

TUCKAHOE UNION FREE SCHOOL DISTRICT

**Financial Statements
As of June 30, 2020**

Together with Independent Auditor's Reports

Bonadio & Co., LLP
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

October 8, 2020

To the Board of Education of
Tuckahoe Union Free School District:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Tuckahoe Union Free School District (School District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

(Continued)

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INDEPENDENT AUDITOR'S REPORT (Continued)

Opinions

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

Prior Period Adjustment

As discussed in Note 15 to the financial statements, beginning net position and beginning special purpose fund balance have been restated to correct errors in presentation from the prior year. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

We have audited the basic financial statements of the School District as of and for the year ended June 30, 2020, and expressed unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on such financial statements as a whole. The other information required by the New York State Education Department and the combining and individual nonmajor fund financial statements, and the major and non-major funds comparative information, and the schedules of revenues and expenditures and other financing sources compared to budget, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the 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 2020 financial statements. The information has been subjected to the auditing procedures applied in the audit of those financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements for the year ended June 30, 2020 as a whole.

INDEPENDENT AUDITOR'S REPORT (Continued)

Other Matters (Continued)

Other auditors previously audited, in accordance with auditing standards generally accepted in the United States of America, the major and non-major funds comparative information as of and for the year ended June 30, 2019 (none of which is presented herein), and expressed unmodified opinions on those supplemental financial statements. That audit was conducted for purposes of forming an opinion on the basic financial statements as a whole. The 2019 comparative financial information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from the 2019 financial statements. The information has been subjected to the auditing procedures applied in the audit of those financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based upon the work of the other auditors, the 2019 financial information is fairly stated in all material respects in relation to the financial statements from which it has been derived.

The other information required by the New York State Education Department and the comparative budget to actual schedules and the schedules of revenues and expenditures and other financing sources compared to budget, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2020, on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

TUCKAHOE UNION FREE SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE FISCAL YEAR ENDED JUNE 30, 2020

The following is a discussion and analysis of Tuckahoe Union Free School District's (School District) financial performance for the fiscal year ended June 30, 2020. This section is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the School 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 School District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- New York State Law limits the amount of unassigned fund balance that can be retained by the General Fund to 4% of the ensuing year's budget, exclusive of the amount designated for the subsequent year's budget. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$1,456,928, or 4.0%, which is within the statutory limit.
- The School District's governmental fund financial statements report a combined ending fund balance of \$209,834, a decrease in fund balance of \$6,797,061 from the prior year. The combined ending fund balance includes fund balance from the Other Governmental funds, which have aggregate fund balances of \$(8,107,383). This includes a deficit balance in the Capital Projects Fund of \$8,437,685 due to the timing of financing for expenditures related to the on-going capital projects. The fund balance of the General Fund was \$8,317,217, an increase in fund balance of \$494,285 from the prior year.
- On the district-wide financial statements, liabilities and deferred inflows of resources of the School District exceeded assets and deferred outflows of resources by \$41,213,614, resulting in a deficit net position. Of this amount, the unrestricted portion is a deficit of \$48,211,853. The School District's total Net Position reflects a decrease of \$3,968,534 for the year ended June 30, 2020. This decrease results primarily from OPEB and other pension related costs.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The financial statements also include notes that provide additional information about the financial statements and the balances reported. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the School District's budget for the year.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Figure A-1 shows how the various sections of this annual report are arranged and related to one another.

Figure A-1 Organization of the School District's Annual Financial Report

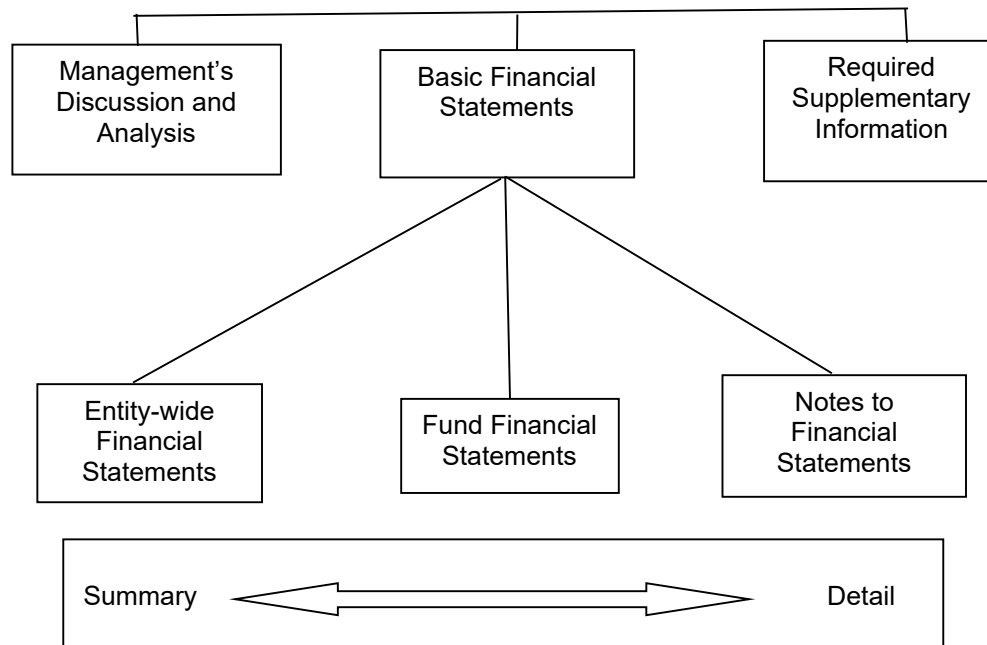


Figure A-2 summarizes the major features of the School District's financial statements, including the portion of the School District's activities that they cover and the types of information that they contain. The remainder of this overview section highlights the structure and contents of each statement.

Figure A-2 Major Features of the School District-wide and Fund Financial Statements

	School District-wide	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire School District (except fiduciary funds)	The daily operating activities of the School District, such as instruction and special education.	District administers resources on behalf of someone else, such as scholarship programs and student activities monies.
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 revenue, expenditures, and change in fund balance 	<ul style="list-style-type: none"> Statement of fiduciary net position Statement of change in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial focus.	Accrual accounting and economic resources focus.
Type of asset/liability, deferred outflows/inflows of resources information	All assets, liabilities, deferred outflows & inflows of resources both financial and capital, short-term and long-term debt.	Current assets and liabilities that come due during the year or soon after; no capital assets or long-term liabilities included.	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can.
Type of inflow/outflow information	All revenue and expenses during the year, regardless of when cash is received or paid.	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All additions and deductions during the year, regardless of when cash is received or paid.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

School District-wide Statements

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

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

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

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

School District-wide statements use an economic resources measurement focus and full accrual basis of accounting that involves the following steps to prepare the statement of net position:

- Capitalize current outlays for capital assets.
- Report long-term debt as a liability.
- Depreciate capital assets and allocate the depreciation to the proper function.
- Calculate revenue and expenses using the economic resources measurement focus and the full accrual basis of accounting.
- Allocate net position balances as follows:
 - Net investment in capital assets.
 - Restricted net position has constraints placed on use by external sources or imposed by law.
 - Unrestricted net position is net position that does not meet any of the above restrictions.

Fund Financial Statements

The fund financial statements provide more detailed information about the School District's funds – not the School District as a whole. Funds are accounting devices the School District uses to keep track of specific sources of funding and spending on particular programs. The funds have been established by the State of New York.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

The School District has two types of funds:

- **Governmental Funds:** Most of the School District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the School District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them. The governmental fund statements focus primarily on current financial resources and often have a budgetary orientation. Governmental funds include the general fund, special aid fund, school lunch fund, capital projects fund and the special purpose fund. Required financial statements are the balance sheet and the statement of revenue, expenditures, and changes in fund balance.
- **Fiduciary Funds:** The School District is the trustee, or fiduciary, for assets that belong to others. The School District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The School District excludes these activities from the School District-wide financial statements because it cannot use these assets to finance its operations. Fiduciary fund reporting focuses on net position and changes in net position.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Figure A-3 Condensed Statement of Net Position (In Thousands of Dollars)

	Fiscal Year 2020	Restated Fiscal Year 2019	Percent Change
Current and other assets	\$ 13,766	\$ 12,669	8.66%
Noncurrent assets	23,018	14,235	61.70%
Total assets	<u>36,784</u>	<u>26,904</u>	36.72%
Deferred outflows of resources	<u>24,125</u>	<u>11,704</u>	106.12%
Current liabilities	14,839	4,367	239.79%
Long-term liabilities	<u>72,937</u>	<u>67,048</u>	8.78%
Total liabilities	<u>87,776</u>	<u>71,415</u>	22.91%
Deferred inflows of resources	<u>14,347</u>	<u>4,438</u>	223.27%
Net position:			
Net investment in capital assets	2,462	2,882	-14.58%
Restricted	4,536	4,425	2.51%
Unrestricted	<u>(48,212)</u>	<u>(44,553)</u>	-8.21%
Total net position	<u>\$ (41,214)</u>	<u>\$ (37,245)</u>	10.65%

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (Continued)

Changes in Net Position

The School District's 2020 revenue was \$35,667,882 (See Figure A-4). Property taxes and New York State aid accounted for the majority of revenue by contributing 74% and 8%, respectively, of the total revenue raised (see Figure A-5). The remainder of revenue came from fees for services, use of money and property, operating grants, and miscellaneous sources.

The total cost of all programs and services totaled \$39,636,416 for 2020. These expenses are predominately for the education, supervision, and transportation of students (see Figure A-6). The School District's administrative and business activities accounted for 14% of total costs.

Net position decreased during the year by \$3,968,534 due primarily to the effects of recognizing other post-employment benefits as well as the effects of ERS and TRS proportionate liabilities and assets, deferred outflows, liabilities and deferred inflows.

Figure A-4 Changes in Net Position from Operating Results (In Thousands of Dollars)

	Fiscal Year 2020	Restated Fiscal Year 2019	Percent Change
Revenue:			
Charges for services	\$ 2,185	\$ 2,205	-0.92%
Operating grants	645	1,244	-48.11%
General revenue:			
Property taxes	29,255	28,385	3.06%
State aid	3,016	2,789	8.16%
Interest earnings	274	152	79.96%
Miscellaneous	292	150	95.28%
Total revenue	<u>35,668</u>	<u>34,925</u>	2.13%
Expenses:			
General support	5,390	4,701	14.64%
Instruction	31,039	28,600	8.53%
Transportation	2,318	1,983	16.90%
Debt service - Interest	430	442	-2.76%
Other	-	87	-100.00%
Cost of sales - Food	460	343	34.09%
Total expenses	<u>39,636</u>	<u>36,156</u>	9.63%
Change in net position	<u>\$ (3,969)</u>	<u>\$ (1,231)</u>	-222.30%

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (Continued)

Figure A-5: Revenue Sources for 2020:

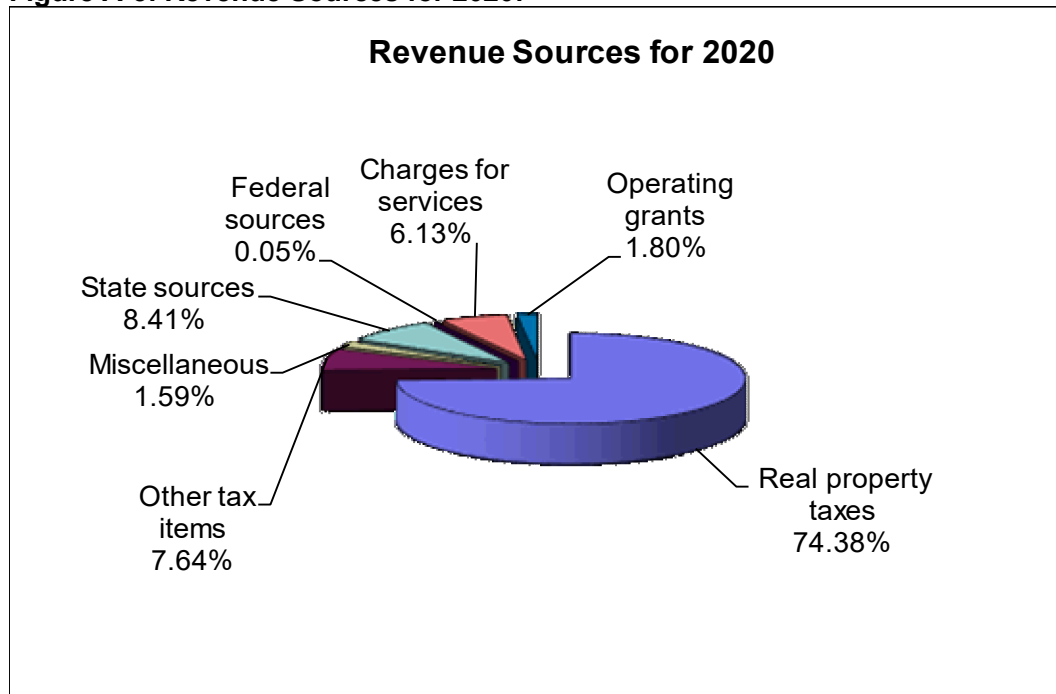
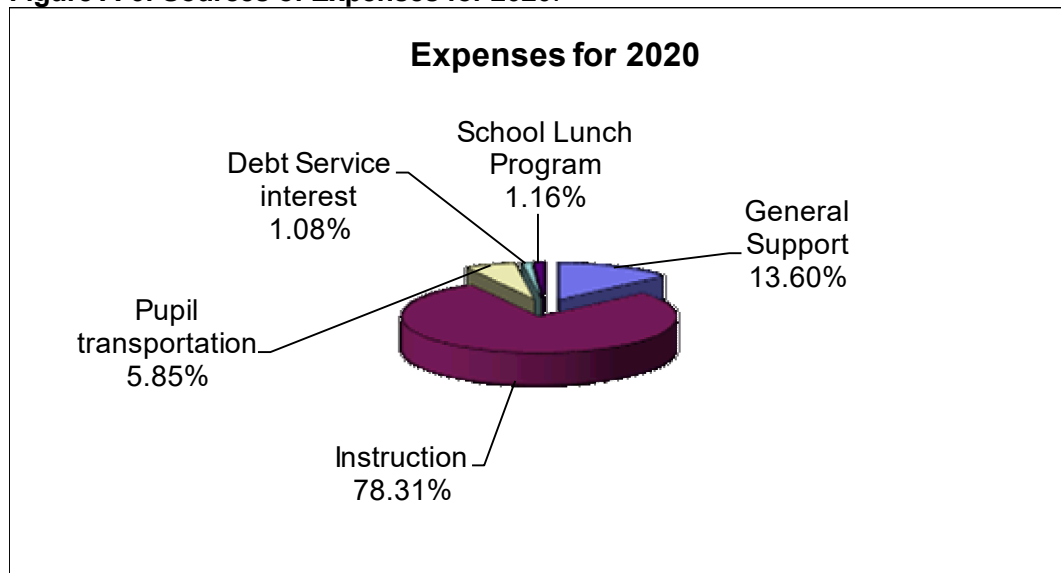


Figure A-6: Sources of Expenses for 2020:



FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (Continued)

Governmental Activities

Revenue for the School District's governmental activities totaled \$35,667,882 while total expenses were \$39,636,416. Accordingly, net position decreased by \$3,968,534.

