraclassroom organizations in the Statement of Fiduciary Net Position – Fiduciary Fund.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

**B) Joint venture:**

The District is a component district that participates in the Rockland County Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs, 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.

**C) Basis of presentation:**

**i) District-wide financial 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 and contributions include operating-specific and discretionary (either operating or capital) grants and contributions, while capital grants and contributions include capital specific grants, if applicable.

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 for those areas. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

**ii) Fund financial statements:**

The Fund Financial Statements provide information about the District's funds, including the fiduciary fund. 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 fund is the District's primary operating fund. It accounts for all financial transactions that are not required to be accounted for in another fund.

**Special aid fund:** This fund accounts for the proceeds 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 activities of the District's food service operations.

**Debt service fund:** This fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest, and for financial resources that are being accumulated for principal and interest maturing in future years.

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

**Special purpose fund:** This fund is 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.

The District reports the following fiduciary fund:

**Fiduciary fund:** This fund is used to account for activities 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 has the following fiduciary fund:

**Agency funds:** These funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the District as agent for various student groups and for payroll or employee withholding.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

**D) Measurement focus and basis of accounting:**

The District-Wide Financial Statements 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 fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Fund Financial Statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within six months after the end of the fiscal year, except for real property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, judgement, claims and settlements payable, compensated absences, net pension liability, other post-employment benefits obligation, and other long term liabilities 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) Real property taxes:**

i) Calendar

Real property taxes are levied annually by the Board of Education, and become a lien on July 1<sup>st</sup>. Taxes are collected by the Towns of Ramapo, Clarkstown, and Haverstraw, and are remitted to the District September 1<sup>st</sup> through October 31<sup>st</sup>, after which collection responsibility is transferred to the County as discussed below.

ii) Enforcement

Uncollected real property taxes are subsequently enforced by Rockland County (“the County”) in which the District is located. The County pays an amount representing uncollected real property taxes to the District no later than the following April 1<sup>st</sup>.

**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.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

**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 Financial 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 fund). Eliminations have been made for all interfund receivables and payables between the funds, with the exception of those due from or to the fiduciary fund.

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 9 for a detailed disclosure by individual fund for interfund receivables, payables, expenditures and revenues activity.

**H) Advances to/from other funds:**

Advances to/from other funds represent loans to other funds which are not expected to be repaid within the next fiscal year. These advances are offset by recording non-spendable fund balance in the fund financial statements which indicates that the funds are not available financial resources to appropriate. Eliminations have been made for all advances between the governmental funds.

**I) 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, deferred outflow of resources, liabilities, and deferred inflows of resources, and disclosure of contingent items 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 compensated absences, judgements, claims and settlements, other post-employment benefits, other long-term liabilities, net pension liability, and useful lives of capital assets.

**J) Cash and cash equivalents:**

The District's cash and cash equivalents consist of cash on hand, demand and time deposits.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

**K) Receivables:**

Receivables other than those due from other governments, and accounts receivable in the general fund are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible amounts has been provided since it is believed that such allowance would not be material. The due from other governments and accounts receivable in the general fund are shown net of an allowance for uncollectible amounts, which was determined based on the District’s historical knowledge and experience.

**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 donated by the U.S. Department of Agriculture, at the Government’s 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.

Non-spendable fund balance for these non-liquid assets (inventories) has been recognized in the school lunch fund to signify that a portion of fund balance is not available for other subsequent expenditures.

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. The District had no prepaid items at June 30, 2020.

**M) Capital assets:**

Capital assets are reflected in the District-Wide Financial Statements. Capital assets are reported at actual cost, when the information is available, or estimated historical cost based on professional third-party information. Donated assets are reported at acquisition value at the time received.

All capital assets, except land and construction in progress, are depreciated on a straight line basis over their estimated useful lives. Capitalization thresholds (the individual 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:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings and improvements	\$5,000	Straight line	20-50 years
Machinery and equipment	\$5,000	Straight line	5-20 years

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

**N) Collections in advance:**

Collections in advance arise when the District receives resources before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the District has legal claim to the resources, the liability for collections in advance is removed and revenues are recorded. Collections in advance as of June 30, 2020 consisted of prepaid balances for meals in the school lunch fund, summer program deposits and unearned grant monies in the special aid fund.

**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 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. These amounts are related to pensions and other post-employment benefits liability reported in the District-Wide Statement of Net Position, and are detailed further in Notes 12 and 15.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element 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 two items that qualify for reporting in this category. These amounts are related to pensions and other post-employment benefits liability reported in the District-Wide Statement of Net Position, and are detailed further in Note 12 and 15.

In addition to liabilities, the Governmental Funds Balance Sheet will sometimes report deferred inflows of resources when potential revenues do not meet the availability criterion for recognition in the current period. These amounts are recorded as deferred inflows of resources. In subsequent periods, when the availability criterion is met, deferred inflows of resources are classified as revenues. The District-Wide Financial Statements, however, report these deferred inflows of resources as revenues in accordance with the accrual basis of accounting and economic resources measurement focus. Due to the COVID-19 pandemic and revenue losses suffered by the State of New York, New York mandated a 20% withholding of certain state aid allocations due to the District at June 30, 2020. In the Governmental Funds Balance Sheet, the general fund reported \$1,126,618, and the school lunch fund reported \$14,385 of this state aid due, as unavailable revenue.

**P) Vested employee benefits:**

Compensated absences:

Compensated absences consist of unpaid accumulated annual vacation time.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

Vacation and 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 vacation leave.

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

Consistent with GASB Statement No. 16, *Accounting for Compensated Absences*, the liability has been calculated using the vesting method and an accrual for that liability is included in the District-Wide Financial Statements. The compensated absences liability is calculated based on the pay rates in effect at year-end.

In the Fund Financial Statements only the amount of matured liabilities is accrued within the general fund based upon expendable and available financial resources. These amounts are expensed on a pay-as-you go basis. The liability is reported only for payments due for unused compensated absences for those employees that have obligated themselves to separate from service with the District by June 30<sup>th</sup>.

**Q) 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 Section 403(b).

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits for retired employees and their survivors in accordance with the provision 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 District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure in the governmental funds as the liabilities for premiums mature (come due for payments). In the District-Wide Financials Statements, the cost of postemployment health insurance coverage is recognized on the accrual basis of accounting in accordance with GASB Statement No. 75.

**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 and TAN represent a liability that will be extinguished by the use of expendable, available resources of the fund.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

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 BANs issued for capital purposes be converted to long-term financing within five years after the original issue dated. Refer to Note 10 for more information on short term debt.

**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. Judgments, claims and settlements, compensated absences, net pension liability, other post-employment benefit obligations, and other long term liabilities 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, energy performance contract debt, 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 within one year or due after one year in the Statement of Net Position.

**T) Equity classifications:**

i) District-Wide Financial Statements:

In the District-Wide Financial 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 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 net position – reports all other net position that do not meet the definition of the above two classifications and are deemed to be available for general use by the District.

ii) Fund Financial Statements:

There are five classifications of fund balance as detailed below; however, in the Fund Financial Statements there are four classifications of fund balance presented:

- 1) **Non-spendable fund balance** – includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Non-

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

spendable fund balance includes the inventory recorded in the school lunch fund of \$76,792, and advances to the capital projects fund of \$95,782 in the general fund.

- 2) **Restricted fund balance** – 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.

The District has established the following as restricted:

Insurance Reserve

Insurance reserve (GML§6-n), must be 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 under restricted fund balance.

Debt Service

The unexpended balances of proceeds of borrowings for capital projects, interest and earning from investing proceeds of borrowings, and borrowing premiums can be recorded as amounts restricted for debt service. These restricted funds are accounted for in the debt service fund.

Unspent bond proceeds

Unspent long-term bond proceeds are recorded as restricted fund balance because they are subject to external constraints contained in the debt agreement. These restricted funds are accounted for in the capital projects fund.

Special Purpose

Amounts restricted for special purposes are used to account for monies donated for scholarship purposes, net of earnings and awards. These restricted funds are accounted for in the special purpose fund.

