

**Dobbs Ferry Union Free
School District, New York**

Financial Statements and
Supplementary Information

Year Ended June 30, 2021

Dobbs Ferry Union Free School District, New York

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Independent Auditors' Report

The Board of Education of the Dobbs Ferry 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 the Dobbs Ferry Union Free School District, New York ("School District") as of and for the year ended June 30, 2021, 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.

Auditors' 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 auditors' 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 School District'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 School District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the School District, as of June 30, 2021, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Notes 2D and 2F in the notes to financial statements which disclose the effects of the School District's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 84, "*Fiduciary Activities*". Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents 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.

Supplementary and Other Information

Our audit for the year ended June 30, 2021 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual fund financial statements and schedules and schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* for the year ended June 30, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2021 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2021.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the School District as of and for the year ended June 30, 2020 (not presented herein), and have issued our report thereon dated September 30, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended June 30, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2020 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2020.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2021 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.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

October 5, 2021

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Dobbs Ferry Union Free School District, New York

Management's Discussion and Analysis (MD&A) June 30, 2021

This discussion and analysis of the Dobbs Ferry Union Free School District, New York's ("School District") financial performance provides an overview of the School District's financial activities for the year ended June 30, 2021. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the School District's financial performance.

Financial Highlights for FY 2020-2021

Key financial highlights for fiscal year 2020-2021 are as follows:

- 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 \$1,961,170. This amount is equal to 4% of the subsequent year's budget.
- The School District's governmental fund financial statements report a combined ending fund balance of \$9,223,958, an increase in fund balance of \$514,500. This is due to the requirement to record expenditures in the capital projects fund in the year incurred and revenues when permanent financing is in place. The General Fund fund balance totals \$8,555,107. Of this amount, the unassigned fund balance of the General Fund is \$1,961,170. This amount is available for spending at the discretion of the School District.
- On the district-wide financial statements, the liabilities and deferred inflows of the School District exceeded assets and deferred outflows by \$37,356,540. Of this amount, the unrestricted portion is (\$73,856,082). The School District's total net position decreased by \$5,113,569, inclusive of the Cumulative Effect for Change in Accounting Principle of \$34,933, for the year ended June 30, 2021. This is due to the implementation of GASB Statement No. 75 *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("OPEB")*. More detailed information is presented in Note 3E to the financial statements.
- The following were noteworthy factors in the revenues and expenditures in the General Fund being different than budgeted:
 - The receipt of unanticipated day school tuitions created a budget surplus of \$185,818.
 - The increase in sales tax income resulting from a higher sales tax rate implemented in Westchester County and a better than anticipated performing economy created a budget surplus of \$412,915.
 - A refund of prior year BOCES aid created a budget surplus of \$136,009.
 - Changes in active employment status along with a refund of unemployment insurance benefits resulted in a budget surplus of \$154,321.
 - Payment of tax certiorari refunds from the reserves are not included in the budget.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements are comprised of three components: (1) District-wide financial statements; (2) Fund financial statements; and (3) Notes to the financial statements. This report also contains individual fund statements and schedules in addition to the basic financial statements.

District-wide Financial Statements

- The district-wide financial statements are designed to provide readers with a broad overview of the School District's finances, in a manner similar to private-sector business.
- The statement of net position presents information on all of the School District's assets, liabilities and deferred inflows/outflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.
- The statement of activities presents information showing how the School District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.
- The governmental activities of the School District include instruction, pupil transportation, cost of food sales, other, interest, and general support.

The District-wide financial statements can be found on the pages immediately following this section as the first two pages of the basic financial statements.

Fund Financial Statements

- A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the School District can be divided into two categories: governmental funds and fiduciary funds.
- Governmental funds are used to account for essentially the same functions reported as governmental activities in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School District's near-term financing requirements.
- Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

- The School District maintains five individual governmental funds: General Fund, Capital Projects Fund, Special Aid Fund, School Lunch Fund and Special Purpose Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Capital Projects, and Special Aid funds, since the School District has elected to report them as major funds. Combining information for the non-major funds can be found elsewhere in this report.
- The School District adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the respective budgets.
- The Fiduciary Funds are used to account for assets held by the School District in a custodial capacity on behalf of others. Fiduciary funds are not reflected in the district-wide financial statements because the resources of these funds are not available to support the School District's programs.

The financial statements for the governmental and fiduciary funds can be found in the basic financial statements section of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the basic financial statements section of this report.

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information for the School District's other postemployment and pension benefit obligations, the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

District-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of the School District's financial position. In the case of Dobbs Ferry Union Free School District, New York, the liabilities and deferred inflows exceeded assets and deferred outflows by \$37,356,540 at the close of the current fiscal year.

Net Assets

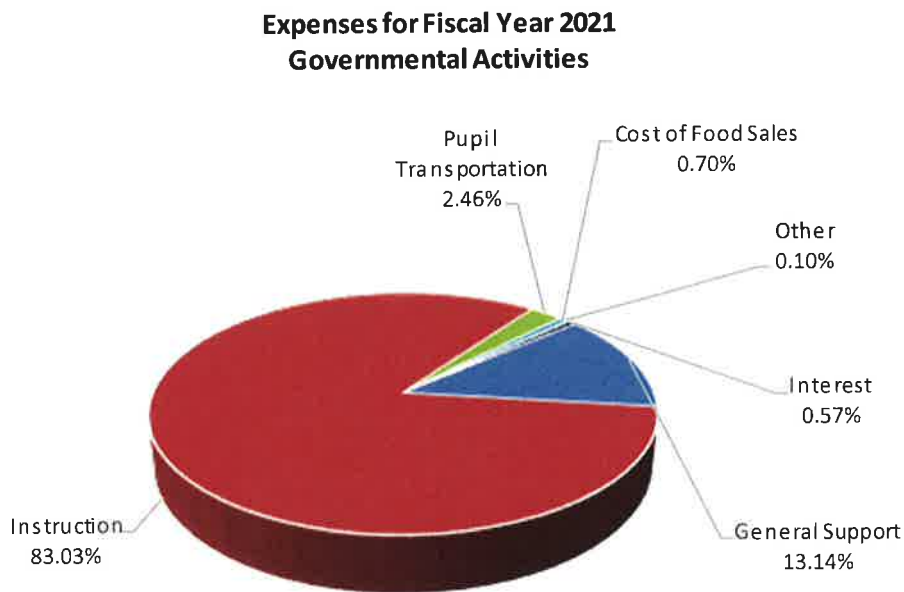
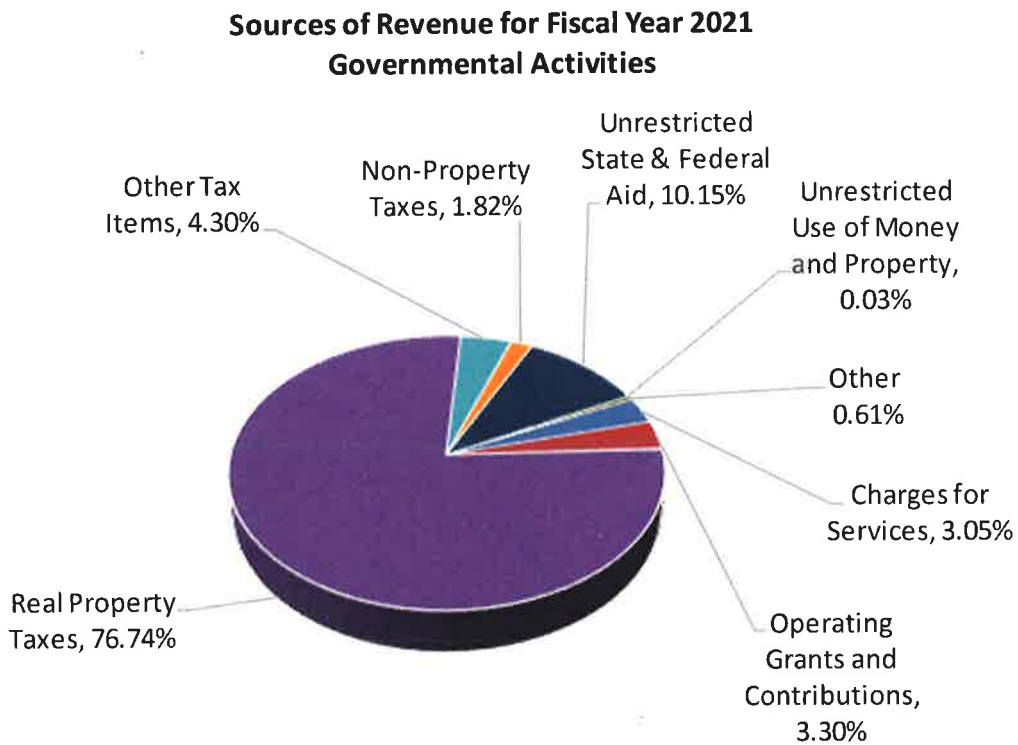
	June 30,	
	2021	2020
Current Assets	\$ 26,322,483	\$ 15,374,157
Capital Assets	41,763,498	42,867,228
Total Assets	68,085,981	58,241,385
Deferred Outflows of Resources	18,625,339	16,531,279
Current Liabilities	17,113,305	3,264,152
Long-term Liabilities	97,328,613	92,932,525
Total Liabilities	114,441,918	96,196,677
Deferred Inflows of Resources	9,625,942	10,818,958
Net Assets:		
Net investment in capital assets	29,811,398	28,831,848
Restricted for:		
Capital Projects	400,390	1,116,395
Tax Certiorari	4,771,702	3,925,807
Unemployment Benefits	93,083	123,083
Retirement System Contributions	876,944	726,944
Debt Service	406,679	406,679
Future Capital Projects	52,493	52,493
Special Purposes	86,853	45,212
Unrestricted	(73,856,082)	(67,471,432)
Total Net Assets	\$ (37,356,540)	\$ (32,242,971)