Figure A-7 presents the cost of several of the School District's major activities. The figure also shows each activity's net cost (total cost less fees generated by the activity and intergovernmental aid provided for specific programs). The net cost shows the financial burden (including OPEB) placed on the School District's taxpayers by each of these functions.

Figure A-7 Net Cost of Governmental Activities (In Thousands of Dollars)

	Total Cost of Services <u>2020</u>	Net Cost of Services <u>2020</u>	Total Cost of Services <u>2019</u>	Net Cost of Services <u>2019</u>
General support	\$ 5,390	\$ 5,390	\$ 4,788	\$ 4,528
Instruction	31,039	28,460	28,600	25,824
Pupil transportation	2,318	2,318	1,983	1,940
Debt service - Interest	430	430	442	442
Cost of sales - Food	460	208	343	13
	<u>\$ 39,636</u>	<u>\$ 36,806</u>	<u>\$ 36,156</u>	<u>\$ 32,747</u>

- The cost of all governmental activities for the year was \$39,636,416.
- The users of the School District's programs financed \$2,185,100 of the costs through charges for services.
- The federal and state government financed \$645,338 of the costs through operating grants.
- The majority of costs were financed by the School District's taxpayers and unallocated NYS aid.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

Variances between years for the governmental fund financial statements are not the same as variances between years for the School District-wide financial statements. The School District's governmental funds are presented on the current financial resources measurement focus and the modified accrual basis of accounting. Under this method of presentation, governmental funds do not include long-term liabilities for the funds' projects and capital assets purchased by the funds. Governmental funds will include proceeds from the issuance of debt, the current payments for capital assets, and the current payments for debt.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (Continued)

Governmental Funds Highlights

General Fund – New York State operating aid is tied to the growth in New York State personal income and the available funds in the state budget. The total 2019-2020 General Fund balance increased by \$494,285. The increase was due to favorable revenue and expenditure variances. The following were noteworthy factors:

- Non-resident tuition revenues were higher than budgeted
- Interest revenue was higher than budgeted due to rising interest rates
- Due to the COVID-19 shut down, expenses were less than budgeted in the following categories: operation and maintenance of facilities, transportation, and other personnel related costs.
- Special education expenses were lower than estimated, mainly in the area of tuition.

The School District is prepared to overcome the challenges presented by the Maximum Allowable Tax Levy (MATL) and will continue mid-year spending moratoriums and zero-based budgeting techniques to achieve the School District's financial goals.

Special Aid Fund – Federal aid is expected to decrease or remain flat in upcoming years.

School Lunch Fund – While providing nutritious choices to students, the School Lunch Fund ending fund balance for the current fiscal year was \$231,692.

Capital Projects Fund – Expenditures in the Capital Projects Fund totaled \$7.7 million and were mostly related to continuing improvement projects at various school buildings. The fund had a deficit of \$8,437,685, due to the timing of financing for expenditures related to the on-going capital projects.

General Fund Budgetary Highlights

Results vs. Budget (In Thousands of Dollars)

	Original Budget	Final Budget	Actual	Encumbrances	Variance (Actual/Budget)
Revenue:					
Local sources	\$ 30,662	\$ 30,689	\$ 31,691	\$ -	\$ 1,002
State sources	3,006	3,006	2,911	-	(95)
Medicaid reimbursement	5	5	16	-	11
Other financing sources	-	-	34	-	34
Total	<u>33,673</u>	<u>33,700</u>	<u>34,652</u>	<u>-</u>	<u>953</u>
Expenditures:					
General support	3,887	4,373	4,106	25	242
Instruction	19,882	19,918	19,152	7	759
Transportation	1,689	1,689	1,409	-	279
Employee benefits	7,883	7,621	7,030	1	590
Debt service	2,012	2,037	2,037	-	-
Transfers out	130	474	423	-	51
Total	<u>35,483</u>	<u>36,112</u>	<u>34,158</u>	<u>34</u>	<u>1,921</u>
Revenue over (under) expenditures	<u>\$ (1,809)</u>	<u>\$ (2,413)</u>	<u>\$ 494</u>	<u>\$ (34)</u>	<u>\$ 2,873</u>

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (Continued)

CAPITAL ASSET AND DEBT ADMINISTRATION

As of June 30, 2020, the School District had \$20,859,465 invested in buildings, computers, and other educational equipment.

Figure A-8 Capital Assets (In Thousands of Dollars), net of accumulated depreciation

	Fiscal Year <u>2020</u>	Fiscal Year <u>2019</u>
Land	\$ 277	\$ 277
Buildings and improvements	11,532	12,541
Construction in progress	8,932	1,268
Machinery and equipment	119	149
Total	<u>\$ 20,859</u>	<u>\$ 14,235</u>

Long-Term Liabilities

As of June 30, 2020, the School District had \$74,164,901 in long-term liabilities. Detailed information about the School District's long-term liabilities is included in the notes to the financial statements.

Figure A-9 Outstanding Long-Term Debt (In Thousands of Dollars)

	Fiscal Year <u>2020</u>	Fiscal Year <u>2019</u>
Bonds payable, net	\$ 10,507	\$ 12,108
Energy performance contract debt	195	245
Compensated absences	485	482
Net pension liability	2,479	713
Other post employment benefit obligations payable	<u>60,498</u>	<u>53,501</u>
Total	<u>\$ 74,165</u>	<u>\$ 67,048</u>

During 2020, the School District paid down its bonded debt by \$1,525,000.

FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE

As of the date of these financial statements, the School District was aware of the following noteworthy items that could affect its financial well-being in the future.

The voters approved the general fund budget in the amount of \$36,423,2000 for the school year 2020-21. This is an increase of \$940,500 or 2.65 % over the previous year's budget. The increase was primarily due to an increase in Instructional costs.

In June 2020, the School District renewed \$2,000,000 in outstanding bond anticipation notes which were originally issued to finance the construction of improvements and alterations to various School District buildings as part of a capital project approved by the voters in 2018.

In August 2019, the School District issued bond anticipation notes in the amount of \$7,987,000 to finance the balance of the capital project approved by the voters in 2018 for the construction of improvements and alterations to various School District buildings. At its discretion, the School District is authorized to issue up to 30-year serial bonds for the aforementioned series of bond anticipation notes. On April 10, 2018, the voters approved a \$9,987,000 capital bond project referendum. On April 17, 2018 the Board of Education subsequently approved a bond resolution authorizing the District to issue up to \$9,987,000 in debt obligation which carried a maximum financing term of 30 years.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

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

Tuckahoe Union Free School District
Attn: Lee Lew
Assistant Superintendent for Business
65 Siwanoy Boulevard
Eastchester, NY 10709

TUCKAHOE UNION FREE SCHOOL DISTRICT**STATEMENT OF NET POSITION
JUNE 30, 2020****ASSETS****CURRENT ASSETS:**

Cash and cash equivalents - unrestricted	\$ 7,810,934
Cash and cash equivalents - restricted	4,697,103
Accounts receivable	110,849
Due from other governments	731,819
State and federal aid receivable	412,326
Inventory	<u>2,707</u>
Total current assets	<u>13,765,738</u>

NONCURRENT ASSETS:

Capital assets, net	20,859,465
Net pension asset - TRS	<u>2,158,920</u>

TOTAL ASSETS 36,784,123

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources - ERS	1,599,925
Deferred outflows of resources - TRS	7,042,548
Deferred outflows of resources - OPEB	15,011,897
Deferred amount on bond refunding	<u>470,779</u>

Total Deferred Outflows of Resources 24,125,149

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES 60,909,272

LIABILITIES**CURRENT LIABILITIES:**

Accounts payable	905,860
Accrued liabilities	876,297
Due to fiduciary funds	6,609
Due to other governments	106,019
Unearned revenue	16,435
Bond anticipation note payable	9,987,000
Due to Teachers' Retirement System	1,461,824
Due to Employees' Retirement System	106,715
Bond interest accrual	144,437
Current portion of long-term liabilities	<u>1,227,475</u>

Total current liabilities 14,838,671

LONG-TERM LIABILITIES:

Bonds payable, net of current portion	8,814,650
Bonds premium, net	517,705
Energy performance contract payable	142,981
Compensated absences	485,394
Net pension liability	2,479,194
Total other postemployment benefits	<u>60,497,502</u>

Total long-term liabilities 72,937,426

TOTAL LIABILITIES 87,776,097

DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources - ERS	106,829
Deferred inflows of resources - TRS	3,375,270
Deferred inflows of resources - OPEB	<u>10,864,690</u>

Total Deferred Inflows of Resources 14,346,789

TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES 102,122,886

NET POSITION

Net investment in capital assets	2,461,744
Restricted	4,536,495
Unrestricted	<u>(48,211,853)</u>

TOTAL NET POSITION \$ (41,213,614)

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2020

	<u>Expenses</u>	<u>Program Revenue</u> Charges for <u>Services</u>	Operating <u>Grants</u>	Net (Expense) Revenue and Changes in <u>Net Position</u>
FUNCTIONS/PROGRAMS:				
General support	\$ 5,389,599	\$ -	\$ -	\$ (5,389,599)
Instruction	31,039,247	2,036,682	542,246	(28,460,319)
Pupil transportation	2,317,951	-	-	(2,317,951)
Debt service interest	429,766	-	-	(429,766)
School lunch program	<u>459,853</u>	<u>148,418</u>	<u>103,092</u>	<u>(208,343)</u>
TOTAL FUNCTIONS/PROGRAMS	<u>\$ 39,636,416</u>	<u>\$ 2,185,100</u>	<u>\$ 645,338</u>	<u>(36,805,978)</u>
GENERAL REVENUE:				
Real property taxes				26,529,589
Other tax items				2,725,147
Use of money and property				274,172
Miscellaneous				292,346
State sources				2,999,880
Medicaid reimbursement				<u>16,310</u>
TOTAL GENERAL REVENUE				<u>32,837,444</u>
CHANGE IN NET POSITION				(3,968,534)
NET POSITION - beginning of year (as restated per Note 15)				<u>(37,245,080)</u>
TOTAL NET POSITION - end of year				<u>\$ (41,213,614)</u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

**BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Governmental Fund Types			Total
	General	Capital Projects	Non-Major Funds	Governmental Funds
ASSETS				
Cash and cash equivalents - unrestricted	\$ 5,529,045	\$ 1,821,131	\$ 460,758	\$ 7,810,934
Cash and cash equivalents - restricted	4,697,103	-	-	4,697,103
Accounts receivable	94,897	-	15,952	110,849
Due from other funds	424,957	36,988	-	461,945
Due from other governments	731,819	-	-	731,819
State and federal aid receivable	69,380	-	342,946	412,326
Inventory	-	-	2,707	2,707
TOTAL ASSETS	\$ 11,547,201	\$ 1,858,119	\$ 822,363	\$ 14,227,683
LIABILITIES				
Accounts payable	\$ 519,043	\$ 308,804	\$ 78,013	\$ 905,860
Accrued liabilities	876,297	-	-	876,297
Bond anticipation notes payable	-	9,987,000	-	9,987,000
Unearned revenue	-	-	16,435	16,435
Due to other funds	70,941	-	397,613	468,554
Due to other governments	106,019	-	-	106,019
Due to Teachers' Retirement System	1,461,824	-	-	1,461,824
Due to Employees' Retirement System	106,715	-	-	106,715
TOTAL LIABILITIES	3,140,839	10,295,804	492,061	13,928,704
DEFERRED INFLOWS OF RESOURCES				
Unearned revenue	89,145	-	-	89,145
TOTAL DEFERRED INFLOWS OF RESOURCES	89,145	-	-	89,145

(Continued)

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS (Continued)
JUNE 30, 2020

	Governmental Fund Types			Total Governmental Funds
	<u>General</u>	<u>Capital Projects</u>	<u>Non-Major Funds</u>	
FUND BALANCE				
Nonspendable:				
Inventory	<u>-</u>	<u>-</u>	<u>2,707</u>	<u>2,707</u>
Total nonspendable fund balance	<u>-</u>	<u>-</u>	<u>2,707</u>	<u>2,707</u>
Restricted:				
Retirement contributions	582,120	-	-	582,120
Employee benefits accrued liability	259,218	-	-	259,218
Tax certiorari	3,828,421	-	-	3,828,421
Debt	27,344	-	-	27,344
Other	<u>-</u>	<u>-</u>	<u>98,610</u>	<u>98,610</u>
Total restricted fund balance	<u>4,697,103</u>	<u>-</u>	<u>98,610</u>	<u>4,795,713</u>
Assigned:				
Appropriated for subsequent year's expenditures	2,129,613	-	-	2,129,613
Other	<u>33,573</u>	<u>-</u>	<u>228,985</u>	<u>262,558</u>
Total assigned fund balance	<u>2,163,186</u>	<u>-</u>	<u>228,985</u>	<u>2,392,171</u>
Unassigned	<u>1,456,928</u>	<u>(8,437,685)</u>	<u>-</u>	<u>(6,980,757)</u>
TOTAL FUND BALANCE	<u>8,317,217</u>	<u>(8,437,685)</u>	<u>330,302</u>	<u>209,834</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 11,547,201</u>	<u>\$ 1,858,119</u>	<u>\$ 822,363</u>	<u>\$ 14,227,683</u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO GOVERNMENT-WIDE NET POSITION JUNE 30, 2020

Amounts reported for governmental activities in the statement of net position are different because:

Total governmental fund balance	\$ 209,834
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	20,859,465
Deferred revenue is considered earned in the current year and recognized as revenue under full accrual accounting	89,145
Deferred amount on bond refundings in government-wide statements using the full accrual method of accounting, not recognized on the fund financial statements, which use the modified accrual method	470,779
Pension related government wide activity	
Deferred outflows - ERS/TRS	8,642,473
Deferred inflows - ERS/TRS	(3,482,099)
Net pension liability - ERS	(2,479,194)
Net pension asset - TRS	2,158,920
OPEB related government wide activity	
Deferred outflows of resources	15,011,897
Deferred inflows of resources	(10,864,690)
Total OPEB liability	(60,497,502)
Long-term liabilities, including bonds payable, energy performance contract and compensated absences are not due in the current period and, therefore, are not reported in the funds	(10,670,500)
Bond premium is recorded as revenue in the fund financial statements, but is amortized over the life of the bond under full accrual accounting	(517,705)
Interest payable is to be recorded in the government-wide statements under full accrual accounting	<u>(144,437)</u>
TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (41,213,614)</u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

**STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Governmental Fund Types			Total Governmental Funds
	<u>General</u>	<u>Capital Projects</u>	<u>Non-Major Funds</u>	
REVENUE				
Real property taxes	\$ 26,529,589	\$ -	\$ -	\$ 26,529,589
Other tax items	2,725,147	-	-	2,725,147
Charges for services	2,036,682	-	-	2,036,682
Use of money and property	270,044	-	4,128	274,172
Miscellaneous	129,512	-	128,690	258,202
State sources	2,910,735	-	160,666	3,071,401
Medicaid reimbursement	16,310	-	-	16,310
Federal sources	-	-	484,672	484,672
Sales - School lunch	-	-	148,418	148,418
	<u>34,618,019</u>	<u>-</u>	<u>926,574</u>	<u>35,544,593</u>
TOTAL REVENUE				
EXPENDITURES				
General support	4,106,055	-	51,218	4,157,273
Instruction	19,151,633	-	538,362	19,689,995
Pupil transportation	1,409,361	-	41,882	1,451,243
Employee benefits	7,030,450	-	-	7,030,450
Debt service - Interest	462,039	-	-	462,039
Debt service - Principal	1,574,971	-	-	1,574,971
Cost of sales	-	-	302,989	302,989
Capital outlay	-	7,706,838	-	7,706,838
	<u>33,734,509</u>	<u>7,706,838</u>	<u>934,451</u>	<u>42,375,798</u>
TOTAL EXPENDITURES				
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>883,510</u>	<u>(7,706,838)</u>	<u>(7,877)</u>	<u>(6,831,205)</u>
OTHER FINANCING SOURCES (USES)				
Premium on issuance of BAN	34,144	-	-	34,144
Operating transfers in	-	394,288	29,081	423,369
Operating transfers (out)	(423,369)	-	-	(423,369)
	<u>(389,225)</u>	<u>394,288</u>	<u>29,081</u>	<u>34,144</u>
TOTAL OTHER FINANCING SOURCES (USES)				
EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>494,285</u>	<u>(7,312,550)</u>	<u>21,204</u>	<u>(6,797,061)</u>
FUND BALANCE - beginning of year (as restated per Note 15)	<u>7,822,932</u>	<u>(1,125,135)</u>	<u>309,098</u>	<u>7,006,895</u>
FUND BALANCE - end of year	<u>\$ 8,317,217</u>	<u>\$ (8,437,685)</u>	<u>\$ 330,302</u>	<u>\$ 209,834</u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2020

Net change in fund balance - Total governmental funds	\$ (6,797,061)
Capital outlays, net of disposals, are expenditures in governmental funds, but are capitalized in the statement of net position.	7,687,135
Depreciation is not recorded as an expenditure in the governmental funds, but is recorded in the statement of activities.	(1,062,929)
State aid revenue in the statement of activities is recognized as revenue in the government-wide statements, but is not recognized as revenue under the modified accrual basis of accounting in the fund financial statements.	89,145
Repayments of long-term debt are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the statement of net position.	1,574,971
Bond premium amortization is not recorded as revenue in the governmental funds, but is recorded in the statement of activities	75,167
Deferred amount on bond refunding amortization is not recorded as expenditures in the governmental funds, but are recorded in the statement of activities	(68,744)
Other postemployment benefits do not require the expenditure of current resources and are, therefore, not reported as expenditures in the governmental funds.	(3,895,858)
Pension expense resulting from the GASB 68 related reporting is not recorded as an expenditure in the government funds but is recorded in the statement of activities	(1,592,493)
Certain expenses in the statement of activities do not require the expenditure of current resources and are, therefore, not reported as expenditures in the governmental funds.	<u>22,133</u>
Change in net position - Governmental activities	<u><u>\$ (3,968,534)</u></u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT**STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2020**

	Private Purpose Trust	Agency
ASSETS		
Cash - unrestricted	\$ -	\$ (1,426)
Cash - restricted	112,228	60,415
Due from other funds	-	6,609
	<u>-</u>	<u>6,609</u>
TOTAL ASSETS	<u>\$ 112,228</u>	<u>\$ 65,598</u>
LIABILITIES		
Extraclassroom activity balances	\$ -	\$ 60,415
Other liabilities	-	5,183
	<u>-</u>	<u>5,183</u>
TOTAL LIABILITIES	<u>\$ -</u>	<u>\$ 65,598</u>
NET POSITION		
Restricted for private purposes	<u>\$ 112,228</u>	

TUCKAHOE UNION FREE SCHOOL DISTRICT**STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Private Purpose Trust
ADDITIONS	
Gifts and contributions	\$ 14,150
Interest	258
	<u>14,408</u>
TOTAL ADDITIONS	<u>\$ 14,408</u>
DEDUCTIONS	
Scholarships and other private purposes	<u>\$ 31,550</u>
CHANGE IN NET POSITION	(17,142)
NET POSITION - beginning of year (as restated per Note 15)	<u>129,370</u>
NET POSITION - end of year	<u>\$ 112,228</u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Tuckahoe Union Free School District was established in 1932 and provides K-12 public education to students living within its geographic borders.

The financial statements of Tuckahoe Union Free School District (School District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. Those principles are prescribed by the Governmental Accounting Standards Board, (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Significant accounting principles and policies utilized by the School District are described below:

Reporting Entity

Tuckahoe Union Free School District is governed by the laws of New York State. The School District is an independent entity governed by an elected Board of Education. The President of the Board of Education 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 School District. The Board of Education has the authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

The reporting entity of the School District is based upon criteria set forth by generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (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 School District. The School District is not a component unit of another reporting entity. The decision to include a potential component unit in the School District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, there are no other entities to include within the School District financial statements. Other funds included within the financial statement include:

Extra Classroom Activity Funds

The extra classroom activity funds of the School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The extra classroom activity funds are independent of the School District with respect to its financial transactions and the designation of student management. Separate audited financial statements, (cash basis) of the extra classroom activity funds can be found at the School District's business office. The School District accounts for assets held as an agent for various student organizations in an agency fund.

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Joint Venture

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

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

BOCES' budget is comprised of separate budgets for administrative, program, and capital costs. Each component school 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 school districts pay tuition or a service fee for programs in which its students participate.

Financial statements for the BOCES are available from the BOCES administrative office at: 17 Berkley Drive, Rye Brook, New York 10573.

Basis of Presentation

School District-wide Statements

The statement of net position and the statement of activities present financial information about the School District's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, state aid, intergovernmental revenue, and other exchange and non-exchange 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 activities presents a comparison between program expenses and revenue for each function of the School District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas. Program revenue 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. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue.

Fund Financial Statements

The School District uses funds to maintain its accounting records. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The fund statements provide information about the School District's funds, including fiduciary funds.

Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Non-major funds are aggregated and presented in a separate column.

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

The accounts of the School District are organized into funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenue, and expenditures. The various funds are summarized by type in the financial statements. Significant transactions between funds within a fund type have been eliminated. The fund types used by the School District are as follows:

Governmental Fund Types

Governmental funds are those in which most governmental functions of the School District are reported. The acquisition, use, and balances of the School District's expendable financial resources and the related liabilities (except those accounted for in the proprietary and fiduciary funds) are accounted for through the governmental funds. The measurement focus is upon determination of changes in financial position rather than upon determination of net income.

The School District reports the following major governmental funds:

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

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

The School District reports the following non-major governmental funds:

Special Revenue Funds: These funds account for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes, school lunch operations, and other activities whose funds are restricted as to use. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties. The School District uses three non major special revenue type funds – special aid, school lunch and special purpose.

Special Aid Fund: This fund is used to account for special programs supported in whole or in part by federal, state or local funds.

School Lunch Fund: This fund is used to account for the operations of the School District's lunch and breakfast program.

Special Purpose Fund: This fund is used to account for assets held for specified purpose.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the School District as an agency for individuals, private organizations, other governmental units, and/or other funds. These activities are not included in the School District-wide financial statements, because their resources do not belong to the School District and are not available to be used.

The School District reports the following fiduciary funds:

Agency Funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the School District as agent for various student groups or extra classroom activity funds and for payroll or employee withholdings.

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

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

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

Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured, whereas basis of accounting refers to when revenues and expenditures are recognized. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The School District-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions in which the School District gives or receives value without directly receiving or giving equal value in exchange include property taxes, grants, and donations.

On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The School District considers all revenue reported in the governmental funds to be available if the revenue is collected within ninety 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.

Cash and Cash Equivalents

Cash and investments consist of funds deposited in demand deposit accounts, and amounts with the New York Cooperative Liquid Assets Securities System (NYCLASS). The School District's deposit and investment policies are governed by State statutes. The School District has adopted its own written investment policy, which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The School District is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include NYCLASS, obligations of the U.S. Treasury, U.S. Agencies and obligations of New York State or its political subdivisions and accordingly, the School District's policy provides for no credit risk on investments.

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents (Continued)

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by FDIC insurance. The School District has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

The School District participates in the New York Cooperative Liquid Assets Securities System (NYCLASS), a multi-municipal cooperative investment pool agreement pursuant to New York State General Municipal Law, whereby it holds a portion of the investments in cooperation with other participants. At June 30, 2020, the School District held \$3,519,704 in investments consisting of various investments in securities issued by the United States and its agencies. NYCLASS is rated 'AAAm' by S&P Global Ratings. The investments are highly liquid, and the amortized cost of the investment pool shares, which are considered to approximate fair value. Due to the highly liquid nature of these investments, they are classified as cash equivalents in the financial statements. Additional information concerning NYCLASS, including the annual report, can be found on its website at www.newyorkclass.org.

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.

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 inventorable 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 School District for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the School 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 fund balance has been classified as nonspendable to indicate that inventory and prepaids, if any, do not constitute available spendable resources.

Interfund Transactions

The operations of the School District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The School 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 revenue to provide financing or other services.

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

1. **NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**
(Continued)

Interfund Transactions (Continued)

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 School District's practice to settle these amounts at a net balance based upon the right of legal offset.

Capital Assets, Net

Capital assets, net are reflected in the School District-wide financial statements. Capital assets are reported at historical cost or estimated historical costs, based on appraisals conducted by independent third party professionals. Donated assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Capital assets, except land, are depreciated on a straight-line basis over their estimated useful lives. Capitalization thresholds and estimated useful lives of capital assets reported in the School District-wide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Estimated Useful Life</u>
Buildings and Improvements	\$ 5,000	15-20
Machinery and Equipment	\$ 5,000	5-20

Property Taxes

Real property taxes attach as an enforceable lien on real property as of July 1st and are levied and payable in September and January. The Town of Eastchester, New York (Town) which is included in the levy is responsible for the billing and collection of the taxes. The Town guarantees the full payment of the School District warrant and assumes responsibility for the uncollected taxes.

Vested Employee Benefits

Compensated Absences

The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the district-wide Statement of Net Position as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable. The value of the compensated absences has been reflected in the district-wide financial statements.

**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

Other Benefits

Eligible School District employees participate in the New York State Employees' Retirement System or the New York State Teachers' Retirement System.

School District employees may choose to participate in the School District's elective deferred compensation plans established under Internal Revenue Code Sections 403(b) and 457.

Other Postemployment Benefits

In addition to providing the pension benefits described, the School District provides postemployment health insurance coverage to its retired employees and their survivors in accordance with the provisions of the employment contracts negotiated between the School District and its employee groups. Substantially all of the School District's employees may become eligible for these benefits if they reach normal retirement age while working for the School 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 School District and the retired employee. The School District pays a variable percentage of the cost of premiums to an insurance company that provides health care insurance. At the fund level the School District recognizes the cost of providing health care insurance by recording its share of insurance premiums as an expenditure.

Unearned Revenue

Unearned revenue is reported when potential revenue meets both the measurable and available criteria for recognition in the current period. Unearned revenue also arises when resources are received by the School District before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the School District has legal claim to the resources, the liability for unearned revenue is removed and revenue is recorded.

Unearned revenue recorded in governmental funds is generally not recorded in the School District-wide statements.

Accrued Liabilities and Long-Term Obligations

Payables, accrued liabilities, and long-term obligations are reported in the School 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, and compensated absences that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Long-term obligations represent the School 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.

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows of Resources

Deferred outflows of resources, in the statement of net position, represents a consumption of net position that applies to a future reporting period and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) so will not be recognized as an inflow of resources (revenue) until that time.

Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the School 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.

Fund Balance/Net Position Classifications

School District-wide Statements

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

Net investment in capital assets - consists of net capital assets, (cost less accumulated depreciation) plus unspent bond proceeds reduced by outstanding balances of related debt obligations from the acquisition, construction, or improvements of those assets.

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

The School District's net position consists of:

Retirement contributions	\$ 582,120
Tax certiorari	3,828,421
Debt	27,344
Other	<u>98,610</u>
Total restricted net position	<u>\$ 4,536,495</u>

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

**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

Fund Balance/Net Position Classifications (Continued)

Governmental Fund Statements

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

Nonspendable fund balance – Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually are required to be maintained intact. Non-spendable fund balance includes the inventory recorded in the school lunch fund.

Restricted fund balance – Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The School District has available the following restricted fund balances:

Capital

Capital reserve (Education Law §3651) is 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 under restricted fund balance.

Unemployment Insurance

Unemployment insurance reserve (GML §6-m) is used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the employer has elected to use the benefit reimbursement method. The reserve may be established by board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any 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 School District elects to convert to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the general fund under restricted fund balance.

**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

Fund Balance/Net Position Classifications (Continued)

Governmental Fund Statements (Continued)

Debt Service

Mandatory reserve for debt service (GML §6-l) is used to establish a reserve for the purpose of retiring the outstanding obligations upon the sale of School District property or capital improvement that was financed by obligations which 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. The reserve is accounted for in the debt service fund under restricted fund balance.

Liability Claims and Property Loss

Liability claims and property loss reserve, (Education Law §1709(8) (c), are used to pay for property loss and liability claims incurred. Separate funds for property loss and liability claims are required, and these reserves 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, except city school districts with a population greater than 125,000. These reserves are accounted for in the general fund under restricted fund balance.

Tax Certiorari

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

Employee Retirement Contribution

Employee Retirement Contribution Reserve (GML §6-r) is used for the purpose of 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 under restricted fund balance.

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

**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

Fund Balance/Net Position Classifications (Continued)

Governmental Fund Statements (Continued)

Assigned fund balance – Includes amounts that are constrained by the School District's intent to be used for specific purposes but are neither restricted nor committed. All encumbrances of the general fund are classified as assigned fund balance in the general fund. Encumbrances reported in the general fund amounted to \$33,573. As of June 30, 2020, the School District's encumbrances were classified as follows:

General support	\$ 25,246
Instruction	7,459
Employee benefits	<u>868</u>
Total encumbrances	<u>\$ 33,573</u>

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments of expenditures are recorded for budgetary control purposes in order to reserve applicable appropriations, is employed as a control in preventing over-expenditure of established appropriations. Open encumbrances are reported as restricted fund balance in all funds other than the general fund, since they do not constitute expenditures or liabilities and will be honored through budget appropriations in the subsequent year.

Unassigned fund balance - Includes all other general fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the School District.

Fund Balance Limitation

New York State Real Property Tax Law §1318 limits the amount of unexpended surplus funds the 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 and encumbrances are also excluded from the 4% limitation.

Order of Fund Balance Spending Policy

The School 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 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.