- 3) **Committed fund balance** – Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the District’s highest level of decision making authority (i.e. Board of Education). The District has no committed fund balances as of June 30, 2020.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

- 4) **Assigned fund balance** – Includes amounts that are constrained by the District’s intent to be used for specific purposes, but are neither restricted nor committed. This intent can be expressed by the Board or through the Board delegating this responsibility to the District management through Board policies. This classification also includes the remaining positive fund balance for all governmental funds except for the general fund.
- 5) **Unassigned fund balance** – Includes the residual fund balance for the general fund and includes residual fund balance deficits of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts. Assignments of fund balance cannot cause a negative unassigned fund balance.

NYS Real Property Tax Law §1318 limits the amount of unexpended surplus funds a District can retain to no more than 4% of the District’s budget for the general fund for the ensuing fiscal year. Non-spendable and restricted fund balance of the general fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances included in assigned fund balance are also excluded from the 4% limitation. The District’s unassigned fund balance in the general fund exceeds the legal limit. Refer to Supplemental Schedule #5.

**Order of Use of Fund Balance**

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications (i.e. expenditures related to reserves) the Board will assess the current financial condition of the District and then determine the order of application of expenditures to which fund balance classification will be charged.

**U) Future changes in accounting standards:**

GASB has issued Statement No. 84, *Fiduciary Activities*, effective for the fiscal year ended June 30, 2021. It provides guidance for identifying fiduciary activities, primarily based on whether the government is controlling the assets, and the beneficiaries with whom the fiduciary relationship exists, and on how different fiduciary activities should be reported.

GASB has issued Statement No. 87, *Leases*, effective for fiscal year ended June 30, 2022. This Statement establishes a single model for lease accounting based on the idea that leases are financings of the right-to-use an underlying asset. As such, under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and the lessor is required to recognize a lease receivable and a deferred inflow of resources.

These are the statements that the District feels may have an impact on these financial statements and are not an all inclusive list of GASB statements issued. The District will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

**NOTE 2 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN FUND**

**STATEMENTS AND DISTRICT-WIDE STATEMENTS:**

Due to the differences in the measurement focus and basis of accounting used in the Fund Financial Statements and the District-Wide Financial 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. The difference primarily results from additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets.

**B) Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities:**

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

i) Long-term revenue and expense 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 accruals basis, whereas the accrual basis of accounting is used on the Statement of Activities.

ii) 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 reported on the Statement of Activities, and the difference between recording an expenditure for the purchase of capital items in the fund statements and depreciation expense on those items as recorded in the Statement of Activities.

iii) Long-term debt transaction differences:

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the 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.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:**

**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), which may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. Supplemental appropriations that occurred during the fiscal year are shown on the other supplemental information – schedule of change from adopted budget to final budget.

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

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 fiscal 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 amounts assigned in the 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.

**NOTE 4 – DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS:**

**A) Cash:**

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

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investments include obligations of the United States Treasury, United States agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and districts.

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are as follows:

- A) Uncollateralized;
- B) Collateralized with securities held by the pledging financial institution in the District's name; or
- C) Collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

All of the District's aggregate bank balances were covered by depository insurance or collateralized with securities held by the pledging financial institution in the District's name at year end.

Restricted cash:

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 at June 30, 2020 included \$8,766,369 within the governmental funds for general reserve purposes, debt service, capital projects and special purpose.

Investments:

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.

Investment pool:

The District participates in a multi-municipal cooperative investment pool agreement 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. At June 30, 2020, the District held \$291,470 in the governmental funds, and \$21,398 in the fiduciary fund, in investments consisting of various investments in securities issued by the United States and its agencies.

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<u>Fund</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>
General fund	\$ 42,824	\$ 42,824
Special aid fund	151	151
School lunch fund	493	493
Debt service fund	782	782
Capital projects fund	5	5
Special purpose fund	247,215	247,215
Subtotal - governmental funds	291,470	291,470
Trust and agency fund	21,398	21,398
Total	<u>\$ 312,868</u>	<u>\$ 312,868</u>

Total investments of the cooperative at June 30, 2020, at cost, are \$2,283,533,422 which consisted of \$218,847,408 in repurchase agreements and \$2,064,686,034 in U.S. Treasury Securities at various interest rates with various due dates. Total collateralized bank deposits of the cooperative at June 30, 2020 are \$1,083,106,627.

The above chart 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. CLASS is rated AAAM by S&P Global ratings. Additional information concerning the cooperative is presented in the annual report of the New York Cooperative Liquid Assets Securities System (NYCLASS), which may be obtained from their website, [www.newyorkclass.org](http://www.newyorkclass.org), or by contacting their registered investment advisor, Public Trust Advisors, LLC at 717 17<sup>th</sup> Street, Suite 1850, Denver CO, 80202.

**NOTE 5 – PARTICIPATION IN BOCES:**

During the fiscal year, the District was billed \$19,466,974 for BOCES administrative and program costs. The District’s share of BOCES aid amounted to \$,2,561,930. Financial statements for the Rockland BOCES are available from the BOCES administrative office located at 65 Parrott Road, West Nyack, New York 10994.

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**NOTE 6 – DUE FROM OTHER GOVERNMENTS:**

Due from other governments at June 30, 2020 consisted of the following:

General Fund	
Health and welfare billings	\$ 1,398,463
Non-resident and special education billing	337,788
Miscellaneous	1,613
Gross Due from other governments	<u>1,737,864</u>
Allowance for uncollectible accounts	<u>(47,358)</u>
Total General fund, net	<u>\$ 1,690,506</u>
Special Aid Fund	
Rockland County Healthy Schools grant	<u>\$ 19,640</u>
Total Due from other governments, net	<u>\$ 1,710,146</u>

District management has deemed the net receivables to be fully collectible.

**NOTE 7 – STATE AND FEDERAL AID RECEIVABLE:**

State and federal aid receivable at June 30, 2020 consisted of the following:

General Fund	
Excess cost aid	\$1,652,736
General aid	2,380,778
BOCES aid	1,599,574
NYS Supplemental aid	3,000,000
Medicaid	18,586
Total-General fund	<u>\$8,651,674</u>
Special Aid Fund	
Federal grants	\$6,281,001
State grants	<u>6,514,973</u>
Total-Special Aid Fund	<u>\$12,795,974</u>
School Lunch Fund	
Federal reimbursement	\$1,378,477
State reimbursement	<u>71,926</u>
Total School Lunch Fund	<u>\$1,450,403</u>
Total-All Funds	<u>\$22,898,051</u>

District management has deemed these amounts to be fully collectible, however a portion of the general fund and school lunch fund state and federal aid receivable is also recorded as a deferred inflow of resources for unavailable revenue. See Note 1 for more information.

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**NOTE 8 - CAPITAL ASSETS:**

Capital asset balances and activity for the fiscal year ended June 30, 2020 were as follows:

	Beginning Balance	Additions	Disposals/ Reclassifications	Ending Balance
Governmental activities:				
Capital assets that are not depreciated:				
Land	\$7,764,601			\$7,764,601
Construction in progress	12,452,647	\$9,519,017	\$ -	21,971,664
Total capital assets not being depreciated	20,217,248	9,519,017	-	29,736,265
Capital assets being depreciated:				
Buildings and improvements	117,360,299	1,072,092	-	118,432,391
Machinery and equipment	5,270,522	426,513	-	5,697,035
Total capital assets being depreciated	122,630,821	1,498,605	-	124,129,426
Less accumulated depreciation:				
Building and improvements	69,153,666	3,719,724		72,873,390
Machinery and equipment	4,370,150	176,392	-	4,546,542
Total accumulated depreciation	73,523,816	3,896,116	-	77,419,932
Total capital assets being depreciated, net	49,107,005	(2,397,511)	-	46,709,494
Total capital assets, net	\$69,324,253	\$7,121,506	\$ -	\$76,445,759

Depreciation expense and loss on disposals were charged to governmental functions as follows:

Instruction	\$3,741,781
General support	59,922
Food service program	89,093
Transportation	5,320
Total	\$3,896,116

**NOTE 9 – INTERFUND TRANSACTIONS – GOVERNMENTAL FUNDS:**

The District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. It is expected that all interfund payables should be repaid within one year.

