



**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
COLD SPRING HARBOR, NEW YORK**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education of the
Cold Spring Harbor Central School District
Cold Spring Harbor, New York:

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Cold Spring Harbor Central School District, as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

NawrockiSmith

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Change in Accounting Principle

As described in Note 3 to the financial statements, in fiscal 2022 the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. The effect of this GASB Statement No. 87 did not require a restatement to the financial statements and was handled prospectively. Our opinion is not modified with respect to this matter.

NawrockiSmith

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information on pages 4-15 and 53-56, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

Hauppauge, New York
October 12, 2022



**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022**

The following is a discussion and analysis of the Cold Spring Harbor Central School District's (the "District") financial performance as of and for the year ended June 30, 2022. 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-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- Revenues increased by 2.1% primarily as a result of increased real property taxes, charges for services, operating grants and miscellaneous revenues, offset by decreases in other tax items, use of money and property, and federal sources. Expenses decreased by 13.7% primarily as a result of decreased general support and instructional expenses relating primarily to the changes in the proportionate share of the pension system and other postemployment benefits.
- The District continued to offer all programs, without reducing services, while maintaining adequate fund balances.
- During the fiscal year, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, which provides clearer guidance on the treatment of leases for accounting and reporting purposes.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Table A-1: Major Features of the District-Wide and Fund Financial Statements		
	District-Wide Financial Statements	Fund Financial Statements Governmental Funds
Scope	Entire District	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance
Required financial statements	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures and Changes in Fund Balance
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus
Type of asset/deferred outflows of resources/liability/deferred inflows of resources information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both financial and capital, short-term and long-term	Generally, assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due during the year or soon thereafter; no capital assets or long-term liabilities included
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

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.

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

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

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

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Fund Financial Statements

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

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

The District maintains governmental funds, which are described as follows:

- Governmental funds: Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds financial statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide financial statements, reconciliations of the District-wide and governmental funds financial statements are provided which explain the relationship (or differences) between them.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

The District's net position increased by 21.2% from the year before to a net deficit position balance of \$48,124,416, as detailed in Tables A-2 and A-3.

The restricted net position balance of \$29,959,073 represents assets that are restricted by external sources, imposed by laws through constitutional provisions or enabling legislation.

As of June 30, 2022, the District has an unrestricted net deficit of \$106,962,386. This deficit is primarily driven by the District's required recognition of the total other postemployment benefit ("OPEB") liability of \$91,566,645 as required by GASB Statement No. 75.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Table A-2: Condensed Statements of Net Position - Governmental Activities

	<u>6/30/22</u>	<u>6/30/21</u>	<u>\$ Change</u>	<u>% Change</u>
Current and other assets	\$ 86,395,515	\$ 35,813,832	\$ 50,581,683	141.2
Capital assets, net	<u>30,943,877</u>	<u>31,286,010</u>	<u>(342,133)</u>	(1.1)
Total assets	<u>117,339,392</u>	<u>67,099,842</u>	<u>50,239,550</u>	74.9
Deferred outflows of resources	<u>40,788,821</u>	<u>45,883,498</u>	<u>(5,094,677)</u>	(11.1)
Current liabilities	7,224,819	9,806,663	(2,581,844)	(26.3)
Long-term liabilities	<u>116,487,899</u>	<u>121,610,850</u>	<u>(5,122,951)</u>	(4.2)
Total liabilities	<u>123,712,718</u>	<u>131,417,513</u>	<u>(7,704,795)</u>	(5.9)
Deferred inflows of resources	<u>82,539,911</u>	<u>42,625,760</u>	<u>39,914,151</u>	93.6
Net position:				
Net investment in capital assets	28,878,897	28,254,764	624,133	2.2
Restricted	29,959,073	25,349,569	4,609,504	18.2
Unrestricted (deficit)	<u>(106,962,386)</u>	<u>(114,664,266)</u>	<u>7,701,880</u>	6.7
Total net position (deficit)	<u>\$ (48,124,416)</u>	<u>\$ (61,059,933)</u>	<u>\$ 12,935,517</u>	21.2

As of June 30, 2022, the District had positive working capital of \$5,383,535 as compared to \$5,163,327 as of June 30, 2021. The increase in working capital is primarily due to a decrease in bonds payable, net due within one year, offset by a decrease in unrestricted cash.

As of June 30, 2022, the District had an investment in net capital assets of \$30,943,877 as compared to \$31,286,010 as of June 30, 2021. The decrease from 2021 is due to the current year depreciation charges exceeding capital outlay.

Current and other assets increased \$50,581,683 primarily due to an increase in restricted cash and the proportionate share of the net pension system being in an asset position of \$28,337,035, as compared to a liability in the prior year.

Long-term liabilities decreased \$5,122,951 primarily due to the changes in the total OPEB liability and proportionate share of net pension liability, offset by the issuance of the new serial bonds.

Changes in Net Position

The District's fiscal year 2022 revenues totaled \$73,807,919 (See Table A-3). Real property taxes and State sources accounted for most of the District's revenue by contributing 89 cents and 6 cents, respectively, of every dollar raised (See Table A-4). The remainder came from other tax items, charges for services, operating grants, miscellaneous, and use of money and property.

Revenues increased 2.1% or \$1,545,594, primarily as a result of an increase in real property taxes of \$742,096 (based on assessed valuation), miscellaneous revenues of \$323,193, charges for services of \$289,067 and operating grants of \$240,390.

The District's fiscal year 2022 expenses totaled \$60,872,402 (See Table A-3). These expenses (80 percent) are predominantly related to instruction and transporting students (See Table A-6). The District's administrative and business activities accounted for 18 percent of total costs.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Table A-3: Changes in Net Position from Operating Results - Governmental Activities Only

	<u>6/30/22</u>	<u>6/30/21</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues				
Program revenues:				
Charges for services	\$ 954,748	\$ 665,681	\$ 289,067	43.4
Operating grants	1,094,056	853,666	240,390	28.2
General revenues:				
Real property taxes	65,866,762	65,124,666	742,096	1.1
Other tax items	683,632	770,596	(86,964)	(11.3)
Use of money and property	49,557	86,937	(37,380)	(43.0)
Sale of property and compensation for loss	-	400	(400)	(100.0)
State sources	4,254,166	4,158,966	95,200	2.3
Federal sources - Medicaid	3,002	22,610	(19,608)	(86.7)
Miscellaneous	901,996	578,803	323,193	55.8
Total revenues	<u>73,807,919</u>	<u>72,262,325</u>	<u>1,545,594</u>	2.1
Expenses				
General support	11,047,053	11,373,051	(325,998)	(2.9)
Instruction	44,348,268	54,121,822	(9,773,554)	(18.1)
Pupil transportation	4,601,465	4,121,534	479,931	11.6
Debt service - interest	15,356	137,526	(122,170)	(88.8)
School lunch program	860,260	753,718	106,542	14.1
Total expenses	<u>60,872,402</u>	<u>70,507,651</u>	<u>(9,635,249)</u>	(13.7)
Change in net position	12,935,517	1,754,674	11,180,843	637.2
Net position (deficit), beginning of year	<u>(61,059,933)</u>	<u>(62,814,607)</u>	<u>1,754,674</u>	2.8
Net position (deficit), end of year	<u>\$ (48,124,416)</u>	<u>\$ (61,059,933)</u>	<u>\$ 12,935,517</u>	21.2

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Table A-4: Sources of Revenues for Fiscal Year 2022

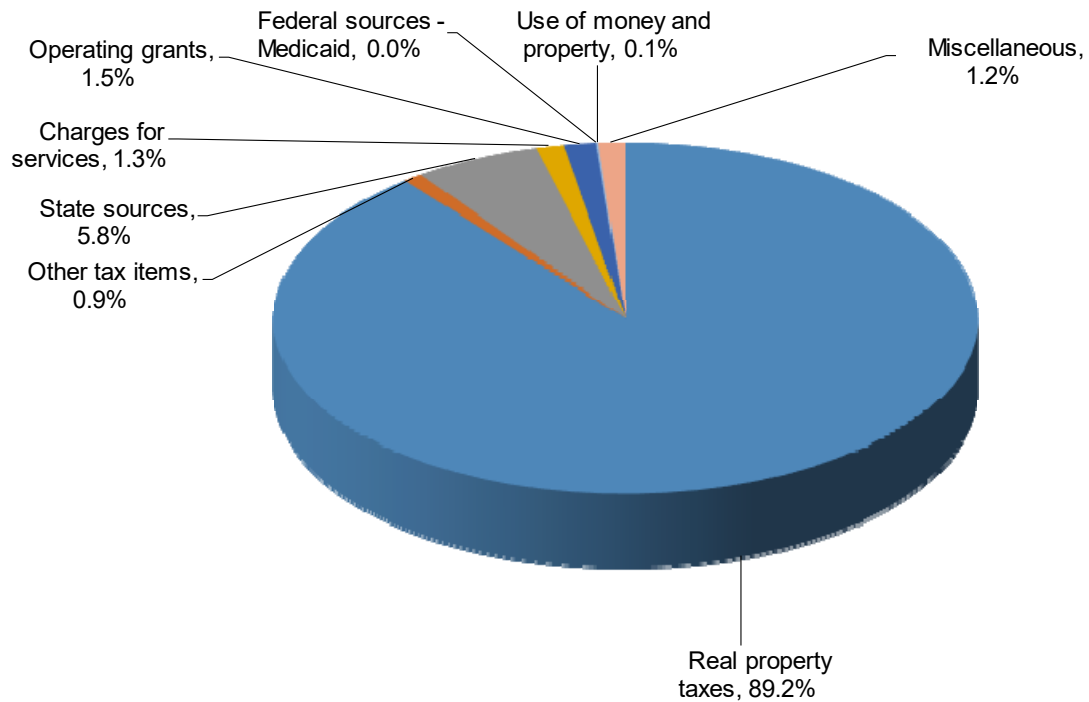
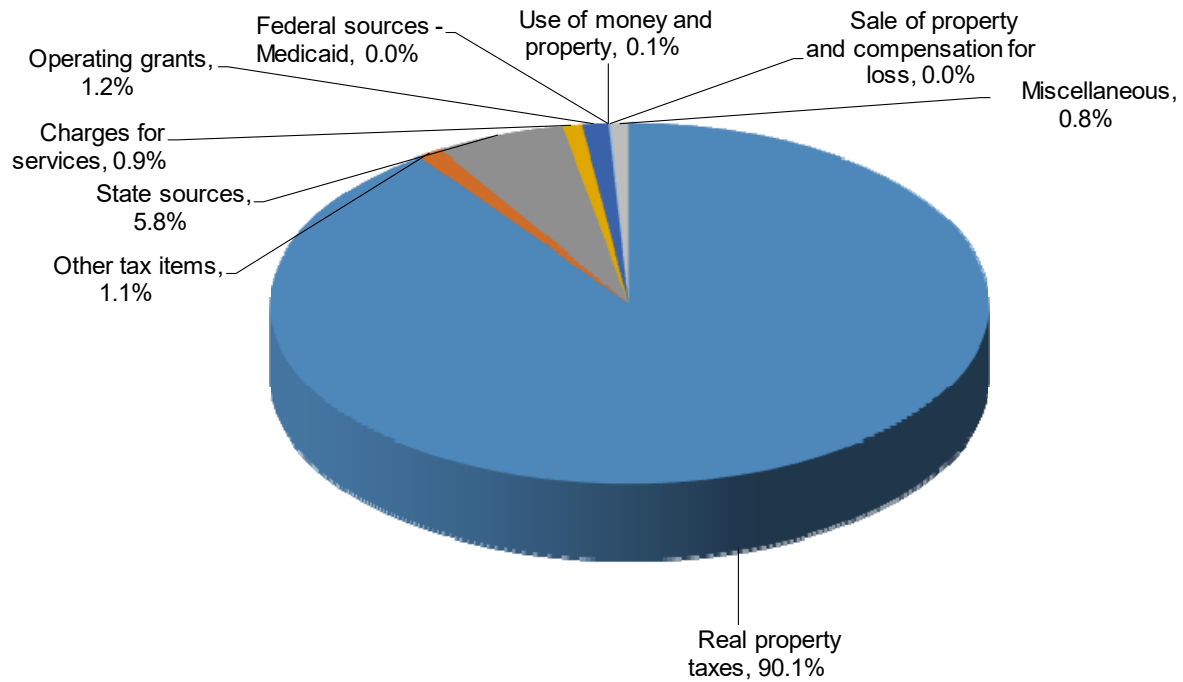