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

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

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

Total fund balances of the School District's governmental funds differ from net position of governmental activities reported in the statement of net position. This difference primarily results from the additional long-term economic focus of the statement of net position versus the solely current financial resources focus of the governmental fund balance sheets.

Statement of Revenue, Expenditures, and Change in Fund Balance vs. Statement of Activities

Differences between the governmental funds statement of revenue, expenditures, and changes in fund balance and the statement of activities fall into one of three broad categories.

Long-Term Revenue and Expense Differences

Long-term revenue differences arise because governmental funds report revenue only when it is considered available, whereas the statement of activities reports revenue 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.

Capital Related Differences

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

Long-Term Debt Transaction Differences

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the statement of activities as incurred, and principal payments are recorded as a reduction of liabilities in the statement of net position.

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The School District generally follows the procedures enumerated below in establishing the budgetary data reflected in the fund financial statements:

- At least seven days prior to the budget hearing, a copy of the budget is made available to the voters.
- At the budget hearing, the voters may raise questions concerning the items contained in the budget.
- The Board of Education establishes a date for the annual meeting, which by law will be held on the third Tuesday in May.
- The voters are permitted to vote upon the General Fund budget at the annual meeting.
- If the original proposed budget is not approved by the voters, the Board of Education has the option of either resubmitting the original or revising the budget for voter approval at a special meeting held at a later date; or the Board of Education may, at that point, adopt a contingency budget. If the Board of Education decides to submit either the original or a revised budget to the voters for a second time, and the voters do not approve the second budget submittal, the Board of Education must adopt a contingency budget and the tax levy cannot exceed the total tax levy of the prior year (0% levy growth). In addition, the administrative component of the contingency budget shall not comprise a greater percentage of the contingency budget exclusive of the capital component than the lesser of either 1) the percentage the administrative component had comprised in the prior year budget exclusive of the capital component; or 2) the percentage the administrative component had comprised in the last proposed defeated budget exclusive of the capital component.
- Formal budgetary integration is employed during the year as a management control device for the General and Special Aid funds.
- Budgets for the General and Special Aid funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. The Board of Education does not adopt an annual budget for the School Lunch or Special Purpose funds.
- The Board of Education has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Education. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- Appropriations in General and Special Aid funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the Board of Education.

Fund Balance

Portions of fund balances are restricted and not available for current expenditures, as reported in the governmental funds' balance sheet.

Capital Projects Fund Project Deficit

The deficit in the Capital Projects fund in the amount of \$8,437,685 arises because of expenditures exceeding current financing on the projects. This deficit will be eliminated in future years as bond anticipation notes are either redeemed by appropriations or replaced by permanent financing.

4. CASH

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

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

	<u>Bank Balance</u>	<u>Carrying Amount</u>
Cash, including trust funds	<u>\$ 9,918,858</u>	<u>\$ 9,159,550</u>
Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name	\$ 9,145,182	
Covered by FDIC insurance	<u>773,676</u>	
Total	<u>\$ 9,918,858</u>	

Restricted cash represents cash where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes.

Restricted cash consists of the following:

General fund:

Retirement contributions	\$ 582,120
Employee benefit accrued liability	259,218
Tax certiorari	3,828,421
Debt	<u>27,344</u>
	<u>\$ 4,697,103</u>

Fiduciary funds:

Cash on deposit for scholarships, private purpose trust funds, and extraclassroom activity funds	<u>\$ 172,643</u>
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5. PARTICIPATION IN BOCES

During the year, the School District was billed \$1,895,413 for BOCES administrative and program costs. The School District's share of BOCES aid amounted to \$485,622.

6. CAPITAL ASSETS, NET

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

	July 1, 2019			June 30, 2020
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
Governmental activities:				
Capital assets that are not depreciated:				
Land	\$ 277,030	\$ -	\$ -	\$ 277,030
Construction in progress	<u>1,267,885</u>	<u>7,664,043</u>	<u>-</u>	<u>8,931,928</u>
Total non-depreciable cost	<u>1,544,915</u>	<u>7,664,043</u>	<u>-</u>	<u>9,208,958</u>
Capital assets that are depreciated:				
Buildings and improvements	33,910,544	17,500	-	33,928,044
Machinery and equipment	<u>1,743,263</u>	<u>5,592</u>	<u>-</u>	<u>1,748,855</u>
Total depreciable historical cost	<u>35,653,807</u>	<u>23,092</u>	<u>-</u>	<u>35,676,899</u>
Less accumulated depreciation:				
Buildings and improvements	21,369,183	1,027,168	-	22,396,351
Machinery and equipment	<u>1,594,280</u>	<u>35,761</u>	<u>-</u>	<u>1,630,041</u>
Total accumulated depreciation	<u>22,963,463</u>	<u>1,062,929</u>	<u>-</u>	<u>24,026,392</u>
Total capital assets, net	<u>\$ 14,235,259</u>	<u>\$ 6,624,206</u>	<u>\$ -</u>	<u>\$ 20,859,465</u>

Depreciation expense for the year ended June 30, 2020, was allocated to specific functions as follows:

General support	\$ 83
Instruction	1,055,750
Cost of food sales	<u>7,096</u>
Total	<u>\$ 1,062,929</u>

7. SHORT-TERM DEBT

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

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

7. SHORT-TERM DEBT (Continued)

At June 30, 2020, the School District had the following BANs and TANs outstanding:

	Issued	Maturity	Interest Rate	Beginning Balance	Issued	Principal Paid	Redeemed	Ending Balance
BAN	6/6/2019	6/5/2020	2.00%	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -	\$ -
BAN	8/8/2019	8/7/2020	1.75%	-	7,987,000	-	-	7,987,000
TAN	9/12/2019	3/12/2020	2.00%	-	2,000,000	2,000,000	-	-
BAN	6/4/2020	8/7/2020	1.38%	-	2,000,000	-	-	2,000,000
				<u>\$ 2,000,000</u>	<u>\$ 11,987,000</u>	<u>\$ 4,000,000</u>	<u>\$ -</u>	<u>\$ 9,987,000</u>

8. LONG-TERM DEBT

Interest on debt for the year was composed of:

Interest paid	\$ 462,039
Less: Interest accrued in the prior year	(170,287)
Less: Amortization expense on bond premium	(75,167)
Plus: Amortization expense on deferred loss on refunding	68,744
Plus: Interest accrued in the current year	<u>144,437</u>
Total expense	<u>\$ 429,766</u>

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

	July 1, 2019 Balance	Additions	Deletions	June 30, 2020 Balance	Amounts Due Within One Year	Long-term Portion
Government activities:						
Bonds payable						
General obligation debt:						
Serial bonds	\$ 11,514,650	\$ -	\$ 1,525,000	\$ 9,989,650	\$ 1,175,000	\$ 8,814,650
Bond premiums	592,872	-	75,167	517,705	-	517,705
Other long-term liabilities:						
Energy performance contract	245,427	-	49,971	195,456	52,475	142,981
Compensated absences	481,677	3,717	-	485,394	-	485,394
Net pension liability	712,799	1,766,395	-	2,479,194	-	2,479,194
Total other postemployment benefits	<u>53,500,826</u>	<u>6,996,676</u>	<u>-</u>	<u>60,497,502</u>	<u>-</u>	<u>60,497,502</u>
Total long-term liabilities	<u>\$ 67,048,251</u>	<u>\$ 8,766,788</u>	<u>\$ 1,650,138</u>	<u>\$ 74,164,901</u>	<u>\$ 1,227,475</u>	<u>\$ 72,937,426</u>

8. LONG-TERM DEBT (Continued)

Issue dates, maturities, and interest rates on outstanding debt are as follows:

				June 30, 2020
<u>Bond Issue</u>	<u>Issued</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Balance</u>
Tax certiorari refunds	2008	2027	4.125-4.50%	\$ 665,000
Tax certiorari refunds	2010	2030	3.50-4.00%	1,120,000
Tax certiorari refunds	2012	2022	3.00-3.125%	120,000
Refunding bonds	2013	2028	2.50-3.50%	755,000
Tax certiorari refunds	2015	2022	2.25-2.75%	235,000
Refunding bonds	2015	2027	2.00-5.00%	7,094,650
				<u>\$ 9,989,650</u>

The following is a summary of the maturity of bonds payable and energy performance contract debt payable:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>General Obligation Bonds</u>		<u>Energy Performance</u> <u>Contract Debt</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 1,175,000	\$ 334,040	\$ 52,475	\$ 9,034	\$ 1,227,475	\$ 343,074
2022	1,245,000	281,341	55,104	6,404	1,300,104	287,745
2023	1,110,000	225,547	57,866	3,643	1,167,866	229,190
2024	1,170,000	172,225	30,012	743	1,200,012	172,968
2025	1,225,000	129,969	-	-	1,225,000	129,969
2026-2030	<u>4,064,650</u>	<u>217,344</u>	<u>-</u>	<u>-</u>	<u>4,064,650</u>	<u>217,344</u>
Totals	<u>\$ 9,989,650</u>	<u>\$ 1,360,466</u>	<u>\$ 195,457</u>	<u>\$ 19,824</u>	<u>\$ 10,185,107</u>	<u>\$ 1,380,290</u>

The School District entered into a \$615,940 contractual agreement to install energy saving equipment and/or to upgrade existing facilities to enhance performance. The terms of the contract provide for repayment over fifteen years, with semi-annual installments through October 2023. Payments include interest at 4.95%. The contract further provides that the savings in energy costs resulting from this modernization will equal or exceed the lease payment terms. The balance due at June 30, 2020 was \$195,456.

9. INTERFUND BALANCES AND ACTIVITY

Interfund receivables and payables, other than between governmental activities and fiduciary funds, are eliminated on the statement of net position.

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

9. INTERFUND BALANCES AND ACTIVITY (Continued)

The following is a summary of interfund activity:

	Interfund		Interfund	
	Receivable	Payable	Revenue	Expenditures
General fund	\$ 424,957	\$ 70,941	\$ -	\$ 423,369
Special aid fund	-	322,390	29,081	-
School lunch fund	-	2,410	-	-
Capital projects fund	36,988	-	394,288	-
Special purpose fund	-	72,813	-	-
Fiduciary funds	6,609	-	-	-
Totals	<u>\$ 468,554</u>	<u>\$ 468,554</u>	<u>\$ 423,369</u>	<u>\$ 423,369</u>

All interfund payables are expected to be repaid within one year.

10. PENSION PLANS

New York State Employees' Retirement System

The School District participates in the New York State and Local Employee's Retirement System (ERS) also referred to as New York State and Local Retirement System (the System). This is a cost-sharing multiple-employer retirement system, providing 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), established to hold all net assets and record changes in plan net position allocated to the System. System benefits are established under the provisions of the New York Retirement and Social Security Law (RSSL). Once an 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 School 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. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

Contributions

The system is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27th, 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 (ERS) who generally contribute 3 percent of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

	<u>ERS</u>
2020	\$ 370,300
2019	\$ 384,519
2018	\$ 359,566

10. PENSION PLANS (Continued)

New York State Employees' Retirement System (Continued)

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

At June 30, 2020, the School District reported a net pension liability of \$2,479,194 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2020, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of April 1, 2019. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2020 and 2019, the School District's proportion was .0093623% and .0100602%, respectively.

For the year ended June 30, 2020, the School District recognized pension expense of \$861,107. At June 30, 2020, the School District reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 145,911	\$ -
Changes of Assumptions	49,919	43,104
Net difference between projected and actual earnings on pension plan investments	1,270,955	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	26,425	63,725
Contributions subsequent to the measurement date	106,715	-
Total	<u>\$ 1,599,925</u>	<u>\$ 106,829</u>

The School District recognized \$106,715 as deferred outflow of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2020 which will be recognized on a reduction of the net pension liability in the year ending June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Plan's Year Ending March 31:

2021	\$ 222,041
2022	352,271
2023	452,547
2024	359,522
2025	-
Thereafter	-
	<u>\$ 1,386,381</u>

10. PENSION PLANS (Continued)

New York State Employees' Retirement System (Continued)

Actuarial Assumptions

The total pension liability at March 31, 2020 was determined by using an actuarial valuation as of April 1, 2019, with update procedures used to roll forward the total pension liability to March 31, 2020. The actuarial valuation used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.5 percent
Salary scale	4.2 percent indexed by service
Projected COLAs	1.3% compounded annually
Decrement	Developed from the Plan's 2015 experience study of the period April 1, 2010 through March 31, 2015
Mortality improvement	Society of Actuaries Scale MP-2014
Investment Rate of Return	6.8% compounded annually, net of investment expenses

The long-term expected 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 return, net of investment expenses 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 the target asset allocation and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized below:

<u>Asset Type</u>	<u>Target Allocations in %</u>	<u>Long-Term expected real rate of return in %</u>
Domestic Equity	36.0	4.05%
International Equity	14.0	6.15%
Private Equity	10.0	6.75%
Real Estate	10.0	4.95%
Absolute Return Strategies	2.0	3.25%
Opportunistic Portfolio	3.0	4.65%
Real Assets	3.0	5.95%
Bonds and Mortgages	17.0	0.75%
Cash	1.0	0.00%
Inflation-Indexed Bonds	4.0	0.50%
	<u>100%</u>	

Discount Rate

The discount rate used to calculate the total pension liability was 6.8%. 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 Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

10. PENSION PLANS (Continued)

New York State Employees' Retirement System (Continued)

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

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 6.8%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (5.8%) or 1% higher (7.8%) than the current rate:

	1% Decrease (5.80%)	Current Discount (6.80%)	1% Increase (7.80%)
Employer's Proportionate Share of Net Pension Liability (Asset)	\$ 4,550,022	\$ 2,479,194	\$ 571,954

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2020, was as follows:

	Pension Plan's Fiduciary Net Position
Total pension liability	\$ 194,596,261
Net position	168,115,682
Net pension liability (asset)	<u>\$ 26,480,579</u>
ERS net position as a percentage of total pension liability	86.39%

New York State Teachers' Retirement System

The School District participates in the New York State Teachers' Retirement System (NYSTRS). This is a cost-sharing, multiple employer public employee retirement system. The system offers 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.

The New York State Teachers' Retirement Board administers NYSTRS. The system provides benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. NYSTRS issues a publicly available financial report that contains financial statements and required supplementary information for the system. The report may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York 12211-2395.

Contributions

The System is noncontributory for the employees who joined prior to July 27, 1976. For employees who joined the System after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary, except that employees in the System more than ten years are no longer required to contribute. For employees who joined after January 1, 2010 and prior to April 1, 2012, contributions of 3.5% are paid throughout their active membership.

10. PENSION PLANS (Continued)

New York State Teachers' Retirement System (Continued)

Contributions (Continued)

For employees who joined after April 1, 2012, required contributions of 3.5% of their salary are paid until April 1, 2013 and they then contribute 3% to 6% of their salary throughout their active membership. Pursuant to Article 11 of the Education Law, the New York State Teachers' Retirement Board establishes rates annually for NYSTRS.

