

# DEPOSIT CENTRAL SCHOOL DISTRICT

## EXECUTIVE SUMMARY



# EXECUTIVE SUMMARY OF 2023 AUDIT REPORT AND FINDINGS

- Auditors' Report on Financial Statements and Supplementary Information
  - **Unmodified Opinion**
- Auditors' Report on Internal Control Over Financial Reporting and on Compliance in Accordance with *Government Auditing Standards*
  - **Unmodified Opinion**
- Auditors' Report on Compliance and Internal Control for Each Major Program Required by Uniform Guidance
  - **Unmodified Opinion**
  - **Total federal expenses of \$1,985,078 for the year ended June 30, 2023**

# EXECUTIVE SUMMARY OF 2023 AUDIT REPORT AND FINDINGS

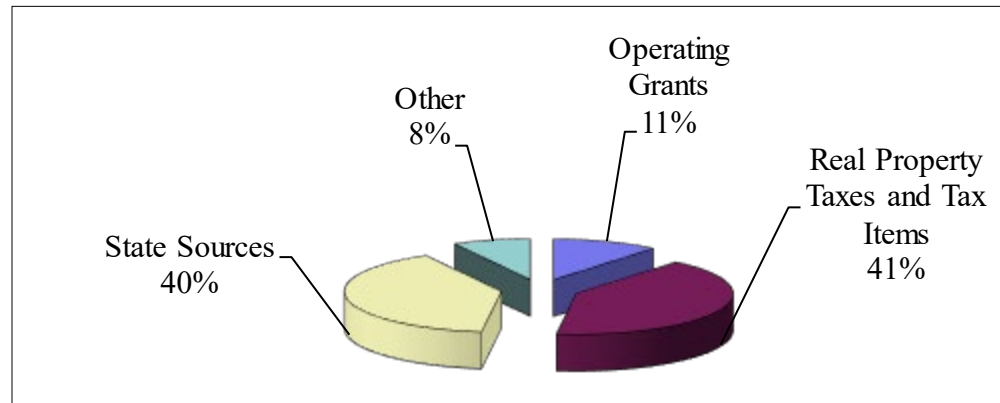
- Management Comment Letter
  - **No concerns or issues noted**
- Independent Auditors' Report on Extraclassroom Activity Funds
  - **Unmodified Opinion**
- Extraclassroom Activity Funds Management Comment Letter
  - **Several issues noted**

# REQUIRED COMMUNICATIONS

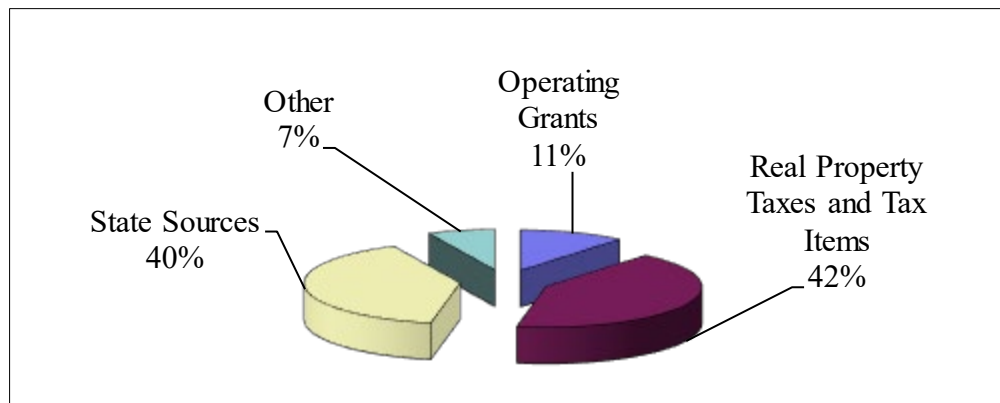
- Communication with Those Charged with Governance at the Conclusion of the Audit. **No comments of concern** to be reported regarding the following:
  - Qualitative Aspects of Accounting Practices
  - Difficulties Encountered in Performing the Audit
  - Corrected and Uncorrected Misstatements
  - Disagreements with Management
  - Management Representation
  - Management Consultations with Other Independent Accountants
  - Other Audit Findings or Issues
  - Other Matters