By far, the largest component of the School District's net assets is its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The School District uses these capital assets to provide services to the students and consequently, these assets are not available for future spending. Although the School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The increase in the current and non-current liabilities is attributable to the increase in Other Post-Employment Benefits and the Net Pension Liability.

Changes in Net Assets

	June 30,	
	2021	2020
REVENUES		
Program Revenues:		
Charges for Services	\$ 1,497,397	\$ 1,744,845
Operating Grants and Contributions	1,620,252	1,346,932
Capital Grants and Contributions	65,685	-
Total Program Revenues	<u>3,183,334</u>	<u>3,091,777</u>
General Revenues:		
Real Property Taxes	37,720,907	35,967,062
Other Tax Items	2,114,136	2,412,140
Non-Property Taxes	892,915	734,550
Unrestricted Use of Money and Property	16,213	175,141
Unrestricted State Aid	4,996,575	5,294,587
Unrestricted Federal Aid	8,505	-
Miscellaneous	224,577	457,045
Total General Revenues	<u>45,973,828</u>	<u>45,040,525</u>
Total Revenues	<u>49,157,162</u>	<u>48,132,302</u>
PROGRAM EXPENSES:		
General Support	7,136,220	7,598,371
Instruction	45,088,706	45,112,504
Pupil Transportation	1,335,550	1,113,922
Community Services	-	45,703
Cost of Food Sales	378,344	623,529
Other	57,827	3,200
Interest	309,017	387,228
Total Expenses	<u>54,305,664</u>	<u>54,884,457</u>
Change in Net Position	<u>(5,148,502)</u>	<u>(6,752,155)</u>
Net Position - Beginning, as reported	(32,242,971)	(25,490,816)
Cumulative Effect of Change in Accounting Principle	<u>34,933</u>	<u>-</u>
Net Position - Beginning, as restated	<u>(32,208,038)</u>	<u>(25,490,816)</u>
Net Position - Ending	<u>\$ (37,356,540)</u>	<u>\$ (32,242,971)</u>

Governmental activities decreased the School District's net assets by \$5,148,502. Primarily as a result of the reporting of GASB Statement No. 75 – OPEB. As indicated on the following graphs, the School District relies upon property taxes as its primary revenue source. The School District's instructional costs account for 83% of its expenses.



Fund Balance Reporting

It is noteworthy to report that the Governmental Accounting Standards Board ("GASB") issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* in February 2009. The requirements of GASB Statement No. 54 were effective for financial statements for periods ending June 30, 2011; therefore they are continued in this report. GASB Statement No. 54 abandons the reserved and unreserved classifications of fund balance and replaces them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below.

Nonspendable – consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and principal of endowments.

Restricted – consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

Committed – consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint.

Note: According to the Office of the State Comptroller, school districts in New York will not have committed fund balance to report.

Assigned – consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

Unassigned – represents the residual classification for the government's General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

These changes were made to reflect spending constraints on resources, rather than availability for appropriations and to bring greater clarity and consistency to fund balance reporting. This pronouncement should result in an improvement in the usefulness of fund balance information.

Financial Analysis of the School District's Fund

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported a combined fund balance of \$9,223,958. The fund balance is made up as follows:

Non-Spendable	\$ 11,169
Restricted	6,953,341
Assigned	298,278
Unassigned	<u>1,961,170</u>
	<u>\$ 9,223,958</u>

The General Fund is the primary operating fund of the School District. At the end of the current fiscal year, the total fund balance of the General Fund was \$8,555,107, of which \$1,961,170 or 4% of the ensuing year's budget was unassigned. As previously mentioned, New York State Law limits the amount of unassigned fund balance that can be retained to 4% of the ensuing year's budget, exclusive of the amount designated for the subsequent year's budget.

The final budget of the General Fund anticipated that the fund balance would remain the same during 2020-2021. However, the general fund balance actually increased by \$1,176,928.

General Fund Budgetary Highlights

The original budget total expenditures, inclusive of transfers and other financing uses which included prior year encumbrances, was \$47,112,360. This differed from the final amended budget of \$47,196,162 by \$83,802. This difference is attributable to increases for the use of the Reserve for Tax Certiorari to pay tax refunds, the use of the Reserve for Employee Benefit Accrued Liability to pay for accrued leave for retired employees, and the use of the Reserve for Unemployment Benefits to pay for additional unemployment insurances claims.

Total Fund Balance Classifications

GASB Statement No. 54 Classification	Previous Classifications	Fund Balance
Nonspendable Fund Balance	Inventories	\$ 11,169
Restricted Fund Balance	Reserved for Tax Certiorari	4,771,702
	Reserved for Employee Benefit	
	Accrued Liability	90,640
	Reserved for Retirement Contributions	876,944
	Reserved for Debt Service	581,236
	Reserved for Trust (Special Purpose Fund)	86,853
	Reserved for Unemployment Benefits	93,083
	Reserved for Future Capital Projects	452,883
		<u>6,953,341</u>
Assigned Fund Balance	Reserved for Encumbrances - General	
	Government Support	108,541
	Reserved for Encumbrances - Instruction	19,298
	School Lunch Fund Unreserved Fund Balance	170,439
		<u>298,278</u>
Unassigned Fund Balance	Unassigned:	
	General Fund	1,961,170
Total Fund Balance	(as of June 30, 2021)	<u><u>\$ 9,223,958</u></u>

Capital Assets

At June 30, 2021, the School District had capital assets of \$41,763,498 net of accumulated depreciation invested in a broad range of capital assets, including land, improvements other than buildings, buildings and improvements and machinery and equipment.

Class	June 30,	
	2021	2020
Land	\$ 85,950	\$ 85,950
Construction-in-Progress	1,391,588	609,898
Buildings and Improvements	36,612,405	38,298,497
Land Improvements	3,103,341	3,276,551
Machinery and Equipment	570,214	596,332
Total Capital Assets, net of accumulated depreciation	<u><u>\$ 41,763,498</u></u>	<u><u>\$ 42,867,228</u></u>

The increase in Construction-in-Progress during the current fiscal year results from the activity related to the continuation of work for the 2019 Capital Projects.

More detailed information about the School District's capital assets is presented in Note 3B to the financial statements.

Short-Term Capital Borrowings

At June 30, 2021 the School District had \$13,500,000 in short-term capital borrowings, as follows:

<u>Purpose</u>	<u>Year of Original Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance at June 30, 2021</u>
Facilities Improvements	2021	6/30/2022	1.50 %	<u>\$ 13,500,000</u>

Long-Term Debt

At June 30, 2021 the School District had \$97,328,613 in general obligation and other long-term debt outstanding, as follows:

	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
General Obligation Bonds Payable	\$ 11,745,000	\$ 13,635,000
Plus: Unamortized Premium on Bonds	-	15,249
Energy Performance Contract Payable	207,100	409,060
Compensated Absences	313,711	303,663
Net Pension Liability	3,764,754	(1,106,160)
Other Post Employment Benefit Obligations Payable	<u>81,298,048</u>	<u>76,221,257</u>
Total	<u>\$ 97,328,613</u>	<u>\$ 89,478,069</u>

\$1,183,100 out of this balance of \$97,328,613 is due within one year. More detailed information about the School District's long-term liabilities is presented in Note 3E to the financial statements.