The School District is required to contribute at an actuarially determined rate. The School District contributions made to the systems were equal to 100% of the contributions required for each year. The required contributions for the current year and two preceding years were:

	<u>TRS</u>
2020	\$ 1,228,849
2019	\$ 1,473,057
2018	\$ 1,293,389

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

At June 30, 2020, the School District reported an asset of \$2,158,920 for its proportionate share of the NYSTRS net pension asset. The net pension asset was measured as of June 30, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2018. The School District's proportion of the net pension asset was based on a projection of the School Districts' long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2020 and 2019, the School District's proportionate share was 0.083099% and 0.081024%, respectively.

For the year ended June 30, 2020, the School District recognized pension expense of \$2,443,697. At June 30, 2020 the School District reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,463,045	\$ 160,541
Changes of Assumptions	4,078,488	994,451
Net difference between projected and actual earnings on pension plan investments	-	1,731,342
Changes in proportion and differences between the District's contributions and proportionate share of contributions	39,191	488,936
Contributions subsequent to the measurement date	1,461,824	-
Total	<u>\$ 7,042,548</u>	<u>\$ 3,375,270</u>

The School District recognized \$1,461,824 as a deferred outflow of resources related to pensions resulting from the School District's contributions subsequent to the measurement date of June 30, 2019, which will be recognized as a reduction of the net pension asset in the year ending June 30, 2021.

10. PENSION PLANS (Continued)

New York State Teachers' Retirement System (Continued)

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

Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

Plan's Year Ending June 30:

2020	\$	884,211
2021		(30,540)
2022		880,670
2023		558,956
2024		10,922
Thereafter		(98,765)
	\$	<u>2,205,454</u>

Actuarial Assumptions

The total pension liability at the June 30, 2019 measurement date was determined by an actuarial valuation as of June 30, 2018, with update procedures used to roll forward the total pension liability to June 30, 2019. These actuarial valuations used the following actuarial assumptions:

Actuarial cost method	Entry age normal										
Inflation	2.20%										
Projected Salary Increases	Rates of increase differ based on service. They have been calculated based upon recent NYSTRS member experience.										
	<table><tr><td><u>Service</u></td><td><u>Rate</u></td></tr><tr><td>5</td><td>4.72%</td></tr><tr><td>15</td><td>3.46%</td></tr><tr><td>25</td><td>2.37%</td></tr><tr><td>35</td><td>1.90%</td></tr></table>	<u>Service</u>	<u>Rate</u>	5	4.72%	15	3.46%	25	2.37%	35	1.90%
<u>Service</u>	<u>Rate</u>										
5	4.72%										
15	3.46%										
25	2.37%										
35	1.90%										
Projected COLAs	1.30% compounded annually										
Investment Rate of Return	7.10% compounded annually, net of pension plan investment expense, including inflation.										

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP2018, applied on a generational basis. Active member mortality rates are based on a plan member experience.

The actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2014.

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

10. PENSION PLANS (Continued)

New York State Teachers' Retirement System (Continued)

Actuarial Assumptions (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the Systems target asset allocation as of the measurement date of June 30, 2019 are summarized in the following table:

<u>Asset Type</u>	Target Allocations in %	Long-term expected real rate of return in %
Domestic Equity	33.0	6.3%
International Equity	16.0	7.8%
Global Equity	4.0	7.2%
Real Estate Equity	11.0	4.6%
Private Equity	8.0	9.9%
Domestic Fixed Income	16.0	1.3%
Global Bonds	2.0	0.9%
Private Debt	1.0	6.5%
Real Estate Debt	7.0	2.9%
High-Yield Bonds	1.0	3.6%
Cash Equivalents	1.0	0.3%
	<u>100%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from school districts will be made at statutorily required rates, actuarially determined. Based on those assumptions, the NYSTRS' 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.

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

The following presents the net pension liability (asset) of the school districts calculated using the discount rate of 7.10 percent, as well as what the School District's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

	1% Decrease (6.10%)	Current Discount (7.10%)	1% Increase (8.10%)
Employer's Proportionate Share of Net Pension Liability (Asset)	\$ 9,745,139	\$ (2,158,920)	\$ (12,145,082)

10. PENSION PLANS (Continued)

New York State Teachers' Retirement System (Continued)

Pension Plan Fiduciary Net Position

The components of the current year net pension liability (asset) of the employers as of June 30, 2019, were as follows:

	Pension Plan's Fiduciary Net Position
Total pension liability	\$ 119,879,473,882
Net position	122,477,480,654
Net pension liability (asset)	<u>\$ (2,598,006,772)</u>
TRS net position as a percentage of total pension liability	102.17%

Employer contributions to ERS are paid annually and cover the period through the end of ERS's fiscal year, which is March 31st. Accrued retirement contributions as of June 30, 2020 represent the projected employer contribution for the period April 1, 2020 through June 30, 2020 based on paid ERS wages multiplied by the employers' contribution rate, by tier. Employee contributions are remitted monthly. Employer and employee contributions for the year ended June 30, 2020 are paid to TRS in the following fiscal year through a state aid intercept or, if state aid is insufficient, through a payment by the School District to TRS. Accrued retirement contributions as of June 30, 2020 represent employee and employer contributions for the fiscal year ended June 30, 2020 based on paid TRS wages multiplied by the employers' contribution rate plus employee contributions for the fiscal year as reported to TRS.

Voluntary Defined Contribution Plan

The School District can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the School District will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

11. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The School District's defined benefit OPEB plan provides OPEB for all permanent full-time general and public safety employees of the School District.

The plan is a single-employer defined benefit OPEB plan administered by the School District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the School District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

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

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Employees Covered by Benefit Terms

At June 30, 2020, the following employees were covered by the benefit terms:

Active employees	150
Inactive employees or beneficiaries currently receiving benefits	<u>95</u>
Total participants	<u><u>245</u></u>

Total OPEB Liability

The School District's total OPEB liability of \$60,497,502 was measured as of June 30, 2020 and was determined by an actuarial valuation as of June 30, 2019.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.4 percent per year
Discount Rate	2.21 percent
Salary increases	Varied by years of service and retirement system. 2.9%-10.0%
Healthcare Cost Trend Rates	Medical/Prescription Drug: 5.4 percent for 2019, decreasing to an ultimate rate of 3.94% percent by 2075. Part B Reimbursement: 6.72% for 2019, decreasing to an ultimate rate of 3.94% by 2075

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index.

Mortality rates were based on Pub-2010 Teachers, General Employees, and Retirees Headcount-Weighted table projected fully generationally using MP-2019.

Changes in the Total OPEB Liability

Balance at June 30, 2019	<u>\$ 53,500,826</u>
Changes for the Year	
Service cost	2,614,891
Interest	1,948,547
Changes of benefit terms	-
Changes in assumptions or other inputs	14,163,273
Differences between expected and actual experience	(10,516,433)
Benefit payments	<u>(1,213,602)</u>
Net changes	<u>6,996,676</u>
Balance at June 30, 2020	<u><u>\$ 60,497,502</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.51% to 2.21%.

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.21%) or 1 percentage point higher (3.21%) than the current discount rate:

	1% Decrease (1.21%)	Current Discount (2.21%)	1% Increase (3.21%)
Total OPEB Liability	<u>\$ 74,159,656</u>	<u>\$ 60,497,502</u>	<u>\$ 50,015,718</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4.40%) or 1 percentage point higher (6.40%) than the current healthcare cost trend rate:

	Healthcare		
	1% Decrease (4.40%)	Current Discount (5.40%)	1% Increase (6.40%)
Total OPEB Liability	<u>\$ 48,607,860</u>	<u>\$ 60,497,502</u>	<u>\$ 76,866,681</u>

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

For the year ended June 30, 2020, the School District recognized OPEB expense of \$5,109,460. At June 30, 2020, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 9,201,879
Changes of assumptions	<u>15,011,897</u>	<u>1,662,811</u>
Total	<u>\$ 15,011,897</u>	<u>\$ 10,864,690</u>

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

<u>Fiscal Year Ending June</u>	<u>Amount</u>
2021	\$ 546,022
2022	546,022
2023	546,022
2024	546,022
2025	546,022
Thereafter	<u>1,417,097</u>
	<u>\$ 4,147,207</u>

12. RISK MANAGEMENT

The School District purchases various insurance coverages to reduce its exposure to loss. The School District maintains a general liability insurance policy with coverage up to \$1 million. The School District maintains liability coverage for school board members up to \$1 million. The School District also maintains an umbrella policy with coverage up to \$10 million. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The School District and neighboring school districts in Northern Westchester and Putnam Counties participate in the Westchester-Putnam Schools Cooperative Self-Insurance Plan for Workers' Compensation. The Plan operates under an agreement, as amended, dated February 6, 1987. The purposes of the Plan are to provide for the efficient and economical evaluation, processing, administration, defense and payment of claims against Plan members for workers' compensation payments. The Board of Trustees of the Plan consists of five Trustees selected by the Plan members. Each Trustee shall have one vote and no action may be taken except by a majority of the total membership of Trustees. Billings to each participant are based upon the cost incurred for workers' compensation. The School District has transferred all related risk to the Plan.

The School District and neighboring school districts in Southern Westchester County participate in the State-Wide Schools Cooperative Health Plan. This Plan operates under an agreement, as amended, dated December 12, 1985. The purposes of the Plan are to effect cost savings in members' expenses for health coverage; to provide for centralized administration, funding and disbursements for health coverage; and to provide for such risk management services as may be appropriate to reduce future expense and liability for health coverage. The governance of the Plan shall be in all respects in the hands of the Board of Trustees. The Board of Trustees shall consist of seven trustees elected by the general membership of the Plan. No action may be taken by the Board of Trustees except by a vote of a majority of the total number of trustees. Billings to participants are based upon coverage provided to each participants' employees. The School District has transferred all related risk to the Plan.

12. RISK MANAGEMENT (Continued)

Litigation

There are currently pending certiorari proceedings, the results of which may require the payment of future tax refunds by the School District if existing assessment rolls are modified based on the outcome of the litigation proceedings. However, the amount of these possible refunds cannot be determined at the present time. Any payments resulting from adverse decisions will be funded in the year the payment is made.

13. TAX ABATEMENTS

All real property in New York State is subject to taxation unless specific legal provision grant it exempt status. Real property exemptions are granted on the basis of many different criteria, including the use to which the property is put, the owner's ability to pay taxes, the desire of the state and local governments to encourage certain economic or social activities, and other considerations. Most exemptions are granted under Article 4 of the Real Property Tax Law, but others are authorized by a wide variety of statutes ranging from Article 18-A of the Real Property Tax Law, the Agriculture and Markets Law and the Transportation Law. Certain exemptions provide full relief from taxation (wholly exempt property) and others reduce the taxes which would otherwise be payable by varying degrees (partially exempt property). Some exemptions apply to taxes levied for county, city/town, and school purposes, whereas others pertain only to certain of these purposes. Some tax exemptions are mandated by State law, others are subject to local option and/or local determination of eligibility criteria.

The following are the PILOT agreements by purpose and the amount of real property tax that has been abated for the year ended June 30, 2020:

Name	Taxable Assessed Value	Tax Rate	Tax Value	PILOT Received	Taxes Abated
Tuckahoe Housing Authority	\$ 73,000	1,559.7403	\$113,861		
Tuckahoe Housing Authority	82,675	1,559.7403	128,952		
Tuckahoe Housing Authority	140,000	1,559.7403	218,364		
Tuckahoe Housing Authority	1,400	1,559.7403	2,184		
Total			<u>\$463,361</u>	<u>\$ 47,486</u>	<u>\$415,875</u>

14. SUBSEQUENT EVENTS

The School District on August 6, 2020, issued \$9,957,000 in bond anticipation notes for district-wide renovations. The bond anticipation notes mature on August 6, 2021 with interest at 1.50%.

The School District on September 10, 2020, issued \$2,000,000 in tax anticipation notes. The tax anticipation notes mature on June 17, 2021.

15. PRIOR PERIOD ADJUSTMENT

The School District has evaluated its presentation of private purpose trust funds and has concluded that these funds should be presented separately in the financial statements. Accordingly, \$129,370 of private purpose trust was moved from special purpose fund to private purpose trust fund. Change in presentation to correct this error was made as follows:

	<u>School District</u> <u>Wide</u>	<u>Special Purpose</u> <u>Fund</u>	<u>Private Purpose</u> <u>Trust Fund</u>
Net position/Fund balance July 1, 2019 as previously reported	\$ (37,115,710)	\$ 164,385	\$ -
Change in presentation of private purpose trust funds	<u>(129,370)</u>	<u>(129,370)</u>	<u>129,370</u>
July 1, 2019 balance after change in presentation	<u>\$ (37,245,080)</u>	<u>\$ 35,015</u>	<u>\$ 129,370</u>

16. COVID-19 PANDEMIC

As of the date of this report, the United States is in the midst of a national health emergency related to a virus, commonly known as novel coronavirus (COVID-19). The School District was closed effective March 16, 2020 and did not re-open during the 2020 academic year. The School District has developed a re-opening plan for the 2020-2021 school year and will resume educating students in September. Instruction will be a mix of in-person and virtual education.

Businesses throughout NYS remain closed or are operating significantly below their capacity. New York State has publicly stated that COVID-19 will have a significant negative impact on its revenues and its 2020-21 budget. In August 2020 the New York State Department of Education notified all school districts that effective immediately certain future payments of state aid will be reduced by a 20% withholding and that this withholding may become a permanent reduction in aid. As a result, at June 30, 2020, the School District has recorded a deferred inflow of resources in the amount of \$89,145 in the General fund.