# GOVERNMENTAL ACTIVITIES: REVENUE

2023

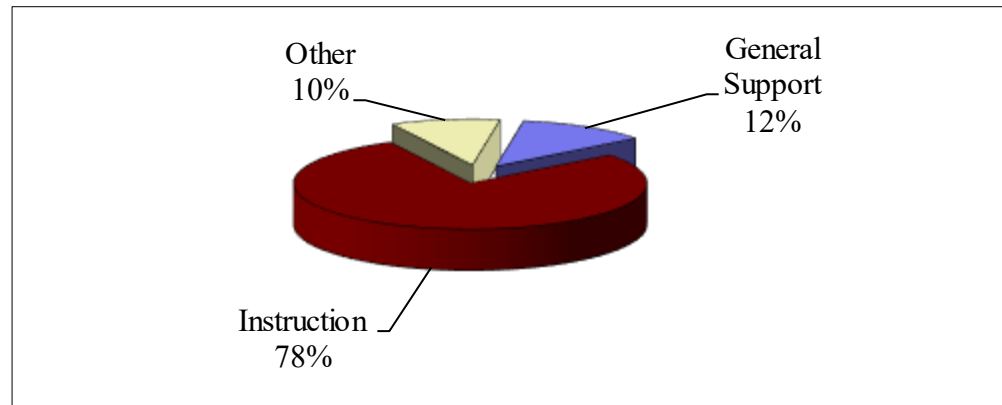


2022

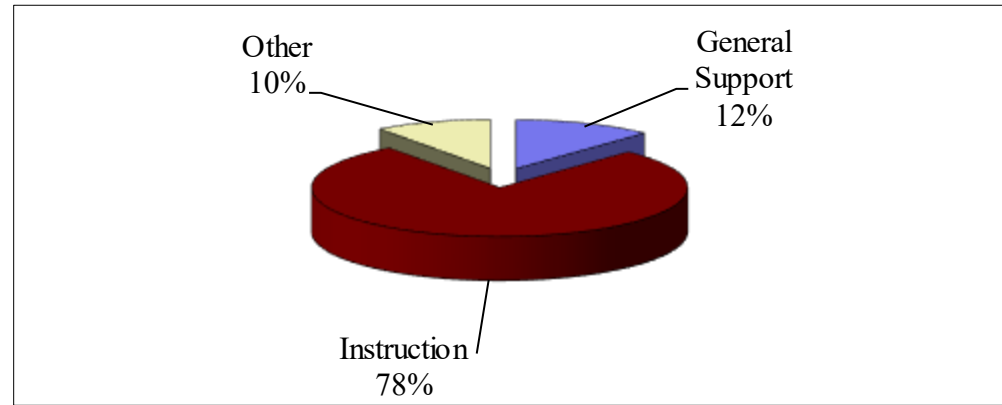


# GOVERNMENTAL ACTIVITIES: EXPENSES

2023



2022



# ASSETS - GENERAL FUND

	JUNE 30,				
	2023	2022	2021	2020	2019
<b>ASSETS</b>					
Cash and Investments	\$ 5,927,741	\$ 5,063,841	\$ 3,786,431	\$ 6,530,398	\$ 5,765,157
Receivables	495,431	585,446	538,324	498,608	546,294
Other	-	1,229	-	-	-
Due from Other Funds	434,387	389,576	249,976	236,234	57,060
<b>Total Assets</b>	<b>\$ 6,857,559</b>	<b>\$ 6,040,092</b>	<b>\$ 4,574,731</b>	<b>\$ 7,265,240</b>	<b>\$ 6,368,511</b>

# LIABILITIES - GENERAL FUND

	JUNE 30,				
	2023	2022	2021	2020	2019
<b>LIABILITIES</b>					
Accounts Payable and Accruals	\$ 287,449	\$ 257,172	\$ 283,045	\$ 156,077	\$ 303,374
Due to Retirement Systems	643,459	548,467	517,248	479,215	545,123
Unearned/Unavailable Revenue	-	-	38,940	3,680	3,680
Due to Other Funds	338	25,313	4,258	8,448	10,058
Other	-	24,277	-	25	7
<b>Total Liabilities</b>	<b>\$ 931,246</b>	<b>\$ 855,229</b>	<b>\$ 843,491</b>	<b>\$ 647,445</b>	<b>\$ 862,242</b>

