

MILFORD CENTRAL SCHOOL DISTRICT

EXECUTIVE SUMMARY

JUNE 30, 2020

Cwynar & Company

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October 10, 2019

To the Board of Education
Milford Central School District
Milford, New York

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Milford Central School District for the year ended June 30, 2020 and have issued our reports thereon dated October 15, 2020. Professional standards require we provide you with information about our responsibilities under Generally Accepted Auditing Standards, Government Auditing Standards, and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated May 17, 2019. Professional standards also require that we communicate to you the following information related to our audit:

Our Responsibilities under U.S. Generally Accepted Auditing Standards

Our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of our audit, we considered the internal control of your organization. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Audit Findings *deficiencies in internal controls related to overseeing the financial reporting process*

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.

Material Control Weaknesses

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. These internal control issues typically have a reasonable likelihood of causing substantial financial or reputational damage to the organization. Resolution of those findings would help avoid a potentially critical negative impact involving loss of material assets, reputation, critical financial information, or ability to comply with the most important laws, policies, or procedures.

It is important to note that ***no material control weaknesses were identified.***

October 15, 2020

Significant Control Deficiencies

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. This type of internal control condition's resolution would help avoid a potentially significant negative impact on the organization's assets, financial information, or ability to comply with important laws, policies, or procedures.

There are **no significant control deficiencies**

Control Improvement

A *control improvement* is a deficiency, or combination of deficiencies, in internal control where resolution would help improve controls and avoid potential problems related to the financial reporting process or in operations.

Extraclassroom Cash Receipts and Disbursements. - During our testing of extraclassroom cash receipts and disbursements we noted that there is adequate documentation of the content of the deposits and supporting invoices for vendors paid. However, we continue to recommend that the advisors and treasurers prepare sales reports to match up to amounts received and deposited and continue to retain all receipts or invoices and attach the payment order.

Status: We continue to recommend that extraclassroom activity treasurers and advisors ensure that all cash receipt and disbursement are adequately supported and documented.

Compliance items

A *compliance item* is a regulation deficiency where resolution would help avoid potential problems related to a financial reporting observation by a regulatory body (New York State).

- *Excess Fund Balance*
The unassigned balance of the District's General Fund exceeds 4% of the subsequent year's budget. It is 9.827% of the subsequent year's budget. Budgeting is done based on conservative assumptions and a budget shortage are avoided. It is possible but unlikely that State aid may be reduced for the fund balance in excess of the 4%. We recommend examining future budgets and budgeting procedures as well as investigate making use of various reservations of fund balance allowed under New York State Law.

October 15, 2020

Qualitative Aspects of Accounting Practices

Accounting Policies. Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Milford Central School District are described in Note 1 to the financial statements.

- Management prepares internal reports for Governmental Funds based on a modified cash basis accounting standards as required by the New York State Comptroller's Office.
- We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus.
- All significant transactions have been recognized in the financial statements in the proper period.

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

- The value for the District's proportionate share of New York State Retirement System plan assets / liability and amounts of deferred outflows and inflows is based on an actuarial calculation of projected costs and participation.
- The liability for compensated absences and termination benefits is based on employees' accrued sick time available at yearend.
- The liability for other postemployment benefits (OPEB) is based on an actuarial calculation of projected costs and participation.
- The historical value of capital assets and their useful lives are based on an appraisal report done in 2009 that has been updated for additions and dispositions since.

We evaluated the key factors and assumptions used to develop these liabilities and its related expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures. Certain disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Note 11 – Post Employment Benefits is an unfunded actuarial accrued liability
- Note 10 – The district proportionate share of New York State Pension Plans is disclosed on the financial statement. Deferred inflows and outflows reconcile the plan financials to the district.

We believe that the financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

October 15, 2020

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole. We note the following adjustments that needed to be made:

- We recorded certain adjustments to convert fund accounting to GASB 34 government-wide accounting. These adjustments include:
 - Capitalization of expenditures for construction in progress, equipment and vehicles.
 - Record depreciation expense and allocate expense to functions.
 - Record Net Pension Assets / Liability with related amortizations.
 - Adjustment to bonds payable, interest payable and interest expense on bonds.
 - Amortization of bond issuance costs and bond premiums.
 - Record compensated absences liability and allocate to functions.
 - Record OPEB liability and allocate expense to functions.
 - Allocate employee benefits expenses amongst functions.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report.