Requests for Information

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Dobbs Ferry Union Free School District
Attn: Ron Clamser, Jr.
Assistant Superintendent for Finance, Facilities & Operations
505 Broadway
Dobbs Ferry, NY 10522

Dobbs Ferry Union Free School District, New YorkStatement of Net Position
June 30, 2021

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 5,307,223
Investments	19,142,023
Receivables	
Accounts	69,731
State and Federal aid	1,288,607
Due from other governments	503,730
Inventories	11,169
Capital assets	
Not being depreciated	1,477,538
Being depreciated, net	40,285,960
Total Assets	<u>68,085,981</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	14,509,252
OPEB related	4,116,087
Total Deferred Outflows of Resources	<u>18,625,339</u>
LIABILITIES	
Accounts payable	804,223
Accrued liabilities	103,827
Bond anticipation note payable	13,500,000
Due to other governments	35,998
Due to retirement systems	2,544,670
Unearned revenues	109,807
Accrued interest payable	14,780
Non-current liabilities	
Due within one year	1,183,100
Due in more than one year	96,145,513
Total Liabilities	<u>114,441,918</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related	4,779,456
OPEB related	4,846,486
Total Deferred Inflows of Resources	<u>9,625,942</u>
NET POSITION	
Net investment in capital assets	29,811,398
Restricted	
Capital projects	400,390
Tax certiorari	4,771,702
Unemployment benefits	93,083
ERS retirement contributions	676,944
TRS retirement contributions	200,000
Debt service	406,679
Future capital projects	52,493
Special purposes	86,853
Unrestricted	(73,856,082)
Total Net Position	<u>\$ (37,356,540)</u>

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

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Dobbs Ferry Union Free School District, New York

Statement of Activities
Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
General support	\$ 7,136,220	\$ 342	\$ 412	\$ -	\$ (7,135,466)
Instruction	45,088,706	1,460,818	991,772	65,685	(42,570,431)
Pupil transportation	1,335,550	-	-	-	(1,335,550)
Cost of food sales	378,344	36,237	388,976	-	46,869
Other	57,827	-	64,535	-	6,708
Interest	309,017	-	174,557	-	(134,460)
Total Governmental Activities	\$ 54,305,664	\$ 1,497,397	\$ 1,620,252	65,685	(51,122,330)
General revenues					
Real property taxes					37,720,907
Other tax items					
School tax relief reimbursement					2,077,334
Bisected property taxes					36,802
Non-property taxes					
Non-property tax distribution from County					892,915
Unrestricted use of money and property					16,213
Unrestricted State aid					4,996,575
Unrestricted Federal aid					8,505
Miscellaneous					224,577
Total General Revenues					45,973,828
Change in Net Position					(5,148,502)
Net Position - Beginning, as reported					(32,242,971)
Cumulative Effect of Change in Accounting Principle					34,933
Net Position - Beginning, as restated					(32,208,038)
Net Position - Ending					<u>\$ (37,356,540)</u>

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

Dobbs Ferry Union Free School District, New York

Balance Sheet
Governmental Funds
June 30, 2021

	General	Capital Projects	Special Aid
ASSETS			
Cash and equivalents	\$ 5,057,777	\$ 35,554	\$ 127,039
Investments	5,642,013	13,500,010	-
Receivables			
Accounts	47,611	-	15,872
State and Federal aid	477,107	65,685	576,088
Due from other governments	503,730	-	-
Due from other funds	1,808,013	952,614	57,962
Inventories	-	-	-
Total Assets	<u>\$ 13,536,251</u>	<u>\$ 14,553,863</u>	<u>\$ 776,961</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 448,802	\$ 180,840	\$ 109,600
Accrued liabilities	103,827	-	-
Bond anticipation note payable	-	13,500,000	-
Due to other funds	1,848,194	472,633	584,791
Due to other governments	35,651	-	-
Due to retirement systems	2,544,670	-	-
Unearned revenues	-	-	82,570
Total Liabilities	<u>4,981,144</u>	<u>14,153,473</u>	<u>776,961</u>
Fund balances			
Nonspendable	-	-	-
Restricted	6,466,098	400,390	-
Assigned	127,839	-	-
Unassigned	1,961,170	-	-
Total Fund Balances	<u>8,555,107</u>	<u>400,390</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 13,536,251</u>	<u>\$ 14,553,863</u>	<u>\$ 776,961</u>

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

Non-Major Governmental	Total Governmental Funds
\$ 86,853	\$ 5,307,223
-	19,142,023
6,248	69,731
169,727	1,288,607
-	503,730
87,029	2,905,618
11,169	11,169
<u>\$ 361,026</u>	<u>\$ 29,228,101</u>
\$ 64,981	\$ 804,223
-	103,827
-	13,500,000
-	2,905,618
347	35,998
-	2,544,670
27,237	109,807
<u>92,565</u>	<u>20,004,143</u>
11,169	11,169
86,853	6,953,341
170,439	298,278
-	1,961,170
<u>268,461</u>	<u>9,223,958</u>
<u>\$ 361,026</u>	<u>\$ 29,228,101</u>

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Dobbs Ferry Union Free School District, New YorkReconciliation of Governmental Funds Balance Sheet to
the District-Wide Statement of Net Position
June 30, 2021

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because

Total Fund Balances - Governmental Funds	<u>\$ 9,223,958</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	1,477,538
Capital assets - depreciable	64,933,733
Accumulated depreciation	<u>(24,647,773)</u>
	<u>41,763,498</u>
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	14,509,252
Deferred outflows - OPEB related	4,116,087
Deferred inflows - pension related	(4,779,456)
Deferred inflows - OPEB related	<u>(4,846,486)</u>
	<u>8,999,397</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Total OPEB liability	(81,298,048)
General obligation bonds payable	(11,745,000)
Energy performance contract debt payable	(207,100)
Compensated absences	(313,711)
Net pension liability - ERS	(8,204)
Net pension liability - TRS	(3,756,550)
Accrued interest payable	<u>(14,780)</u>
	<u>(97,343,393)</u>
Net Position of Governmental Activities	<u><u>\$ (37,356,540)</u></u>

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

Dobbs Ferry Union Free School District, New York

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year Ended June 30, 2021

	General	Capital Projects	Special Aid
REVENUES			
Real property taxes	\$ 37,720,907	\$ -	\$ -
Other tax items	2,114,136	-	-
Non-property taxes	892,915	-	-
Charges for services	1,460,818	-	-
Use of money and property	16,555	-	-
State aid	5,156,473	65,685	141,510
Federal aid	226,127	-	441,085
Food sales	-	-	-
Miscellaneous	224,989	-	31,657
Total Revenues	47,812,920	65,685	614,252
EXPENDITURES			
Current			
General support	5,261,614	-	-
Instruction	27,438,015	-	649,630
Pupil transportation	1,321,053	-	-
Community services	-	-	-
Cost of food sales	-	-	-
Employee benefits	10,357,996	-	-
Other	-	-	-
Debt service			
Principal	2,091,960	-	-
Interest	304,533	-	-
Capital outlay	-	781,690	-
Total Expenditures	46,775,171	781,690	649,630
Excess (Deficiency) of Revenues Over Expenditures	1,037,749	(716,005)	(35,378)
OTHER FINANCING SOURCES (USES)			
Issuance premium	174,557	-	-
Transfers in	-	-	35,378
Transfers out	(35,378)	-	-
Total Other Financing Sources (Uses)	139,179	-	35,378
Net Change in Fund Balances	1,176,928	(716,005)	-
FUND BALANCES			
Beginning of Year, as restated	7,378,179	1,116,395	-
End of Year	\$ 8,555,107	\$ 400,390	\$ -

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

Non-Major Governmental	Total Governmental Funds
\$ -	\$ 37,720,907
-	2,114,136
-	892,915
-	1,460,818
4	16,559
11,381	5,375,049
327,883	995,095
36,237	36,237
114,243	370,889
489,748	48,982,605
-	5,261,614
-	28,087,645
-	1,321,053
-	-
378,344	378,344
-	10,357,996
57,827	57,827
-	2,091,960
-	304,533
-	781,690
436,171	48,642,662
53,577	339,943
-	174,557
-	35,378
-	(35,378)
-	174,557
53,577	514,500
214,884	8,709,458
\$ 268,461	\$ 9,223,958

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Dobbs Ferry Union Free School District, New York