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	Interfund		Interfund	
	Receivable	Payable	Revenues	Expenditures
General fund	\$13,971,310	\$41,053	\$53,055	\$1,081,219
Special aid fund		\$12,536,746	891,499	
School lunch fund	41,053		189,720	
Debt service fund		1,980,203		1,713,450
Capital projects fund	1,980,203	190	1,660,395	
Special purpose fund				
Total government activities	15,992,566	14,558,192	2,794,669	2,794,669
Fiduciary fund		1,434,374		
Totals	<u>\$15,992,566</u>	<u>\$15,992,566</u>	<u>\$2,794,669</u>	<u>\$2,794,669</u>

	Advances To	Advances From
General fund	\$95,782	
Capital projects fund		\$95,782
Totals	<u>\$95,782</u>	<u>\$95,782</u>

The District typically transfers from the general fund to the special aid fund to fund the District’s local share of summer school handicap expenses and state supported Section 4201 schools, as required by New York State Law. The District typically transfers from the general fund to the school lunch fund to cover student lunch balances that are negative and deemed uncollectible, and to reimburse the fund for NYS disallowed expenditures payable over 7 years. The District transferred from the debt service fund to the general fund as per the budget, to partially offset long-term debt interest expense. The debt service fund also transferred part of the bond premium received in the prior year to the capital project schedule to partially fund capital projects.

The advances from the general fund to the capital projects fund represent the amount of the deficit in various district improvements in the capital projects fund, currently a deficit of \$95,782, which is not expected to be repaid in the next fiscal year.

**NOTE 10 – SHORT-TERM LIABILITIES:**

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

	Maturity	Interest Rate	Beginning Balance	Issued	Redeemed	Ending Balance
TAN	10/29/2019	2.00%	\$ -	\$ 10,000,000	\$ 10,000,000	\$ -
TAN	10/29/2019	2.00%	-	7,000,000	7,000,000	-
BAN	3/31/2020	2.75%	33,056,850	-	33,056,850	-
Total			<u>\$ 33,056,850</u>	<u>\$ 17,000,000</u>	<u>\$ 50,056,850</u>	<u>\$ -</u>

The TANs were issued on July 11, 2019 to finance general fund operations. The BAN redeemed on March 31, 2020 was issued on April 17, 2019. The BAN was issued for interim financing in the capital projects fund.

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

	<b>Total</b>
Interest paid	\$970,661
Less interest accrued in the prior year	(186,863)
Plus interest accrued in the current year	-
Total interest expense on short-term debt	\$783,798

**NOTE 11 – LONG-TERM LIABILITIES:**

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

	Beginning Balance	Issued	Redeemed	Ending Balance	Due within one year
Bonds payable					
Construction bonds	\$25,770,000	\$32,281,850	(\$1,580,000)	\$56,471,850	\$2,766,850
Plus					
Unamortized premium on bond	1,638,367	320,103	(433,419)	1,525,051	113,316
Total bonds payable inclusive of premium	27,408,367	32,601,953	(2,013,419)	57,996,901	2,880,166
Other liabilities					
Judgements, claims and settlements payable	706,045	-	(221,209)	484,836	221,209
ERS stabilization program liability	2,347,283	-	(255,668)	2,091,615	263,849
Compensated absences payable	642,332	20,989	-	663,321	-
Total other post-employment benefits liability	386,628,086	46,559,673	(22,831,353)	410,356,406	-
Net pension liability - proportionate share	3,681,077	11,544,052	(2,626,842)	12,598,287	-
Total long-term liabilities	\$421,413,190	\$90,726,667	(\$27,948,491)	\$484,191,366	\$3,365,224

The general fund has typically been used to liquidate long-term liabilities such as bonds payable, judgements, claims and settlements payable, ERS stabilization program liabilities, compensated absences, other post-employment benefits and net pension liability.

**A) Bonds Payable:**

Bonds payable is comprised of the following:

Description	Issue Date	Original Issue Amount	Final Maturity	Interest Rates	Outstanding at Year End
Various Capital Improvements	2012	\$7,180,000	June 2025	2.75-3%	\$2,475,000
Various Capital Improvements	2019	\$22,650,000	December 2033	2.50-5%	21,715,000
Various Capital Improvements	2020	\$32,281,850	March 2047	5.00%	32,281,850
					\$56,471,850

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The following is a summary of debt service requirements for the bond payable:

Fiscal Year Ended June 30,	Principal	Interest	Total
2021	\$2,766,850	\$2,474,598	\$5,241,448
2022	2,840,000	2,399,038	5,239,038
2023	2,935,000	2,269,238	5,204,238
2024	2,630,000	2,134,962	4,764,962
2025	2,485,000	2,008,237	4,493,237
2026-2030	13,235,000	8,208,800	21,443,800
2031-2035	13,165,000	5,430,544	18,595,544
2036-2040	6,330,000	3,483,750	9,813,750
2041-2045	7,040,000	1,833,500	8,873,500
2046-2047	3,045,000	229,250	3,274,250
	<u>\$56,471,850</u>	<u>\$30,471,917</u>	<u>\$86,943,767</u>

Upon default of the payment of principal or interest on the serial bonds, the bond holders have the right to litigate and the New York State Comptroller is required, under the conditions and to the extent prescribed by Section 99-b of the New York State Finance Law, to withhold state aid and assistance and apply the amount withheld to the payment of the defaulted principal or interest.

**Unamortized Premiums on Bonds**

The District received premiums on bond issuances. These premiums are being amortized over the life of the bond. Amortization is included as a component of interest expense on the District-Wide Financial Statement.

**Unissued Debt**

On December 6, 2016, voters approved a bond authorization for a total estimated cost not to exceed \$58,019,350 to construct infrastructure and other improvements (including roofs, boilers, windows, air handling units, and other improvements), as well as an authorization for a second bond not to exceed \$1,127,920, for windows and door improvements at Kakiat and Fleetwood Elementary Schools. The total authorized debt amounted to \$59,147,270. In prior fiscal years, the District redeemed BANs with general fund appropriations for a total of \$1,780,025 and issued a bond in the amount of \$22,650,000. During the 2019-2020 fiscal year, the District redeemed part of the BAN with general fund appropriations of \$454,897. On March 26, 2020 the District also issued a bond for \$32,281,850 and received a premium of \$320,103, which were both used towards funding this authorization. In addition, the District transferred \$1,660,395 of the premium received on the 2019 bond issuance, to the capital projects fund, to complete this authorization. This completed the funding towards this voter authorization.

**B) Long-Term Interest:**

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

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	Total
Interest paid	\$1,126,304
Less interest accrued in the prior year	(192,255)
Less amortization of bond premium	(433,419)
Plus interest accrued in the current year	452,397
Total interest expense on long-term debt	\$953,027

**NOTE 12 – PENSION PLANS:**

**A) Plan Description and Benefits Provided:**

i) Teachers’ Retirement System

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

ii) Employees’ Retirement System

The District participates in the New York State and Local Employees’ Retirement System (ERS) (the System). This is a cost-sharing multiple –employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all new assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The District also participates in the Public Employees’ Group

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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. ERS issues a publicly available report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany NY 12244 or by referring to the ERS Comprehensive Annual Report, which can be found at [www.osc.state.ny.us/retire](http://www.osc.state.ny.us/retire).