- We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

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

Executive Summary
Milford Central School District
Financial Audit for the year ended June 30, 2020

October 15, 2020

Other Audit Findings or Issues

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

We would like to thank you and your staff for the cooperation and support given to us during the course of the audit. We appreciate the opportunity to be of service to you and look forward to our continued involvement.

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

Very truly yours,

A handwritten signature in black ink that reads "Curyan & Company". The script is cursive and fluid, with the ampersand clearly visible.

Norwich, New York
October 15, 2020

Executive Summary
Milford Central School District
Financial Statement Analysis for the year ended June 30, 2020

October 15, 2020

BASIC FINANCIAL STATEMENTS	DESCRIPTION OF REPORT AND FINDINGS
Report of Independent Auditors on Basic Financial Statements.	Unmodified opinion on the District's basic financial statements <i>(page 1)</i>
Report of Independent Auditors on Supplemental Financial Information.	Unmodified report on supplemental financial information in relation to the primary audit report. <i>(page 2)</i>
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .	Report on the District's compliance with laws and regulations that may have a direct and material effect on the basic financial statements, and on the District's internal control structure, policies and procedures based on the auditors' understanding of the internal control structure and assessment of control risk obtained as part of the audit of the basic financial statements. This report identified no instances of noncompliance .
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)...	The District's federal award program expenditures amounted to a total of \$528,651, which was below the "single audit" threshold of \$750,000. We did not performed a single audit in accordance with the Uniform Guidance.
Report of Independent Auditors on Extraclassroom Activity Funds.	Qualified opinion on the Extraclassroom Activity Fund financial statements reported on a cash basis (Not GAAP)..

Note - Abstracted from audited financial see audit reports for complete information

Executive Summary
Milford Central School District
Financial Statement Analysis for the year ended June 30, 2020

October 15, 2020

Fund Balance Sheets

	General	Special Aid	School Lunch	Debt Service	Capital Projects	As at June 30,		
						2020	2019	2018
ASSETS								
Cash								
Unrestricted.....	\$ 1,546,379	\$ 10,204	\$ 29,435	\$ 41,565	\$ 3,843,211	\$ 5,470,794	\$ 1,953,150	\$ 1,783,798
Restricted.....	1,175,783	-	-	-	-	1,175,783	1,121,310	1,573,943
Receivables								
Accounts receivable.....	614	-	116	-	-	730	4,269	696
Due from other funds.....	168,326	-	-	12,160	-	180,486	190,563	217,548
State and federal aid receivable.....	123,275	154,673	42,671	-	15,876	336,495	304,346	296,787
Due from other governments.....	237,301	-	-	-	-	237,301	240,753	265,547
Inventories.....	-	-	16,582	-	-	16,582	10,501	10,920
	<u>\$ 3,251,678</u>	<u>\$ 164,877</u>	<u>\$ 88,804</u>	<u>\$ 53,725</u>	<u>\$ 3,859,087</u>	<u>7,418,171</u>	<u>3,824,892</u>	<u>4,149,239</u>
LIABILITIES								
Payables								
Accounts payable.....	\$ 2,816	\$ -	\$ 5,190	\$ -	\$ 38,500	46,506	14,083	11,550
Accrued liabilities.....	344,088	-	-	-	-	344,088	378,899	334,477
Due to:								
Due to other funds.....	-	152,450	-	-	28,036	180,486	190,563	217,548
Due to other governments.....	-	-	216	-	-	216	352	389
Due to Teachers' Retirement System.....	25,870	-	-	-	-	25,870	29,123	32,578
Short-Term Notes Payable								
Bond Anticipation Note.....	-	-	-	-	3,471,000	3,471,000	-	-
	<u>372,774</u>	<u>152,450</u>	<u>5,406</u>	<u>-</u>	<u>3,537,536</u>	<u>4,068,166</u>	<u>613,020</u>	<u>596,542</u>
FUND BALANCES								
Nonspendable.....	-	-	16,582	-	-	16,582	10,501	10,920
Restricted								
Unemployment insurance.....	36,368	-	-	-	-	36,368	36,368	165,368
Retirement contributions.....	359,353	-	-	-	-	359,353	359,353	300,353
Insurance.....	33,039	-	-	-	-	33,039	33,039	33,039
Tax certiorari.....	219,857	-	-	-	-	219,857	219,857	149,857
Employee benefit and accrued liability.....	336,370	-	-	-	-	336,370	349,569	292,754
Repair.....	177,569	-	-	-	-	177,569	177,568	200,000
Debt.....	-	-	-	53,725	-	53,725	2,334	12,247
Assigned								
Appropriated.....	599,046	-	66,816	-	-	665,862	696,157	711,605
Encumbrances.....	62,286	12,427	-	-	321,551	396,264	878,724	122,287
Unassigned.....	1,055,016	-	-	-	-	1,055,016	448,401	1,054,269
	<u>2,878,904</u>	<u>12,427</u>	<u>83,398</u>	<u>53,725</u>	<u>321,551</u>	<u>3,350,005</u>	<u>3,211,871</u>	<u>3,552,699</u>
	<u>\$ 3,251,678</u>	<u>\$ 164,877</u>	<u>\$ 88,804</u>	<u>\$ 53,725</u>	<u>\$ 3,859,087</u>	<u>\$ 7,418,171</u>	<u>\$ 3,824,891</u>	<u>\$ 4,149,241</u>