# FUND BALANCE - GENERAL FUND

	JUNE 30,				
	2023	2022	2021	2020	2019
<b>FUND BALANCE</b>					
Nonspendable	\$ -	\$ 1,229	\$ -	\$ -	\$ -
Restricted	<b>4,492,301</b>	3,885,436	2,459,692	5,073,371	4,267,901
Assigned	<b>703,464</b>	594,882	568,371	655,719	579,624
Unassigned	<b>730,548</b>	703,316	703,177	888,705	658,744
<b>Total Fund Balances</b>	<b>5,926,313</b>	5,184,863	3,731,240	6,617,795	5,506,269
<b>Total Liabilities and Fund Balances</b>	<b>\$ 6,857,559</b>	<b>\$ 6,040,092</b>	<b>\$ 4,574,731</b>	<b>\$ 7,265,240</b>	<b>\$ 6,368,511</b>

# REVENUES - GENERAL FUND

	JUNE 30,				
	2023	2022	2021	2020	2019
<b>REVENUES</b>					
Real Property Taxes (Including STAR)	<b>\$ 8,682,849</b>	\$ 8,524,612	\$ 8,404,199	\$ 8,201,336	\$ 8,045,983
State Sources	<b>7,749,624</b>	7,587,350	7,204,626	7,512,351	7,131,369
Medicaid Reimbursements	<b>43,153</b>	47,491	51,197	75,914	77,422
Other	<b>743,117</b>	1,051,389	637,266	535,292	640,776
Interfund Transfers	<b>87,617</b>	-	55,438	-	2,558
<b>Total Revenues</b>	<b>\$ 17,306,360</b>	<b>\$ 17,210,842</b>	<b>\$ 16,352,726</b>	<b>\$ 16,324,893</b>	<b>\$ 15,898,108</b>



# EXPENDITURES - GENERAL FUND

	JUNE 30,				
	2023	2022	2021	2020	2019
<b>EXPENDITURES</b>					
General Support	\$ 1,657,503	\$ 1,465,035	\$ 1,859,479	\$ 1,564,969	\$ 1,467,750
Instruction	7,814,114	7,305,780	7,243,490	7,110,574	7,238,110
Transportation	660,298	676,587	583,018	587,942	671,540
Community Services	-	-	-	-	1,000
Employee Benefits	4,868,614	5,036,306	4,884,143	4,626,520	4,651,812
Debt Service	1,444,319	1,253,278	1,257,761	1,279,021	1,140,777
Interfund Transfers	120,062	20,233	3,411,390	44,341	507,779
<b>Total Expenditures</b>	<b>16,564,910</b>	<b>15,757,219</b>	<b>19,239,281</b>	<b>15,213,367</b>	<b>15,678,768</b>
Excess of Revenues (Expenditures)	\$ 741,450	\$ 1,453,623	\$ (2,886,555)	\$ 1,111,526	\$ 219,340

# OTHER GOVERNMENTAL FUNDS

	JUNE 30,				
	2023	2022	2021	2020	2019
<b>Capital Outlay</b>	<b>\$ 6,856,185</b>	<b>\$ 237,000</b>	<b>\$ 253,016</b>	<b>\$ 270,883</b>	<b>\$ 289,178</b>
<b>Special Aid Revenues and Transfers</b>	<b>\$ 1,742,244</b>	<b>\$ 1,186,320</b>	<b>\$ 601,770</b>	<b>\$ 726,225</b>	<b>\$ 554,758</b>
<b>Special Aid Expenditures and Transfers</b>	<b>\$ 1,742,244</b>	<b>\$ 1,186,320</b>	<b>\$ 601,770</b>	<b>\$ 726,225</b>	<b>\$ 554,758</b>
<b>School Lunch Revenues and Transfers</b>	<b>\$ 565,302</b>	<b>\$ 558,764</b>	<b>\$ 854,704</b>	<b>\$ 478,392</b>	<b>\$ 485,635</b>
<b>School Lunch Expenditures</b>	<b>\$ 720,681</b>	<b>\$ 612,121</b>	<b>\$ 514,329</b>	<b>\$ 463,818</b>	<b>\$ 481,891</b>