It is difficult at this time to predict with certainty the full effect this impact may have on future State aid payments to the School District. The School District is currently analyzing the effects such a reduction will have on its fiscal 2021 operations.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

TUCKAHOE UNION FREE SCHOOL DISTRICT

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Encumbrances</u>	<u>Final Budget Variance with Budgetary Actual</u>
REVENUE					
LOCAL SOURCES:					
Real property taxes	\$ 28,525,000	\$ 26,529,591	\$ 26,529,589	\$ -	\$ (2)
Other tax items	440,000	2,435,409	2,725,147	-	289,738
Charges for services	1,449,974	1,449,974	2,036,682	-	586,708
Use of money and property	165,000	165,000	270,044	-	105,044
Miscellaneous	<u>82,500</u>	<u>108,600</u>	<u>129,512</u>	<u>-</u>	<u>20,912</u>
Total local sources	30,662,474	30,688,574	31,690,974	-	1,002,400
State sources	3,005,990	3,005,990	2,910,735	-	(95,255)
Medicaid reimbursement	<u>5,000</u>	<u>5,000</u>	<u>16,310</u>	<u>-</u>	<u>11,310</u>
TOTAL REVENUE	<u>33,673,464</u>	<u>33,699,564</u>	<u>34,618,019</u>	<u>-</u>	<u>918,455</u>
OTHER FINANCING SOURCES					
Premium on issuance of BAN	<u>-</u>	<u>-</u>	<u>34,144</u>	<u>-</u>	<u>34,144</u>
TOTAL REVENUE AND OTHER FINANCING SOURCES	<u>33,673,464</u>	<u>33,699,564</u>	<u>34,652,163</u>	<u>-</u>	<u>952,599</u>

(Continued)

TUCKAHOE UNION FREE SCHOOL DISTRICT

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (UNAUDITED) (Continued)
FOR THE YEAR ENDED JUNE 30, 2020

	Original Budget	Final Budget	Actual (Budgetary Basis)	Encumbrances	Variance with Budgetary Actual and Encumbrances
EXPENDITURES					
GENERAL SUPPORT:					
Board of education	38,660	44,808	44,681	-	127
Central administration	338,356	558,348	624,546	-	(66,198)
Finance	599,908	646,604	645,420	26	1,158
Staff	295,757	258,946	258,945	-	1
Central services	2,164,378	2,228,127	1,996,887	25,220	206,020
Special items	449,674	636,415	535,576	-	100,839
Total general support	3,886,733	4,373,248	4,106,055	25,246	241,947
INSTRUCTION:					
Instruction, administration, and improvement	1,452,253	1,422,918	1,407,461	5,790	9,667
Teaching - Regular school	9,857,439	9,945,396	9,872,835	-	72,561
Programs for children with handicapping conditions	5,462,264	5,276,927	4,736,915	-	540,012
Occupational education	40,000	121,368	121,368	-	-
Instructional media	1,073,744	1,155,867	1,139,858	-	16,009
Pupil services	1,996,370	1,995,457	1,873,196	1,669	120,592
Total instruction	19,882,070	19,917,933	19,151,633	7,459	758,841
Pupil transportation	1,688,754	1,688,754	1,409,361	-	279,393
Employee benefits	7,882,800	7,620,867	7,030,450	868	589,549
Debt service - principal	1,574,970	1,574,971	1,574,971	-	-
Debt service - Interest	437,373	462,039	462,039	-	-
TOTAL EXPENDITURES	35,352,700	35,637,812	33,734,509	33,573	1,869,730
OTHER FINANCING SOURCES (USES)					
Transfers to other funds	(130,000)	(474,288)	(423,369)	-	50,919
TOTAL EXPENDITURES AND OTHER FINANCING USES	35,482,700	36,112,100	34,157,878	33,573	1,920,649
NET CHANGE IN FUND BALANCE	(1,809,236)	(2,412,536)	494,285	(33,573)	2,873,248
FUND BALANCE - beginning of year	7,822,932	7,822,932	7,822,932	-	-
FUND BALANCE - end of year	\$ 6,013,696	\$ 5,410,396	\$ 8,317,217	\$ (33,573)	\$ 2,873,248

See the independent auditor's report

TUCKAHOE UNION FREE SCHOOL DISTRICT

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2020**

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Proportion of the net pension liability (asset)	0.009362%	0.010060%	0.009557%	0.009104%	0.010317%	0.009270%				
Proportionate share of the net pension liability (asset)	\$2,479	\$713	\$308	\$855	\$1,656	\$313				
Covered-employee payroll	\$2,734	\$2,664	\$2,668	\$2,663	\$2,465	\$2,390				
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	90.67%	26.75%	11.56%	32.12%	67.17%	13.10%				
Plan fiduciary net position as a percentage of the total pension liability (asset)	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%				

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PLAN	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Proportion of the net pension liability (asset)	0.083099%	0.081024%	0.076452%	0.073692%	0.073161%	0.075555%				
Proportionate share of the net pension liability (asset)	(\$2,159)	(\$1,465)	(\$581)	\$789	(\$7,599)	(\$8,416)				
Covered-employee payroll	\$13,870	\$13,871	\$13,198	\$12,115	\$11,371	\$11,431				
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-15.57%	-10.56%	-4.40%	6.51%	-66.83%	-73.63%				
Plan fiduciary net position as a percentage of the total pension liability (asset)	102.17%	101.53%	100.66%	99.01%	110.46%	111.48%				

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

TUCKAHOE UNION FREE SCHOOL DISTRICT

**SCHEDULE OF CONTRIBUTIONS - PENSION PLANS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2020**

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	\$ 370	\$ 385	\$ 360	\$ 348	\$ 428	\$ 459				
Contributions in relation to the contractually required contribution	370	385	360	348	428	459				
Contribution deficiency (excess)	-	-	-	-	-	-				
Covered-employee payroll	\$ 2,734	\$ 2,664	\$ 2,668	\$ 2,663	\$ 2,465	\$ 2,390				
Contributions as a percentage of covered-employee payroll	13.54%	14.43%	13.48%	13.08%	17.34%	19.21%				

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PLAN	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	\$ 1,229	\$ 1,473	\$ 1,293	\$ 1,420	\$ 1,508	\$ 2,004				
Contributions in relation to the contractually required contribution	1,229	1,473	1,293	1,420	1,508	2,004				
Contribution deficiency (excess)	-	-	-	-	-	-				
Covered-employee payroll	\$ 13,870	\$ 13,871	\$ 13,198	\$ 12,115	\$ 11,371	\$ 11,431				
Contributions as a percentage of covered-employee payroll	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%				

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

TUCKAHOE UNION FREE SCHOOL DISTRICT

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2020**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total OPEB Liability										
Service cost	\$ 2,614,891	\$ 2,266,546	\$ 2,375,665							
Interest	1,948,547	1,890,827	1,667,215							
Changes of benefit terms	-	-	-							
Differences between expected and actual experience	(10,516,433)	-	-							
Changes in assumptions	14,163,273	3,277,705	(2,380,318)							
Benefit payments	(1,213,602)	(1,042,682)	(1,124,386)							
Total change in total OPEB liability	<u>6,996,676</u>	<u>6,392,396</u>	<u>538,176</u>							
Total OPEB liability - beginning	<u>53,500,826</u>	<u>47,108,430</u>	<u>46,570,254</u>							
Total OPEB liability - ending	<u>\$ 60,497,502</u>	<u>\$ 53,500,826</u>	<u>\$ 47,108,430</u>							
 Covered-employee payroll	 \$ 17,720,097	 \$ 17,146,887	 \$ 16,956,791							
 Total OPEB liability as a percentage of covered-employee payroll	 341.41%	 312.01%	 277.81%							

Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.

Notes to schedule:

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

Discount rate	2.21%	3.51%	3.87%
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Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.

The healthcare trend cost rates have been updated to an initial rate of 5.4% decreasing to an ultimate rate of 3.94% in 2075.

Plan Assets. No assets are accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related benefits:

- Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
- Plan assets must be dedicated to providing OPEB to Plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

OTHER INFORMATION

TUCKAHOE UNION FREE SCHOOL DISTRICT

SCHEDULE OF CHANGE FROM ORIGINAL BUDGET TO REVISED BUDGET - GENERAL FUND AND SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2020

CHANGE FROM ADOPTED BUDGET TO REVISED BUDGET

Adopted budget	\$ 35,482,700
Add: Prior year's encumbrances	<u>83,480</u>
Original budget	35,566,180
Budget revisions	<u>545,920</u>
Final budget	<u>\$ 36,112,100</u>

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2020-21 voter-approved expenditure budget	\$ 36,423,200	
Maximum allowed (4% of 2020-21 budget)		<u>\$ 1,456,928</u>

General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law*:

Unrestricted fund balance:	
Assigned fund balance	\$ 2,163,186
Unassigned fund balance	<u>1,456,928</u>
	<u>3,620,114</u>

Less:

Appropriated fund balance	2,129,613
Encumbrances included in assigned fund balance	<u>33,573</u>
Total adjustments	<u>\$ 2,163,186</u>

General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u>\$ 1,456,928</u>
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Actual percentage	4.00%
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* Per Office of the State Comptroller's "Fund Balance Reporting and Governmental Fund Type Definitions", Updated April 2011 (Originally Issued November 2010), the portion of [General Fund] fund balance subject to Section 1318 of the Real Property Tax Law is: unrestricted fund balance (i.e., the total of the committed, assigned, and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

TUCKAHOE UNION FREE SCHOOL DISTRICT

**SCHEDULE OF PROJECT EXPENDITURES -
CAPITAL PROJECTS FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2020**

PROJECT TITLE	Authorization	Expenditures			Unexpended Balance	Revenues			Fund Balance June 30, 2020	Bond Anticipation Notes Outstanding at June 30, 2020
		Prior Years	Current Year	Total		Prior Years	Current Year	Total		
District-Wide Renovations 2018	\$ 9,987,000	\$ 1,208,055	\$ 7,309,585	\$ 8,517,640	\$ 1,469,360	\$ -	\$ -	\$ -	\$ (8,517,640)	\$ 9,987,000
Various District Improvements 2019	100,000	-	19,440	19,440	80,560	100,000	-	100,000	80,560	-
Emergency Heating System Repairs 2019	414,288	59,830	354,458	414,288	-	414,288	-	414,288	-	-
Smart Schools Bond Act 2019	219,976	137,549	23,355	160,904	59,072	110,299	-	110,299	(50,605)	-
Various District Improvements 2020	50,000	-	-	-	50,000	-	50,000	50,000	50,000	-
Total	<u>\$ 10,771,264</u>	<u>\$ 1,405,434</u>	<u>\$ 7,706,838</u>	<u>\$ 9,112,272</u>	<u>\$ 1,658,992</u>	<u>\$ 624,587</u>	<u>\$ 50,000</u>	<u>\$ 674,587</u>	<u>\$ (8,437,685)</u>	<u>\$ 9,987,000</u>

TUCKAHOE UNION FREE SCHOOL DISTRICT

SCHEDULE OF NET INVESTMENT IN CAPITAL ASSETS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2020

Capital assets, net		\$ 20,859,465
Add:		
Unamortized deferred loss on refunding bonds		470,779
Unspent proceeds of bonds		1,821,311
Deduct:		
Bond anticipation notes	9,987,000	
Unamortized bond premium	517,705	
Long-term portion of energy performance contract payable	142,981	
Short-term portion of bonds payable and energy performance contract payable	1,227,475	
Long-term portion of bonds payable	<u>8,814,650</u>	<u>20,689,811</u>
Net investment in capital assets		<u>\$ 2,461,744</u>

TUCKAHOE UNION FREE SCHOOL DISTRICT

SCHEDULE OF COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS

JUNE 30, 2020

	<u>Governmental Fund Types</u>			Total Non-Major Governmental Funds
	<u>Special Aid</u>	<u>School Lunch</u>	<u>Special Purpose</u>	
ASSETS				
Cash and cash equivalents	\$ -	\$ 289,335	\$ 171,423	\$ 460,758
Accounts receivable	15,952	-	-	15,952
State and federal aid receivable	337,087	5,859	-	342,946
Inventory	-	2,707	-	2,707
TOTAL ASSETS	<u>\$ 353,039</u>	<u>\$ 297,901</u>	<u>\$ 171,423</u>	<u>\$ 822,363</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable	\$ 26,686	\$ 51,327	\$ -	\$ 78,013
Unearned revenue	3,963	12,472	-	16,435
Due to other funds	322,390	2,410	72,813	397,613
TOTAL LIABILITIES	<u>353,039</u>	<u>66,209</u>	<u>72,813</u>	<u>492,061</u>

(Continued)

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

SCHEDULE OF COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS (Continued)
JUNE 30, 2020

	<u>Governmental Fund Types</u>			Total Non-Major Governmental Funds
	<u>Special Aid</u>	<u>School Lunch</u>	<u>Special Purpose</u>	
FUND BALANCE				
Nonspendable:				
Inventory	<u>-</u>	<u>2,707</u>	<u>-</u>	<u>2,707</u>
Total nonspendable fund balance	<u>-</u>	<u>2,707</u>	<u>-</u>	<u>2,707</u>
Restricted:				
Other	<u>-</u>	<u>-</u>	<u>98,610</u>	<u>98,610</u>
Total restricted fund balance	<u>-</u>	<u>-</u>	<u>98,610</u>	<u>98,610</u>
Assigned:				
Other	<u>-</u>	<u>228,985</u>	<u>-</u>	<u>228,985</u>
Total assigned fund balance	<u>-</u>	<u>228,985</u>	<u>-</u>	<u>228,985</u>
TOTAL FUND BALANCE	<u>-</u>	<u>231,692</u>	<u>98,610</u>	<u>330,302</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 353,039</u>	<u>\$ 297,901</u>	<u>\$ 171,423</u>	<u>\$ 822,363</u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

**SCHEDULE OF COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Governmental Fund Types			Total Non-Major Governmental Funds
	Special Aid	School Lunch	Special Purpose	
REVENUE				
Use of money and property	\$ -	\$ 4,128	\$ -	\$ 4,128
Miscellaneous	8,917	4,960	114,813	128,690
State sources	156,841	3,825	-	160,666
Federal sources	385,405	99,267	-	484,672
Sales - School lunch	-	148,418	-	148,418
TOTAL REVENUE	551,163	260,598	114,813	926,574
EXPENDITURES				
General support	-	-	51,218	51,218
Instruction	538,362	-	-	538,362
Pupil transportation	41,882	-	-	41,882
Cost of sales	-	302,989	-	302,989
TOTAL EXPENDITURES	580,244	302,989	51,218	934,451
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(29,081)	(42,391)	63,595	(7,877)
OTHER FINANCING SOURCES (USES):				
Operating transfers in	29,081	-	-	29,081
TOTAL OTHER FINANCING SOURCES (USES)	29,081	-	-	29,081
EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	-	(42,391)	63,595	21,204
FUND BALANCE - beginning of year (as restated per Note 15)	-	274,083	35,015	309,098
FUND BALANCE - end of year	\$ -	\$ 231,692	\$ 98,610	\$ 330,302

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT**COMPARATIVE BALANCE SHEET - GENERAL FUND
JUNE 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and cash equivalents - unrestricted	\$ 5,529,045	\$ 1,718,725
Cash and cash equivalents - restricted	4,697,103	4,510,911
Accounts receivable	94,897	68,602
Due from other funds	424,957	1,717,753
Due from other governments	731,819	1,946,161
State and federal aid receivable	<u>69,380</u>	<u>141,929</u>
TOTAL ASSETS	\$ 11,547,201	\$ 10,104,081
LIABILITIES		
Accounts payable	\$ 519,043	\$ 327,978
Accrued liabilities	876,297	35,898
Due to other funds	70,941	185,696
Due to other governments	106,019	-
Due to Teachers' Retirement System	1,461,824	1,608,727
Due to Employees' Retirement System	<u>106,715</u>	<u>116,740</u>
TOTAL LIABILITIES	<u>3,140,839</u>	<u>2,275,039</u>
DEFERRED INFLOWS OF RESOURCES		
Unearned revenue	<u>89,145</u>	<u>6,110</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>89,145</u>	<u>6,110</u>

TUCKAHOE UNION FREE SCHOOL DISTRICT**COMPARATIVE BALANCE SHEET - GENERAL FUND (Continued)**
JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
FUND BALANCE		
Restricted:		
Retirement contributions	582,120	431,843
Liability claims	259,218	250,000
Tax certiorari	3,828,421	3,829,068
Debt	<u>27,344</u>	<u>-</u>
Total restricted fund balance	<u>4,697,103</u>	<u>4,510,911</u>
Assigned:		
Appropriated for subsequent year's expenditures	2,129,613	1,809,236
Other	<u>33,573</u>	<u>83,480</u>
Total assigned fund balance	<u>2,163,186</u>	<u>1,892,716</u>
Unassigned	<u>1,456,928</u>	<u>1,419,305</u>
TOTAL FUND BALANCE	<u>8,317,217</u>	<u>7,822,932</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 11,547,201</u>	<u>\$ 10,104,081</u>