Analysis of General Fund Balance Sheet

NYS Fund accounting basis recognizes revenues when measurable and available and expenses when incurred.

- Assets consist of cash and internal receivables from the special aid fund.
- Liabilities are primarily due to New York State for Employee Retirement
- Fund Balance has reserves for restricted uses.

Executive Summary
Milford Central School District
Financial Statement Analysis for the year ended June 30, 2020

October 15, 2020

Fund Statement of Revenues & Expenditures

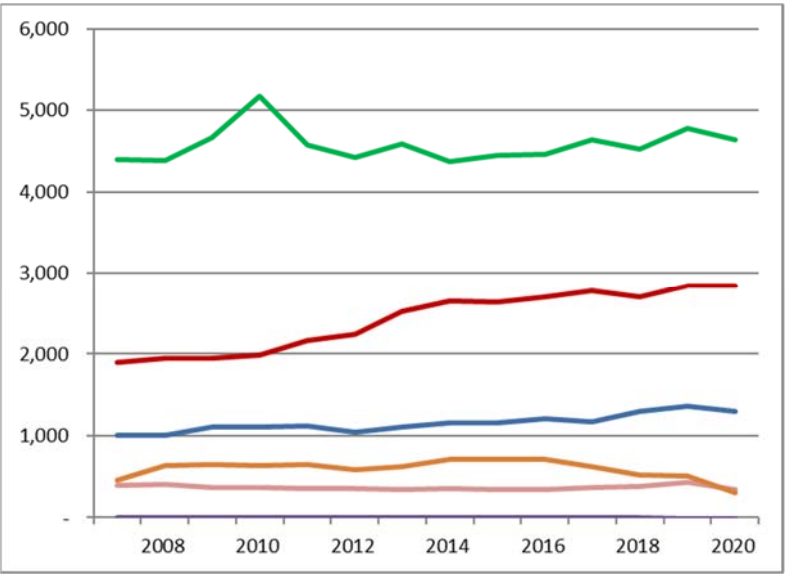
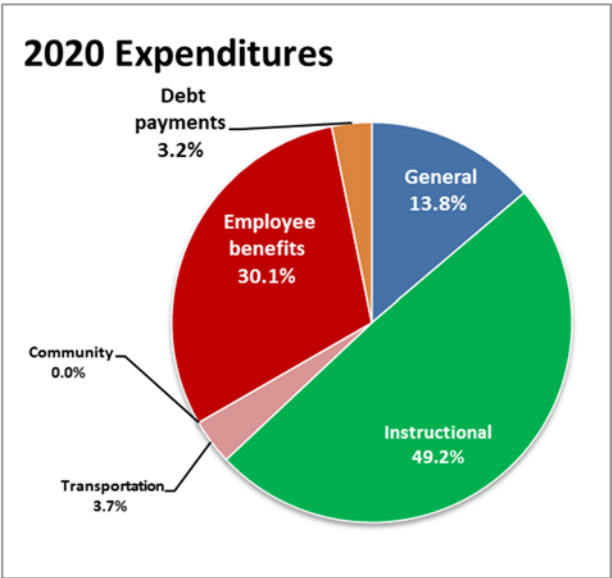
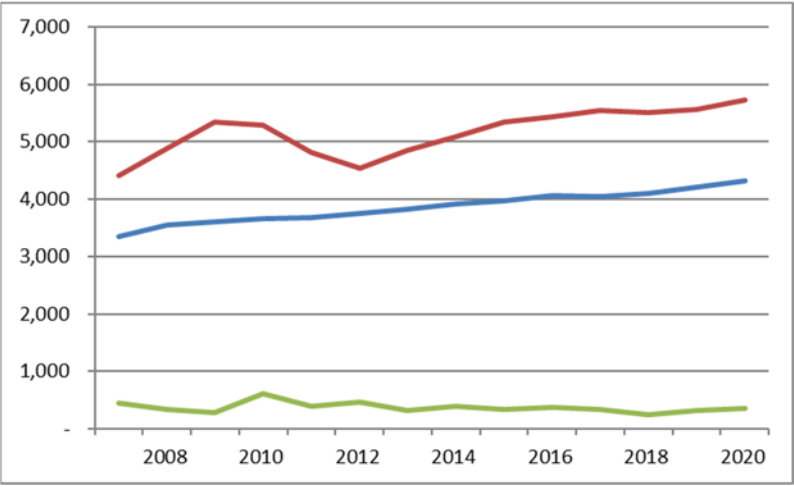
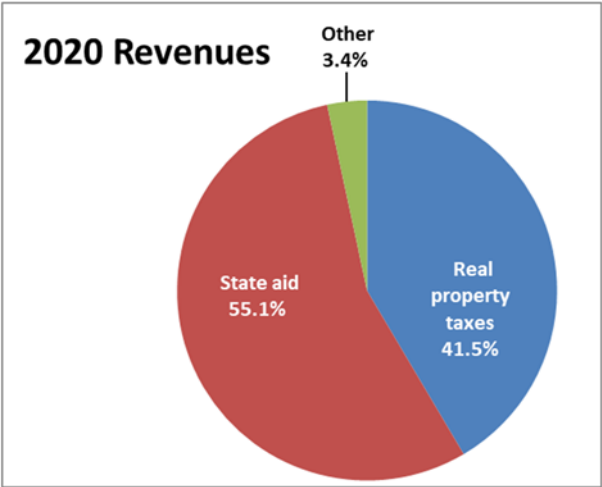
						For the years ended June 30,		
	General	Special Aid	School Lunch	Debt Service	Capital Projects	2020	2019	2018
REVENUES								
Real property taxes.....	\$ 3,711,460	\$ -	\$ -	\$ -	\$ -	\$ 3,711,460	\$ 3,612,696	\$ 3,511,543
Other tax items.....	600,343	-	-	-	-	600,343	594,957	583,206
Charges for services.....	52,636	-	-	-	-	52,636	34,570	69,248
Use of money and property.....	8,208	-	12	195	-	8,415	8,528	2,128
Sale of property and compensation for loss.....	15,943	-	-	-	-	15,943	11,634	0
Miscellaneous.....	246,154	-	-	-	-	246,154	216,124	163,202
Local sources.....	-	4,008	-	-	-	4,008	6,957	12,843
State sources.....	5,724,839	77,690	3,546	-	15,876	5,821,951	5,662,586	5,646,301
Medicaid reimbursement.....	28,216	-	-	-	-	28,216	43,891	17,079
Federal sources.....	-	337,764	190,887	-	-	528,651	574,815	704,069
Sales - school lunch.....	-	-	36,583	-	-	36,583	63,004	71,413
	<u>\$ 10,387,799</u>	<u>\$ 419,462</u>	<u>\$ 231,028</u>	<u>\$ 195</u>	<u>\$ 15,876</u>	<u>\$ 11,054,360</u>	<u>\$ 10,829,762</u>	<u>\$ 10,781,032</u>