**B) Funding Policies:**

The Systems are noncontributory, except as follows:

1. New York State Teachers' Retirement System:
  - a. Employees who joined the system after July 27, 1976
    - i. Employees contribute 3% of their salary, except that employees in the system more than ten years are no longer required to contribute.
  - b. Employees who joined the system on or after January 1, 2010 before April 1, 2012
    - i. Employees contribute 3.5% of their salary throughout active membership.
  - c. Employees who joined the system on or after April 1, 2012
    - i. Employees contribute between 3% and 6% dependent upon their salary throughout active membership.
2. New York State Employees' Retirement System
  - a. Employees who joined the system after July 27, 1976
    - i. Employees contribute 3% of their salary, except that employees in the system more than ten years are no longer required to contribute.
  - b. Employees who joined the system on or after January 1, 2010 before April 1, 2012
    - i. Employees contribute 3% of their salary throughout active membership.
  - c. Employees who joined the system on or after April 1, 2012
    - i. Employees contribute between 3% and 6% dependent upon their salary throughout active membership.

For ERS, the Comptroller annually certifies the rates expressed as proportions of members' payroll annually, which are used in computing the contributions required to be made by employers to the pension accumulation fund, for the ERS' fiscal year ended March 31<sup>st</sup>. The District's contribution rate for ERS' fiscal year ended March 31, 2020, by tier, of covered payroll was as follows:

Tier 1	21.4%
Tier 2	19.6%
Tier 3	15.9%
Tier 4	15.9%
Tier 5	13.3%
Tier 6	9.4%

Pursuant to Article 11 of the Education Law, the New York State Teachers' Retirement Board establishes rates annually for TRS. The District's contribution rate for the TRS' fiscal year ended June 30, 2020 was 8.86% of covered payroll.

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The District contributions made to the Systems were equal to 100% of the contributions required for each year. The required contributions for the current year and two preceding years based on covered payroll for the District's fiscal year end were:

		NYSERS		NYSTRS
2020	\$	2,913,508	\$	9,028,783
2019	\$	3,037,223	\$	10,358,443
2018	\$	3,148,226	\$	9,420,314

**C) Pension Assets, Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions:**

At June 30, 2020, the District reported the following liability for its proportionate share of the net pension liability for each of the Systems. The net pension liability was measured as of March 31, 2020 for ERS and June 30, 2019 for TRS. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation, with update procedures used to roll forward the total pension liability. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS Systems in reports provided to the District.

	ERS	TRS
Measurement date	March 31, 2020	June 30, 2019
Net pension asset / (liability)	\$ (12,598,287)	\$ 15,179,990
District's portion of the Plan's total net pension liability	0.0475756%	0.584294%
Change in proportion since the prior measurement date	-0.0043781%	-0.005836%

For the fiscal year ended June 30, 2020, the District recognized pension expense of \$4,885,270 for ERS, and \$18,352,320 for TRS. At June 30, 2020 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>
Differences between expected and actual experience	\$ 741,460	\$ 10,287,092	\$ -	\$ 1,128,814
Net difference between projected and actual earnings on pension plan investments	6,458,494	-	-	12,173,568
Changes of assumptions	253,670	28,677,032	219,040	6,992,272
Changes in proportion and differences between the District's contributions and proportionate share of contributions	1,444,559	450,654	324,567	2,092,857
District's contributions subsequent to the measurement date	662,943	9,028,784	-	-
	<u>\$ 9,561,126</u>	<u>\$ 48,443,562</u>	<u>\$ 543,607</u>	<u>\$ 22,387,511</u>

District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>ERS</u>	<u>TRS</u>
Fiscal Year ended:		
2021	\$ 1,667,150	\$ 6,447,292
2022	2,170,683	15,419
2023	2,540,373	6,422,400
2024	1,976,370	4,243,948
2025	-	352,311
Thereafter	-	(454,103)
	<u>\$ 8,354,576</u>	<u>\$ 17,027,267</u>

**Actuarial Assumptions**

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

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	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2020	June 30, 2019
Actuarial valuation date	April 1, 2019	June 30, 2018
Interest rate	6.80%	7.10%
Salary scale	4.20%	4.72% - 1.90%
Cost of living adjustments	1.3% annually	1.3%, annually
Decrement tables	April 1, 2010 - March 31, 2015	July 1, 2009 - June 30, 2014
	System's Experience	System's Experience
Inflation rate	2.50%	2.20%

For ERS, annuitant mortality rates are based on April 1, 2010 – March 31, 2015 System’s experience with adjustments for mortality improvements based on MP-2018. For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2018, applied on a generational basis.

For ERS, the actuarial assumptions used in the April 1, 2019 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015. For TRS, the actuarial assumptions used in the June 30, 2018 valuation are based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014.

The long term rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, *Selections of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of investment expense and inflation) for each major asset class, as well as historical investment data and plan performance. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of the valuation date are summarized below:

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<u>Valuation Date</u>	<u>ERS</u>		<u>TRS</u>	
	April 1, 2019		June 30, 2018	
	<u>Target</u> <u>Allocation</u>	<u>Long-term</u> <u>expected real</u> <u>rate of return</u>	<u>Target</u> <u>Allocation</u>	<u>Long-term</u> <u>expected real</u> <u>rate of return</u>
<u>Asset type</u>				
Domestic equity	36%	4.05%	33%	6.3%
International equity	14%	6.15%	16%	7.8%
Global equity			4%	7.2%
Private equity	10%	6.75%	8%	9.9%
Real estate	10%	4.95%	11%	4.6%
Absolute return strategies	2%	3.25%		
Opportunistic portfolio	3%	4.65%		
Real assets	3%	5.95%		
Bonds and mortgages	17%	0.75%		
Cash	1%	0.00%		
Inflation-indexed bonds	4%	0.50%		
Domestic fixed income securities			16%	1.3%
Global fixed income securities			2%	0.9%
High-yield fixed income securities			1%	3.6%
Private debt			1%	6.5%
Real estate debt			7%	2.9%
Short-term			1%	0.3%
	100%		100%	

The expected real rate of return is net of the long-term inflation assumptions of 2.5% for ERS, and 2.2% for TRS.

Discount Rate

The discount rate used to calculate the total pension liability was 6.80% for ERS and 7.10% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

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

The following presents the District's proportionate share of the net pension asset/(liability) calculated using the discount rate of 6.80% for ERS and 7.10% for TRS, as well as what the District's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80% for ERS and 6.10% for TRS) or 1-percentage-point higher (7.80% for ERS and 8.10% for TRS) than the current rate:

	1% Decrease (5.80%)	Current Assumption (6.80%)	1% Increase (7.80%)
<b>ERS</b>			
District's proportionate share of the net pension asset (liability)	(\$23,121,413)	(\$12,598,287)	(\$2,906,443)
	1% Decrease (6.10%)	Current Assumption (7.10%)	1% Increase (8.10%)
<b>TRS</b>			
District's proportionate share of the net pension asset (liability)	(\$68,520,890)	\$15,179,990	\$85,395,583

Pension Plan Fiduciary Net Position

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

	(Dollars in Thousands)	
	<u>ERS</u>	<u>TRS</u>
Valuation date	April 1, 2019	June 30, 2018
Employers' total pension liability	\$ (194,596,261)	\$ (119,879,474)
Plan Net Position	168,115,682	122,477,481
Employers' net pension asset/(liability)	\$ (26,480,579)	\$ 2,598,007

Ratio of plan net position to the Employers' total pension asset/(liability)	86.39%	102.17%
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**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31. Accrued retirement contributions as of June 30, 2020 represent the projected employer contribution for the period of April 1, 2020 through June 30, 2020 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2020 amounted to \$662,943.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2020 are paid to the System in September, October and November 2020 through a state aid intercept, with a balance to be paid by the District, if necessary. Accrued retirement contributions as of June 30, 2020 represent employee and employer contributions for the fiscal year ended June 30, 2020 based on paid TRS wages multiplied by the employer's contribution rate, and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2020 amounted to \$9,983,425.