Table A-5: Sources of Revenues for Fiscal Year 2021



**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Table A-6: Expenses for Fiscal Year 2022

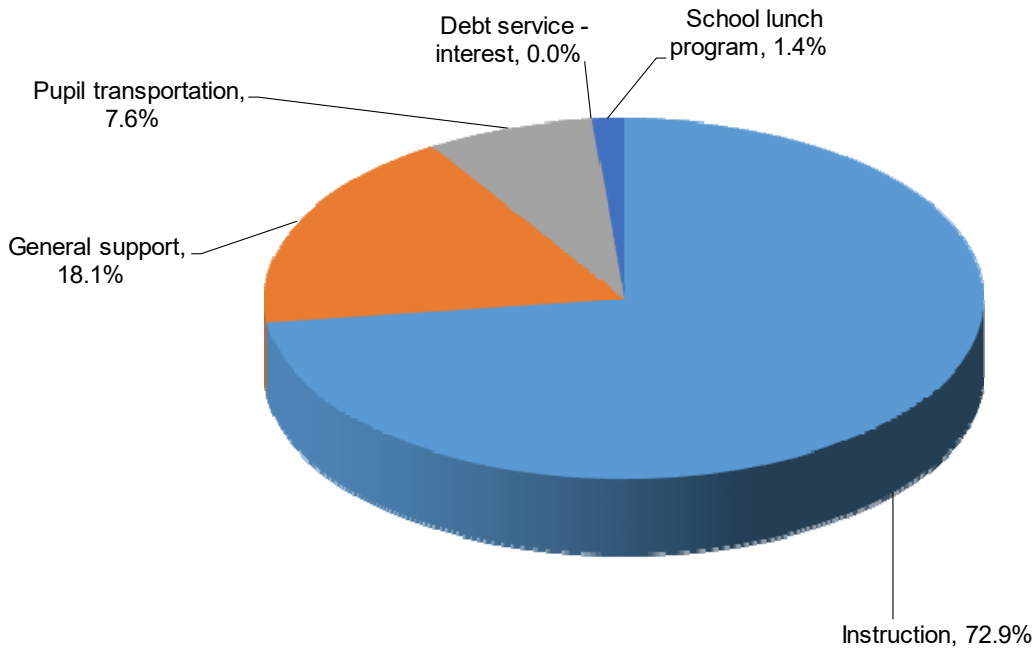
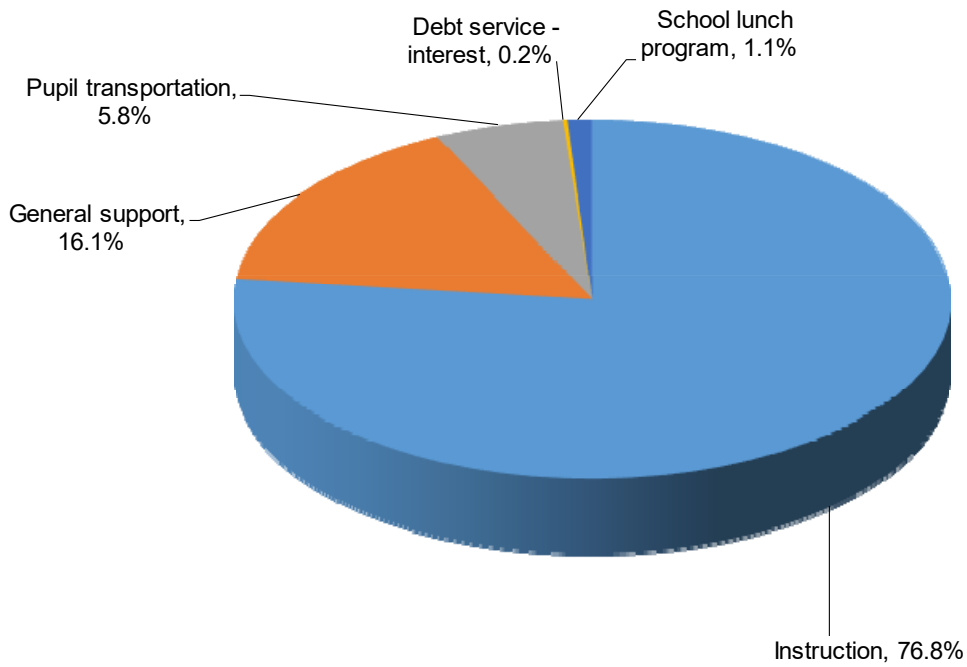


Table A-7: Expenses for Fiscal Year 2021



**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Governmental Activities

Revenues for the District's governmental activities totaled \$73,807,919 while total expenses were \$60,872,402. Therefore, the increase in net position for governmental activities was \$12,935,517 in 2022. The District's financial condition was affected by:

- An increase in real property tax revenue;
- Changes in State aid (sources);
- Changes in the total OPEB liability; and
- Impacts of COVID-19.

The major changes in revenues and expenses are as follows:

Revenues:

- Real property taxes increased by \$742,096. This increase was within the tax cap, reflects a modest tax increase to residents and allows for a continued strong educational program.
- Other tax items include the reimbursements received under the School Tax Reimbursement Program ("STAR"). The STAR program provides tax relief to homeowners through State reimbursement to the District. Payments in lieu of taxes ("PILOTS") are also included within this category. The revenues from the PILOT payments decreased \$2,004 from 2021, while the STAR program decreased \$84,960 reflecting a decline in the number of granted exemptions during the year ended June 30, 2022. Any decline in revenue from the STAR program is offset by the property tax levy.
- Miscellaneous revenues increased by \$323,193, or 55.8% during the year ended June 30, 2022, primarily due to increased extraclassroom activity fund revenues as student activities returned to normal levels.
- Charges for services increased by \$289,067, or 43.4% during the year ended June 30, 2022, primarily due to increased out of district tuition and school lunch meal sales.
- Operating grants increased by \$240,390, or 28.2% during the year ended June 30, 2022, primarily due to increased state and federal aid in the School Lunch Fund.

Expenses:

- General support expenses decreased \$325,998 and instruction expenses decreased \$9,773,554 primarily due to the allocation of the changes in the proportionate share of the pension system and the total OPEB liability.

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 debt liabilities for the funds' projects and capital assets purchased by the funds. Governmental funds will include the proceeds received from the issuance of debt, the current payments for capital assets, and the current payments for debt.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

At June 30, 2022, the District's governmental funds reported a combined fund balance of \$52,456,624, which is an increase of \$22,749,959 from June 30, 2021. Fund balances for the District's governmental funds for the past two years were distributed as follows:

Table A-8: Fund Balances - Governmental Funds	<u>6/30/22</u>	<u>6/30/21</u>	<u>\$ Change</u>	<u>% Change</u>
General Fund				
Restricted:				
Capital	\$ 12,634,411	\$ 8,492,571	\$ 4,141,840	48.8
Employee Benefit Accrued Liability	3,658,652	3,649,463	9,189	0.3
Unemployment Insurance	275,773	275,081	692	0.3
Workers' Compensation	701,845	700,082	1,763	0.3
Retirement Contributions	4,433,829	4,422,694	11,135	0.3
Liability Claims	2,138,152	2,132,782	5,370	0.3
Assigned:				
Appropriated for subsequent year's expenditures	720,000	720,000	-	0.0
Encumbrances	578,338	591,651	(13,313)	(2.3)
Unassigned	<u>2,936,816</u>	<u>2,880,696</u>	<u>56,120</u>	<u>1.9</u>
Total General Fund	<u>28,077,816</u>	<u>23,865,020</u>	<u>4,212,796</u>	<u>17.7</u>
School Lunch Fund				
Nonspendable:				
Inventory	12,812	14,102	(1,290)	(9.1)
Assigned:				
School Lunch Fund	<u>116,231</u>	<u>114,943</u>	<u>1,288</u>	<u>1.1</u>
Total School Lunch Fund	<u>129,043</u>	<u>129,045</u>	<u>(2)</u>	<u>(0.0)</u>
Other Miscellaneous Special Revenue Fund				
Restricted:				
Extraclassroom Activity Funds	158,756	158,617	139	0.1
Scholarships	24,465	24,327	138	0.6
Assigned:				
Student activities	<u>30,658</u>	<u>35,704</u>	<u>(5,046)</u>	<u>(14.1)</u>
Total Other Miscellaneous Special Revenue Fund	<u>213,879</u>	<u>218,648</u>	<u>(4,769)</u>	<u>(2.2)</u>
Debt Service Fund				
Restricted:				
Debt Service	<u>644,885</u>	<u>644,885</u>	<u>-</u>	<u>0.0</u>
Total Debt Service Fund	<u>644,885</u>	<u>644,885</u>	<u>-</u>	<u>0.0</u>
Capital Projects Fund				
Restricted:				
District improvements	<u>23,391,001</u>	<u>4,849,067</u>	<u>18,541,934</u>	<u>382.4</u>
Total Capital Projects Fund	<u>23,391,001</u>	<u>4,849,067</u>	<u>18,541,934</u>	<u>382.4</u>
Total fund balance	<u>\$ 52,456,624</u>	<u>\$ 29,706,665</u>	<u>\$ 22,749,959</u>	<u>76.6</u>

The retirement reserve includes \$2,828,744 reserved for NYSERS and \$1,605,085 reserved for NYSTRS.

General Fund

The General Fund reported an increase in fund balance of \$4,212,796 for fiscal 2022, as compared to an increase of \$293,679 for fiscal 2021. Revenues increased \$625,104 mainly as a result of the increase in the budgeted property tax levy. Expenditures increased \$716,870 due to increases in most categories, offset by a decrease in debt service principal and interest. As a result of the revenues exceeding expenditures, the District reported an increase in net position. The District also performed favorably compared to the budgeted expectations, as shown on page 53.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

General Fund Budgetary Highlights

Reference is made to the supplementary schedule on page 53 which presents original and revised budget amounts, as well as actual results for the District's General Fund.

- Actual revenues were more than the final budgeted revenues by \$318,339.
- Actual expenditures were \$3,674,678 (including encumbrances of \$578,338) less than final budget (not including interfund transfers).

At June 30, 2022, the District's unassigned fund balance was \$2,936,816 which was within the allowable 4% of the subsequent year's budget (\$73,420,423) as promulgated by New York State (see page 57). The following is a reconciliation of the General Fund's unassigned fund balance for the year ended June 30, 2022:

Unassigned fund balance, beginning of year	\$ 2,880,696
Add:	
Net change in fund balance	4,212,796
Prior-year appropriated fund balance	720,000
Prior-year encumbrances	591,651
Less:	
Current-year appropriated fund balance	(720,000)
Current-year encumbrances	(578,338)
Transfer to Capital Reserve	(4,120,456)
Interest on Capital Reserve	(21,384)
Interest on Employee Benefit Accrued Liability Reserve	(9,189)
Interest on Unemployment Insurance Reserve	(692)
Interest on Workers' Compensation Reserve	(1,763)
Interest on Retirement Contributions Reserve	(11,135)
Interest on Liability Claims Reserve	(5,370)
Unassigned fund balance, end of year	<u><u>\$ 2,936,816</u></u>

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

By the end of 2022, the District had invested \$30,943,877 net of depreciation, in a broad range of capital assets, including school buildings, maintenance facilities, athletic facilities, computer and audio-visual equipment, and administrative offices. The District is conducting a variety of minor capital projects through its Capital Reserve Program.

Table A-9: Capital Assets (net of depreciation)				
	<u>6/30/22</u>	<u>6/30/21</u>	<u>\$ Change</u>	<u>% Change</u>
Land	\$ 125,075	\$ 125,075	\$ -	0.0
Construction-in-progress	3,939,713	3,907,669	32,044	0.8
Buildings and building improvements	25,531,843	26,040,823	(508,980)	(2.0)
Furniture and equipment	1,347,246	1,212,443	134,803	11.1
Totals	<u><u>\$ 30,943,877</u></u>	<u><u>\$ 31,286,010</u></u>	<u><u>\$ (342,133)</u></u>	<u><u>(1.1)</u></u>

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Long-Term Debt

At year-end, the District had \$26,986,971 in general obligation bonds and other long-term debt.