EXPENDITURES								
General support.....	\$ 1,300,047	\$ -	\$ 119,263	\$ -	\$ -	\$ 1,419,310	\$ 1,477,088	\$ 1,398,082
Instruction.....	4,639,665	382,307	-	-	-	5,021,972	5,179,986	4,983,823
Pupil transportation.....	346,698	12,197	-	-	-	358,895	443,642	398,696
Community service.....	785	2,315	-	-	-	3,100	71,071	96,533
Employee benefits.....	2,840,433	28,706	29,518	-	-	2,898,657	2,907,977	2,776,491
Debt service								
Principal.....	280,000	-	-	-	-	280,000	445,000	445,000
Interest.....	54,220	-	-	-	-	54,220	68,258	81,943
Cost of sales.....	-	-	80,403	-	-	80,403	92,052	105,046
Capital outlay.....	178,429	-	-	-	633,380	811,809	482,425	199,749
	<u>\$ 9,640,277</u>	<u>\$ 425,525</u>	<u>\$ 229,184</u>	<u>\$ -</u>	<u>\$ 633,380</u>	<u>\$ 10,928,366</u>	<u>\$ 11,167,499</u>	<u>\$ 10,485,363</u>
Excess (Deficiency) fo Revenues over Expenditures.....	<u>747,522</u>	<u>(6,063)</u>	<u>1,844</u>	<u>195</u>	<u>(617,504)</u>	<u>125,994</u>	<u>(337,737)</u>	<u>295,669</u>
OTHER FINANCING SOURCES AND (USES)								
Premium on obligations.....	\$ -	\$ -	\$ -	\$ 12,138	\$ -	12,138	-	-
Operating transfers in.....	8,045	7,560	-	39,058	144,000	198,663	1,138,584	55,784
Operating transfers (out).....	(151,560)	-	-	-	(47,103)	(198,663)	(1,138,584)	(55,784)
	<u>\$ (143,515)</u>	<u>\$ 7,560</u>	<u>\$ -</u>	<u>\$ 51,196</u>	<u>\$ 96,897</u>	<u>\$ 12,138</u>	<u>\$ -</u>	<u>\$ -</u>
Net Change in Fund Balances.....	604,007	1,497	1,844	51,391	(520,607)	138,132	(337,737)	295,669
Fund Balances - Beginning of year.....	2,274,897	10,930	81,554	2,334	842,158	3,211,873	3,549,608	3,257,030
Fund Balances - End of year.....	\$ 2,878,904	\$ 12,427	\$ 83,398	\$ 53,725	\$ 321,551	\$ 3,350,005	\$ 3,211,871	\$ 3,552,699