**NOTE 13 – OTHER PENSION OBLIGATIONS –ERS STABILIZATION PROGRAM:**

Legislation enacted as part of the 2013-14 New York State adopted budget as Chapter 57 of the Laws of 2013 established an alternative to the original Contribution Stabilization Program enacted in 2010. This Alternate Contribution Stabilization Program ("ACSP") authorized local governments and school districts, at their option, to defer payment on a portion of their annual ERS contribution beginning in the 2013-14 fiscal year. The maximum amortization amount in each year going forward under this alternate plan will be determined by the difference between each employer's normal effective contribution rate as compared to the System's ACSP graded rate. The graded rate will always move from the previous graded rate towards the new actuarial rate by no more than .5% per year. Any amounts amortized under this program are to be paid in equal annual installments over a twelve year period, although amounts may be prepaid at any time. The interest rate on an amount amortized in a given year will be the interest rate for that year and will be fixed for the duration of that payment period. The interest rate will be comparable to a twelve year US Treasury bond plus 1%. If the System's average actuarial rates are lower than the employer's graded rate, the employer would still be required to pay the graded rate. Any additional contributions made as a result will first be used to pay off existing amortizations with any excess being deposited into a reserve account to be used to offset future increases in contribution rates. The District elected to amortize the maximum allowable ERS contributions for the years noted in the table below. The following table summarizes transactions during the year related to amounts amortized under this program and included as a long-term liability in the District-Wide Statement of Net Position, as ERS stabilization program liability:

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

Fiscal Year	Original Amount Amortized	Beginning of Year Balance	Current Year Additions / (Payments)	End of Year Balance	Principal Due Within One Year
2014	\$1,193,538	\$759,435	(\$96,854)	\$662,581	\$100,496
2015	759,759	540,450	(59,707)	480,743	61,797
2016	956,005	751,297	(72,873)	678,424	75,322
2017	346,546	296,101	(26,234)	269,867	26,234
	<u>\$3,255,848</u>	<u>\$2,347,283</u>	<u>(\$255,668)</u>	<u>\$2,091,615</u>	<u>\$263,849</u>

**NOTE 14 – OTHER RETIREMENT PLANS:**

**A) Tax Sheltered Annuities:**

The District has adopted a 403(b) plan covering all eligible employees. Employees may defer up to 100% of their compensation subject to Internal Revenue Code elective deferral limitations. The District may also make non-elective contributions of certain termination payments based on collectively bargained agreements. Contributions made by the District and the employees for the year ended June 30, 2020, totaled \$10,000 and \$4,347,053 respectively.

**NOTE 15 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB):**

**A) General Information about the OPEB Plan:**

Plan Description

The District’s OPEB Plan (the “Plan”), defined as a single employer defined benefit plan, primarily provides post-employment health insurance coverage to retired employees and their eligible dependents in accordance with the provisions of various employment contracts. Benefits are provided through the New York State Health Insurance Program (NYSHIP), and are administered by Empire BlueCross BlueShield, United Healthcare, GHI/Value Options, and Caremark. Article 37 of the Statutes of the State assigns the authority to establish and amend benefit provisions to the District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided

The Plan provides medical, Medicare Part B benefits, and pharmaceutical costs for retired employees and their eligible dependents. Benefit terms provide for the District to contribute 85% of premiums for retirees and family coverage, and 0% for surviving spouses. The District recognizes the cost of the Plan annually as expenditures in the fund financial statements as payments are accrued. For fiscal year 2020, the District contributed an estimated \$13,700,566 to the Plan, including \$13,700,566 for current premiums and \$0 to prefund benefits. Currently,

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

there is no provision in the law to permit the District to fund OPEB by any other means than the “pay as you go” method.

Employees Covered by Benefit Terms

At July 1, 2019, the following employees were covered by the benefit terms:

Inactive employees, spouses or beneficiaries currently receiving benefit payment	1,741
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	<u>1,251</u>
<b>Total</b>	<b><u>2,992</u></b>

**B) Total OPEB Liability:**

The District’s total OPEB liability of \$410,356,406 was measured as of June 30, 2020, and was determined by an actuarial valuation as of July 1, 2019. Update procedures were used to roll forward the total OPEB liability to the measurement date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60%
Salary increases	2.60%, including inflation
Discount rate	2.21%
Healthcare cost trend rates	6.6% decreasing to 4.1% over 56 years
Retirees' share of benefit-related costs	15.00% of projected health insurance premiums for retirees and family, 100% for surviving spouse

The discount rate was based on a yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rating AA/Aa or higher.

Mortality rates were based on the RP-2014 Adjusted to 2006 Total Dataset Mortality Table generationally projected using Scale MP-Ultimate. This assumption includes a margin for future improvements in longevity.

The actuarial assumptions used in the July 1, 2019 valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable. The Plan does not have credible data on which to perform an experience study. As a result, a full actuarial experience study is not applicable.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

**C) Changes in the Total OPEB Liability:**

Balance at June 30, 2019	\$ 386,628,086
Changes for the fiscal year:	
Service cost	14,410,134
Interest	13,798,640
Changes of benefit terms	-
Differences between expected and actual experience	(9,130,787)
Changes in assumptions or other inputs	18,350,899
Benefit payments	(13,700,566)
Net changes	23,728,320
Balance at June 30, 2020	\$ 410,356,406

There were no significant plan changes since the last valuation.

Changes in assumptions or other inputs include a change in the discount rate from 3.5% to 2.21%.

**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 (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	\$479,208,582	\$410,356,406	\$355,172,747

**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 (5.6%) or 1-percentage-point higher (7.6%) than the current healthcare cost trend rates:

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

	1% Decrease (5.6% decreasing to 3.1%)	Healthcare Cost Trend Rates (6.6% decreasing to 4.1%)	1% Increase (7.6% decreasing to 5.1%)
Total OPEB liability	<u>\$354,642,111</u>	<u>\$410,356,406</u>	<u>\$482,711,229</u>

**D) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:**

For the fiscal year ended June 30, 2020, the District recognized OPEB expense (credit) of \$24,202,907. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 15,206	\$ 7,556,513
Changes of assumptions or other inputs	15,186,951	17,919,633
	<u>\$ 15,202,157</u>	<u>\$ 25,476,146</u>

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

Fiscal Year ended June 30:	
2021	\$ (4,005,867)
2022	(4,005,867)
2023	(4,005,867)
2024	471,870
2025	1,271,742
Thereafter	-
	<u>\$ (10,273,989)</u>

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

**NOTE 16 – JUDGEMENTS, CLAIMS AND SETTLEMENTS PAYABLE:**

Judgements, claims and settlements payable of \$484,836 is recorded on the District Wide Statement of Net Position, as a long-term liability. This includes \$84,836 for court ordered tax certiorari refunds which are payable, at \$21,209 a year, for the next 4 years. Also included is \$400,000 remaining for a settlement agreement with a former contractor, payable at \$200,000 a year, for the next 2 years.

**NOTE 17 – RISK MANAGEMENT:**

**A) General:**

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 three years.

**B) Public Entity Risk Pools:**

The District and neighboring districts in Rockland County, New York, participate in the Rockland County Schools Cooperative Self-Insurance Plan for Workers' Compensation. This is a public entity risk pool created under Article 5, Workers' Compensation Law, to finance liability and risks related to workers' compensation claims. The District has transferred all related risk to the Plan.

For its health insurance coverage, the District is a participant in the New York State Employees Health Insurance Plan, a public entity risk pool operated for New York State, local government and school district employers and employees. The Plan is considered a self-sustaining risk pool and the District has essentially transferred all risk to the pool.

**NOTE 18 - TAX ABATEMENTS:**

The Towns of Ramapo and Clarkstown, under the authority of Section 577 of the Private Housing Finance Law, entered into property tax abatement programs with various housing development fund companies for the purpose of economic development, and general prosperity and economic welfare of the Towns. The District's property tax revenue was reduced by \$1,872,792 for these programs. The District received Payment in Lieu of Tax (PILOT) payments totaling \$214,562 for these program during the fiscal year.