# GENERAL FUND RESERVE BALANCES

	JUNE 30				
	2023	2022	2021	2020	2019
<b>Fund Balance</b>					
<b>Nonspendable</b>					
Prepaid Items	\$ -	\$ 1,229	\$ -	\$ -	\$ -
<b>Total Nonspendable</b>	-	1,229	-	-	-
<b>Restricted</b>					
Worker's Compensation Reserve	157,214	153,302	153,256	153,240	102,223
Reserve for Employees' Retirement Contributions	1,134,437	1,106,209	1,105,874	1,105,757	1,094,862
Reserve for Teachers' Retirement Contributions	453,040	350,943	261,864	173,846	85,000
Tax Certiorari Reserve	26,663	26,000	-	-	-
Unemployment Insurance Reserve	47,635	46,449	46,435	63,507	62,881
Employee Benefit Accrued					
Liability Reserve	67,050	65,382	65,362	65,355	64,711
Capital Reserve	2,606,262	2,137,151	826,901	3,511,666	2,858,224
<b>Total Restricted</b>	4,492,301	3,885,436	2,459,692	5,073,371	4,267,901
<b>Assigned</b>					
Appropriated for Next Year's Budget	500,000	500,000	500,000	500,000	500,000
Encumbrances	203,464	94,882	68,371	155,719	79,624
<b>Total Assigned</b>	703,464	594,882	568,371	655,719	579,624
Unassigned	730,548	703,316	703,177	888,705	658,744
<b>Total Fund Balance</b>	\$ 5,926,313	\$ 5,184,863	\$ 3,731,240	\$ 6,617,795	\$ 5,506,269

# COMPLIANCE WITH §1318

<b>Compliance with §1318 of Real Property Law</b>	<b>JUNE 30,</b>				
	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Next Year's Budget is a Voter Approved Budget	<b>\$ 18,638,677</b>	\$ 17,788,865	\$ 17,764,432	\$ 17,197,590	\$ 16,871,848
Maximum Allowed (4% of Budget)	<b>745,547</b>	711,555	710,577	687,904	674,874
General Fund Fund Balance Subject to §1318 of Real Property Law	<b>730,548</b>	703,316	703,177	888,705	658,744
Actual Percentage	<b>3.92%</b>	3.95%	3.96%	5.17%	3.90%

# GENERAL FUND RESERVE ACTIVITY

<b>Current Year Reserve Activity</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Interest Earned</b>	<b>Appropriated</b>	<b>Ending Balance</b>
Worker's Compensation Reserve	\$ 153,302	\$ -	\$ 3,912		\$ 157,214
Reserve for Employees' Retirement Contributions	1,106,209	-	28,228	-	1,134,437
Reserve for Teachers' Retirement Contributions	350,943	93,141	8,956	-	453,040
Tax Certiorari Reserve	26,000	-	663	-	26,663
Unemployment Insurance Reserve	46,449	-	1,186	-	47,635
Employee Benefit Accrued					
Liability Reserve	65,382	-	1,668	-	67,050
Capital Reserve	2,137,151	415,000	54,111	-	2,606,262
<b>Total</b>	<b>\$ 3,885,436</b>	<b>\$ 508,141</b>	<b>\$ 98,724</b>	<b>\$ -</b>	<b>\$ 4,492,301</b>

# GENERAL FUND BUDGET - 2023

	2023				
	Original Budget	Revised Budget	Actual w/ Encumbrances	\$ Variance Fav. (Unfav.)	% Variance Fav. (Unfav.)
<b>REVENUES</b>					
Real Property Taxes	\$ 8,475,285	\$ 8,082,072	\$ 8,080,157	\$ (1,915)	(0.02%)
Other Tax Items	216,272	609,483	602,692	(6,791)	(1.11%)
State Sources	7,738,402	7,738,402	7,749,624	11,222	0.15%
Other, Including Financing Sources	656,055	656,055	873,887	217,832	33.20%
<b>Total Revenues and Other Financing Sources</b>	<b>17,086,014</b>	<b>17,086,012</b>	<b>\$ 17,306,360</b>	<b>\$ 220,348</b>	<b>1.29%</b>
Appropriated Fund Balances	702,853	902,855			
Encumbrances	94,882	94,882			
<b>Total Revenues</b>	<b>\$ 17,883,749</b>	<b>\$ 18,083,749</b>			
<b>EXPENDITURES</b>					
General Support	\$ 1,710,447	\$ 2,006,832	\$ 1,831,490	\$ 175,342	8.74%
Instruction	8,358,193	8,256,006	7,841,032	414,974	5.03%
Pupil Transportation	858,336	814,293	662,798	151,495	18.60%
Community Services	1,000	500	-	500	100.00%
Employee Benefits	5,529,035	5,415,930	4,868,673	547,257	10.10%
Debt Service	1,281,738	1,444,320	1,444,319	1	0.00%
Other Financing Uses	145,000	145,868	120,062	25,806	17.69%
<b>Total Expenditures</b>	<b>\$ 17,883,749</b>	<b>\$ 18,083,749</b>	<b>\$ 16,768,374</b>	<b>\$ 1,315,375</b>	<b>7.27%</b>