Table A-10: Outstanding Long-Term Debt

	<u>6/30/22</u>	<u>6/30/21</u>	<u>\$ Change</u>	<u>% Change</u>
General obligation bonds	\$ 20,161,623	\$ 3,031,246	\$ 17,130,377	565.1
Lease liability	474,433	-	474,433	100.0
Workers' Compensation				
claims payable	1,747,276	1,740,269	7,007	0.4
Compensated absences	<u>4,603,639</u>	<u>4,514,397</u>	<u>89,242</u>	<u>2.0</u>
Totals	<u>\$ 26,986,971</u>	<u>\$ 9,285,912</u>	<u>\$ 17,701,059</u>	<u>190.6</u>

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future:

- In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a pandemic. COVID-19 had a significant impact on the District's operational and financial performance, as the District had to change the way in which it offered instruction to its students.
- The "Tax Levy Limitation Law" which was enacted on June 24, 2011 restricts the amount of property taxes that may be levied by or on behalf of a school district in a particular year. Although there are exceptions, exemptions and overrides to the limitation, the new Law is expected to make budgetary decisions more difficult.
- The General Fund Budget for the 2022-2023 school year was approved by the voters in the amount of \$73,420,423, which represents an increase of \$1,403,005 or 1.5% over the Original Budget for the 2021-22 school year of \$72,017,418.
- The General Fund budget for the 2022-2023 school year is impacted by certain trends affecting school districts. These include potential increases in retirement contributions, health insurance costs, Workers' Compensation judgments and potential unemployment insurance claims, which are beyond the District's control.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

Cold Spring Harbor Central School District
District Offices
Attn: Assistant Superintendent of Business
75 Goose Hill Road
Cold Spring Harbor, NY 11724
(631) 367-5928

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS	
Unrestricted cash	\$ 10,236,694
Receivables:	
State and federal aid	1,724,690
Due from other governments	631,345
Other	2,813
Inventories	12,812
Restricted cash	44,981,746
Right-to-use assets, net	468,380
Proportionate share of net pension asset	28,337,035
Capital assets:	
Non-depreciable	4,064,788
Depreciable, net of accumulated depreciation of \$52,832,018	26,879,089
Total assets	<u>117,339,392</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows from pensions	19,097,813
Deferred outflows from OPEB	21,691,008
Total deferred outflows of resources	<u>40,788,821</u>
LIABILITIES	
Accounts payable	1,166,404
Accrued interest payable	25,626
Accrued liabilities	710,697
Due to other governments	52,547
Due to teachers' retirement system	2,892,785
Due to employees' retirement system	192,503
Unearned revenues	118,540
Long-term liabilities, due within one year:	
Bonds payable, inclusive of premiums and discounts	1,310,775
Lease liability	119,850
Workers' Compensation claims payable	174,728
Compensated absences	460,364
Long-term liabilities, due after one year:	
Bonds payable, inclusive of premiums and discounts	18,850,848
Lease liability	354,583
Workers' Compensation claims payable	1,572,548
Compensated absences	4,143,275
Other postemployment benefits obligation	91,566,645
Total liabilities	<u>123,712,718</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows from pensions	34,476,640
Deferred inflows from OPEB	48,063,271
Total deferred inflows of resources	<u>82,539,911</u>
NET POSITION	
Net investment in capital assets	28,878,897
Restricted:	
Capital	12,634,411
Employee Benefit Accrued Liability	3,658,652
Unemployment Insurance	275,773
Workers' Compensation	701,845
Retirement Contributions	4,433,829
Liability Claims	2,138,152
Scholarships and student activities	183,221
Debt Service	644,885
District Improvements	5,288,305
Unrestricted	(106,962,386)
Total net position	<u>\$ (48,124,416)</u>

The accompanying notes to financial statements are an
integral part of this statement.

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

		Program Revenues		Net (Expense)
		Charges for	Operating	Revenue and
	Expenses	Services	Grants	Changes in
				Net Position
Functions and programs:				
General support	\$ 11,047,053	\$ 71,764	\$ 102,817	\$ (10,872,472)
Instruction	44,348,268	428,941	614,544	(43,304,783)
Pupil transportation	4,601,465	869	1,244	(4,599,352)
Debt service - interest	15,356	-	-	(15,356)
School lunch program	860,260	453,174	375,451	(31,635)
Total functions and programs	<u>\$ 60,872,402</u>	<u>\$ 954,748</u>	<u>\$ 1,094,056</u>	<u>(58,823,598)</u>
General revenues:				
Real property taxes				65,866,762
Other tax items				683,632
Use of money and property				49,557
State sources				4,254,166
Federal sources - Medicaid assistance				3,002
Miscellaneous				<u>901,996</u>
Total general revenues				<u>71,759,115</u>
Change in net position				12,935,517
Total net position, beginning of year				<u>(61,059,933)</u>
Total net position, end of year				<u>\$ (48,124,416)</u>

The accompanying notes to financial statements are an
integral part of this statement.

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

Major Funds							
	Special Revenue Funds						Total Governmental Funds
	General	Special Aid	School Lunch	Other Miscellaneous Special Revenue	Debt Service	Capital Projects	
ASSETS							
Unrestricted cash	\$ 10,105,507	\$ -	\$ 100,529	\$ 30,658	\$ -	\$ -	\$ 10,236,694
Receivables:							
State and federal aid	1,287,810	366,035	70,845	-	-	-	1,724,690
Property taxes	631,345	-	-	-	-	-	631,345
Due from other funds	378,983	-	-	-	-	3,619,508	3,998,491
Other	1,811	-	1,002	-	-	-	2,813
Inventories	-	-	12,812	-	-	-	12,812
Restricted cash	23,842,662	58,080	116,231	183,221	645,222	20,136,330	44,981,746
Total assets	\$ 36,248,118	\$ 424,115	\$ 301,419	\$ 213,879	\$ 645,222	\$ 23,755,838	\$ 61,588,591
LIABILITIES							
Payables:							
Accounts payable	\$ 746,279	\$ 19,011	\$ 36,277	\$ -	\$ -	\$ 364,837	\$ 1,166,404
Accrued liabilities	666,711	18,565	25,421	-	-	-	710,697
Due to other funds	3,619,508	327,329	51,317	-	337	-	3,998,491
Due to other governments	52,516	-	31	-	-	-	52,547
Due to teachers' retirement system	2,892,785	-	-	-	-	-	2,892,785
Due to employees' retirement system	192,503	-	-	-	-	-	192,503
Unearned revenues	-	59,210	59,330	-	-	-	118,540
Total liabilities	8,170,302	424,115	172,376	-	337	364,837	9,131,967
FUND BALANCE							
Fund balance:							
Nonspendable	-	-	12,812	-	-	-	12,812
Restricted	23,842,662	-	-	183,221	644,885	23,391,001	48,061,769
Assigned	1,298,338	-	116,231	30,658	-	-	1,445,227
Unassigned	2,936,816	-	-	-	-	-	2,936,816
Total fund balance	28,077,816	-	129,043	213,879	644,885	23,391,001	52,456,624
Total liabilities and fund balance	\$ 36,248,118	\$ 424,115	\$ 301,419	\$ 213,879	\$ 645,222	\$ 23,755,838	\$ 61,588,591

The accompanying notes to financial statements are an
integral part of this statement.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022**

Total Fund Balance - Governmental Funds	\$	52,456,624
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Amounts reported for governmental activities in the Statement of Net Position are different due to the following:

Capital assets less accumulated depreciation are included in the Statement of Net Position:

Capital assets:			
Non-depreciable	\$	4,064,788	
Depreciable		79,711,107	
Accumulated depreciation		<u>(52,832,018)</u>	30,943,877

Right-to-use assets used in governmental activities are not financial resources and therefore are not reported in the fund financial statements.

Right-to-use assets		595,767	
Accumulated amortization		<u>(127,387)</u>	468,380

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported in the fund financial statements. However, these liabilities are included in the Statement of Net Position:

Bonds payable, inclusive of premiums and discounts		(20,161,623)	
Lease liabilities		(474,433)	
Workers' Compensation claims payable		(1,747,276)	
Compensated absences		<u>(4,603,639)</u>	(26,986,971)

Proportionate share of long-term assets (liabilities), deferred outflows of resources and deferred inflows of resources associated with participation in the State retirement systems are not current financial resources or obligations and are not reported in the funds.

Proportionate share of net pension asset		28,337,035	
Deferred outflows of resources - pension related		19,097,813	
Deferred inflows of resources - pension related		<u>(34,476,640)</u>	12,958,208

Total OPEB liability, deferred outflows of resources and deferred inflows of resources associated with the total OPEB liability are not current financial resources or obligations and are not reported in the funds.

Deferred outflows of resources - OPEB related		21,691,008	
Total OPEB liability		(91,566,645)	
Deferred inflows of resources - OPEB related		<u>(48,063,271)</u>	(117,938,908)

Interest payable applicable to the District's activities are not due and payable in the current period and accordingly are not reported in the fund financial statements. However, these liabilities are included in the Statement of Net Position.

(25,626)

Net Position - Governmental Activities

\$ (48,124,416)

The accompanying notes to financial statements are an
integral part of this statement.

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Major Funds						
	Special Revenue Funds					Total Governmental Funds	
	General	Special Aid	School Lunch	Other Miscellaneous Special Revenue	Debt Service	Capital Projects	
REVENUES							
Real property taxes	\$ 65,866,762	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,866,762
Other tax items	683,632	-	-	-	-	-	683,632
Charges for services	501,574	-	-	-	-	-	501,574
Use of money and property	49,533	-	24	-	-	-	49,557
State sources	4,254,166	121,717	6,147	-	-	-	4,382,030
Federal sources	3,002	596,888	369,304	-	-	-	969,194
Sales	-	-	453,174	-	-	-	453,174
Miscellaneous	257,088	-	7,766	585,932	-	-	850,786
Total revenues	71,615,757	718,605	836,415	585,932	-	-	73,756,709
EXPENDITURES							
Current -							
General support	9,226,073	-	476,158	-	-	-	9,702,231
Instruction	35,366,966	740,412	-	590,701	-	-	36,698,079
Pupil transportation	4,555,187	29,866	-	-	-	-	4,585,053
Employee benefits	14,742,833	-	31,276	-	-	-	14,774,109
Cost of sales	-	-	352,826	-	-	-	352,826
Capital outlay	-	-	-	-	-	2,517,959	2,517,959
Debt service -							
Principal	2,977,131	-	-	-	-	-	2,977,131
Interest	208,759	-	-	-	-	-	208,759
Total expenditures	67,076,949	770,278	860,260	590,701	-	2,517,959	71,816,147
Excess (deficiency) of revenues over (under) expenditures	4,538,808	(51,673)	(23,845)	(4,769)	-	(2,517,959)	1,940,562
OTHER FINANCING SOURCES (USES)							
Proceeds from issuance of serial bonds	-	-	-	-	-	20,000,000	20,000,000
Premium on bonds issued	161,623	-	-	-	-	-	161,623
Premium on obligations	51,210	-	-	-	-	-	51,210
Proceeds from issuance of leases	596,564	-	-	-	-	-	596,564
Transfers in	125,107	51,673	23,843	-	-	1,185,000	1,385,623
Transfers out	(1,260,516)	-	-	-	-	(125,107)	(1,385,623)
Total other financing sources (uses)	(326,012)	51,673	23,843	-	-	21,059,893	20,809,397
Change in fund balance	4,212,796	-	(2)	(4,769)	-	18,541,934	22,749,959
Fund balance, beginning of year	23,865,020	-	129,045	218,648	644,885	4,849,067	29,706,665
Fund balance, end of year	\$ 28,077,816	\$ -	\$ 129,043	\$ 213,879	\$ 644,885	\$ 23,391,001	\$ 52,456,624

The accompanying notes to financial statements are an
integral part of this statement.

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Net Change in Fund Balance - Governmental Funds \$ 22,749,959

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which depreciation exceeds capital outlay in the current period is:

Capital outlay	\$ 2,833,930	
Depreciation expense	<u>(3,176,063)</u>	(342,133)

Government funds report lease outlays as expenditures. However, in the Statement of Activities, the cost of those leases is allocated over their lease term and reported as amortization expense.

Right-to-use assets	595,767	
Amortization expense	<u>(127,387)</u>	468,380

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position.