The County of Rockland Industrial Development Agency, under the authority of General Municipal Law Section 925-1, entered into a property tax abatement program for the purpose of economic development. The District's property tax revenue was reduced by \$48,004 for this program. The District received PILOT payments totaling \$43,102 for this program during the fiscal year.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

**NOTE 19 – COMMITMENTS AND CONTINGENCIES:**

**A) Encumbrances:**

All encumbrances are classified as assigned or restricted fund balance. At June 30, 2020, the District encumbered the following amounts:

General fund	
General support	\$160,868
Instruction	192,319
Transportation	343,876
Employee benefits	2,513
	<u>\$699,576</u>
Special aid fund	
Grant programs services and goods	<u>\$10,332,961</u>
School lunch fund	
Food service program	<u>\$14,200</u>
Capital projects fund	
Capital projects	<u>\$2,965,412</u>

**B) Grants:**

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 audits, the district’s administration believes disallowances, if any, will be immaterial.

**C) Litigation:**

The District is involved in various litigation proceedings resulting from the conduct of its affairs. Management cannot estimate monetary amounts associated with the resolution of these cases, nor the likelihood of an unfavorable outcome.

**NOTE 20 – SUBSEQUENT EVENTS:**

Events that occur after the Statement of Net Position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position date require disclosure in the accompanying notes. Management evaluated the activity of the District through the date of this report and concluded the

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT 9**

following subsequent events have occurred that would require disclosure in the notes to financial statements:

**A) COVID-19 Pandemic:**

On March 11, 2020, the World Health Organization declared coronavirus (COVID-19) disease as a global pandemic, due to the rapid increase in global exposure. The full impact of this pandemic is still evolving as of the date of this report; however, COVID-19 has interrupted District operations and financial performance. The future performance both operationally and financially will depend upon the duration and spread of the disease, the effect on students, employees, residents, and vendors, as well as federal and state funding, all of which are uncertain and cannot be estimated at this time.

**B) Tax Anticipation Note:**

On July 16, 2020, the District issued a tax anticipation note (TAN) for \$18,000,000, maturing on October 16, 2020 for interim financing of the general fund operations. The TAN has a stated interest rate of 2.00% resulting in interest expense of \$90,000. It also includes a total premium of \$48,800, which results in a net interest cost of \$41,200.

**SUPPLEMENTARY INFORMATION**

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual (Budgetary Basis)</b>	<b>Final Budget Variance with Budgetary Actual</b>
<b>REVENUES</b>				
Local Sources				
Real property taxes	\$154,490,227	\$144,321,349	\$143,836,224	(\$485,125)
Other real property tax items	272,674	10,441,552	10,404,507	(37,045)
Charges for services	1,792,684	1,792,684	1,158,740	(633,944)
Use of money & property	880,000	880,000	675,212	(204,788)
Sale of property and compensation for loss	97,500	98,315	182,667	84,352
Miscellaneous	1,470,000	1,486,944	1,398,441	(88,503)
State Sources				
Basic formula	79,553,915	66,681,411	61,862,376	(4,819,035)
Tuition aid for students with disabilities	1,700,000	1,700,000	1,423,613	(276,387)
Lottery aid	-	9,644,610	9,965,003	320,393
BOCES aid	-	-	2,561,930	2,561,930
Textbook aid	-	2,146,513	2,146,513	-
Computer software/hardware aid	-	852,325	429,119	(423,206)
Library A/V loan program aid	-	229,056	134,851	(94,205)
Other state aid	3,000,000	3,000,000	3,438,525	438,525
Federal Sources	875,000	875,000	1,253,589	378,589
Other Financing Sources				
Premium on obligations	-	-	13,921	13,921
Transfers from other funds	53,222	53,222	53,055	(167)
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>244,185,222</b>	<b>244,202,981</b>	<b>\$240,938,286</b>	<b>(\$3,264,695)</b>
Appropriated Fund Balance	-	-		
Appropriated Reserves	644,726	644,726		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES, APPROPRIATED FUND BALANCES &amp; RESERVES</b>	<b>\$244,829,948</b>	<b>\$244,847,707</b>		

Note to Required Supplementary Information

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Year-End Encumbrances</u>	<u>Final Budget Variance with Budgetary Actual and Encumbrances</u>
<b>EXPENDITURES</b>					
General Support					
Board of education	\$331,015	\$386,515	\$334,033	\$4,602	47,880
Central administration	487,244	505,744	508,413	388	(3,057)
Finance	1,233,722	1,287,201	1,134,434	29,331	123,436
Staff	4,350,226	5,396,749	5,428,480	10,500	(42,231)
Central services	11,514,349	12,281,602	12,640,549	115,947	(474,894)
Special items	3,488,633	2,911,576	2,707,684	100	203,792
Total general support	<u>21,405,189</u>	<u>22,769,387</u>	<u>22,753,593</u>	<u>160,868</u>	<u>(145,074)</u>
Instructional					
Instruction, admin. & improvement	7,410,388	7,365,388	6,863,954	78	501,356
Teaching - regular school	59,217,490	59,513,290	59,088,431	36,250	388,609
Programs for children with handicap conditions	40,324,140	37,951,540	37,799,913	70,090	81,537
Occupational education	740,394	1,225,394	1,222,982	-	2,412
Teaching special schools	5,460,082	5,460,082	5,297,114	-	162,968
Instructional media	3,700,055	3,841,746	3,847,834	3,458	(9,546)
Pupil services	14,108,186	13,948,711	13,106,272	82,443	759,996
Total instructional	<u>130,960,735</u>	<u>129,306,151</u>	<u>127,226,500</u>	<u>192,319</u>	<u>1,887,332</u>
Pupil transportation	<u>32,934,941</u>	<u>35,091,541</u>	<u>28,120,457</u>	<u>343,876</u>	<u>6,627,208</u>
Community services	<u>135,829</u>	<u>135,829</u>	<u>145,768</u>	<u>-</u>	<u>(9,939)</u>
Employee benefits	<u>54,742,826</u>	<u>52,809,371</u>	<u>50,489,305</u>	<u>2,513</u>	<u>2,317,553</u>
Debt service - principal	1,855,000	1,855,000	2,034,897	-	(179,897)
Debt service - interest	2,114,964	2,096,964	2,096,965	-	(1)
Total debt service	<u>3,969,964</u>	<u>3,951,964</u>	<u>4,131,862</u>	<u>-</u>	<u>(179,898)</u>
<b>TOTAL EXPENDITURES</b>	<u>244,149,484</u>	<u>244,064,243</u>	<u>232,867,485</u>	<u>699,576</u>	<u>10,497,182</u>
Other Financing Uses					
Transfers to other funds	<u>680,464</u>	<u>783,464</u>	<u>1,081,219</u>	<u>-</u>	<u>(297,755)</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$244,829,948</u>	<u>\$244,847,707</u>	<u>233,948,704</u>	<u>\$699,576</u>	<u>\$10,199,427</u>
Net change in fund balances			6,989,582		
Fund balances - beginning of year			<u>9,329,787</u>		
Fund balances - end of year			<u>\$16,319,369</u>		

Note to Required Supplementary Information

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY  
AND RELATED RATIOS  
FOR THE FISCAL YEARS ENDED JUNE 30,**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>			
Service cost	\$ 14,410,134	\$ 14,324,306	\$ 13,907,093
Interest	13,798,640	12,308,197	11,919,040
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(9,130,787)	-	28,241
Changes of assumptions or other inputs	18,350,899	(29,119,405)	-
Benefit payments	(13,700,566)	(13,567,606)	(13,035,691)
<b>Net change in total OPEB liability</b>	23,728,320	(16,054,508)	12,818,683
<b>Total OPEB liability - beginning</b>	386,628,086	402,682,594	389,863,911
<b>Total OPEB liability - ending</b>	<u>\$ 410,356,406</u>	<u>\$ 386,628,086</u>	<u>\$ 402,682,594</u>
<b>Covered-employee payroll</b>	\$ 108,770,475	\$ 105,464,656	\$ 105,464,656
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	377.27%	366.59%	381.82%

**Notes to Schedule:***Trust Assets*

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

*Changes of Assumptions*

Changes of assumptions or other inputs reflect the effects of changes in the discount rate each period.