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2021

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 514,500</u>
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay expenditures	827,513
Depreciation expense	<u>(1,931,243)</u>
	<u>(1,103,730)</u>
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Principal paid on general obligation bonds	1,890,000
Principal paid on energy performance contract debt	<u>201,960</u>
	<u>2,091,960</u>
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest	4,196
Compensated absences	(10,048)
Changes in pension liabilities and related deferred outflows and inflows of resources	(2,578,889)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	(4,057,811)
Amortization of premium and loss on refunding bonds	<u>(8,680)</u>
	<u>(6,651,232)</u>
Change in Net Position of Governmental Activities	<u><u>\$ (5,148,502)</u></u>

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

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Dobbs Ferry Union Free School District, New York

Statement of Revenues, Expenditures and Changes in Fund
Balances - Budget and Actual
General Fund
Year Ended June 30, 2021

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 37,726,997	\$ 37,726,997	\$ 37,720,907	\$ (6,090)
Other tax items	2,132,334	2,132,334	2,114,136	(18,198)
Non-property taxes	480,000	480,000	892,915	412,915
Charges for services	1,275,000	1,275,000	1,460,818	185,818
Use of money and property	61,000	61,000	16,555	(44,445)
State aid	5,140,945	5,140,945	5,156,473	15,528
Federal aid	188,449	188,449	226,127	37,678
Miscellaneous	61,000	61,000	224,989	163,989
Total Revenues	<u>47,065,725</u>	<u>47,065,725</u>	<u>47,812,920</u>	<u>747,195</u>
EXPENDITURES				
Current				
General support	4,944,002	5,403,411	5,261,614	141,797
Instruction	27,732,181	27,473,232	27,438,015	35,217
Pupil transportation	1,437,954	1,375,330	1,321,053	54,277
Employee benefits	10,466,728	10,512,317	10,357,996	154,321
Debt service				
Principal	2,091,961	2,091,960	2,091,960	-
Interest	304,534	304,534	304,533	1
Total Expenditures	<u>46,977,360</u>	<u>47,160,784</u>	<u>46,775,171</u>	<u>385,613</u>
Excess (Deficiency) of Revenues Over Expenditures	88,365	(95,059)	1,037,749	1,132,808
OTHER FINANCING USES				
Issuance premium	-	-	174,557	174,557
Transfers out	<u>(135,000)</u>	<u>(35,378)</u>	<u>(35,378)</u>	<u>-</u>
Net Change in Fund Balances	(46,635)	(130,437)	1,176,928	1,307,365
FUND BALANCES				
Beginning of Year	<u>46,635</u>	<u>130,437</u>	<u>7,378,179</u>	<u>7,247,742</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,555,107</u>	<u>\$ 8,555,107</u>

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

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Note 1 - Summary of Significant Accounting Policies

The Dobbs Ferry Union Free School District, New York ("School District"), as presently constituted, was established in 1829 and operates in accordance with the provisions of the Education Law of the State of New York. The Board of Education is the legislative body responsible for overall operation of the School District and is elected by the voters of the School District. The Superintendent serves as the chief executive officer. The School District's primary function is to provide education for its pupils. Services such as transportation of pupils, administration, finance and plant maintenance support the primary function.

The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The School District's significant accounting policies are described below:

A. Financial Reporting Entity

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

In evaluating how to define the School District, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the School District's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

The School District participates in the Southern Westchester Board of Cooperative Educational Services ("BOCES"), a jointly governed entity. BOCES is a voluntary cooperative association of school districts in a geographic area that share planning, services and programs which provide educational and support services. BOCES' governing board is elected based on the vote of members of the participating district's governing boards. BOCES' budget is comprised of separate budgets for administrative, program and capital costs. BOCES charges the districts for program costs based on participation and for administrative and capital costs. Each component school district's share of administrative and capital costs is determined by resident public school enrollment as defined by Education Law. Copies of BOCES' financial statement can be requested from Southern Westchester BOCES, 17 Berkley Drive, Rye Brook, New York 10573.

B. District-Wide Financial Statements

The district-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the School District as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used.

Note 1 - Summary of Significant Accounting Policies (Continued)

The Statement of Net Position presents the financial position of the School District at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The School District does not allocate indirect expenses to functions in the Statement of Activities.

While separate district-wide and fund financial statements are presented, they are interrelated. Separate financial statements are provided for governmental and fiduciary funds, even though the latter is excluded from the district-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Fund Financial Statements

The accounts of the School District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The School District maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the district-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explain the adjustments necessary to transform the fund based financial statements into the governmental activities column of the district-wide presentation. The School District's resources are reflected in the fund financial statements in two broad fund categories, in accordance with generally accepted accounting principles as follows:

Fund Categories

- a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following represents the School District's major governmental funds.

General Fund - The General Fund constitutes the primary fund of the School District and is used to account for and report all financial resources not accounted for and reported in another fund.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for

Note 1 - Summary of Significant Accounting Policies (Continued)

capital outlays, including the acquisition or construction of major capital facilities and other capital assets.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects.

The major special revenue fund of the School District is the Special Aid Fund. The Special Aid Fund is used to account for special projects or programs supported in whole or in part with Federal, State or local funds. The major revenues of this fund are Federal and State aid.

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

Special Revenue Funds

School Lunch Fund - The School Lunch Fund is used to record the operations of the breakfast and lunch programs of the School District.

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the School District in accordance with grantor or contributor stipulations. Among the activities included in the Special Purpose Fund are extraclassroom activity funds.

- b. **Fiduciary Funds** (Not Included in District-Wide Statements) - The Fiduciary Funds are used to account for assets held by the School District on behalf of others. In accordance with the provisions of GASB Statement No. 84, "*Fiduciary Activities*", the School District had no such activity to report in this fund category.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

The district-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the Fiduciary Fund. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues

Note 1 - Summary of Significant Accounting Policies (Continued)

from Federal and State grants are recognized as revenues when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, net pension liabilities and other postemployment benefit liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances

Cash and Equivalents, Investments and Risk Disclosure

Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

The School District's deposits 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.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit 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.

Investments - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

The School District follows the provisions of GASB Statement No. 72, "*Fair Value Measurements and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

The School District participates in the Cooperative Liquid Assets Securities System ("CLASS"), a cooperative investment pool, established pursuant to Articles 3A and 5G of General Municipal Law of the State of New York. CLASS has designated Public Trust Advisors, LLC as its registered investment advisor. Public Trust Advisors, LLC is

Note 1 - Summary of Significant Accounting Policies (Continued)

registered with the Securities and Exchange Commission ("SEC"), and is subject to all of the rules and regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of CLASS.

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations in the State of New York and repurchase agreements. These investments are reported at fair value. CLASS issues separately available audited financial statements with a year end of June 30th.

The School District's portion in the pool, \$19,142,023, is equal to the value of the pool shares. The maximum maturity for any specific investment in the portfolio is 397 days. CLASS is rated AAAM by Standard & Poor's. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. The cooperative invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

Additional information concerning the cooperative is presented in the annual report of CLASS, which may be obtained from Public Trust Advisors, LLC, 717 17th Street, Suite 1850, Denver, CO 80202.

Risk Disclosure

Interest Rate Risk - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the School District does not invest in any long-term investment obligations.

Custodial Credit Risk - 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. GASB Statement No. 40, *"Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3"*, directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the School District's name. The School District's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at June 30, 2021.

Credit Risk - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The School District does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

Concentration of Credit Risk - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The School District's investment policy limits the amount on deposit at each of its banking institutions.

Note 1 - Summary of Significant Accounting Policies (Continued)

Property Taxes Receivable - 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 Greenburgh, New York ("Town") 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 uncollected taxes.

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the School District. Receivables are recorded and revenues recognized as earned or as specific program expenditures are incurred. Allowances are recorded when appropriate.

Due From/To Other Funds - During the course of its operations, the School District has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of June 30, 2021, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Inventories - Inventories in the School Lunch Fund consist of food and supplies and are recorded at cost on a first-in, first-out basis or, in the case of surplus food, at a stated value, which approximates market. These inventories consist primarily of items held for consumption. The cost is recorded as inventory at the time individual inventory items are purchased. The School District uses the consumption method to relieve inventory. In the fund financial statements, reported amounts are equally offset by nonspendable fund balance, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Capital Assets - Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the district-wide financial statements. Capital assets are defined by the School District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.

Land and construction-in-progress are not depreciated. Property, plant and equipment of the School District are depreciated using the straight line method over the following estimated useful lives.

<u>Class</u>	<u>Life in Years</u>
Buildings and Improvements	20-50
Land Improvements	20-30
Machinery and Equipment	5-20

Note 1 - Summary of Significant Accounting Policies (Continued)

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheets.

Unearned Revenues - Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In the district-wide financial statements, unearned revenues consist of amounts received in advance and/or grants received before the eligibility requirements have been met.