Proceeds from issuance of serial bonds	(20,000,000)	
Premium on bond issuance	(161,623)	
Lease liabilities issued	(596,564)	
Repayment of bond principal	2,855,000	
Principal payments on lease liabilities	<u>122,131</u>	(17,781,056)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Workers' Compensation claims payable	(7,007)	
Amortization of bond issue premiums and discounts, net	176,246	
Compensated absences payable	(89,242)	
Accrued interest costs	<u>17,157</u>	97,154

Changes in the proportionate share of the collective pension expense of the State retirement plans reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds.

Proportionate share of the net pension asset	28,337,035	
Deferred outflows of resources from pensions	169,208	
Proportionate share of the net pension liability	4,373,407	
Deferred inflows of resources from pensions	<u>(28,214,337)</u>	4,665,313

Changes in the amounts related to the total OPEB liability reported in the Statement of Activities do not provide for or required the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds.

Deferred outflows of resources - OPEB related	(5,263,885)	
Total OPEB liability	20,041,599	
Deferred inflows of resources - OPEB related	<u>(11,699,814)</u>	<u>3,077,900</u>

Change in Net Position - Governmental Activities \$ 12,935,517

The accompanying notes to financial statements are an
integral part of this statement.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022**

1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Cold Spring Harbor Central School District (the "District") have been prepared in conformity with generally accepted accounting principles ("GAAP") as applied to government 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.

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

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

The accompanying financial statements present the activities of the District. The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on such criteria the District has determined there are no component units to be included within their reporting entity.

B. Joint venture

The District is a component district in the Western Suffolk 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 that 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.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

During the year, the District was billed \$3,256,821 for BOCES administrative and program costs.

The District's share of BOCES aid amounted to \$1,194,432.

Financial statements for the BOCES are available from the BOCES administrative office.

C. Basis of presentation

1. District-wide financial statements

The Statement of Net Position and the Statement of Activities present financial information about the District's governmental activities. These financial statements include the financial activities of the overall government in its entirety.

Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, State aid (sources), intergovernmental revenues, and other exchange and nonexchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The Statement of Net Position presents the financial position of the District at fiscal year-end. 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, depreciation and amortization, 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.

2. Fund financial statements

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The District reports the following major governmental funds:

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

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

Special Aid Fund: Used to account for proceeds received from State and federal grants that are restricted for educational programs.

School Lunch Fund: Used to account for child nutrition activities whose funds are restricted as to use.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Other Miscellaneous Special Revenue Fund: Used to account for the activities of student groups, extraclassroom activity funds and scholarships for students.

Capital Projects Funds: These funds are used to account for the financial resources used for acquisition, construction, or major repair of District facilities.

Debt Service Fund: This fund accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of governmental activities. When a capital asset is sold and all or a portion of the bonds used to finance the capital asset are outstanding, this fund must be used to account for the proceeds from the sale of capital assets up to the balance of related bonds outstanding.

D. Measurement focus and basis of accounting

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

The District-wide 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. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, State aid, 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 90 days 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, claims and judgments and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

E. Property taxes

Real property taxes for the Town of Oyster Bay residents are levied annually by the Board of Education during the month of September and become a lien on October 1st and April 1st. This portion of the District's tax levy is collected by the Town of Oyster Bay and remitted to the District. Uncollected real property taxes have been enforced by the County in which the District is located. Nassau County has paid an amount representing uncollected real property taxes transmitted to the County for enforcement to the District no later than the following April 1st.

Real property taxes for the Town of Huntington residents are levied annually by the Board of Education no later than November 1st, and become a lien on December 1st. This portion of the District's tax levy is collected by the Town of Huntington along with the respective Town and Suffolk County levies. These tax collections are remitted to the District and Town Comptroller until their respective taxes are satisfied in accordance with the Suffolk County Tax Act. All subsequent tax collections, through June 30th, are remitted by the Town to Suffolk County which in turn is responsible for any uncollected taxes.

F. Restricted resources

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

G. Interfund transactions

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

Advances to/from other funds represent loans to other funds which are not expected to be repaid within the subsequent year. The advances are offset by nonspendable fund balance in the fund financial statements, which indicates that the funds are not "available" for appropriation and are not expendable available financial resources.

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). Eliminations have been made for all interfund receivables and payables between the funds.

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

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

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

H. Estimates

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

I. Cash and cash equivalents

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

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

Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies; obligations of the State and its municipalities and school districts and obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization (if permitted by the District's policy).

J. Accounts receivable

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

K. Inventories and prepaid items

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

Prepaid items represent payments made by the District for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and may be 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.

A portion of the fund balance in the amount of these non-liquid assets (inventories and prepaid items) has been identified as not available for other subsequent expenditures.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

L. Other assets/restricted assets

Certain proceeds from serial bonds and bond anticipation notes, as well as resources set aside for their repayment are classified as restricted assets in the District-wide financial statements as their use is limited by applicable bond covenants.

In the District-wide financial statements, bond discounts and premiums, and any prepaid bond issuance costs are deferred and amortized over the life of the debt issue. Bond issuance costs are recognized as an expense in the period incurred.

M. Capital assets

Capital assets are reported at actual cost for acquisitions subsequent to June 30, 1975. For assets acquired prior to June 30, 1975, estimated historical costs, based on appraisals conducted by independent third-party professionals were used. Donated assets are reported at estimated fair market value at the time received.

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

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings and building improvements	\$ 15,000	Straight-line	20-40 years
Furniture and equipment	\$ 2,000	Straight-line	5-20 years

N. Right-to-use assets

The District has recorded right-to-use assets as a result of implementing GASB Statement No. 87. The right-to-use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use assets are amortized on a straight-line basis over the life of the related lease

O. Deferred outflows of resources

In addition to assets, the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District can have four items that qualify for reporting in this category. First is the deferred charge on refunding reported in the Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to pensions reported in the Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The third item is the District contributions to the pension systems (NYSTRS and NYSERS Systems) and OPEB subsequent to the measurement date. The fourth item relates to OPEB reporting in the Statement of Net Position. This represents the effect of the net change in the actual and expected experience.

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

P. Deferred inflows of resources

In addition to liabilities, the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District can have four items that qualify for reporting in this category. First arises only under a modified accrual basis of accounting and is reported as unavailable revenue - property taxes. The second item is related to pensions reported in the Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability (NYSTRS and NYSERS System) and difference during the measurement periods between the District's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The third item is revenues from grants received that have met all other eligibility requirements except those related to time restrictions. The fourth item is related to OPEB reported in the Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs.

Q. Unearned revenues

The District reports unearned revenues on its Statement of Net Position and its Balance Sheet. On the Statement of Net Position, unearned revenue arises when resources are received by the District before it has legal claim to them, as when grant monies are received prior to incurrence of qualifying expenditures. In subsequent periods, when the District has legal claim to resources, the liability for unearned revenue is removed and revenue is recognized.

R. Vested employee benefits - compensated absences

Compensated absences consist of unpaid accumulated annual sick leave, vacation and sabbatical time.

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

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

Consistent with GASB Pronouncements, the liability has been calculated using the vesting/termination method and an accrual for that liability is included in the 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.

S. Other benefits

Eligible District employees participate in the New York State and Local Employees' Retirement System and the New York State Teachers' Retirement System.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provisions of various employment contracts in effect at the time of retirement. Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the District and the retired employee. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure (see Note 13 for more information).

T. Short-term debt

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

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

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

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

As of June 30, 2022, the District does not have any outstanding RAN's, TAN's, BAN's or deficiency notes. See Note 9 for additional disclosure regarding the District's short-term debt.

U. Accrued liabilities and long-term obligations

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

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

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

V. Equity classifications

District-wide financial statements

In the District-wide financial statements there are three classes of net position:

1. Net investment in capital assets: Consists of capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.
2. Restricted net position: Reports net position when constraints placed on the assets or deferred outflows of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
3. Unrestricted net position: Reports the balance of net position that does not meet the definition of the above two classifications and is deemed to be available for general use by the District.

Fund financial statements

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

1. Nonspendable - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance includes the inventory recorded in the School Lunch Fund of \$12,812.
2. Restricted - Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The District has established the following restricted fund balances:

Capital

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

Employee Benefit Accrued Liability

According to General Municipal Law §6-p, must be used for the payment of accrued employee benefit due to an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board, and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. This reserve is accounted for in the General Fund.

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Unemployment Insurance

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

Workers' Compensation

According to General Municipal Law §6-j, must be used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law, and for payment of expenses of administering this self-insurance program. The reserve may be established by Board action, and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. This reserve is accounted for in the General Fund.

Retirement Contributions

According to General Municipal Law §6-r, must be used for financing retirement contributions. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board. This reserve is accounted for in the General Fund, and includes \$2,828,744 reserved for NYSERS and \$1,605,085 reserved for NYSTRS.

Liability Claims

According to Education Law §1709(8) (c), must be used to pay for liability claims. This reserve may not in total exceed 3% of the annual budget or \$15,000, whichever is greater. This type of reserve fund may be utilized only by school districts with a population under 125,000. This reserve is accounted for in the General Fund.

Debt Service

According to General Municipal Law §6-l, the Mandatory Reserve for Debt Service must be established for the purpose of retiring the outstanding obligations upon the sale of District property or capital improvement that was financed by obligations that remain outstanding at the time of sale. The funding of the reserve is from the proceeds of the sale of school district property or capital improvement. This reserve is accounted for in the Debt Service Fund.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

3. Committed - 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., the Board of Education. The District has no committed fund balances as of June 30, 2022.
4. Assigned - Includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The purpose of the constraint must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balance also includes an amount appropriated to partially fund the subsequent year's budget, as well as encumbrances not classified as restricted at the end of the fiscal year.
5. Unassigned - Includes all other General Fund fund balance that does not meet the definition of the above four classifications and is deemed to be available for general use by the District and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification is used to report a deficit fund balance resulting from overspending for specific purposes for which amounts have been restricted or assigned.

Fund balances for all governmental funds as of June 30, 2022 were distributed as follows:

	General	School Lunch	Other Miscellaneous Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
Nonspendable:						
Inventory	\$ -	\$ 12,812	\$ -	\$ -	\$ -	\$ 12,812
Total nonspendable	-	12,812	-	-	-	12,812
Restricted:						
Capital	12,634,411	-	-	-	-	12,634,411
Employee Benefit Accrued Liability	3,658,652	-	-	-	-	3,658,652
Unemployment Insurance	275,773	-	-	-	-	275,773
Workers' Compensation	701,845	-	-	-	-	701,845
Retirement Contributions	4,433,829	-	-	-	-	4,433,829
Liability Claims	2,138,152	-	-	-	-	2,138,152
Extraclassroom Activity Funds	-	-	158,756	-	-	158,756
Scholarships	-	-	24,465	-	-	24,465
Debt Service	-	-	-	644,885	-	644,885
District Improvements	-	-	-	-	23,391,001	23,391,001
Total restricted	23,842,662	-	183,221	644,885	23,391,001	48,061,769
Assigned:						
Appropriated for subsequent year's expenditures	720,000	-	-	-	-	720,000
Encumbrances	578,338	-	-	-	-	578,338
School Lunch Fund	-	116,231	-	-	-	116,231
Student activities	-	-	30,658	-	-	30,658
Total assigned	1,298,338	116,231	30,658	-	-	1,445,227
Unassigned	2,936,816	-	-	-	-	2,936,816
Total	\$ 28,077,816	\$ 129,043	\$ 213,879	\$ 644,885	\$ 23,391,001	\$ 52,456,624

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

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Order of use of fund balance

The District's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, nonspendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the General Fund are classified as either restricted or assigned fund balance. In the General Fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

Sometimes the District will fund outlays for a particular purpose from both restricted (i.e. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the District-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN FUND FINANCIAL STATEMENTS AND DISTRICT-WIDE FINANCIAL 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 District-wide financial statements, compared with the current financial resources focus of the governmental funds.

A. Total fund balances of governmental funds vs. net position of governmental activities

Total fund balances of the District's governmental funds differ from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental funds Balance Sheet, as applied to the reporting of capital assets and long-term liabilities, including pensions.

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

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

1. Long-term revenue/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 accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.

2. Capital related differences

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

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

3. Right-to-use asset related differences

Right-to-use asset related differences include the difference between recording an expenditure for the purchase of right-to-use assets in the fund financial statements and amortization expense on those items as recorded in the Statement of Activities.