Analysis of General Fund Revenues and Expenditures

- Revenues are steady year to year keeping pace with expenditures.
- State Aid increased slightly.
- Property taxes and other tax items are steady
- Instructional expenses have decreased.
- Employee benefits is similar to last year
 - Health insurance cost decreased slightly
 - Pension obligation is slightly higher
- Capital expenditures in total increased for a major Building Project

Note - Abstracted from audited financial see audit reports for complete information

October 15, 2020



Graphic Trends

Note - Abstracted from audited financial see audit reports for complete information

Executive Summary
Milford Central School District
Financial Statement Analysis for the year ended June 30, 2020

October 15, 2020

Government-Wide Statement of Net Position

	As at June 30,		
	2020	2019	2018
ASSETS			
Cash			
Unrestricted.....	\$ 1,631,549	\$ 1,138,638	\$ 1,764,225
Restricted.....	5,015,028	1,935,822	1,593,516
Receivables			
Accounts receivable.....	729	4,269	696
State and federal aid receivable.....	336,495	304,346	296,787
Due from other governments.....	237,301	240,753	265,547
Inventories.....	16,582	10,501	10,920
Net pension assets, proportionate share.....	476,572	330,250	140,908
Capital assets, net.....	10,802,797	10,561,668	11,142,530
	<u>\$ 18,517,053</u>	<u>\$ 14,526,247</u>	<u>\$ 15,215,129</u>
DEFERRED OUTFLOW OF RESOURCES			
Retiree benefit payments.....	\$ 9,641,679	\$ 1,325,822	\$ 529,484
Pensions.....	2,296,300	1,885,003	1,889,291
	<u>\$ 11,937,979</u>	<u>\$ 3,210,825</u>	<u>\$ 2,418,775</u>
LIABILITIES			
Payables			
Accounts payable.....	\$ 46,504	\$ 14,083	\$ 11,550
Accrued expenses.....	344,088	378,899	334,477
Due To			
Other Governments.....	216	352	389
Teachers' Retirement System.....	25,870	29,123	32,578
Bond interest and matured bonds.....	2,665	2,229	2,796
Short-Term Notes Payable			
Bond Anticipation Note.....	3,471,000	-	-
Long-term liabilities			
Due and payable within one year			
Bonds payable.....	265,000	280,000	445,000
Due and payable after one year			
Bonds payable.....	1,030,000	1,295,000	1,575,000
Compensated absences payable.....	336,370	349,569	292,754
Other postemployment benefits payable.....	35,068,668	26,698,107	23,959,742
Net pension liability, proportionate share.....	1,188,605	312,335	128,674
	<u>\$ 41,778,986</u>	<u>\$ 29,359,697</u>	<u>\$ 26,782,960</u>
DEFERRED INFLOW OF RESOURCES			
Retiree benefit payments.....	\$ 1,984,240	\$ 847,402	\$ 1,006,549
Pensions.....	720,097	579,910	871,204
	<u>\$ 2,704,337</u>	<u>\$ 1,427,312</u>	<u>\$ 1,877,753</u>
NET POSITION			
Investment in capital assets, net of related debt.....	\$ 9,829,378	\$ 9,828,826	\$ 9,095,267
Restricted.....	2,015,706	1,935,822	1,653,618
Unrestricted (deficit).....	(25,873,375)	(24,814,585)	(21,775,694)
	<u>\$ (14,028,291)</u>	<u>\$ (13,049,937)</u>	<u>\$ (11,026,809)</u>