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The School District has reported unearned revenues of \$82,570 for aid received in advance in the Special Aid Fund and \$27,237 in the School Lunch Fund for meal purchases paid in advance. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The School District reported deferred amounts on refunding bonds results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is being deferred and amortized over the shorter of the life of the refunded or refunding debt.

The School District also reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit liabilities in the district-wide financial statements. These amounts are detailed in the discussion of the School District's pension and other postemployment benefit liabilities in Note 3D.

Long-Term Liabilities - In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Capital Projects Fund expenditures.

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-

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

Net Pension Liability (Asset) - The net pension liability (asset) represents the School District's proportionate share of the net pension liability (asset) of the New York State and Local Employees' Retirement System and the New York State Teachers' Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"* and GASB Statement No. 71, *"Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68"*.

Other Post-Employment Benefit Liability ("OPEB") - In addition to providing pension benefits, the School District provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other than Pensions"*.

Net Position - Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position for the School District includes restricted for capital projects, tax certiorari, unemployment benefits, retirement contribution, debt service and special purposes.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Fund Balance - Generally, fund balance represents the difference between current assets and deferred outflows resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Note 1 - Summary of Significant Accounting Policies (Continued)

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in the General Municipal Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Board of Education is the highest level of decision making authority for the School District that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Board of Education.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Board of Education for amounts assigned for balancing the subsequent year's budget or the Assistant Superintendent for Business for amounts assigned as encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive unassigned fund balance. For all governmental funds other than the General Fund, any deficit fund balance is reported as unassigned.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the School District's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the School District's policy to use fund balance in the following order: committed, assigned, and unassigned.

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

Note 1 - Summary of Significant Accounting Policies (Continued)

G. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

H. Subsequent Event Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is October 5, 2021.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

- a) At least seven days prior to the budget hearing, a copy of the budget is made available to the voters.
- b) At the budget hearing, the voters may raise questions concerning the items contained in the budget.
- c) The Board of Education establishes a date for the annual meeting, which by law will be held on the third Tuesday in May.
- d) The voters are permitted to vote upon the General Fund budget at the annual meeting.
- e) 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.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- f) Formal budgetary integration is employed during the year as a management control device for the General Fund.
- g) The budget for the General Fund is 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 Special Aid, School Lunch or Special Purpose funds since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year.
- h) 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.
- i) Appropriations in the General Fund 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.

B. Limitation on Fund Balance

The School District is limited to the amount of committed, assigned and unassigned fund balance, with certain exceptions, that can be retained. New York State law limits this amount of fund balance to 4% of the ensuing year's budget.

C. Property Tax Limitation

Chapter 97 of the Laws of 2011, as amended ("Tax Levy Limitation Law"), modified previous law by imposing a limit on the amount of real property taxes that a school district may levy. Prior to its enactment, there was no statutory limitation on the amount of real property taxes that a school district could levy if its budget had been approved by a simple majority of its voters. In the event the budget had been defeated by the voters, the school district was required to adopt a contingency budget. Under a contingency budget, school budget increases were limited to the lesser of 4% of the prior year's budget or 120% of the consumer price index ("CPI").

Under the Tax Levy Limitation Law, there is now a limitation on the amount of tax levy growth from one fiscal year to the next. Such limitation is the lesser of (i) 2% or (ii) the annual percentage increase in the CPI subject to certain exclusions. A budget with a tax levy that does not exceed such limit will require approval of at least 50% of the voters. Approval by at least 60% of the voters will be required for a budget with a tax levy in excess of the limit. In the event the voters reject budget, the tax levy for the school district's budget for the ensuing fiscal year may not exceed the amount of the tax levy limitation from a prior year.

The Tax Levy Limitation Law permits certain significant exclusions to the tax levy limit for school district. These include taxes to pay the local share of debt service on bonds or notes issued to finance voter approved capital expenditures and the refinancing or refunding of such bonds or notes, certain pension cost increases, and other items enumerated in the Tax Levy Limitation

Note 2 - Stewardship, Compliance and Accountability (Continued)

Law. However, such exclusion does not apply to taxes to pay the debt service on tax anticipation notes, revenue anticipation notes, budget notes and deficiency notes, and any obligations issued to finance deficits and certain judgments, including tax certiorari refund payments.

D. Adoption of Accounting Standard

For the year ended June 30, 2021, the School District implemented the provisions of GASB Statement No. 84, "*Fiduciary Activities*". The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on 1) whether a government is controlling the assets of the fiduciary activity and 2) the beneficiaries with whom a fiduciary relationship exists. As a result of the adoption of this standard, certain transactions previously reported in the Fiduciary Fund are now reflected within governmental funds.

E. Reclassification of Prior Year Presentation

Certain prior year amounts have been reclassified to conform with the current year presentation with respect to the implementation of the provisions of GASB Statement No. 84.

F. Cumulative Effect of Change in Accounting Principle

The School District implemented the provisions of GASB Statement No.84, "*Fiduciary Activities*", for the year ended June 30, 2021. Certain amounts previously reported in the School District's Fiduciary Fund are now being reported within the Special Purpose Fund and/or the General Fund. As a result, the School District has reported a cumulative effect of change in accounting principle of \$40,553 to the July 1, 2019 fund balance of the Special Purpose Fund (the earliest year presented). The School District also reported on its Statement of Activities a cumulative effect of change in accounting principle of \$34,933 to the July 1, 2020 net position of governmental activities for this same reason.

Note 3 - Detailed Notes on All Funds

A. Interfund Receivables/Payable

The composition of due from/to other funds at June 30, 2021 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 1,808,013	\$ 1,848,194
Capital Projects	952,614	472,633
Special Aid	57,962	584,791
Non-Major Governmental	87,029	-
	<u>\$ 2,905,618</u>	<u>\$ 2,905,618</u>

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

B. Capital Assets

Changes in the School District's capital assets are as follows:

Class	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Capital Assets, not being depreciated:				
Land	\$ 85,950	\$ -	\$ -	\$ 85,950
Construction-in-Progress	609,898	781,690	-	1,391,588
Total Capital Assets, not being depreciated	<u>\$ 695,848</u>	<u>\$ 781,690</u>	<u>\$ -</u>	<u>\$ 1,477,538</u>
Capital Assets, being depreciated:				
Buildings and Improvements	\$ 60,147,625	\$ -	\$ -	\$ 60,147,625
Land Improvements	3,602,683	-	-	3,602,683
Machinery and Equipment	1,137,602	45,823	-	1,183,425
Total Capital Assets, being depreciated	<u>64,887,910</u>	<u>45,823</u>	<u>-</u>	<u>64,933,733</u>
Less Accumulated Depreciation for:				
Building and Improvements	21,849,128	1,686,092	-	23,535,220
Land Improvements	326,132	173,210	-	499,342
Machinery and Equipment	541,270	71,941	-	613,211
Total Accumulated Depreciation	<u>22,716,530</u>	<u>1,931,243</u>	<u>-</u>	<u>24,647,773</u>
Total Capital Assets, being depreciated, net	<u>\$ 42,171,380</u>	<u>\$ (1,885,420)</u>	<u>\$ -</u>	<u>\$ 40,285,960</u>
Capital Assets, net	<u>\$ 42,867,228</u>	<u>\$ (1,103,730)</u>	<u>\$ -</u>	<u>\$ 41,763,498</u>

Depreciation expense was charged to School District functions and programs as follows:

General Support	\$ 1,067,461
Instruction	<u>863,782</u>
Total Depreciation Expense	<u>\$ 1,931,243</u>

C. Accrued Liabilities

Accrued liabilities at June 30, 2021 were as follows:

	<u>General Fund</u>
Payroll and employee benefits	<u>\$ 103,827</u>

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)**E. Short-Term Capital Borrowings – Bond Anticipation Notes Payable**

The schedule below details the changes in the short-term capital borrowings:

Purpose	Original Issue Date	Maturity Date	Rate of Interest	Balance July 1, 2020	Issued	Redeemed	Balance June 30, 2021
School Construction - 2021	6/4/2021	6/30/2022	1.50%	\$ -	\$ 13,500,000	\$ -	\$ 13,500,000

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgements or settled claims are recorded in the fund paying the claim. Principle payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgements be converted to long-term obligations generally within five years after the original issued date. However, bond anticipation notes issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

Interest expense of \$ - was recorded in the district-wide financial statements. Interest expenditures of \$ - was recorded in the fund financial statements.