4. Long-term debt transaction differences

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

5. Pension differences

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

6. OPEB differences

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

3. **CHANGE IN ACCOUNTING PRINCIPLE**

Effective for the 2022 fiscal year, the District implemented GASB Statement No. 87, *Leases*, which provides clearer guidance on identifying lease activities for accounting and reporting purposes. Upon implementation of the Statement, the District recognized a lease liability, with a corresponding right-to-use asset. Implementation of this Statement did not require a prior period adjustment.

4. **STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Budgets

The District administration prepares a proposed budget for approval by the Board of Education for the following governmental funds for which legal (appropriated) budgets are adopted:

The voters of the District approved the proposed appropriation budget for the General Fund.

Appropriations are adopted at the program line item level. Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the 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 are 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.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

There were no supplemental appropriations that occurred during the year:

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

Budgets are established and used for the individual Capital Projects Fund 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.

Encumbrances

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

5. CASH AND CASH EQUIVALENTS - CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, AND INTEREST RATE RISKS

The District's aggregate bank balances, including balances not covered by depository insurance at year-end, are collateralized as follows:

Collateralized with securities held by the pledging financial institution, or its trust department or agent, but not in the District's name	\$ 99,655,911
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Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes \$44,981,746 within the governmental funds.

Investment and deposit policy

The District follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with federal, State and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Business Official of the District.

Interest rate risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk

The District's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The District's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

- Interest bearing demand accounts
- Certificates of deposit
- Obligations of the United States Treasury and United States agencies
- Obligations of New York State and its localities

Custodial credit risk

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the District's investment and deposit policy, all deposits of the District including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits. The District restricts the securities to the following eligible items:

- Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies
- Obligations issued or fully insured or guaranteed by New York State and its localities
- Obligations issued by other than New York State in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

6. RECEIVABLES

Receivables at year end are as follows:

A. State and federal aid

State and federal aid receivables at June 30, 2022 consisted of the following:

General Fund:

BOCES aid	\$ 1,194,432
New York State Aid - excess cost aid	93,378

Special Aid Fund:

State and federal grants	366,035
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School Lunch Fund:

School breakfast and lunch reimbursement	70,845
	<u>\$ 1,724,690</u>

B. Property taxes

Property taxes receivable at June 30, 2022 consisted of the following:

General Fund:

Town of Oyster Bay	<u>\$ 631,345</u>
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COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

C. Other

Other receivables at June 30, 2022 consisted of the following:

General Fund:

Other \$ 1,811

School Lunch Fund:

Other 1,002

\$ 2,813

District management has deemed the amounts to be fully collectible.

7. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions/ Reclassifications</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not depreciated:				
Land	\$ 125,075	\$ -	\$ -	\$ 125,075
Construction-in-progress	<u>3,907,669</u>	<u>1,594,344</u>	<u>(1,562,300)</u>	<u>3,939,713</u>
Total nondepreciable assets	<u>4,032,744</u>	<u>1,594,344</u>	<u>(1,562,300)</u>	<u>4,064,788</u>
Capital assets that are depreciated:				
Buildings and building improvements	73,810,833	945,595	1,562,300	76,318,728
Furniture and equipment	<u>3,098,388</u>	<u>293,991</u>	<u>-</u>	<u>3,392,379</u>
Total depreciable assets	<u>76,909,221</u>	<u>1,239,586</u>	<u>1,562,300</u>	<u>79,711,107</u>
Less accumulated depreciation:				
Buildings and building improvements	47,770,010	3,016,875	-	50,786,885
Furniture and equipment	<u>1,885,945</u>	<u>159,188</u>	<u>-</u>	<u>2,045,133</u>
Total accumulated depreciation	<u>49,655,955</u>	<u>3,176,063</u>	<u>-</u>	<u>52,832,018</u>
Total capital assets, net	<u>\$ 31,286,010</u>	<u>\$ (342,133)</u>	<u>\$ -</u>	<u>\$ 30,943,877</u>

Depreciation expense was charged to governmental functions as follows:

General support	\$ 454,426
Instruction	2,716,139
Pupil transportation	<u>5,498</u>
	<u>\$ 3,176,063</u>

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

8. RIGHT-TO-USE ASSETS

The District has recorded six right-to-use assets for leased equipment. The related leases are discussed in the Leases subsection of the Long-Term Debt Obligations note in Note 10. The right-to-use assets are amortized on a straight-line basis over the terms of the related leases.

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

	Beginning Balance	Additions	Deductions	Ending Balance
Governmental activities:				
Right-to-use assets:				
Leased equipment	\$ -	\$ 595,767	\$ -	\$ 595,767
Less accumulated amortization:				
Leased equipment	-	127,387	-	127,387
Total right-to-use assets, net	<u>\$ -</u>	<u>\$ 468,380</u>	<u>\$ -</u>	<u>\$ 468,380</u>

Amortization expense was charged to governmental functions as follows:

General support	\$ 13,052
Instruction	114,335
	<u>\$ 127,387</u>

9. SHORT-TERM DEBT OBLIGATIONS

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

	Beginning Balance	Issued	Redeemed	Ending Balance
TAN matured on 6/24/22 at 1.00%	<u>\$ -</u>	<u>\$ 9,000,000</u>	<u>\$ 9,000,000</u>	<u>\$ -</u>

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

Interest paid/expense	<u>\$ 64,250</u>
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10. LONG-TERM DEBT OBLIGATIONS

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

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Bonds payable	\$ 2,855,000	\$ 20,000,000	\$ 2,855,000	\$ 20,000,000	\$ 1,300,000
Unamortized bond discounts and premiums	176,246	161,623	176,246	161,623	10,775
Total bonds payable	3,031,246	20,161,623	3,031,246	20,161,623	1,310,775
Leases liabilities	-	596,564	122,131	474,433	119,850
Workers' Compensation claims payable	1,740,269	165,874	158,867	1,747,276	174,728
Compensated absences	4,514,397	89,242	-	4,603,639	460,364
Total long-term liabilities	<u>\$ 9,285,912</u>	<u>\$ 21,013,303</u>	<u>\$ 3,312,244</u>	<u>\$ 26,986,971</u>	<u>\$ 2,065,717</u>

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Additions and deletions to compensated absences are shown net since it is impracticable to determine these amounts separately. The General Fund is typically used to liquidate the liabilities above.

The following is a summary of the maturity of long-term indebtedness:

Description of Issue	Issue Date	Final Maturity	Interest Rate	Outstanding at 6/30/2022
Refunding serial bonds	2022	2037	2.00 - 4.00%	<u>\$ 20,000,000</u>
Serial Bonds				
	Principal	Interest	Total	
<u>June 30,</u>				
2023	\$ 1,300,000	\$ 615,031	\$ 1,915,031	
2024	1,225,000	589,031	1,814,031	
2025	1,190,000	558,406	1,748,406	
2026	1,180,000	522,706	1,702,706	
2027	1,190,000	487,306	1,677,306	
2028-2032	6,505,000	1,878,682	8,383,682	
2033-2037	7,410,000	812,319	8,222,319	
	<u>\$ 20,000,000</u>	<u>\$ 5,463,481</u>	<u>\$ 25,463,481</u>	

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

Interest paid	\$ 144,509
Less interest accrued in the prior year	(42,783)
Plus interest accrued in the current year	25,626
Less amortization of premiums/discounts	<u>(176,246)</u>
Total interest expense	<u>\$ (48,894)</u>

Bonds payable - The District borrows money in order to acquire equipment or for capital construction and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities bear interest at various rates from 2.00% to 4.00% and have maturity dates in 2037.

Lease liabilities - The District has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB Statement No. 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of July 1, 2021.

The first agreement was executed on November 17, 2017, to lease office equipment and requires 60 monthly payments of \$500. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 2.06%, which was the District's borrowing rate at the inception of the lease agreement. As a result of the lease, the District has recorded a right-to-use asset with a net book value of \$2,378 at June 30, 2022. The right-to-use asset is discussed in more detail in the Right-To-Use Assets section in Note 8.

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The second agreement was executed on December 5, 2017, to lease office equipment and requires 60 monthly payments of \$87. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 2.15%, which was the District's borrowing rate at the inception of the lease agreement. As a result of the lease, the District has recorded a right-to-use asset with a net book value of \$495 at June 30, 2022. The right-to-use asset is discussed in more detail in the Right-To-Use Assets section in Note 8.

The third agreement was executed on January 31, 2018, to lease office equipment and requires 60 monthly payments of \$93. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 2.52%, which was the District's borrowing rate at the inception of the lease agreement. As a result of the lease, the District has recorded a right-to-use asset with a net book value of \$700 at June 30, 2022. The right-to-use asset is discussed in more detail in the Right-To-Use Assets section in Note 8.

The fourth agreement was executed on January 4, 2019, to lease office equipment and requires 60 monthly payments of \$470. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 2.49%, which was the District's borrowing rate at the inception of the lease agreement. As a result of the lease, the District has recorded a right-to-use asset with a net book value of \$7,958 at June 30, 2022. The right-to-use asset is discussed in more detail in the Right-To-Use Assets section in Note 8.

The fifth agreement was executed on January 1, 2021, to lease office equipment and requires 60 monthly payments of \$82. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 0.36%, which was the District's borrowing rate at the inception of the lease agreement. As a result of the lease, the District has recorded a right-to-use asset with a net book value of \$3,432 at June 30, 2022. The right-to-use asset is discussed in more detail in the Right-To-Use Assets section in Note 8.

The sixth agreement was executed on April 19, 2021, to lease technology equipment and requires 60 monthly payments of \$10,159. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 3.00%, which was the District's borrowing rate at the inception of the lease agreement. As a result of the lease, the District has recorded a right-to-use asset with a net book value of \$453,417 at June 30, 2022. The right-to-use asset is discussed in more detail in the Right-To-Use Assets section in Note 8.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, were as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 119,850	\$ 12,447	\$ 132,297
2024	116,750	8,962	125,712
2025	117,392	5,503	122,895
2026	120,441	1,959	122,400
	<u>\$ 474,433</u>	<u>\$ 28,871</u>	<u>\$ 503,304</u>

11. PENSION PLANS

General information

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

Provisions and administration

A 10-member Board of Trustees of the New York State Teachers' Retirement Board administers NYSTRS. NYSTRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law ("NYSRSSL"). Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York Public Schools and BOCES who elected to participate in NYSTRS. 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. NYSTRS issues a publicly available financial report that contains financial statements and required supplementary information. The report may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York 12211-2395 or by referring to the NYSTRS Comprehensive Annual Financial report, which can be found on the System's website at www.nystrs.org.

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

Funding policies

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

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The District share of the required contributions, based on covered payroll for the current year and two preceding years were equal to 100% of the contributions required, and were as follows:

<u>Year</u>	<u>NYSERS</u>	<u>NYSTRS</u>
2022	\$ 928,073	\$ 2,524,869
2021	831,782	2,372,679
2020	807,303	2,905,203

Pension assets, liabilities, pension expense, deferred outflows of resources and deferred inflows of resources related to pensions

At June 30, 2022, the District reported the following asset/(liability) for its proportionate share of the net pension asset /(liability) for each of the Systems. The net pension asset/(liability) was measured as of June 30, 2021 for NYSTRS and March 31, 2022 for NYSERS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The District's proportion of the net pension asset/(liability) was based on a projection of the District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the NYSTRS and NYSERS Systems in reports provided to the District:

	<u>NYSERS</u>	<u>NYSTRS</u>
Measurement date	March 31, 2022	June 30, 2021
Net pension asset/(liability)	\$ 1,287,701	\$ 27,049,334
District's portion of the Plan's total net pension asset/(liability)	0.0157525%	0.1560920%
Change in proportion since the prior measurement date	0.0020789%	(0.001685%)

For the year ended June 30, 2022, the District recognized pension expense of \$334,047 for NYSERS and pension income of \$1,405,363 for NYSTRS. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

	Deferred Outflows of Resources - NYSERS	Deferred Outflows of Resources - NYSTRS	Deferred Inflows of Resources - NYSERS	Deferred Inflows of Resources - NYSTRS
Difference between expected experience and actual experience	\$ 97,519	\$ 3,728,464	\$ (126,488)	\$ (140,533)
Changes in assumptions	2,149,028	8,897,092	(36,263)	(1,575,544)
Net difference between projected and actual earnings on pension plan investments	-	-	(4,216,680)	(28,309,927)
Changes in proportion and differences between the District's contributions and proportionate share of contributions	667,750	650,578	(48,885)	(22,320)
Employer contributions subsequent to the measurement date	192,503	2,714,879	-	-
Total	<u>\$ 3,106,800</u>	<u>\$ 15,991,013</u>	<u>\$ (4,428,316)</u>	<u>\$ (30,048,324)</u>

District contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/(liability) in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	NYSERS	NYSTRS
<u>Year ended June 30,</u>		
2023	\$ (107,381)	\$ (3,346,376)
2024	(290,315)	(3,956,301)
2025	(969,500)	(5,017,115)
2026	(146,823)	(6,711,078)
2027	-	1,345,564
Thereafter	-	913,116

Actuarial assumptions

The total pension asset/(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 asset/(liability) to the measurement date. The actuarial valuations used the following actuarial assumptions:

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

	<u>NYSERS</u>	<u>NYSTRS</u>
Measurement date	March 31, 2022	June 30, 2021
Actuarial valuation date	April 1, 2021	June 30, 2020
Interest rate	5.90%	6.95%
Salary scale	4.40%	*Rates of increase differ based on service
Decrement tables	April 1, 2015 to March 31, 2020 System's Experience	July 1, 2015 to June 30, 2020 System's Experience
Inflation rate	2.70%	2.40%

*The salary scale used for NYSTRS changes based upon levels of service as defined below:

<u>Service</u>	<u>Rate</u>
5	5.18%
15	3.64%
25	2.50%
35	1.95%

For NYSTRS, annuitant mortality rates are based on July 1, 2015 - June 30, 2020 System's experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2020. For NYSERS, annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System's experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2020.