TUCKAHOE UNION FREE SCHOOL DISTRICT

**COMPARATIVE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (UNAUDITED)
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

	2020					2019				
	Original Budget	Final Budget	Actual (Budgetary Basis)	Encumbrances	Final Budget Variance with Budgetary Actual	Original Budget	Final Budget	Actual (Budgetary Basis)	Encumbrances	Final Budget Variance with Budgetary Actual
REVENUE										
LOCAL SOURCES:										
Real property taxes	\$ 28,525,000	\$ 26,529,591	\$ 26,529,589	\$ -	\$ (2)	\$ 25,474,298	\$ 25,481,014	\$ 25,476,254	\$ -	\$ (4,760)
Other tax items	440,000	2,435,409	2,725,147	-	289,738	2,873,552	2,866,836	2,908,988	-	42,152
Charges for services	1,449,974	1,449,974	2,036,682	-	586,708	1,149,960	1,149,960	1,909,091	-	759,131
Use of money and property	165,000	165,000	270,044	-	105,044	107,700	107,700	295,887	-	188,187
Miscellaneous	<u>82,500</u>	<u>108,600</u>	<u>129,512</u>	<u>-</u>	<u>20,912</u>	<u>76,500</u>	<u>106,500</u>	<u>152,759</u>	<u>-</u>	<u>46,259</u>
Total local sources	30,662,474	30,688,574	31,690,974	-	1,002,400	29,682,010	29,712,010	30,742,979	-	1,030,969
State sources	3,005,990	3,005,990	2,910,735	-	(95,255)	2,899,884	2,959,281	3,030,306	-	71,025
Medicaid reimbursement	<u>5,000</u>	<u>5,000</u>	<u>16,310</u>	<u>-</u>	<u>11,310</u>	<u>5,000</u>	<u>5,000</u>	<u>43,375</u>	<u>-</u>	<u>38,375</u>
TOTAL REVENUE	<u>33,673,464</u>	<u>33,699,564</u>	<u>34,618,019</u>	<u>-</u>	<u>918,455</u>	<u>32,586,894</u>	<u>32,676,291</u>	<u>33,816,660</u>	<u>-</u>	<u>1,140,369</u>
OTHER FINANCING SOURCES										
Premium on issuance of BAN	<u>-</u>	<u>-</u>	<u>34,144</u>	<u>-</u>	<u>34,144</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUE AND OTHER FINANCING SOURCES	<u>33,673,464</u>	<u>33,699,564</u>	<u>34,652,163</u>	<u>-</u>	<u>952,599</u>	<u>32,586,894</u>	<u>32,676,291</u>	<u>33,816,660</u>	<u>-</u>	<u>1,140,369</u>

(Continued)

TUCKAHOE UNION FREE SCHOOL DISTRICT

COMPARATIVE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (UNAUDITED) (Continued)
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020					2019				
	Original Budget	Final Budget	Actual (Budgetary Basis)	Encumbrances	Variance with Budgetary Actual and Encumbrances	Original Budget	Final Budget	Actual (Budgetary Basis)	Encumbrances	Variance with Budgetary Actual and Encumbrances
EXPENDITURES										
GENERAL SUPPORT:										
Board of education	38,660	44,808	44,681	-	127	34,860	57,859	55,354	-	2,505
Central administration	338,356	558,348	624,546	-	(66,198)	325,020	335,381	332,882	-	2,499
Finance	599,908	646,604	645,420	26	1,158	571,995	584,622	531,556	-	53,066
Staff	295,757	258,946	258,945	-	1	299,758	320,733	278,044	-	42,689
Central services	2,164,378	2,228,127	1,996,887	25,220	206,020	2,027,667	2,043,091	1,932,753	82,161	28,177
Special items	449,674	636,415	535,576	-	100,839	407,810	920,843	901,384	-	19,459
Total general support	3,886,733	4,373,248	4,106,055	25,246	241,947	3,667,110	4,262,529	4,031,973	82,161	148,395
INSTRUCTION:										
Instruction, administration, and improvement	1,452,253	1,422,918	1,407,461	5,790	9,667	1,353,017	1,404,289	1,349,750	-	54,539
Teaching - Regular school	9,857,439	9,945,396	9,872,835	-	72,561	9,832,057	9,734,551	9,416,417	585	317,549
Programs for children with handicapping conditions	5,462,264	5,276,927	4,736,915	-	540,012	5,058,950	4,913,508	4,715,495	-	198,013
Occupational education	40,000	121,368	121,368	-	-	40,000	40,000	31,246	-	8,754
Instructional media	1,073,744	1,155,867	1,139,858	-	16,009	1,059,027	1,095,475	1,059,498	310	35,667
Pupil services	1,996,370	1,995,457	1,873,196	1,669	120,592	1,900,612	1,918,037	1,862,139	424	55,474
Total instruction	19,882,070	19,917,933	19,151,633	7,459	758,841	19,243,663	19,105,860	18,434,545	1,319	669,996
Pupil transportation	1,688,754	1,688,754	1,409,361	-	279,393	1,622,154	1,622,154	1,568,930	-	53,224
Employee benefits	7,882,800	7,620,867	7,030,450	868	589,549	7,279,780	6,841,561	6,694,469	-	147,092
Debt service - principal	1,574,970	1,574,971	1,574,971	-	-	1,637,586	1,637,586	1,637,586	-	-
Debt service - Interest	437,373	462,039	462,039	-	-	479,533	479,533	469,309	-	10,224
TOTAL EXPENDITURES	35,352,700	35,637,812	33,734,509	33,573	1,869,730	33,929,826	33,949,223	32,836,812	83,480	1,028,931
OTHER FINANCING SOURCES (USES)										
Transfers to other funds	(130,000)	(474,288)	(423,369)	-	50,919	(180,000)	(250,000)	(213,812)	-	36,188
TOTAL EXPENDITURES AND OTHER FINANCING USES	35,482,700	36,112,100	34,157,878	33,573	1,920,649	34,109,826	34,199,223	33,050,624	83,480	1,065,119
NET CHANGE IN FUND BALANCE	(1,809,236)	(2,412,536)	494,285	(33,573)	2,873,248	(1,522,932)	(1,522,932)	766,036	(83,480)	2,205,488
FUND BALANCE - beginning of year	7,822,932	7,822,932	7,822,932	-	-	1,522,932	1,522,932	7,056,896	-	-
FUND BALANCE - end of year	\$ 6,013,696	\$ 5,410,396	\$ 8,317,217	\$ (33,573)	\$ 2,873,248	\$ -	\$ -	\$ 7,822,932	\$ (83,480)	\$ 2,205,488

TUCKAHOE UNION FREE SCHOOL DISTRICT

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET - GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2020**

	Original <u>Budget</u>	Final <u>Budget</u>	Actual <u>(Budgetary Basis)</u>	Final Budget Variance with <u>Budgetary Actual</u>
REVENUE				
REAL PROPERTY TAXES	\$ 28,525,000	\$ 26,529,591	\$ 26,529,589	\$ (2)
OTHER TAX ITEMS				
Payment in lieu of taxes	40,000	40,000	47,486	7,486
School tax relief reimbursement	-	1,995,409	1,995,409	-
Non-property tax distribution from County	400,000	400,000	575,173	175,173
Borderline tax payments	-	-	107,079	107,079
Total other tax items	440,000	2,435,409	2,725,147	289,738
CHARGES FOR SERVICES				
Day school tuition	80,000	80,000	113,500	33,500
Other student fee/charges	3,100	3,100	2,912	(188)
Day school tuition - other districts	1,366,874	1,366,874	1,920,070	553,196
Substitute teachers reimbursement by BOCES	-	-	200	200
Total charges for services	1,449,974	1,449,974	2,036,682	586,708
USE OF MONEY AND PROPERTY				
Earnings on investments	85,000	85,000	217,200	132,200
Rental of real property	80,000	80,000	52,844	(27,156)
Total use of money and property	165,000	165,000	270,044	105,044
MISCELLANEOUS				
Refund of prior year's expenditures	42,000	42,100	50,394	8,294
BOCES refund of prior year's expenditures	35,000	35,000	60,162	25,162
Other	5,500	31,500	18,956	(12,544)
Total miscellaneous	82,500	108,600	129,512	20,912
STATE AID				
Basic formula	2,500,990	2,500,990	2,193,519	(307,471)
BOCES aid	505,000	505,000	485,622	(19,378)
Textbook and library aid	-	-	80,312	80,312
Computer software aid	-	-	22,198	22,198
Other	-	-	129,084	129,084
Total state aid	3,005,990	3,005,990	2,910,735	(95,255)

See the independent auditor's report

TUCKAHOE UNION FREE SCHOOL DISTRICT

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET - GENERAL FUND (UNAUDITED) (Continued)
FOR THE YEAR ENDED JUNE 30, 2020

REVENUE (Continued)

FEDERAL AID

Medicaid assistance	<u>5,000</u>	<u>5,000</u>	<u>16,310</u>	<u>11,310</u>
Total federal aid	<u>5,000</u>	<u>5,000</u>	<u>16,310</u>	<u>11,310</u>
TOTAL REVENUE	<u>33,673,464</u>	<u>33,699,564</u>	<u>34,618,019</u>	<u>918,455</u>

OTHER FINANCING SOURCES

Premium on issuance of BAN	<u>-</u>	<u>-</u>	<u>34,144</u>	<u>34,144</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>34,144</u>	<u>34,144</u>
TOTAL REVENUE AND OTHER FINANCING SOURCES	<u>\$ 33,673,464</u>	<u>\$ 33,699,564</u>	<u>\$ 34,652,163</u>	<u>\$ 952,599</u>

TUCKAHOE UNION FREE SCHOOL DISTRICT

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING SOURCES COMPARED TO BUDGET - GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Encumbrances</u>	<u>Variance with Budgetary Actual and Encumbrances</u>
EXPENDITURES					
GENERAL SUPPORT					
BOARD OF EDUCATION					
Board of education	\$ 14,000	\$ 12,743	\$ 12,616	\$ -	\$ 127
District clerk	11,660	12,840	12,840	-	-
District meeting	13,000	19,225	19,225	-	-
Total board of education	38,660	44,808	44,681	-	127
CENTRAL ADMINISTRATION					
Chief school administrator	338,356	558,348	624,546	-	(66,198)
Total central administration	338,356	558,348	624,546	-	(66,198)
FINANCE					
Business administration	420,132	451,197	450,838	26	333
Auditing	48,790	46,790	46,790	-	-
Treasurer	105,386	109,455	108,630	-	825
Fiscal agent fee	25,600	39,162	39,162	-	-
Total finance	599,908	646,604	645,420	26	1,158
STAFF					
Legal	210,000	146,385	146,385	-	-
Personnel	49,257	52,761	52,760	-	1
Records management officer	2,500	3,700	3,700	-	-
Public information and services	34,000	56,100	56,100	-	-
Total staff	295,757	258,946	258,945	-	1
CENTRAL SERVICES					
Operation of plant	1,505,139	1,538,254	1,311,301	22,172	204,781
Maintenance of plant	401,618	398,896	395,454	3,048	394
Central printing and mailing	10,000	3,818	2,973	-	845
Central data processing	247,621	287,159	287,159	-	-
Total central services	2,164,378	2,228,127	1,996,887	25,220	206,020

See the independent auditor's report

TUCKAHOE UNION FREE SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES AND OTHER FINANCING SOURCES COMPARED TO BUDGET - GENERAL FUND (UNAUDITED) (Continued)
FOR THE YEAR ENDED JUNE 30, 2020

	Original Budget	Final Budget	Actual (Budgetary Basis)	Encumbrances	Variance with Budgetary Actual and Encumbrances
EXPENDITURES (Continued)					
GENERAL SUPPORT (Continued)					
SPECIAL ITEMS					
Unallocated insurance	108,000	120,244	120,244	-	-
Assessments on school property	125,000	120,507	62,452	-	58,055
Judgments and claims	-	2,412	387	-	2,025
Refunds on real property taxes	35,000	210,526	170,767	-	39,759
Administrative charges - BOCES	134,849	134,849	134,849	-	-
Capital expenditures - BOCES	34,825	34,825	33,825	-	1,000
School association dues	12,000	13,052	13,052	-	-
Total special items	449,674	636,415	535,576	-	100,839
Total general support	3,886,733	4,373,248	4,106,055	25,246	241,947
INSTRUCTION					
INSTRUCTION, ADMINISTRATION AND IMPROVEMENT					
Curriculum development and supervision	251,545	219,104	208,461	5,790	4,853
Supervision - regular school	1,156,208	1,159,314	1,158,562	-	752
In-service training instruction	44,500	44,500	40,438	-	4,062
Total instruction, administration and improvement	1,452,253	1,422,918	1,407,461	5,790	9,667
TEACHING - REGULAR SCHOOL	9,857,439	9,945,396	9,872,835	-	72,561
PROGRAMS FOR STUDENTS WITH DISABILITIES	5,462,264	5,276,927	4,736,915	-	540,012
OCCUPATIONAL EDUCATION	40,000	121,368	121,368	-	-
INSTRUCTIONAL MEDIA					
School library and audiovisual	344,821	359,573	354,198	-	5,375
Educational television	67,458	73,900	72,306	-	1,594
Computer assisted instruction	661,465	722,394	713,354	-	9,040
Total instructional media	1,073,744	1,155,867	1,139,858	-	16,009

TUCKAHOE UNION FREE SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES AND OTHER FINANCING SOURCES COMPARED TO BUDGET - GENERAL FUND (UNAUDITED) (Continued)
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Encumbrances</u>	<u>Variance with Budgetary Actual and Encumbrances</u>
EXPENDITURES (Continued)					
INSTRUCTION (Continued)					
PUPIL SERVICES					
Attendance - regular school	6,000	6,000	1,517	-	4,483
Guidance - regular school	545,213	536,793	515,472	-	21,321
Health services - regular school	280,888	275,111	271,594	1,348	2,169
Psychological services - regular school	323,220	340,090	340,089	-	1
Co-curricular activities - regular school	185,000	185,000	149,912	-	35,088
Interscholastic athletics - regular school	<u>656,049</u>	<u>652,463</u>	<u>594,612</u>	<u>321</u>	<u>57,530</u>
Total pupil services	<u>1,996,370</u>	<u>1,995,457</u>	<u>1,873,196</u>	<u>1,669</u>	<u>120,592</u>
Total instruction	<u>19,882,070</u>	<u>19,917,933</u>	<u>19,151,633</u>	<u>7,459</u>	<u>758,841</u>
PUPIL TRANSPORTATION					
District transportation services	175,254	175,254	160,757	-	14,497
Contract transportation	1,488,500	1,468,942	1,204,046	-	264,896
Transportation from BOCES	<u>25,000</u>	<u>44,558</u>	<u>44,558</u>	<u>-</u>	<u>-</u>
Total pupil transportation	<u>1,688,754</u>	<u>1,688,754</u>	<u>1,409,361</u>	<u>-</u>	<u>279,393</u>
EMPLOYEE BENEFITS					
State retirement	550,000	515,000	382,492	-	132,508
Teachers' retirement	1,720,000	1,479,672	1,329,819	-	149,853
Social security	1,495,000	1,482,181	1,375,306	-	106,875
Workers' compensation benefits	125,250	125,250	124,115	-	1,135
Unemployment insurance	25,000	40,879	40,879	-	-
Hospital, medical and dental insurance	3,617,550	3,627,885	3,444,958	868	182,059
Union welfare benefits	<u>350,000</u>	<u>350,000</u>	<u>332,881</u>	<u>-</u>	<u>17,119</u>
Total employee benefits	<u>7,882,800</u>	<u>7,620,867</u>	<u>7,030,450</u>	<u>868</u>	<u>589,549</u>