D. Long-Term Liabilities

The following table summarizes changes in the School District's long-term liabilities for the year ended June 30, 2021:

	Balance July 1, 2020	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2021	Due Within One-Year
General Obligation Bonds Payable	\$ 13,635,000	\$ -	\$ 1,890,000	\$ 11,745,000	\$ 945,000
Plus					
Unamortized premium on bonds	15,249	-	15,249	-	-
	13,650,249	-	1,905,249	11,745,000	945,000
Energy Performance Contract Debt Payable	409,060	-	201,960	207,100	207,100
Other Non-current Liabilities:					
Compensated Absences	303,663	40,048	30,000	313,711	31,000
Net Pension Liability-ERS	2,348,296	-	2,340,092	8,204	-
Net Pension Liability (Asset)-TRS	(3,454,456)	7,211,006	-	3,756,550	-
Other Postemployment Benefit Liabilities	76,221,257	6,679,351	1,602,560	81,298,048	-
Total Non-Current Liabilities	75,418,760	13,930,405	3,972,652	85,376,513	31,000
Total Long-Term Liabilities	\$ 89,478,069	\$ 13,930,405	\$ 6,079,861	\$ 97,328,613	\$ 1,183,100

The School District's indebtedness for general obligation bonds payable, energy performance contract debt payable, compensated absences, net pension liability and other postemployment benefit liability is satisfied by the General Fund.

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)**General Obligation Bonds Payable**

General obligations bonds payable at June 30, 2021 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at June 30, 2021
District-Wide Reconstruction	2018	\$ 14,269,145	June, 2033	2.00 - 3.00 %	<u>\$ 11,745,000</u>

Interest expenditures of \$294,125 were recorded in the fund financial statements in the General Fund. Interest expense of \$302,035 was recorded in the district-wide financial statements.

Energy Performance Contract Debt Payable

The School District, in a prior fiscal year, entered into an energy performance contract agreement for \$2,655,000. The agreement provides for annual payments of \$212,368 including interest at 3.96%, through November 2021. The balance due at June 30, 2021 was \$207,100. Interest expenditures of \$10,408 were recorded in the fund financial statements in the General Fund. Interest expense of \$6,982 was recorded in the district-wide financial statements.

Payments to Maturity

The annual requirements to amortize all outstanding bonded and energy performance contract debt as of June 30, 2021 including interest payments of \$1,721,158 are as follows:

Ending June 30,	General Obligation Bonds		Energy Performance Contract		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 945,000	\$ 260,950	\$ 207,100	\$ 5,270	\$ 1,152,100	\$ 266,220
2023	960,000	241,900	-	-	960,000	241,900
2024	975,000	222,550	-	-	975,000	222,550
2025	995,000	202,850	-	-	995,000	202,850
2026	1,015,000	182,750	-	-	1,015,000	182,750
2027-2031	5,385,000	573,538	-	-	5,385,000	573,538
2032-2033	1,470,000	31,350	-	-	1,470,000	31,350
	<u>\$ 11,745,000</u>	<u>\$ 1,715,888</u>	<u>\$ 207,100</u>	<u>\$ 5,270</u>	<u>\$ 11,952,100</u>	<u>\$ 1,721,158</u>

The above general obligation bonds and energy performance contract debt are direct borrowings of the School District for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the School District.

Legal Debt Margin

The School District is subject to legal limitations on the amount of debt that it may issue. The School District's legal debt margin is 10% of the most recent valuation of taxable property.

Note 3 - Detailed Notes on All Funds (Continued)

Compensated Absences

Pursuant to collective bargaining agreements, upon separation of service, the School District is required to compensate administrators, clerical staff and custodians for unused vacation time. For all other employees, vacation time is generally taken in the year earned. The School District is not required to compensate employees for accumulated sick leave, except for teachers, who get paid at a rate of \$40 per day for unused sick days. The value of the compensated absences has been reflected in the district-wide financial statements.

Pension Plan

New York State and Local Retirement System and Teachers' Retirement System

The School District participates in the New York State and Local Employees' Retirement System ("ERS"). This is a cost-sharing, multiple-employer defined benefit pension plan. ERS provides retirement benefits as well as death and disability benefits. The net position of the ERS is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all assets and record changes in fiduciary net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the ERS. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the ERS, 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, which provides death benefits in the form of life insurance. The ERS 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/about_us/financial_statements_index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The School District also participates in the New York State Teachers' Retirement System ("TRS"). This is a cost-sharing, multiple-employer defined benefit pension plan. TRS provides retirement benefits as well as death and disability benefits. The TRS is governed by a ten member Board of Trustees, which sets policy and oversees operations consistent with its fiduciary obligations under applicable law. Obligations of employers and employees to contribute and benefits to employees are governed by the Education Law of the State of New York. Once a public employer elects to participate in the TRS, 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 TRS issues a stand-alone financial report which may be found at www.nystrs.org or obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395.

ERS and TRS are noncontributory for employees who joined the systems before July 27, 1976. Employees who joined the systems after July 27, 1976 and before January 1, 2010 contribute 3% of their salary for the first ten years of membership. Employees who joined the systems after January 1, 2010 generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS's fiscal year ending March 31. Pursuant to Article 11 of the Education Law of the State of New York, actuarially determined employer contributions are established annually for the TRS by its Board of Trustees. The employer contribution rates for the plans' year ending in 2021 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	4 A15	16.0 %
	5 A15	14.0
	6 A15	10.0
TRS	1-6	9.53 %

At June 30, 2021, the School District reported the following for its proportionate share of the net pension liability for ERS and TRS:

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2021	June 30, 2020
Net pension liability	\$ 8,204	\$ 3,756,550
School Districts' proportion of the net pension liability	0.0082386 %	0.135946 %
Change in proportion since the prior measurement date	(0.0006294) %	0.002980 %

The net pension liability was measured as of March 31, 2021 for ERS and June 30, 2020 for TRS and the total pension liability used to calculate the net pension liability were determined by actuarial valuations as of those dates. The School District's proportion of the net pension liability for ERS was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. The School District's proportion of the net pension liability for TRS was based on the School District's contributions to the pension plan relative to the contributions of all participating members.

For the year ended June 30, 2021, the School District recognized pension expense in the district-wide financial statements of \$5,187,626 (\$207,498 for ERS and \$4,980,128 for TRS). Pension expenditures for ERS of \$397,484 were recorded in the fund financial statements in the General Fund. Pension expenditures for TRS of \$2,211,253 was reported in the fund financial statements and were charged to the General Fund.

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

At June 30, 2021, the School District reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS		TRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 100,187	\$ -	\$ 3,291,490	\$ 192,516
Changes of assumptions	1,508,359	28,448	4,751,162	1,693,541
Net difference between projected and actual earnings on pension plan investments	-	2,356,529	2,453,357	-
Changes in proportion and differences between School District contributions and proportionate share of contributions	66,938	73,140	1,466	435,282
School District contributions subsequent to the measurement date	125,701	-	2,210,592	-
	<u>\$ 1,801,185</u>	<u>\$ 2,458,117</u>	<u>\$ 12,708,067</u>	<u>\$ 2,321,339</u>

	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,391,677	\$ 192,516
Changes of assumptions	6,259,521	1,721,989
Net difference between projected and actual earnings on pension plan investments	2,453,357	2,356,529
Changes in proportion and differences between School District contributions and proportionate share of contributions	68,404	508,422
School District contributions subsequent to the measurement date	2,336,293	-
	<u>\$ 14,509,252</u>	<u>\$ 4,779,456</u>

\$125,701 reported as deferred outflows of resources related to ERS resulting from the School District's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2022. The \$2,210,592 reported as deferred outflows of resources related to TRS will be recognized as a decrease of the net pension liability in the plan's year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and TRS will be recognized in pension expense as follows

Year Ended	March 31,	June 30,
	ERS	TRS
2021	\$ -	\$ 1,380,445
2022	(131,858)	2,871,137
2023	(53,428)	2,339,381
2024	(135,569)	1,431,274
2025	(461,778)	9,641
Thereafter	-	144,258
	<u>\$ (782,633)</u>	<u>\$ 8,176,136</u>

Note 3 - Detailed Notes on All Funds (Continued)

The total pension liability for the ERS and TRS measurement dates were determined by using actuarial valuation dates as noted below, with update procedures used to roll forward the total pension liabilities to those measurement dates. Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement Date	March 31, 2021	June 30, 2020
Actuarial valuation date	April 1, 2020	June 30, 2019
Investment rate of return	5.9% *	7.1% *
Salary scale	4.4%	1.90%-4.72%
Inflation rate	2.7%	2.2%
Cost of living adjustments	1.4%	1.3%

*Compounded annually, net of pension plan investment expenses, including inflation.