Financial Highlights for discussion

Government-wide statements (the GASB Format) report information use accounting methods similar to those used by private sector companies. The statement of net position includes all 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

- Other Post-Employment Benefits (Retiree Health Insurance) is the largest liability for the district

Note - Abstracted from audited financial see audit reports for complete information

Executive Summary
Milford Central School District
Financial Statement Analysis for the year ended June 30, 2020

October 15, 2020

Government Wide Changes in Net Position

	2020	2019	2018
FUNCTIONS/PROGRAMS			
General support.....	1,295,048	1,370,586	1,300,077
Instruction.....	5,154,034	5,401,686	5,161,806
Pupil transportation.....	230,186	286,622	236,304
Community.....	785	15,376	3,937
Debt service interest.....	54,656	67,691	81,392
Foodservice.....	199,665	204,185	213,558
Employee benefits.....	1,453,744	751,472	1,269,626
Health Insurance.....	1,890,552	1,920,632	1,901,644
Other Post Employment Benefits.....	1,191,542	1,782,880	375,555
Depreciation.....	574,640	490,976	515,890
	<u>\$ 12,044,852</u>	<u>\$ 12,292,106</u>	<u>\$ 11,059,789</u>

PROGRAM REVENUES

Charges for services:			
Tuition.....	\$ 50,997	29,883	63,393
Foodservice.....	36,583	63,004	71,413
Operating grants:			
General.....	1,639	7,519	8,855
Instructional.....	419,461	499,091	621,648
Child nutrition grants.....	190,887	165,437	179,196
Capital grants:			
Instructional.....	15,876	13,545	41,095
	<u>715,443</u>	<u>778,479</u>	<u>985,600</u>

GENERAL REVENUES

Real property taxes.....	\$ 3,711,460	3,612,696	3,511,543
Other tax items.....	600,343	594,957	583,206
Use of money and property.....	8,415	8,528	7,815
Sale of property and compensation for loss.....	15,943	11,634	-
Miscellaneous.....	258,292	216,124	163,202
State sources.....	5,728,385	5,563,453	5,512,585
Federal sources.....	28,216	43,891	17,079
	<u>10,351,054</u>	<u>10,051,283</u>	<u>9,795,430</u>
Change in Net Position.....	(978,355)	(1,462,344)	(278,759)
Total Net Position - Beginning of year.....	(13,049,936)	(11,096,395)	(10,372,622)
Other changes in Net Position.....	-	(491,198)	(375,427)
Total Net Position - End of year.....	<u>\$ (14,028,291)</u>	<u>\$ (13,049,937)</u>	<u>\$ (11,026,808)</u>

Analysis of Net Activity

Government-wide statements (the GASB Format) report information use accounting methods similar to those used by private sector companies. 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.