The following are the discount rates used in each period:

2020	2.21%
2019	3.50%
2018	3.00%

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION (LIABILITY) / ASSET  
FOR THE FISCAL YEARS ENDED JUNE 30, \***

<b>NYSERS Pension Plan</b>						
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
District's proportion of the net pension (liability)	0.0475756%	0.0519537%	0.0547149%	0.0531582%	0.0552423%	0.0535383%
District's proportionate share of the net pension (liability)	\$ (12,598,287)	\$(3,681,077)	\$ (1,765,893)	\$ (4,994,861)	\$ (8,866,541)	\$ (1,808,655)
District's covered payroll	\$ 18,297,219	\$18,252,563	\$ 18,675,026	\$ 18,293,000	\$ 17,602,487	\$ 17,353,491
District's proportionate share of the net pension (liability) as a percentage of its covered payroll	68.85%	20.17%	9.46%	27.30%	50.37%	10.42%
Plan fiduciary net position as a percentage of the total pension (liability)	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%
<b>NYSTRS Pension Plan</b>						
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
District's proportion of the net pension (liability) / asset	0.584294%	0.590130%	0.569642%	0.566106%	0.550038%	0.523982%
District's proportionate share of the net pension (liability) / asset	\$ 15,179,990	\$10,671,117	\$ 4,329,842	\$ (6,063,235)	\$ 57,131,374	\$58,368,315
District's covered payroll	\$ 97,537,128	\$96,125,649	\$ 90,340,434	\$ 87,639,522	\$ 83,140,205	\$ 77,824,582
District's proportionate share of the net pension (liability) / asset as a percentage of its covered payroll	15.56%	11.10%	4.79%	6.92%	68.72%	75.00%
Plan fiduciary net position as a percentage of the total pension (liability) / asset	102.17%	101.53%	100.66%	99.01%	110.46%	111.48%

\*The amounts presented for each fiscal year were determined as of the measurement dates of the plans.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT'S CONTRIBUTIONS  
FOR THE FISCAL YEARS ENDED JUNE 30,**

<b>NYSERS Pension Plan</b>						
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Contractually required contribution	\$ 2,913,508	\$ 3,037,223	\$ 3,148,266	\$ 2,529,370	\$ 2,374,739	\$ 2,140,192
Contributions in relation to the contractually required contribution	<u>2,913,508</u>	<u>3,037,223</u>	<u>3,148,266</u>	<u>2,529,370</u>	<u>2,374,739</u>	<u>2,140,192</u>
Contribution deficiency (excess)	<u>\$ -</u>					
District's covered payroll	\$ 17,938,331	\$ 18,126,104	\$ 18,782,372	\$ 17,755,446	\$ 18,049,532	\$ 17,578,101
Contributions as a percentage of covered payroll	16.24%	16.76%	16.76%	14.25%	13.16%	12.18%
<b>NYSTRS Pension Plan</b>						
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Contractually required contribution	\$ 9,028,783	\$ 10,358,443	\$ 9,420,314	\$ 10,587,899	\$ 11,621,001	\$ 14,574,478
Contributions in relation to the contractually required contribution	<u>9,028,783</u>	<u>10,358,443</u>	<u>9,420,314</u>	<u>10,587,899</u>	<u>11,621,001</u>	<u>14,574,478</u>
Contribution deficiency (excess)	<u>\$ -</u>					
District's covered payroll	\$ 102,060,005	\$ 97,537,128	\$ 96,125,649	\$ 90,340,434	\$ 87,639,522	\$ 83,140,205
Contributions as a percentage of covered payroll	8.85%	10.62%	9.80%	11.72%	13.26%	17.53%

EAST RAMAPO CENTRAL SCHOOL DISTRICT  
OTHER SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET -GENERAL FUND  
AND SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted Budget		\$244,185,222
Add: Prior year's encumbrances		<u>644,726</u>
Original Budget		244,829,948
Budget revisions:		
Sale of property and compensation for loss	\$815	
Donations	<u>16,944</u>	<u>17,759</u>
Final Budget		<u><u>\$244,847,707</u></u>

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2020-21 contingency expenditure budget		<u><u>\$246,744,853</u></u>
Maximum allowed (4% of 2020-2021 budget)		<u><u>\$9,869,794</u></u>
General fund fund balance subject to Section 1318 of Real Property Tax Law		
Assigned fund balance	\$2,487,476	
Unassigned fund balance	<u>13,633,216</u>	
Total unrestricted fund balance		\$16,120,692
Less:		
Appropriated fund balance	1,787,900	
Encumbrances included in assigned fund balance	<u>699,576</u>	
Total adjustments		<u>2,487,476</u>
General fund fund balance subject to Section 1318 of Real Property Tax Law		<u><u>\$13,633,216</u></u>
Actual percentage		5.53%

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
OTHER SUPPLEMENTARY INFORMATION  
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Project Title	Project #	Project Budget	Expenditures			Unexpended Balance	Methods of Financing				Fund Balance June 30, 2020
			Prior Years	Current Year	Total		Proceeds of Obligations	State Sources	Local Sources	Total	
Various District Improvements	Multiple	\$ 14,347,900	\$ 14,346,556	\$ -	\$ 14,346,556	\$ 1,344	\$ 7,180,000	\$ 5,823,419	\$ 1,253,104	\$ 14,256,523	\$ (90,033)
Kakiat Elementary School Steps, Curbs and Sidewalk Repairs	1318	128,000	125,440	-	125,440	2,560	-	-	128,000	128,000	2,560
Ramapo HS Roof Project	2219	1,138,566	1,133,416	-	1,133,416	5,150	-	1,000,000	130,000	1,130,000	(3,416)
Spring Valley HS Plumbing Upgrades	0319	28,495	28,495	-	28,495	-	-	-	-	-	(28,495) **
CRMS Windows	3418	3,333	2,333	-	2,333	1,000	-	-	-	-	(2,333)
CRMS Pipe Break	3419	89,544	84,315	-	84,315	5,229	-	-	89,544	89,544	5,229
CRMS Corridor/Ceiling (SAM)	3420	3,354	3,354	-	3,354	-	-	-	-	-	(3,354) **
Eldorado Masonry (SAM)	3715	91,263	71,863	1,338	73,201	18,062	-	71,819	-	71,819	(1,382) **
Fleetwood Courtyard/Playground (SAM)	1416	93,327	73,927	1,338	75,265	18,062	-	73,882	-	73,882	(1,383) **
Fleetwood Asbestos Abatement	1417	80,651	80,651	-	80,651	-	-	-	80,651	80,651	-
Margetts Windows/Doors/Playground (SAM)	2012	91,263	71,863	1,338	73,201	18,062	-	71,818	-	71,818	(1,383) **
Elmwood Doors/Playground (SAM)	3014	89,715	70,315	1,338	71,653	18,062	-	70,270	-	70,270	(1,383) **
SVHS Auditorium Upgrade (SAM)	3019	4,695	4,644	-	4,644	51	-	4,644	-	4,644	-
SVHS Heating/Ventilation (SAM)	319A	126,791	99,119	1,338	100,457	26,334	-	99,058	-	99,058	(1,399) **
SSBA - School Connectivity	7902	1,944,733	1,272,098	92,505	1,364,603	580,130	-	544,564	-	544,564	(820,039) **
SSBA Class Tech	79B2	459,000	-	312,902	312,902	146,098	-	114,412	-	114,412	(198,490) **
Subtotal Other Projects		18,720,630	17,468,389	412,097	17,880,486	840,144	7,180,000	7,873,886	1,681,299	16,735,185	(1,145,301)
<b>2016 Bond Projects</b>											
Spring Valley HS Roof and Field Bond	0321	8,695,065	6,399,946	33,414	6,433,360	2,261,705	7,432,661	-	1,262,404	8,695,065	2,261,705
Spring Valley HS Windows	0322	1,537,464	134,528	1,213,106	1,347,634	189,830	1,537,464	-	-	1,537,464	189,830
Spring Valley HS Paving Bond	0324	222,567	9,303	201,422	210,725	11,842	222,567	-	-	222,567	11,842
Admin Building Bdrm Upgrade	0512	774	774	-	774	-	774	-	-	774	-
Admin Roof Bond	0513	197,519	191,876	-	191,876	5,643	178,546	-	18,973	197,519	5,643
Admin Boiler and Flooring Bond	0514	2,349,654	157,769	1,635,346	1,793,115	556,539	2,349,654	-	-	2,349,654	556,539
Hempstead Boilers	0616	1,010,678	707,997	146,517	854,514	156,164	1,010,678	-	-	1,010,678	156,164
Hempstead Roof	0617	881,804	837,262	-	837,262	44,542	881,804	-	-	881,804	44,542
Hempstead Paving Bond	0618	207,927	14,260	182,584	196,844	11,083	207,927	-	-	207,927	11,083
PMS Roof Bond	0819	2,611,114	2,550,744	5,283	2,556,027	55,087	2,349,403	-	261,711	2,611,114	55,087
PMS Boiler Bond	0820	996,406	93,960	863,739	957,699	38,707	996,406	-	-	996,406	38,707
PMS Paving Bond	0821	161,319	14,260	133,499	147,759	13,560	161,319	-	-	161,319	13,560
Kakiat Window Replacement	1320	75,000	53,497	-	53,497	21,503	75,000	-	-	75,000	21,503
Kakiat Air Handling	1321	902,406	723,907	127,950	851,857	50,549	902,406	-	-	902,406	50,549
Kakiat 1st Floor Renovation	1322	497,693	474,899	-	474,899	22,794	59,181	-	438,512	497,693	22,794
Kakiat Roof/Boilder/Fan/Win	1323	6,834,586	6,058,586	98,297	6,156,883	677,703	6,834,586	-	-	6,834,586	677,703
Kakiat Interior Reno	1324	2,085,740	1,837,675	211,702	2,049,377	36,363	2,085,740	-	-	2,085,740	36,363
Fleetwood Roof Bond	1419	357,385	355,855	-	355,855	1,530	323,501	-	33,884	357,385	1,530
Fleetwood Window Replacement	1420	9,375	7,072	-	7,072	2,303	9,375	-	-	9,375	2,303
Fleetwood Boilers	1421	1,378,629	954,954	199,426	1,154,380	224,249	1,378,629	-	-	1,378,629	224,249
Fleetwood Windows Bond	1422	1,296,624	98,099	1,150,555	1,248,654	47,970	1,296,624	-	-	1,296,624	47,970
Summit Park Roof	1516	1,484,066	1,468,228	10,307	1,478,535	5,531	1,414,762	69,304	-	1,484,066	5,531
Summit Park Window Bond	1517	1,428,933	99,715	893,007	992,722	436,211	1,428,933	-	-	1,428,933	436,211
Summit Park Boiler Bond	1518	1,017,090	58,599	923,221	981,820	35,270	1,017,090	-	-	1,017,090	35,270
Summit Park Paving Bond	1519	90,007	14,260	69,609	83,869	6,138	90,007	-	-	90,007	6,138
Grandview Boilers	1614	671,058	459,950	109,315	569,265	101,793	671,058	-	-	671,058	101,793
Grandview Roof	1615	812,013	745,554	16,760	762,314	49,699	812,013	-	-	812,013	49,699