For ERS, annuitant mortality rates are based on the ERS's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2020. For TRS, annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2019, applied on a generational basis. Active member mortality rates are based on plan member experience.

The actuarial assumptions used in the ERS valuation were based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020. The actuarial assumptions used in the TRS valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2014.

For ERS, 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 percentage and by adding expected inflation.

For TRS, 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.

Note 3 - Detailed Notes on All Funds (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation is summarized in the following table:

Asset Type	ERS March 31, 2021		TRS June 30, 2020	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32 %	4.05 %	33 %	7.1 %
International Equity	15	6.30	16	7.7
Private Equity	10	6.75	8	10.4
Real Estate	9	4.95	11	6.8
Domestic Fixed Income Securities	-	-	16	1.8
Global Fixed Income Securities	-	-	2	1.0
High Yield Fixed Income Securities	-	-	1	3.9
Global Equities	-	-	4	7.4
Private Debt	-	-	7	5.2
Real Estate Debt	-	-	1	3.6
Opportunistic/ARS Portfolio	3	4.50	-	-
Credit	4	3.63	-	-
Real Assets	3	5.95	-	-
Fixed Income	23	0.00	-	-
Cash	1	0.50	1	0.7
	<u>100 %</u>		<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.7% for ERS and 2.2% for TRS.

The discount rate used to calculate the total pension liability was 5.9% for ERS and 7.1% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System'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.

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 5.9% for ERS and 7.1% for TRS, as well as what the School District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.9% for ERS and 6.1% for TRS) or 1 percentage point higher (6.9% for ERS and 8.1% for TRS) than the current rate:

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
School District's proportionate share of the ERS net pension liability (asset)	<u>\$ 2,276,975</u>	<u>\$ 8,204</u>	<u>\$ (2,084,135)</u>
	1% Decrease (6.10%)	Current Assumption (7.10%)	1% Increase (8.10%)
School District's proportionate share of the TRS net pension liability (asset)	<u>\$ 23,728,834</u>	<u>\$ 3,756,550</u>	<u>\$ (13,005,257)</u>

The components of the collective net pension liability as of the March 31, 2021 ERS measurement date and the June 30, 2020 TRS measurement date were as follows:

	ERS	TRS
Total pension liability	\$ 220,680,157,000	\$ 123,242,776,215
Fiduciary net position	<u>220,580,583,000</u>	<u>120,479,505,380</u>
Employers' net pension liability	<u>\$ 99,574,000</u>	<u>\$ 2,763,270,835</u>
Fiduciary net position as a percentage of total pension liability	<u>99.95%</u>	<u>97.76%</u>

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, 2021 represent the projected employer contribution for the period April 1, 2021 through June 30, 2021 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, 2021 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, 2021 represent employee and employer contributions for the fiscal year ended June 30, 2021 based on paid TRS wages multiplied by the employers' contribution rate plus employee contributions for the fiscal year as reported to TRS.

Accrued retirement contributions as of June 30, 2021 were \$125,701 to ERS and \$2,418,969 to TRS (including employee contributions of \$208,377).

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 full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending upon salary and the School District will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

Note 3 - Detailed Notes on All Funds (Continued)**Other Postemployment Benefit Liability ("OPEB")**

In addition to providing pension benefits, the School District provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the School District may vary according to length of service. The cost of providing postemployment health care benefits is shared between the School District and the retired employee as noted below. Substantially all of the School District's employees may become eligible for those benefits if they reach normal retirement age while working for the School District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*", so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	186
Active employees	<u>262</u>
	<u><u>448</u></u>

The School District's total OPEB liability of \$81,298,048 was measured as of June 30, 2021, and was determined by an actuarial valuation as of July 1, 2019.

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

Salary increases	2.60%
Discount rate	2.16%
Inflation	2.60%
Health care cost trend rates	6.6% in 2021 decreasing 0.5% per year to an ultimate rate of 4.1% over 56 years
Retirees' share of benefit-related costs	Varies from 12% to 50%, depending on applicable retirement year and bargaining unit

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

Mortality rates were based on the RP-2014 Adjusted to 2006 Total Dataset Mortality Table projected to the valuation date with Scale MP-2017, with mortality improvements using Projection Scale MP-2017.

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

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The School District's change in the total OPEB liability for the year ended June 30, 2021 is as follows:

Total OPEB Liability - Beginning of Year	\$ 76,221,257
Service cost	4,205,541
Interest	1,759,820
Changes in assumptions or other inputs	713,990
Benefit payments	<u>(1,602,560)</u>
Total OPEB Liability - End of Year	<u>\$ 81,298,048</u>

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 (1.16%) or 1 percentage point higher (3.16%) than the current discount rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB Liability	<u>\$ 97,549,783</u>	<u>\$ 81,298,048</u>	<u>\$ 68,499,662</u>

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 (5.5% decreasing to 3.1%) or 1 percentage point higher (7.6% decreasing to 6.1%) than the current healthcare cost trend rates:

	1% Decrease (5.6% decreasing to 3.1%)	Current Healthcare Cost Trend Rates (6.6% decreasing to 4.1%)	1% Increase (7.6% decreasing to 6.1%)
Total OPEB Liability	<u>\$ 65,096,486</u>	<u>\$ 81,298,048</u>	<u>\$ 103,224,142</u>

For the year ended June 30, 2021, the School District recognized OPEB expense of \$5,660,371 in the district-wide financial statements. At June 30, 2021, 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	\$ 3,493,634	\$ -
Changes in assumptions	<u>622,453</u>	<u>4,846,486</u>
	<u>\$ 4,116,087</u>	<u>\$ 4,846,486</u>

Note 3 - Detailed Notes on All Funds (Continued)

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

Year Ended June 30,	
2022	\$ (304,990)
2023	(304,990)
2024	(304,990)
2025	(304,990)
2026	(228,396)
Thereafter	<u>717,957</u>
	<u>\$ (730,399)</u>

F. Revenues and Expenditures**Interfund Transfers**

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without equivalent flows of assets in return. The interfund transfers reflected below have been reported as transfers.

	<u>Transfer In</u>	
<u>Transfers Out</u>	Special Aid Fund	<u>Total</u>
General Fund	<u>\$ 35,378</u>	<u>\$ 35,378</u>

Transfers are used to move funds earmarked in the operating funds to fulfill commitments for Special Aid and Capital Projects funds expenditures.

G. Net Position

The components of net position are detailed below:

Net Investment in Capital Assets - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted for Capital Projects - the component of net position that reports the amounts restricted for capital projects, less unexpended bond proceeds and unrestricted interest earnings.

Note 3 - Detailed Notes on All Funds (Continued)

Restricted for Tax Certiorari - the component of net position that has been established in accordance with the Education Law of the State of New York to provide funding for court ordered tax refunds which are currently in process.

Restricted for Unemployment Benefits - the component of net position that has been established to set aside funds to be used for specific purposes in accordance with Section 6-m of the General Municipal Law of the State of New York

Restricted for ERS Retirement Contributions - the component of net position that reports the amounts set aside to be used for ERS retirement costs in accordance with Section 6-r of the General Municipal Law of the State of New York.

Restricted for TRS Retirement Contributions – the component of net position that reports the amounts set aside to be used for TRS retirement costs in accordance with Section 6-r of the General Municipal Law of the State of New York.

Restricted for Debt Service - the component of net position that reports the difference between assets and liabilities of the Debt Service Fund with constraints placed on their use by Local Finance Law.

Restricted for Future Capital Projects - the component of net position that has been established to set aside funds to be used to finance all or part of the construction or acquisition of a specific type of improvement in accordance with Section 6-c of the General Municipal Law of the State of New York.

Restricted for Special Purposes - the component of net position that reports the difference between assets and liabilities with constraints placed on their use by either external parties and/or statute.

Unrestricted - all other amounts that do not meet the definition of "restricted" or "net investment in capital assets".