- Pension costs and health insurance are expensed based on the actuarial reports

Note - Abstracted from audited financial see audit reports for complete information

Executive Summary
Milford Central School District
Financial Statement Analysis for the year ended June 30, 2020

October 15, 2020

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets that are not depreciated:				
Construction in progress.....	\$ 310,620	633,379	-	\$ 943,999
Total nondepreciable historical cost.....	<u>310,620</u>	<u>633,379</u>	<u>-</u>	<u>943,999</u>
Capital assets that are depreciated:				
Land improvements.....	232,024	-	-	232,024
Buildings.....	17,814,667	-	-	17,814,667
Furniture and equipment.....	1,654,524	339,579	-	1,994,103
Total depreciable historical cost	<u>19,701,215</u>	<u>339,579</u>	<u>-</u>	<u>20,040,794</u>
Less: accumulated depreciation				
Land improvements.....	127,162	11,602	-	138,764
Buildings.....	8,361,168	363,618	-	8,724,786
Furniture and equipment.....	1,119,025	199,421	-	1,318,446
Total accumulated depreciation.....	<u>9,607,355</u>	<u>574,641</u>	<u>-</u>	<u>10,181,996</u>
Total depreciable and non-depreciable historical cost, net.....	<u>\$ 10,404,480</u>			<u>\$ 10,802,797</u>
Depreciation expense was charged to governmental functions as follows:				
Administrative services.....	\$	93,345		
Instruction.....		186,693		
Foodservice.....		93,943		
Pupil transportation.....		200,660		
		<u>\$ 574,641</u>		

Capital Asset Disclosures

- Item over \$5,000 in cost are capitalized
- Prior year amounts were restated for updated depreciation schedules.

Executive Summary
Milford Central School District
Financial Statement Analysis for the year ended June 30, 2020

October 15, 2020

Long Term Debt Disclosures

	Beginning Balance	Addition/ Issued	Deletion/ Redeemed	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bond Issue:					
Serial Bond - 11/1/2006	\$ 465,000	-	150,000	\$ 315,000	\$ 155,000
Serial Bond - 6/22/2012	1,085,000	-	105,000	980,000	110,000
Serial Bond - 8/06/2015	25,000	-	25,000	-	-
Total bonds and notes payables	\$ 1,575,000	-	280,000	\$ 1,295,000	\$ 265,000
Other Liabilities					
Compensated absences	349,569	6,459	19,658	336,370	-
Other post employment benefits	26,698,107	8,717,516	346,955	35,068,668	-
Total	\$ 28,622,676	8,723,975	646,613	\$ 36,700,038	\$ 265,000

Bonds Outstanding

Description of Issue	Issue Date	Final Maturity	Interest Rate	Outstanding at June 30, 2020
Serial Bond	11/1/2006	6/15/2022	4.03%	\$ 315,000
Serial Bond	6/22/2012	6/15/2028	3.20%	980,000
				<u>\$ 1,295,000</u>

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 265,000	\$ 45,058	\$ 310,058
2022	275,000	35,480	310,480
2023	115,000	25,550	140,550
2024	120,000	22,100	142,100
2025	125,000	18,200	143,200
Thereafter	395,000	27,825	422,825
Total	<u>\$ 1,295,000</u>	<u>\$ 174,213</u>	<u>\$ 1,469,213</u>

Note - Abstracted from audited financial see audit reports for complete information

Executive Summary
Milford Central School District
Financial Statement Analysis for the year ended June 30, 2020

October 15, 2020

Pension Items

Pension expense

Contributions	ERS	TRS
2020	\$ 166,569	\$ 325,171
2019	159,705	324,143
2018	153,420	373,389

The District Share of the State's Plans

	ERS	TRS
Actuarial valuation date.....	3/31/2020	6/30/2019
Net pension liability (asset).....	\$ 1,188,605	\$ (476,572)
District's portion of the Plan's total net pension liability (asset).....	0.0044886%	0.0183440%

Reconcile the District year end to the State Plans

	Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience.....	\$ 69,954	\$ 322,961	\$ -	\$ 35,439
Changes of assumptions.....	23,933	900,308	20,666	219,521
Net difference between projected and actual earnings on pension plan investments.....	609,337	-	-	382,186
Changes in proportion and differences between the District's contributions and proportionate share of contributions.....	17,774	26,862	24,226	38,059
District's contributions subsequent to the measurement date.....	-	-	-	-
	\$ 720,998	\$ 1,250,131	\$ 44,892	\$ 675,205

Note - Abstracted from audited financial see audit reports for complete information