See the independent auditor's report

TUCKAHOE UNION FREE SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES AND OTHER FINANCING SOURCES COMPARED TO BUDGET - GENERAL FUND (UNAUDITED) (Continued)
FOR THE YEAR ENDED JUNE 30, 2020

	Original Budget	Final Budget	Actual (Budgetary Basis)	Encumbrances	Variance with Budgetary Actual and Encumbrances
EXPENDITURES (Continued)					
DEBT SERVICE					
Principal	1,574,970	1,574,971	1,574,971	-	-
Interest	<u>437,373</u>	<u>462,039</u>	<u>462,039</u>	-	-
Total debt service	<u>2,012,343</u>	<u>2,037,010</u>	<u>2,037,010</u>	-	-
TOTAL EXPENDITURES	<u>35,352,700</u>	<u>35,637,812</u>	<u>33,734,509</u>	<u>33,573</u>	<u>1,869,730</u>
OTHER FINANCING SOURCES					
TRANSFERS OUT					
Capital projects fund	50,000	394,288	394,288	-	-
Special aid fund	<u>80,000</u>	<u>80,000</u>	<u>29,081</u>	-	<u>50,919</u>
Total transfers out	<u>130,000</u>	<u>474,288</u>	<u>423,369</u>	-	<u>50,919</u>
TOTAL OTHER FINANCING SOURCES	<u>130,000</u>	<u>474,288</u>	<u>423,369</u>	-	<u>50,919</u>
TOTAL EXPENDITURES AND OTHER FINANCING SOURCES	<u>\$ 35,482,700</u>	<u>\$ 36,112,100</u>	<u>\$ 34,157,878</u>	<u>\$ 33,573</u>	<u>\$ 1,920,649</u>

TUCKAHOE UNION FREE SCHOOL DISTRICT**COMPARATIVE BALANCE SHEET - CAPITAL PROJECTS FUND
JUNE 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and cash equivalents - unrestricted	\$ 1,821,131	\$ 1,526,049
Due from other funds	<u>36,988</u>	<u>115,622</u>
TOTAL ASSETS	<u>\$ 1,858,119</u>	<u>\$ 1,641,671</u>
LIABILITIES		
Accounts payable	\$ 308,804	\$ 10,237
Due to other funds	-	756,569
Bond anticipation notes payable	<u>9,987,000</u>	<u>2,000,000</u>
TOTAL LIABILITIES	<u>10,295,804</u>	<u>2,766,806</u>
FUND BALANCE		
Assigned:		
Unappropriated	<u>(8,437,685)</u>	<u>(1,125,135)</u>
Total assigned fund balance	<u>(8,437,685)</u>	<u>(1,125,135)</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,858,119</u>	<u>\$ 1,641,671</u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

COMPARATIVE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - CAPITAL PROJECTS FUND FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
REVENUE		
State sources	\$ -	\$ 110,299
TOTAL REVENUE	-	110,299
EXPENDITURES		
Capital outlay	7,706,838	1,271,567
TOTAL EXPENDITURES	7,706,838	1,271,567
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(7,706,838)	(1,161,268)
OTHER FINANCING SOURCES (USES)		
Operating transfers in	394,288	170,000
TOTAL OTHER FINANCING SOURCES (USES)	394,288	170,000
EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(7,312,550)	(991,268)
FUND BALANCE - beginning of year	(1,125,135)	(133,867)
FUND BALANCE - end of year	<u>\$ (8,437,685)</u>	<u>\$ (1,125,135)</u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

COMPARATIVE COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS

JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR 2019)

	Governmental Fund Types			Total Non-Major Governmental Funds	
	<u>Special Aid</u>	<u>School Lunch</u>	<u>Special Purpose</u>	<u>2020</u>	<u>2019</u>
ASSETS					
Cash and cash equivalents	\$ -	\$ 289,335	\$ 171,423	\$ 460,758	\$ 679,642
Accounts receivable	15,952	-	-	15,952	8,910
State and federal aid receivable	337,087	5,859	-	342,946	394,663
Inventory	-	2,707	-	2,707	2,723
TOTAL ASSETS	<u>\$ 353,039</u>	<u>\$ 297,901</u>	<u>\$ 171,423</u>	<u>\$ 822,363</u>	<u>\$ 1,085,938</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts payable	\$ 26,686	\$ 51,327	\$ -	\$ 78,013	\$ 79,976
Unearned revenue	3,963	12,472	-	16,435	11,027
Due to other funds	322,390	2,410	72,813	397,613	556,467
TOTAL LIABILITIES	<u>353,039</u>	<u>66,209</u>	<u>72,813</u>	<u>492,061</u>	<u>647,470</u>

(Continued)

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

COMPARATIVE COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS (Continued)
JUNE 30, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	Governmental Fund Types			Total Non-Major Governmental Funds	
	<u>Special Aid</u>	<u>School Lunch</u>	<u>Special Purpose</u>	<u>2020</u>	<u>2019</u>
FUND BALANCE					
Nonspendable:					
Inventory	<u>-</u>	<u>2,707</u>	<u>-</u>	<u>2,707</u>	<u>2,723</u>
Total nonspendable fund balance	<u>-</u>	<u>2,707</u>	<u>-</u>	<u>2,707</u>	<u>2,723</u>
Restricted:					
Other	<u>-</u>	<u>-</u>	<u>35,015</u>	<u>35,015</u>	<u>28,209</u>
Total restricted fund balance	<u>-</u>	<u>-</u>	<u>35,015</u>	<u>35,015</u>	<u>28,209</u>
Assigned:					
Other	<u>-</u>	<u>271,376</u>	<u>-</u>	<u>271,376</u>	<u>240,169</u>
Total assigned fund balance	<u>-</u>	<u>271,376</u>	<u>-</u>	<u>271,376</u>	<u>240,169</u>
Unassigned	<u>-</u>	<u>(42,391)</u>	<u>63,595</u>	<u>21,204</u>	<u>167,367</u>
TOTAL FUND BALANCE	<u>-</u>	<u>231,692</u>	<u>98,610</u>	<u>330,302</u>	<u>438,468</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 353,039</u>	<u>\$ 297,901</u>	<u>\$ 171,423</u>	<u>\$ 822,363</u>	<u>\$ 1,085,938</u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

**COMPARATIVE COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE TOTALS FOR 2019)**

	Governmental Fund Types			Total Non-Major Governmental Funds	
	<u>Special Aid</u>	<u>School Lunch</u>	<u>Special Purpose</u>	<u>2020</u>	<u>2019</u>
REVENUE					
Use of money and property	\$ -	\$ 4,128	\$ -	\$ 4,128	\$ 4,452
Miscellaneous	8,917	4,960	114,813	128,690	105,569
State sources	156,841	3,825	-	160,666	179,657
Federal sources	385,405	99,267	-	484,672	490,375
Sales - School lunch	-	148,418	-	148,418	221,265
TOTAL REVENUE	<u>551,163</u>	<u>260,598</u>	<u>114,813</u>	<u>926,574</u>	<u>1,001,318</u>
EXPENDITURES					
General support	-	-	51,218	51,218	125,836
Instruction	538,362	-	-	538,362	564,658
Pupil transportation	41,882	-	-	41,882	53,810
Cost of sales	-	302,989	-	302,989	336,039
TOTAL EXPENDITURES	<u>580,244</u>	<u>302,989</u>	<u>51,218</u>	<u>934,451</u>	<u>1,080,343</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>(29,081)</u>	<u>(42,391)</u>	<u>63,595</u>	<u>(7,877)</u>	<u>(79,025)</u>
OTHER FINANCING SOURCES (USES):					
Operating transfers in	<u>29,081</u>	<u>-</u>	<u>-</u>	<u>29,081</u>	<u>43,812</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>29,081</u>	<u>-</u>	<u>-</u>	<u>29,081</u>	<u>43,812</u>
EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>-</u>	<u>(42,391)</u>	<u>63,595</u>	<u>21,204</u>	<u>(35,213)</u>
FUND BALANCE - beginning of year (as restated per Note 15)	<u>-</u>	<u>274,083</u>	<u>35,015</u>	<u>309,098</u>	<u>473,681</u>
FUND BALANCE - end of year	<u>\$ -</u>	<u>\$ 231,692</u>	<u>\$ 98,610</u>	<u>\$ 330,302</u>	<u>\$ 438,468</u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT**COMPARATIVE BALANCE SHEET - SPECIAL AID FUND
JUNE 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and cash equivalents	\$ -	\$ 17,372
Accounts receivable	15,952	8,910
State and federal aid receivable	<u>337,087</u>	<u>386,955</u>
TOTAL ASSETS	<u><u>\$ 353,039</u></u>	<u><u>\$ 413,237</u></u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 26,686	\$ 14,715
Unearned revenue	3,963	-
Due to other funds	<u>322,390</u>	<u>398,522</u>
TOTAL LIABILITIES	<u><u>353,039</u></u>	<u><u>413,237</u></u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

COMPARATIVE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - SPECIAL AID FUND FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
REVENUE:		
Miscellaneous	\$ 8,917	\$ 8,751
State sources	156,841	175,249
Federal sources	<u>385,405</u>	<u>390,656</u>
TOTAL REVENUE	<u>551,163</u>	<u>574,656</u>
EXPENDITURES:		
Instruction	538,362	564,658
Pupil transportation	<u>41,882</u>	<u>53,810</u>
TOTAL EXPENDITURES	<u>580,244</u>	<u>618,468</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>(29,081)</u>	<u>(43,812)</u>
OTHER FINANCING SOURCES (USES):		
Operating transfers in	<u>29,081</u>	<u>43,812</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>29,081</u>	<u>43,812</u>
EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>-</u>	<u>-</u>
FUND BALANCE - beginning of year	<u>-</u>	<u>-</u>
FUND BALANCE - end of year	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT**COMPARATIVE BALANCE SHEET - SCHOOL LUNCH FUND
JUNE 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and cash equivalents	\$ 289,335	\$ 384,118
State and federal aid receivable	5,859	7,708
Inventory	<u>2,707</u>	<u>2,723</u>
TOTAL ASSETS	<u>\$ 297,901</u>	<u>\$ 394,549</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 51,327	\$ 65,261
Unearned revenue	12,472	11,027
Due to other funds	<u>2,410</u>	<u>44,178</u>
TOTAL LIABILITIES	<u>66,209</u>	<u>120,466</u>
FUND BALANCE		
Nonspendable:		
Inventory	<u>\$ 2,707</u>	<u>\$ 2,723</u>
Total nonspendable fund balance	<u>2,707</u>	<u>2,723</u>
Assigned:		
Other	<u>271,376</u>	<u>240,169</u>
Total assigned fund balance	<u>271,376</u>	<u>240,169</u>
Unassigned	<u>(42,391)</u>	<u>31,191</u>
TOTAL FUND BALANCE	<u>231,692</u>	<u>274,083</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 297,901</u>	<u>\$ 394,549</u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

COMPARATIVE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - SCHOOL LUNCH FUND FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
REVENUE		
Use of money and property	\$ 4,128	\$ 4,115
Miscellaneous	4,960	276
State sources	3,825	4,408
Federal sources	99,267	99,719
Sales - School lunch	<u>148,418</u>	<u>221,265</u>
TOTAL REVENUE	<u>260,598</u>	<u>329,783</u>
EXPENDITURES		
Cost of sales	<u>302,989</u>	<u>336,039</u>
TOTAL EXPENDITURES	<u>302,989</u>	<u>336,039</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>(42,391)</u>	<u>(6,256)</u>
FUND BALANCE - beginning of year	<u>274,083</u>	<u>280,339</u>
FUND BALANCE - end of year	<u>\$ 231,692</u>	<u>\$ 274,083</u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT**COMPARATIVE BALANCE SHEET - SPECIAL PURPOSE FUND
JUNE 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and cash equivalents	\$ <u>171,423</u>	\$ <u>278,152</u>
TOTAL ASSETS	<u>\$ 171,423</u>	<u>\$ 278,152</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Due to other funds	\$ <u>72,813</u>	\$ <u>113,767</u>
TOTAL LIABILITIES	<u>72,813</u>	<u>113,767</u>
FUND BALANCE		
Restricted:		
Other	<u>35,015</u>	<u>28,209</u>
Total restricted fund balance	<u>35,015</u>	<u>28,209</u>
Unassigned	<u>63,595</u>	<u>136,176</u>
TOTAL FUND BALANCE	<u>98,610</u>	<u>164,385</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 171,423</u>	<u>\$ 278,152</u>

The accompanying notes are an integral part of these statements.

TUCKAHOE UNION FREE SCHOOL DISTRICT

COMPARATIVE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - SPECIAL PURPOSE FUND FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
REVENUE		
Use of money and property	\$ -	\$ 337
Miscellaneous	<u>114,813</u>	<u>96,542</u>
TOTAL REVENUE	<u>114,813</u>	<u>96,879</u>
EXPENDITURES		
General support	<u>51,218</u>	<u>125,836</u>
TOTAL EXPENDITURES	<u>51,218</u>	<u>125,836</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>63,595</u>	<u>(28,957)</u>
FUND BALANCE - beginning of year	<u>35,015</u>	<u>193,342</u>
FUND BALANCE - end of year	<u>\$ 98,610</u>	<u>\$ 164,385</u>

The accompanying notes are an integral part of these statements.

REQUIRED REPORT UNDER *GOVERNMENT AUDITING STANDARDS*

**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**

October 8, 2020

To the Board of Education of
Tuckahoe Union Free School District:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Tuckahoe Union Free School District (School District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 8, 2020.

Internal Control Over Financial Reporting

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

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

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

(Continued)

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* (Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

TUCKAHOE UNION FREE SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2020

Section I—Summary of Auditor's Results

Financial Statements

Type of Independent Auditor's Report issued

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

____ Yes X No

Significant deficiencies identified?

____ Yes X None reported

Noncompliance material to financial statements noted?

____ Yes X No

Section II—Financial Statement Findings

There were no instances of material weaknesses, significant deficiencies, or noncompliance noted that are required to be reported under *Government Auditing Standards*.