For NYSTRS, the actuarial assumptions used in the June 30, 2020 valuation are based on the results of an actuarial experience study for the period July 1, 2015 - June 30, 2020. For NYSERS, the actuarial assumptions used in the April 1, 2021 valuation are based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020.

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

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

	NYSERS		NYSTRS	
	Target allocation	Long-term rate	Target allocation	Long-term rate
Measurement date	March 31, 2022	March 31, 2022	June 30, 2021	June 30, 2021
Asset type				
Cash and cash equivalents	1.00%	(1.00%)	1.00%	(0.20%)
Credit	4.00%	3.78%	-	-
Domestic equity	32.00%	3.30%	33.00%	6.80%
Fixed income	23.00%	0.00%	16.00%	1.30%
Global equity	-	-	4.00%	7.10%
Global fixed income	-	-	2.00%	0.80%
High-yield fixed income	-	-	1.00%	3.80%
International equity	15.00%	5.85%	16.00%	7.60%
Opportunistic portfolio	3.00%	4.10%	-	-
Private debt	-	-	1.00%	5.90%
Private equity	10.00%	6.50%	8.00%	10.00%
Real assets	3.00%	5.58%	-	-
Real estate debt	-	-	7.00%	3.30%
Real estate equities	9.00%	5.00%	11.00%	6.50%
	<u>100.00%</u>		<u>100.00%</u>	

Discount rate

The discount rate used to calculate the total pension asset/(liability) was 5.90% for NYSERS and 6.95% for NYSTRS. 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 asset/(liability).

Sensitivity of the proportionate share of the net pension asset/(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 5.90% for NYSERS and 6.95% for NYSTRS, as well as what the District's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1 percentage point lower (4.90% for NYSERS and 5.95% for NYSTRS) or 1 percentage point higher (6.90% for NYSERS and 7.95% for NYSTRS) than the current rate:

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

<u>NYSERS</u>	<u>1% Decrease (4.90%)</u>	<u>Current assumption (5.90%)</u>	<u>1% Increase (6.90%)</u>
Employer's proportionate share of the net pension asset/(liability)	\$ (3,314,528)	\$ 1,287,701	\$ 5,137,243
<u>NYSTRS</u>	<u>1% Decrease (5.95%)</u>	<u>Current assumption (6.95%)</u>	<u>1% Increase (7.95%)</u>
Employer's proportionate share of the net pension asset/(liability)	\$ 2,838,433	\$ 27,049,334	\$ 47,396,840

Pension plan fiduciary net position

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

	(Dollars in Thousands)		
	<u>NYSERS</u>	<u>NYSTRS</u>	<u>Total</u>
Valuation date	April 1, 2021	June 30, 2020	
Employers' total pension liability	\$ (223,874,888)	\$ (130,819,415)	\$ (354,694,303)
Plan net position	<u>232,049,473</u>	<u>148,148,457</u>	<u>380,197,930</u>
Employers' net pension asset/(liability)	<u>\$ 8,174,585</u>	<u>\$ 17,329,042</u>	<u>\$ 25,503,627</u>
Ratio of plan net position to the employers' total pension asset/(liability)	103.65%	113.25%	107.19%

Payables to the pension plan

For NYSTRS, employer and employee contributions for the fiscal year ended June 30, 2022 are paid to the system in September, October and November 2021 through a State aid intercept. Accrued retirement contributions as of June 30, 2022 represent employee and employer contributions for the fiscal year ended June 30, 2022 based on paid NYSTRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the NYSTRS System. Accrued employer retirement contributions as of June 30, 2022 amounted to \$2,714,879.

For NYSERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of June 30, 2022 represent the projected employer contribution for the period of April 1, 2022 through June 30, 2022 based on paid NYSERS covered wages multiplied by the employer's contribution rate, by tier. Accrued employer retirement contributions as of June 30, 2022 amounted to \$192,503. Employee contributions are remitted monthly.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

12. INTERFUND TRANSACTIONS - GOVERNMENTAL FUNDS

Fund	Interfund			
	<u>Receivable</u>	<u>Payable</u>	<u>Revenues</u>	<u>Expenditures</u>
General	\$ 378,983	\$ 3,619,508	\$ 125,107	\$ 1,260,516
Special Aid	-	327,329	51,673	-
School Lunch	-	51,317	23,843	-
Debt Service	-	337	-	-
Capital Projects	3,619,508	-	1,185,000	125,107
Totals	<u>\$ 3,998,491</u>	<u>\$ 3,998,491</u>	<u>\$ 1,385,623</u>	<u>\$ 1,385,623</u>

Interfund receivables and payables, are eliminated on the Statement of Net Position.

The District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues.

13. OTHER POST-EMPLOYMENT BENEFITS ("OPEB")

A. General information about the OPEB plan

Plan description

The District's defined benefit OPEB plan, provides OPEB for all permanent full-time employees of the District. The plan is a single employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board of Education. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits provided

The District provides healthcare and life insurance benefits for retirees and their dependents. The benefit terms are dependent of which contract each employee falls under. The specifics of each contract are on file at the District offices and are available upon request.

Employees covered by benefit terms

As of July 1, 2020, the date of the most recent actuarial valuation, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	204
Active plan members	<u>275</u>
Total plan members	<u><u>479</u></u>

B. Total OPEB liability

The District's total OPEB liability of \$91,566,645 was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2020.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Actuarial assumptions and other inputs

The total OPEB liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, with update procedures used to roll forward the total OPEB liability to the measurement date, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	2.00%
Discount rate	3.69%
Healthcare cost trend rates	*Rates differ based as defined below
Retirees' share of benefit-related costs	0% to 25% of premium based on department and date hired

*The June 30, 2020 actuarial valuation uses healthcare cost trend rates as follows:

Pre-65 medical trend rate	6.75% to an ultimate rate of 3.78% in 2075
Post-65 Medicare advantage trend rate	4.40% to an ultimate rate of 3.78% in 2075
Prescription drug trend rate	6.75% to an ultimate rate of 3.78% in 2075
Medicare Part B trend rate	5.75% to an ultimate rate of 3.78% in 2075

The discount rate was based on the June 30, 2020 Fidelity General Obligation 20-Year AA Municipal Bond Index.

Mortality rates were based on the PubT-2010 Headcount-Weighted Mortality Table for teaching positions and PubG-2010 Headcount-Weighted Mortality Table for non-teaching positions projected to the valuation date with Scale MP-2021.

C. Changes in the total OPEB liability

Balance as of June 30, 2021	<u>\$ 111,608,244</u>
<u>Changes for the year -</u>	
Service cost	4,189,451
Interest	2,196,770
Change in assumptions or other inputs	(23,662,589)
Benefit payments	<u>(2,765,231)</u>
Net changes	<u>(20,041,599)</u>
Balance as of June 30, 2022	<u>\$ 91,566,645</u>

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 one percentage point lower (2.69%) or one percentage point higher (4.69%) than the current discount rate:

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

	1% Decrease (2.69%)	Current assumption (3.69%)	1% Increase (4.69%)
Total OPEB liability as of June 30, 2022	\$ 106,764,329	\$ 91,566,645	\$ 79,317,461

Sensitivity of the total OPEB liability to changes in 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 one percentage point lower or one percentage point higher than the current discount rate as defined in the actuarial assumptions and other inputs above:

	1% Decrease*	Current assumption*	1% Increase*
Total OPEB liability as of June 30, 2022	\$ 76,660,155	\$ 91,566,645	\$ 110,697,963

D. OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the year ended June 30, 2022, the District recognized OPEB income of \$312,669. At June 30, 2022, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources - OPEB	Deferred Inflows of Resources - OPEB
Difference between expected experience and actual experience	\$ -	\$ (20,420,262)
Changes of assumptions	21,691,008	(27,643,009)
Total	<u>\$ 21,691,008</u>	<u>\$ (48,063,271)</u>

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

<u>Year ended June 30,</u>	<u>Amount</u>
2023	\$ (6,698,890)
2024	(6,698,890)
2025	(5,580,548)
2026	(2,017,895)
2027	(4,001,603)
Thereafter	(1,374,437)

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

14. RISK MANAGEMENT

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 a combination of self-insurance reserves and commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past two years. The District participates in New York Schools Insurance Reciprocal ("NYSIR"), a non-risk-retained public entity risk pool for its District property and liability insurance coverage. The pool is operated for the benefit of individual governmental units located within the pool's geographic area, and is considered a self-sustaining risk pool that will provide coverage for its members. The pool obtains independent coverage for insured events in excess of certain defined limits, and the District has essentially transferred all related risk to the pool.

The District has established a self-insured plan for risks associated with Workers' Compensation claims. Liabilities of the plan are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. General Fund liabilities only include amounts for reported claims and do not include claims which were incurred on or before year end but not reported ("IBNR").

Claims activity is summarized below:

	Beginning Balance	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Year
Fiscal years ended June 30:				
2022	\$ 1,740,269	\$ 165,874	\$ 158,867	\$ 1,747,276
2021	744,684	1,110,955	115,370	1,740,269
2020	798,408	44,199	97,923	744,684

The District has not purchased any annuity contracts.

15. CONTINGENCIES AND COMMITMENTS

Encumbrances

All encumbrances are classified as either restricted or assigned fund balance. During the fiscal year ended June 30, 2022, the District encumbered the following amounts:

Assigned: Unappropriated Fund Balance	
General Fund	
General support	\$ 437,580
Instruction	<u>140,758</u>
	<u>\$ 578,338</u>

Government 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 years' experience, the District's administration believes disallowances, if any, would be immaterial.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Library indebtedness

On September 1, 2004, the District entered into a tax pledge agreement with the Cold Spring Harbor Village Improvement Society Library and a bank, as trustee, in connection with issuance of \$9,500,000 of civic facility revenue bonds for the acquisition and construction of a library facility. Under the terms of the agreement, the District has agreed to cause to be levied on behalf of the Library the aggregate annual amount necessary to pay the debt service on the bonds; said payment to be remitted directly from the District to the trustee according to a time schedule established in the agreement. The annual debt service approximates \$700,000 and will be satisfied in full with the September 15, 2024 semi-annual payment. As of June 30, 2022, the remaining principal outstanding was of \$1,940,000.

Property tax cap

In June 2011, the New York State Legislature enacted Chapter 97, Laws of 2011 Real Property Tax Levy Cap and Mandate Relief Provisions. For fiscal years through at least June 15, 2021, growth in the property tax levy (the total amount to be raised through property taxes charged on a municipality's taxable assessed value of property) will be capped at 2 percent, plus the inflation factor (but not less than 0 percent), whichever is less, with some exceptions. The New York State Comptroller set the allowable levy growth factor for local governments for fiscal years beginning July 1, 2021 at 2.01% (before exemptions). School districts can exceed the tax levy limit by a 60% vote of the governing body, subject to voter approval.

Litigation

The District is involved in lawsuits arising from the normal conduct of business. Some of these lawsuits seek damages which may be in excess of the District's insurance coverage. However, it is not possible to determine the District's potential exposure, if any, at this time.