Executive Summary
Milford Central School District
Financial Statement Analysis for the year ended June 30, 2020

October 15, 2020

Other Post Employment Benefit Liability

6/30/2020 6/30/2019

Schedule of Other Post Employment Benefits (OPEB) Liability

Total OPEB Liability Beginning of Year.....	\$ 26,698,107	\$ 23,959,742
Changes in totl OPEB Liability:		
Service Cost.....	390,032	683,294
Interest.....	468,292	945,523
Changes in benefit terms.....	-	-
Differences between expected and actual experience.....	(1,326,995)	-
Changes in assumptions or other inputs.....	9,186,187	1,535,449
Benefit payments.....	(346,955)	(425,901)
Differences between expected and actual experience.....	-	-
Total OPEB Liability atEnd of Year (a).....	<u>\$ 35,068,668</u>	<u>\$ 26,698,107</u>
Plan Fiduciary Net Position.....	-	-
Contributions - employer.....	346,955	425,901
Net investment income.....	-	-
Benefit payments.....	(346,955)	(425,901)
Net change in fiduciary net position.....	-	-
Plan Fiduciary Net Position Beginning of Year.....	-	-
Plan Fiduciary Net Position End of Year (b).....	<u>-</u>	<u>-</u>
Sponsor's Net OPEB Liability End of Year (a)-(b).....	\$ 35,068,668	\$ 26,698,107
Plan Fiduciary Net Position as a percentage of the total OPEB Liabilty.....	0.0%	0.0%
Covered Payroll.....	\$ 3,974,713	\$ 3,952,005
Net OPEB Liability as a percentage of Covered Payroll.....	882.3%	675.6%

Schedule of Employer OPEB Contributions

Actuarially Determined Contribution.....	\$ 1,538,497	\$ 1,679,297
Contributions in relation to the Actuarially Determined Contributions.....	346,955	425,901
Contributions Deficiency (Excess).....	\$ 1,191,542	\$ 1,253,396
Covered Payroll.....	\$ 3,974,713	\$ 3,952,005
Contributions as a percentage of Covered Payroll.....	8.7%	10.8%

Executive Summary
Milford Central School District
Financial Statement Analysis for the year ended June 30, 2020

October 15, 2020

	2020	2019	2018
Change from Adopted Budget to Revised Budget			
Adopted Budget.....	\$ 10,638,586	\$ 10,570,712	\$ 10,665,415
Add: Prior year's encumbrances.....	26,706	71,075	88,268
Original budget.....	10,665,292	10,641,787	10,753,683
Budget revision:			
Gifts, Donations, and charges for services.....	123	9,024	25,000
Repair reserve.....	-	22,431	-
Capital Projects.....	-	1,000,000	-
Final budget.....	\$ 10,665,415	\$ 11,673,242	\$ 10,778,683
<i>Next year's budget is a voter approved budget of.....</i>	<i>\$ 10,735,511</i>	<i>\$ 10,638,586</i>	<i>\$ 10,570,712</i>
Section 1318 of Real Property Tax Law Limit Calculation			
Subsequent year voter-approved budget.....	\$ 10,735,511	\$ 10,638,586	\$ 10,570,712
Maximum allowed percentage.....	4%	4%	4%
Limit of un expended surplus funds.....	\$ 429,420	\$ 425,543	\$ 422,828
General fund balance			
Restricted.....	\$ 1,162,556	\$ 1,175,754	\$ 1,641,371
Assigned.....	661,332	650,742	697,531
Unassigned.....	1,055,016	448,402	1,054,268
Total governmental - general fund balance.....	\$ 2,878,904	\$ 2,274,898	\$ 3,393,170
Less:			
Restricted not subject to the law.....	(1,162,556)	(1,175,754)	(1,641,371)
Appropriated for subsequent year's budget in assigned.....	(599,046)	(624,036)	(626,456)
Encumbrances included in assigned.....	(62,286)	(26,706)	(71,075)
	(1,823,888)	(1,826,496)	(2,338,902)
General fund balance subject to limit.....	\$ 1,055,016	\$ 448,402	\$ 1,054,268
Calculated Actual percentage.....	9.827%	4.215%	9.973%
Dollar amount of overage.....	\$ 625,596	\$ 22,859	\$ 631,440

Note - Abstracted from audited financial see audit reports for complete information