# GENERAL FUND BUDGET - 2022

	2022				
	Original Budget	Revised Budget	Actual w/ Encumbrances	\$ Variance Fav. (Unfav.)	% Variance Fav. (Unfav.)
<b>REVENUES</b>					
Real Property Taxes	\$ 8,370,650	\$ 7,965,460	\$ 7,961,176	\$ (4,284)	(0.05%)
Other Tax Items	159,739	564,929	563,436	(1,493)	(0.26%)
State Sources	7,621,156	7,621,156	7,587,350	(33,806)	(0.44%)
Federal Sources			317,244	317,244	100.00%
Other, Including Financing Sources	666,881	667,992	781,636	113,644	17.01%
<b>Total Revenues and Other Financing Sources</b>	<u>16,818,426</u>	<u>16,819,537</u>	<u>\$ 17,210,842</u>	<u>\$ 391,305</u>	<u>2.33%</u>
Appropriated Fund Balances	946,006	946,006			
Encumbrances	<u>68,371</u>	<u>68,371</u>			
<b>Total Revenues</b>	<u>\$ 17,832,803</u>	<u>\$ 17,833,914</u>			
<b>EXPENDITURES</b>					
General Support	\$ 1,634,844	\$ 1,644,430	\$ 1,522,724	\$ 121,706	7.40%
Instruction	8,387,107	8,409,171	7,337,853	1,071,318	12.74%
Pupil Transportation	729,830	818,112	681,707	136,405	16.67%
Community Services	1,000	1,000	-	1,000	100.00%
Employee Benefits	5,677,539	5,558,718	5,036,306	522,412	9.40%
Debt Service	1,253,483	1,253,483	1,253,278	205	0.02%
Other Financing Uses	<u>149,000</u>	<u>149,000</u>	<u>20,233</u>	<u>128,767</u>	<u>86.42%</u>
<b>Total Expenditures</b>	<u>\$ 17,832,803</u>	<u>\$ 17,833,914</u>	<u>\$ 15,852,101</u>	<u>\$ 1,981,813</u>	<u>11.11%</u>

# NET POSITION ANALYSIS

	JUNE 30,				
	2023	2022	2021	2020	2019
<b>NET POSITION</b>					
Net Investment in Capital Assets	\$ 15,637,093	\$ 13,846,661	\$ 13,015,108	\$ 13,027,352	\$ 12,357,161
Restricted	4,964,000	7,893,541	5,687,856	5,329,159	4,510,950
Unrestricted	(45,995,647)	(48,841,961)	(47,595,822)	(45,817,914)	(43,046,654)
<b>Total Net Position (Deficit)</b>	<b>\$ (25,394,554)</b>	<b>\$ (27,101,759)</b>	<b>\$ (28,892,858)</b>	<b>\$ (27,461,403)</b>	<b>\$ (26,178,543)</b>
<b>Unrestricted Net Position (Deficit)</b>	<b>\$ (45,995,647)</b>	<b>\$ (48,841,961)</b>	<b>\$ (47,595,822)</b>	<b>\$ (45,817,914)</b>	<b>\$ (43,046,654)</b>
(Less):					
GASB 68 - Net Pension (Asset)/Liability and Deferred Inflows and Outflows	(3,249,640)	2,969,875	(1,858,810)	(2,109,794)	(1,841,954)
GASB 75 - OPEB Liability and Deferred Inflows and Outflows	49,712,493	51,031,349	50,521,229	48,577,836	46,987,175
<b>Total Unrestricted Net Position (Deficit)</b>	<b>\$ 467,206</b>	<b>\$ 5,159,263</b>	<b>\$ 1,066,597</b>	<b>\$ 650,128</b>	<b>\$ 2,098,567</b>

# CURRENT AND FUTURE ACCOUNTING STANDARDS

## **Current Standards Implemented**

- The School District implemented GASB Statement No. 96 “Subscription-Based Information Technology Arrangements,” for the year ended June 30, 2023. There was no material effect on the financial statements.

## **Future Accounting Standards**

- GASB has issued Statement No. 101 “Compensated Absences,” effective for the year ending June 30, 2025.





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