16. TAX ABATEMENTS

Nassau County and Suffolk County enter into various property tax and sales tax (if applicable) abatement programs for the purpose of economic development. The District's property tax revenues were reduced by \$70,771 under agreements entered into by Nassau County. This amount was collected via PILOT payments.

17. FUTURE ACCOUNTING STANDARDS

The District will evaluate the impact each of these upcoming pronouncements may have on its financial statements and will implement them as applicable and when material. The following is a list of GASB pronouncements issued but not yet effective:

<u>GASB Statement No.</u>	<u>GASB Accounting Standard</u>	<u>Effective Fiscal Year</u>
Statement No. 91	Conduit Debt Obligations	June 30, 2023
Statement No. 94	Public-Private and Public-Public Partnerships and Availability Payment Arrangements	June 30, 2023
Statement No. 96	Subscription-Based Information Technology Arrangements	June 30, 2023

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

18. SUBSEQUENT EVENTS

The District has evaluated subsequent events occurring after the Statement of Net Position through the date of October 12, 2022, which is the date the financial statements were available to be issued, noting the following:

On September 27, 2022, the District issued a Tax Anticipation Note in the amount of \$12,500,000. The note matures on June 28, 2023 and bears an interest rate of 4.00%.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022**

	Adopted Budget	Final Budget	Actual	Year-end Encumbrances	Variance Better (Worse)
REVENUES					
Local sources:					
Real property taxes	\$ 66,475,936	\$ 66,475,936	\$ 65,866,762		\$ (609,174)
Other tax items	74,230	74,230	683,632		609,402
Charges for services	325,000	325,000	501,574		176,574
Use of money and property	35,000	35,000	49,533		14,533
Miscellaneous	203,600	203,600	257,088		53,488
Total local sources	67,113,766	67,113,766	67,358,589		244,823
State sources	4,153,052	4,153,052	4,254,166		101,114
Federal sources	30,600	30,600	3,002		(27,598)
Total revenues	71,297,418	71,297,418	71,615,757		318,339
OTHER FINANCING SOURCES					
Premium on bonds issued	-	-	161,623		161,623
Premium on obligations	-	-	51,210		51,210
Proceeds from issuance of leases	-	-	596,564		596,564
Transfers in	-	-	125,107		125,107
Prior year encumbrances	591,651	591,651	-		(591,651)
Appropriated reserves	720,000	720,000	-		(720,000)
Total revenues and other financing sources	72,609,069	72,609,069	72,550,261		(58,808)
EXPENDITURES					
General support:					
Board of Education	33,000	36,000	24,461	\$ -	11,539
Central administration	370,646	371,818	368,885	-	2,933
Finance	1,030,738	957,010	878,506	41,500	37,004
Staff	603,270	926,109	852,423	3,000	70,686
Central services	6,656,736	6,974,136	6,533,807	393,080	47,249
Special items	568,064	576,187	567,991	-	8,196
Total general support	9,262,454	9,841,260	9,226,073	437,580	177,607
Instruction:					
Instruction, administration and improvement	2,217,079	2,165,265	1,974,933	4,919	185,413
Teaching - regular school	21,447,672	21,061,953	20,271,032	124,246	666,675
Programs for children with handicapping conditions	5,940,637	6,233,364	5,510,836	-	722,528
Teaching - special school	17,000	17,000	-	-	17,000
Instructional media	2,601,438	2,651,831	2,966,241	7,444	(321,854)
Pupil services	5,282,545	5,184,390	4,643,924	4,149	536,317
Total instruction	37,506,371	37,313,803	35,366,966	140,758	1,806,079
Pupil transportation	5,332,336	5,047,863	4,555,187	-	492,676
Community services	1,000	1,000	-	-	1,000
Employee benefits	16,144,436	16,045,567	14,742,833	-	1,302,734
Debt service:					
Principal	2,855,000	2,855,000	2,977,131	-	(122,131)
Interest	275,472	225,472	208,759	-	16,713
Total expenditures	71,377,069	71,329,965	67,076,949	578,338	3,674,678
OTHER FINANCING USES					
Transfers out	1,232,000	1,279,104	1,260,516	-	18,588
Total expenditures and other financing uses	72,609,069	72,609,069	68,337,465	\$ 578,338	3,693,266
Net change in fund balance	\$ -	\$ -	4,212,796		\$ 3,634,458
Fund balance, beginning of year			23,865,020		
Fund balance, end of year			\$ 28,077,816		

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.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST FIVE FISCAL YEARS**

Measurement date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability					
Service cost	\$ 4,189,451	\$ 3,639,431	\$ 2,793,313	\$ 2,600,709	\$ 3,611,287
Interest	2,196,770	2,529,156	2,889,942	3,199,896	4,254,660
Changes in benefit terms	-	-	-	(437,394)	-
Differences between expected and actual experience in the measurement of the total OPEB liability	-	(16,241,687)	(5,946,849)	(13,603,507)	-
Changes in assumptions or other inputs	(23,662,589)	7,143,879	29,211,989	(2,027,359)	(9,872,738)
Benefit payments	<u>(2,765,231)</u>	<u>(2,591,288)</u>	<u>(2,713,466)</u>	<u>(2,605,703)</u>	<u>(2,607,956)</u>
Net change in total OPEB liability	(20,041,599)	(5,520,509)	26,234,929	(12,873,358)	(4,614,747)
Total OPEB liability - beginning of year	<u>111,608,244</u>	<u>117,128,753</u>	<u>90,893,824</u>	<u>103,767,182</u>	<u>108,381,929</u>
Total OPEB liability - end of year	<u>\$ 91,566,645</u>	<u>\$ 111,608,244</u>	<u>\$ 117,128,753</u>	<u>\$ 90,893,824</u>	<u>\$ 103,767,182</u>
Covered payroll	\$ 36,109,932	\$ 34,334,678	\$ 34,123,976	\$ 34,845,220	\$ 34,797,869
Total OPEB liability as a percentage of covered payroll	253.58%	325.06%	343.24%	260.85%	298.20%

Note to Required Supplementary Information

Ten years of historical information was not available upon implementation of GASB Statement No. 75. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.

The District has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay OPEB benefits, as New York State currently does not allow school districts to establish this type of trust. The District currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION ASSET/LIABILITY - NYSERS & NYSTRS
LAST TEN FISCAL YEARS*
(Dollar amounts in thousands)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>**2013</u>
<u>NYSERS</u>										
District's proportionate share of the net pension asset/(liability)	0.01575%	0.01367%	0.01404%	0.01357%	0.01575%	0.01502%	0.01630%	0.01625%	0.01624%	N/A
District's proportionate share of the net pension asset/(liability)	\$ 1,288	\$ (14)	\$ (3,719)	\$ (961)	\$ (508)	\$ (1,411)	\$ (2,616)	\$ (549)	\$ (734)	N/A
District's covered payroll	\$ 5,803	\$ 5,858	\$ 5,551	\$ 5,439	\$ 5,709	\$ 5,394	\$ 5,335	\$ 5,135	\$ 4,688	N/A
District's proportionate share of the net pension asset/(liability) as a percentage of covered payroll	22.19%	0.23%	67.00%	17.67%	8.90%	26.16%	49.03%	10.69%	15.66%	N/A
Plan fiduciary net position as a percentage of the total pension asset/(liability)	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.95%	97.20%	N/A
Discount rate	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%	7.50%	N/A

* The amounts presented for each fiscal year were determined (bi-annually) as of March 31.

<u>NYSTRS</u>										
District's proportionate share of the net pension asset/(liability)	0.15609%	0.15778%	0.16389%	0.16825%	0.17349%	0.17281%	0.17249%	0.17199%	0.17385%	N/A
District's proportionate share of the net pension asset/(liability)	\$ 27,049	\$ (4,360)	\$ 4,258	\$ 3,042	\$ 1,319	\$ (1,851)	\$ 17,916	\$ 19,159	\$ 1,144	N/A
District's covered payroll	\$ 25,764	\$ 32,790	\$ 25,290	\$ 32,878	\$ 30,170	\$ 34,254	\$ 23,548	\$ 18,554	\$ 25,466	N/A
District's proportionate share of the net pension asset/(liability) as a percentage of covered payroll	104.99%	13.30%	16.84%	9.25%	4.37%	5.40%	76.08%	103.26%	4.49%	N/A
Plan fiduciary net position as a percentage of the total pension asset/(liability)	113.25%	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%	111.48%	100.70%	N/A
Discount rate	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%	8.00%	8.00%	N/A

* The amounts presented for each fiscal year were determined (bi-annually) as of June 30.

****Note to Required Supplementary Information**

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS - NYSERS & NYSTRS
LAST TEN FISCAL YEARS
(Dollar amounts in thousands)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>*2013</u>
<u>NYSERS</u>										
Contractually required contribution	\$ 928	\$ 832	\$ 807	\$ 814	\$ 860	\$ 825	\$ 1,014	\$ 1,072	\$ 946	\$ 1,014
Contributions in relation to the contractually required contribution	<u>928</u>	<u>832</u>	<u>807</u>	<u>814</u>	<u>860</u>	<u>825</u>	<u>1,014</u>	<u>1,072</u>	<u>946</u>	<u>1,014</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 5,770	\$ 5,635	\$ 5,554	\$ 5,449	\$ 5,526	\$ 5,709	\$ 5,394	\$ 5,135	\$ 4,688	N/A
Contributions as a percentage of covered payroll	16.09%	14.76%	14.54%	14.93%	15.56%	14.45%	18.80%	20.88%	20.18%	N/A
<u>NYSTRS</u>										
Contractually required contribution	\$ 2,525	\$ 2,373	\$ 2,905	\$ 2,686	\$ 3,222	\$ 3,536	\$ 4,542	\$ 4,128	\$ 3,015	\$ 2,803
Contributions in relation to the contractually required contribution	<u>2,525</u>	<u>2,373</u>	<u>2,905</u>	<u>2,686</u>	<u>3,222</u>	<u>3,536</u>	<u>4,542</u>	<u>4,128</u>	<u>3,015</u>	<u>2,803</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 25,764	\$ 24,897	\$ 32,790	\$ 25,290	\$ 32,878	\$ 30,170	\$ 34,254	\$ 23,254	\$ 18,556	N/A
Contributions as a percentage of covered payroll	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%	16.25%	N/A

***Note to Required Supplementary Information**

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET
AND THE REAL PROPERTY TAX LIMIT - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022**

Change from adopted budget to final budget:

Original budget	\$ 72,017,418	
Add: prior year encumbrances	<u>591,651</u>	
Adopted budget		<u>\$ 72,609,069</u>
Final budget		<u><u>\$ 72,609,069</u></u>

§1318 of real property tax law limit calculation:

2022-2023 voter-approved budget		<u><u>\$ 73,420,423</u></u>
Maximum allowed (4% of 2022-2023 budget)		<u><u>\$ 2,936,817</u></u>

General Fund fund balance subject to §1318 of real property tax law:

Unrestricted fund balance:		
Assigned fund balance	\$ 1,298,338	
Unassigned fund balance	<u>2,936,816</u>	\$ 4,235,154
Less:		
Appropriated fund balance	720,000	
Encumbrances	<u>578,338</u>	<u>1,298,338</u>
General Fund fund balance subject to §1318 of real property tax law		<u><u>\$ 2,936,816</u></u>
Actual percentage		<u><u>4.0%</u></u>

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF PROJECT EXPENDITURES AND FINANCING SOURCES - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2022