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
OTHER SUPPLEMENTARY INFORMATION  
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Project Title	Project #	Project Budget	Expenditures			Unexpended Balance	Methods of Financing			Fund Balance June 30, 2020	
			Prior Years	Current Year	Total		Proceeds of Obligations	State Sources	Local Sources		Total
Margetts Roof	2013	846,660	774,223	18,380	792,603	54,057	846,660	-	-	846,660	54,057
RHS Field & Boiler	2220	8,550,213	6,116,917	53,633	6,170,550	2,379,663	7,633,948	-	916,265	8,550,213	2,379,663
RHS Windows Bond	2221	187,500	112,500	18,750	131,250	56,250	187,500	-	-	187,500	56,250
RHS Paving Bond	2222	284,527	13,160	247,492	260,652	23,875	284,527	-	-	284,527	23,875
Lime Kiln Air Handling	2715	22,710	22,710	-	22,710	-	22,710	-	-	22,710	-
Lime Kiln Roof	2716	828,397	739,427	55,212	794,639	33,758	828,397	-	-	828,397	33,758
Lime Kiln Paving Bond	2717	129,627	14,260	107,964	122,224	7,403	129,627	-	-	129,627	7,403
Elmwood Boiler Replacement	3015	781,628	778,445	-	778,445	3,183	708,746	-	72,882	781,628	3,183
Elmwood Roof Bond	3016	585,313	44,151	511,278	555,429	29,884	585,313	-	-	585,313	29,884
CRMS Roof, Boiler, AHU, Fan	3421	6,788,102	6,327,742	424,565	6,752,307	35,795	6,788,102	-	-	6,788,102	35,795
CRMS Interior Renovations	3422	909,920	678,219	165,874	844,093	65,827	957,103	150,000	41,000	1,148,103	304,010
CRMS Paving Bond	3423	126,327	14,260	104,811	119,071	7,256	126,327	-	-	126,327	7,256
Eldorado Window Replacement	3716	295,259	253,464	28,000	281,464	13,795	295,259	-	-	295,259	13,795
Eldorado Roof Windows	3717	565,960	509,849	26,372	536,221	29,739	565,960	-	-	565,960	29,739
Eldorado Paving Bond	3718	168,307	14,247	143,947	158,194	10,113	168,307	-	-	168,307	10,113
SVHS Press Box	5601/56A1	144,469	114,980	13,132	128,112	16,357	144,469	-	-	144,469	16,357
RHS Press Box	5701/57A1	140,086	105,337	24,377	129,714	10,372	140,086	-	-	140,086	10,372
SVHS Concession Stands	5801	412,590	385,005	2,467	387,472	25,118	412,590	-	-	412,590	25,118
RHS Concession Stands	5901	358,609	324,908	7,699	332,607	26,002	358,609	-	-	358,609	26,002
Unallocated 2016 bond costs		-	124,126	-	124,126	(124,126)	-	-	-	-	(124,126)
Subtotal 2016 Bond Projects		<u>59,939,100</u>	<u>41,991,459</u>	<u>10,179,012</u>	<u>52,170,471</u>	<u>7,768,629</u>	<u>56,912,348</u>	<u>219,304</u>	<u>3,045,631</u>	<u>60,177,283</u>	<u>8,006,812</u>
Total		<u>\$ 78,659,730</u>	<u>\$ 59,459,848</u>	<u>\$ 10,591,109</u>	<u>\$ 70,050,957</u>	<u>\$ 8,608,773</u>	<u>\$ 64,092,348</u>	<u>\$ 8,093,190</u>	<u>\$ 4,726,930</u>	<u>\$ 76,912,468</u>	<u>\$ 6,861,511</u>

\*Deficit fund balance will be eliminated once funding from New York State is received.

**EAST RAMAPO CENTRAL SCHOOL DISTRICT  
OTHER SUPPLEMENTARY INFORMATION  
NET INVESTMENT IN CAPITAL ASSETS  
JUNE 30, 2020**

<b>Capital assets, net</b>		\$76,445,759
<b>Deduct:</b>		
Short-term portion of construction bonds payable	(2,880,166)	
Long-term portion of construction bonds payable	(55,116,735)	
Less: unspent bond proceeds	5,823,032	(52,173,869)
 <b>Net investment in capital assets</b>		 \$24,271,890



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

To the Board of Education  
East Ramapo Central School District

We have audited, 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, the financial statements of the governmental activities, each major fund, and the fiduciary fund of East Ramapo Central School District, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the East Ramapo Central School District's basic financial statements, and have issued our report thereon dated September 25, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the East Ramapo Central School District's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the East Ramapo Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the East Ramapo 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the East Ramapo 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

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

*R.S. Abrams & Co., LLP*

R.S. Abrams & Co., LLP  
Islandia, NY  
October 9, 2020