Project Title	Expenditures					Methods of Financing					Fund Balance June 30, 2022
	Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total	Unexpended Balance	Proceeds of Obligations	State Aid	Local Sources	Total	
2013/14 Capital Improvement Plan											
Goosehill Case Work/HVAC/Security/Tanks	\$ 211,450	\$ 222,587	\$ 222,587	-	\$ 222,587	\$ -	\$ -	\$ -	\$ 222,587	\$ 222,587	\$ -
West Side Case Work/Security/Fuel Tanks	263,965	191,684	191,684	-	191,684	-	-	-	191,684	191,684	-
Lloyd Harbor Asphalt/Alarm/Main Office	670,133	726,034	726,034	-	726,034	-	-	-	726,034	726,034	-
High School Lot Drainage/HVAC/Security	404,452	320,859	320,859	-	320,859	-	-	-	320,859	320,859	-
High School Storage Building	50,000	538,836	6,545	14,524	21,069	517,767	-	-	538,836	538,836	517,767
2014/15 Capital Improvement Plan											
Goosehill Asbestos/Playground	234,000	239,902	239,902	-	239,902	-	-	-	239,902	239,902	-
West Side Ceilings and Condensate Pumps	145,366	176,940	176,940	-	176,940	-	-	-	176,940	176,940	-
Lloyd Harbor Condensate Pumps and Drywells	132,340	25,212	25,212	-	25,212	-	-	-	25,212	25,212	-
High School Asbestos/Science Rooms/Bathrooms	956,500	1,029,746	1,029,746	-	1,029,746	-	-	-	1,029,746	1,029,746	-
District Wide Rooftop Exhaust Fans	30,000	26,406	21,449	-	21,449	4,957	-	-	26,406	26,406	4,957
2015/16 Capital Improvement Plan											
Goosehill Building Shell Repairs	16,500	7,672	7,672	-	7,672	-	-	-	7,672	7,672	-
West Side Doors/Casework/Asbestos	289,870	210,122	210,122	-	210,122	-	-	-	210,122	210,122	-
Lloyd Harbor Art Room/Stage/Security	314,000	398,668	398,668	-	398,668	-	-	-	398,668	398,668	-
High School Flooring/Track/Art/Field House	945,774	1,142,992	1,142,992	-	1,142,992	-	-	-	1,142,992	1,142,992	-
District Wide Asbestos/Rooftop Fans/Doors	308,856	115,546	2,695	-	2,695	112,851	-	-	115,546	115,546	112,851
2016/17 Capital Improvement Plan											
Goosehill Parking Lots	330,736	340,634	273,052	62,179	335,231	5,403	-	-	340,634	340,634	5,403
West Side Septic System	375,000	409,476	409,476	-	409,476	-	-	-	409,476	409,476	-
Lloyd Harbor Playground Surface	55,130	88,822	88,822	-	88,822	-	-	-	88,822	88,822	-
High School Tennis Courts/Lockers/Gym Floors	1,239,134	1,161,068	1,161,068	-	1,161,068	-	-	-	1,161,068	1,161,068	-
2016/17 Smart Schools Bond											
District Wide Wire and Wireless Project	479,789	460,156	460,156	-	460,156	-	-	366,029	94,127	460,156	-
2017/18 Capital Improvement Plan											
Goosehill Bathrooms/Cafeteria	272,400	274,844	274,844	-	274,844	-	-	-	274,844	274,844	-
West Side Bathrooms/Kitchen/Casework	382,000	584,161	366,448	-	366,448	217,713	-	-	584,161	584,161	217,713
Lloyd Harbor Bathrooms/Music Rooms	595,600	429,256	429,256	-	429,256	-	-	-	429,256	429,256	-
High School Bathrooms/Drainage System	710,000	710,000	463,102	-	463,102	246,898	-	-	710,000	710,000	246,898
District Wide Security/Electric Panels	175,000	136,739	136,739	-	136,739	-	-	-	136,739	136,739	-
2018/19 Capital Improvement Plan											
Goosehill Bathrooms	94,400	77,892	77,892	-	77,892	-	-	-	77,892	77,892	-
West Side Roof Drains/Oil Line/Sidewalks	365,800	381,701	381,701	-	381,701	-	-	-	381,701	381,701	-
Lloyd Harbor Ext. Doors/Bathrooms/Boiler Room	239,540	239,540	37,123	-	37,123	202,417	-	-	239,540	239,540	202,417
High School Doors/PAC Lighting/Electric/Gas/Oil	292,050	422,657	110,940	38,747	149,687	272,970	-	-	422,657	422,657	272,970
District Wide Security	283,210	253,210	151,925	-	151,925	101,285	-	-	253,210	253,210	101,285
2019/20 Capital Improvement Plan											
High School Field House Locker Rooms	932,200	1,385,992	1,385,992	-	1,385,992	-	-	-	1,385,992	1,385,992	-
District Wide Security	267,800	114,008	-	-	-	114,008	-	-	114,008	114,008	114,008
2020/21 Capital Improvement Plan											
High School Field Replacement/Faucets	750,000	624,893	553,015	71,878	624,893	-	-	-	624,893	624,893	-
2020/21 Capital Improvement Plan											
Goosehill Heat, Ventilation, & AC	681,000	681,000	-	5,771	5,771	675,229	-	-	681,000	681,000	675,229
West Side Heat, Ventilation, & AC	234,000	234,000	-	1,983	1,983	232,017	-	-	234,000	234,000	232,017
Lloyd Harbor Heat, Ventilation, & AC	270,000	270,000	-	2,288	2,288	267,712	-	-	270,000	270,000	267,712
BOND Phase I											
Goosehill - Phase I	240,000	259,024	145,755	113,269	259,024	-	-	-	259,024	259,024	-
West Side - Phase I	230,000	245,390	111,963	133,427	245,390	-	-	-	245,390	245,390	-
Lloyd Harbor - Phase I	215,000	356,089	171,058	185,031	356,089	-	-	-	356,089	356,089	-
High School - Phase I	540,000	665,290	305,993	359,297	665,290	-	-	-	665,290	665,290	-
BOND Phase II											
Goosehill - Phase II	1,932,870	1,932,870	84,968	554,880	639,548	1,293,322	-	-	1,932,870	1,932,870	1,293,322
West Side - Phase II	1,610,700	890,000	38,775	3,806	42,581	847,419	-	-	890,000	890,000	847,419
Lloyd Harbor - Phase II	2,728,250	2,004,062	37,816	30,542	68,358	1,935,704	733,108	-	176,337	909,445	841,087
High School - Phase II	15,767,900	18,754,164	496,100	820,118	1,316,218	17,437,946	18,754,164	-	-	18,754,164	17,437,946
BOND Phase III											
West Side - Phase III	293,195	293,195	291,667	1,528	293,195	-	293,195	-	-	293,195	-
Lloyd Harbor - Phase III	783,600	783,600	-	16,682	16,682	766,918	-	-	-	16,682	-
High School - Phase III	3,482,780	2,232,780	100,842	20,200	121,042	2,111,738	121,042	-	-	121,042	-
BOND Phase IV											
West Side - Phase IV	699,600	699,600	-	14,267	14,267	685,333	14,267	-	-	14,267	-
High School - Phase IV	3,184,200	3,184,200	-	67,542	67,542	3,116,658	67,542	-	-	67,542	-
District Wide - Phase IV	2,224,736	2,224,736	-	-	-	2,224,736	-	-	-	-	-
	<u>\$ 47,930,826</u>	<u>\$ 49,178,255</u>	<u>\$ 13,269,295</u>	<u>\$ 2,517,959</u>	<u>\$ 15,787,254</u>	<u>\$ 33,391,001</u>	<u>\$ 20,000,000</u>	<u>\$ 366,029</u>	<u>\$ 18,812,226</u>	<u>\$ 39,178,255</u>	<u>\$ 23,391,001</u>

**OTHER
SUPPLEMENTARY
INFORMATION**

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NET INVESTMENT IN CAPITAL ASSETS
JUNE 30, 2022**

Capital assets, net		\$ 30,943,877
Add:		
Unspent bond proceeds	\$ 18,102,696	
Right-to-use assets, net	<u>468,380</u>	18,571,076
Deduct:		
Short-term portion of bonds payable	(1,915,031)	
Long-term portion of bonds payable	(18,246,592)	
Short-term portion of lease liability	(119,850)	
Long-term portion of lease liability	<u>(354,583)</u>	<u>(20,636,056)</u>
Net investment in capital assets		<u><u>\$ 28,878,897</u></u>

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

Federal Grantor/ Pass - Through Grantor/ Cluster Title/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
<u>U.S. Department of Education</u>			
<u>Passed Through Programs From:</u>			
New York State Department of Education			
Special Education Cluster:			
IDEA, Part B, Section 611, Special Education Grants to States	84.027A	0032-22-0905	\$ 327,334
IDEA, Part B, Section 619, Special Education Preschool Grants	84.173A	0033-22-0905	6,687
Total Special Education Cluster			334,021
Title I, Part A Cluster:			
ESEA, Title I, Part A, Grants to Local Educational Agencies	84.010A	0021-22-3075	83,178
Total Title I, Part A Cluster			83,178
CARES Act, Education Stabilization Fund Cluster:			
CARES Act, ESF, Elementary and Secondary School Emergency Relief Fund	84.425D	5891-21-3075	26,421
CARES Act, ESF, American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	5880-21-3075	116,350
Total CARES Act, Education Stabilization Fund Cluster			142,771
ESEA, Title II, Part A, Improving Teacher Quality State Grants	84.367A	0147-22-3075	23,937
ESEA, Title IV, Student Support And Academic Enrichment Program	84.424A	0204-22-3075	12,981
Total U.S. Department of Education			596,888
<u>U.S. Department of Agriculture</u>			
<u>Direct Program:</u>			
Emergency Food Assistance Program (Food Commodities)	10.569	N/A	19,875
<u>Passed Through Programs From:</u>			
New York State Office of General Services			
Child Nutrition Cluster:			
National School Lunch Program	10.555	N/A	347,626
Total Child Nutrition Cluster			347,626
P-EBT Local Level Administrative Cost Grant	10.649	N/A	1,803
Total U.S. Department of Agriculture			369,304
TOTAL FEDERAL EXPENDITURES			\$ 966,192

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Cold Spring Harbor Central School District (the "District") under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or fund balance of the District.

2. BASIS OF ACCOUNTING

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system. Negative amounts (if any) shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Matching costs (the District's share of certain program costs) are not included in the reported expenditures.

Non-monetary assistance is reported in the schedule at the fair market value of commodities received, which is provided by New York State.

3. INDIRECT COSTS

The Cold Spring Harbor Central School District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

4. SUBRECIPIENTS

No amounts were provided to subrecipients.

5. OTHER DISCLOSURES

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

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

6. MAJOR PROGRAM DETERMINATION

The District was deemed not to be a "low-risk auditee", therefore, major programs were determined based on 40% of total federal award expenditures.



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 of the
Cold Spring Harbor Central School District
Cold Spring Harbor, New York:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the governmental activities and each major fund of the Cold Spring Harbor Central School District (the "District"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 12, 2022.

Report on Internal Control Over Financial Reporting

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

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

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

NawrockiSmith

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and is described in the accompanying schedule of findings and questioned costs as item 22-01.

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.

Hauppauge, New York
October 12, 2022

A handwritten signature in black ink that reads "Nawrocki Smith LLP". The signature is written in a cursive, flowing style.



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

To the Board of Education of the
Cold Spring Harbor Central School District
Cold Spring Harbor, New York:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

NawrockiSmith

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

NawrockiSmith

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

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

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

Hauppauge, New York
October 12, 2022

A handwritten signature in black ink that reads "Nawrocki Smith LLP". The signature is written in a cursive, flowing style.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

1. Summary Of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on the financial statements.
2. No deficiencies or material weaknesses were reported during the audit of the financial statements.
3. No instances of noncompliance were disclosed during the audit of the financial statements.
4. No deficiencies or material weaknesses were reported during the audit of the major federal award programs.
5. The auditor's report on compliance for the major federal award programs expresses an unmodified opinion.
6. No audit findings relative to the major federal award programs that are required to be reported in accordance with section 2 CFR 200.516 (a) of the Uniform Guidance, were disclosed during the audit.
7. The programs tested as major programs included:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
	<u>U.S. Department of Education</u>
84.027A	IDEA, Part B, Section 611, Special Education Grants to States
84.173A	IDEA, Part B, Section 619, Special Education Preschool Grants
	<u>U.S. Department of Agriculture</u>
10.555	National School Lunch Program

8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Auditee was determined to not be a low-risk auditee.

2. Findings - Financial Statement Audit

None reported.

3. Findings And Questioned Costs - Major Federal Award Programs Audit

None reported.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2022**

Findings - Financial Statement Audit

None reported.

Findings And Questioned Costs - Major Federal Award Programs Audit

None reported.

**COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2022**

This section presents our findings and recommendations resulting from the audit of the financial statements of the Cold Spring Harbor Central School District as of and for the year ended June 30, 2022, as well as the status of recommendations made in connection with prior audits of the financial statements.

CURRENT YEAR RECOMMENDATION:

None reported.

PRIOR YEAR RECOMMENDATION:

None reported.