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

H. Fund Balances

	2021				2020			
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable:								
Prepaid expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventories	-	-	11,169	11,169	-	-	10,134	10,134
	-	-	11,169	11,169	-	-	10,134	10,134
Restricted:								
Tax certiorari	4,771,702	-	-	4,771,702	3,925,807	-	-	3,925,807
Unemployment benefits	93,083	-	-	93,083	123,083	-	-	123,083
Employee benefit accrued liability	90,640	-	-	90,640	86,788	-	-	86,788
ERS retirement contributions	676,944	-	-	676,944	676,944	-	-	676,944
TRS retirement contributions	200,000	-	-	200,000	50,000	-	-	50,000
Debt service	581,236	-	-	581,236	406,679	-	-	406,679
Future capital projects	52,493	-	-	52,493	52,493	-	-	52,493
Capital projects	-	400,390	-	400,390	-	1,116,395	-	1,116,395
Special purposes (1)	-	-	86,853	86,853	-	-	80,145	80,145
	-	-	86,853	86,853	-	-	80,145	80,145
Total Restricted	6,466,098	400,390	86,853	6,953,341	5,321,794	1,116,395	80,145	6,518,334
Assigned:								
Purchases on order:								
General support	108,541	-	-	108,541	7,685	-	-	7,685
Instruction	19,298	-	-	19,298	38,950	-	-	38,950
	127,839	-	-	127,839	46,635	-	-	46,635
School Lunch Fund	-	-	170,439	170,439	-	-	124,605	124,605
	-	-	170,439	170,439	-	-	124,605	124,605
Total Assigned	127,839	-	170,439	298,278	46,635	-	124,605	171,240
Unassigned								
	1,961,170	-	-	1,961,170	2,009,750	-	-	2,009,750
Total Fund Balance	\$ 8,555,107	\$ 400,390	\$ 268,461	\$ 9,223,958	\$ 7,378,179	\$ 1,116,395	\$ 214,884	\$ 8,709,458

(1) Balance at June 30, 2020 restated for the implementation of the provisions of GASB Statement No. 84, "Fiduciary Activities".

Note 3 - Detailed Notes on All Funds (Continued)

Certain elements of fund balance are described above. Those additional elements, which are not reflected in the Statement of Net Position but are reported in the governmental funds balance sheet are described below.

Inventories in the School Lunch Fund have been classified as nonspendable to indicate that a portion of fund balance is not "available" for expenditure because the asset is in the form of commodities and the School District anticipates utilizing them in the normal course of operations.

Purchases on order are assigned and represent the School District's intention to honor the contracts in process at year-end. The subsequent year's appropriation will be amended to provide authority to complete the transactions.

Assigned for School Lunch represents the component of fund balance that reports the difference between the assets and liabilities of the School Lunch Fund.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted or assigned.

Note 4 - Summary Disclosure of Significant Contingencies

A. 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.

The School District is a defendant in an action in which the parents are seeking reimbursement for tuition paid by them to a nonpublic school for the 2020-2021 school year where they have unilaterally placed (enrolled) their children. If the parents were successful in the claim, they could receive reimbursement for both tuition and attorney's fees. The School District vigorously contests any liability for these claims.

The School District is also involved in the following litigation. State court revival action under the New York Child Victims Act by a former student alleging sexual abuse by a former teacher and coach during the approximate period 1984-1987. The School District is vigorously defending this litigation.

In another action, the State court revival action under the New York Child Victims Act, a former student is alleging sexual abuse by a Boy Scout Leader, during the approximate period from 1961-1965. The plaintiff alleges that the School District owned the charter and controlled the hiring of the Boy Scout leaders. The District is vigorously defending this litigation.

B. Contingencies

The School District participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Uniform Guidance. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School District anticipates such amounts, if any, to be immaterial.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

The School District is subject to audits of State aid by the New York State Education Department. The amount of aid previously paid to the School District which may be disallowed cannot be determined at this time, although the School District anticipates such amounts, if any, to be immaterial.

C. Risk Management

The School District and other school districts have formed a reciprocal insurance company to be owned by these districts. This Company operates under an agreement effective July 1, 1989. The purpose of the Company is to provide general liability, auto liability, all risk building and contents and auto physical damage coverage. In addition, as part of the reciprocal program, excess insurance, school board legal liability, equipment floaters, boilers and machinery and crime and bond coverages will be purchased from commercial carriers and be available to the subscriber districts. The Company retains a management company which is responsible for the overall supervision and management of the reciprocal. The reciprocal is managed by a Board of Governors and an Attorney-in-fact, which is comprised of employees of the subscriber districts. The subscribers have elected those who sit on the board and each subscriber has a single vote. The Company is an "assessable" insurance company, in that, the subscribers are severally liable for any financial shortfall of the Company and can be assessed their proportionate share by the State Insurance Department if the funds of the Company are less than what is required to satisfy its liabilities. The subscriber districts are required to pay premiums as well as a minimal capital contribution.

The School District purchases various insurance coverages from the Company 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 \$20 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 Southern Westchester County, participate in the Southern Westchester Schools Cooperative Self-Insurance Plan for Workers' Compensation. The purpose of the Plan is to provide efficient and economical evaluation, processing, administration, defense and payment of claims against plan members for workers' compensation and to provide for risk management to reduce future liability for workers' compensation and employers' liability payments. The Plan is managed and governed by a Board of Trustees comprised of a representative from each district. Billings are based upon participants' experience rating. 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 participant's employees. The School District has transferred all related risk to the Plan.

Note 5 - Recently Issued GASB Pronouncements

GASB Statement No. 87, "Leases", as amended by GASB Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance*", establishes a single model for lease accounting based on the concept that leases are a financing of a "right-to-use" underlying asset. As such, this Statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset. A lessor will be required to recognize a lease receivable and a deferred inflow of resources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the School District believes will most impact its financial statements. The School District will evaluate the impact this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

Dobbs Ferry Union Free School District, New York

Required Supplementary Information - Schedule of Changes in the
School District's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years (1) (2)

	2021	2020	2019	2018
Total OPEB Liability:				
Service cost	\$ 4,205,541	\$ 3,841,167	\$ 3,551,980	\$ 3,448,524
Interest	1,759,820	2,496,880	2,185,249	2,059,624
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	4,556,914	-	14,992
Changes of assumptions or other inputs	713,990	(5) (1,429,910)	(4) (6,050,798)	-
Benefit payments	(1,602,560)	(1,471,442)	(1,485,862)	(1,393,074)
	5,076,791	7,993,609	(1,799,431)	4,130,066
Total OPEB Liability – Beginning of Year	76,221,257	68,227,648	70,027,079	65,897,013 (3)
Total OPEB Liability – End of Year	\$ 81,298,048	\$ 76,221,257	\$ 68,227,648	\$ 70,027,079
School District's covered-employee payroll	\$ 24,055,156	\$ 24,055,156	\$ 22,227,145	\$ 22,227,145
Total OPEB liability as a percentage of covered-employee payroll	337.97%	316.86%	306.96%	315.05%

Notes to Schedule:

(1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

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

(3) Restated for the implementation of the provisions of GASB Statement No. 75.

(4) Discount rate decreased from 3.50% in 2019 to 2.44% in 2020.

(5) Discount rate decreased from 2.44% in 2020 to 2.16% in 2021.

Dobbs Ferry Union Free School District, New York

Required Supplementary Information
New York State Teachers' Retirement System
Last Ten Fiscal Years (1)

Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset) (2)						
	2021 (6)	2020 (5)	2019	2018 (4)	2017 (3)	2016
School District's proportion of the net pension liability (asset)	0.135946%	0.132966%	0.129987%	0.128823%	0.126673%	0.126494%
School District's proportionate share of the net pension liability (asset)	\$ 3,756,550	\$ (3,454,456)	\$ (2,350,504)	\$ (979,184)	\$ 1,356,722	\$ (13,138,707)
	\$ 23,141,390	\$ 22,358,254	\$ 21,339,605	\$ 20,413,236	\$ 19,547,640	\$ 18,996,389
School District's covered payroll						\$ 18,490,015
School District's proportionate share of the liability (asset) as a percentage of its covered payroll	16%	(15.45)%	(11.01)%	(4.80)%	6.94%	(69.16)%
Plan fiduciary net position as a percentage of the total pension liability	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%
						(75.50)%
						111.48%

Schedule of Contributions						
	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 2,210,592	\$ 2,050,327	\$ 2,374,447	\$ 2,091,281	\$ 2,392,431	\$ 2,592,017
Contributions in relation to the contractually required contribution	(2,210,592)	(2,050,327)	(2,374,447)	(2,091,281)	(2,392,431)	(2,592,017)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 23,196,142	\$ 23,141,390	\$ 22,358,254	\$ 21,339,605	\$ 20,413,236	\$ 19,547,640
Contributions as a percentage of covered payroll	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%
						17.53%

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".

(2) The amounts presented for each fiscal year were determined as of the June 30 measurement date of the prior fiscal year.

(3) The discount rate used to calculate the total pension liability was decreased from 8.0% to 7.5% effective with the June 30, 2016 measurement date.

(4) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.25% effective with the June 30, 2017 measurement date.

(5) The discount rate used to calculate the total pension liability was decreased from 7.25% to 7.1% effective with the June 30, 2019 measurement date.

(6) Increase in the School District's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

See independent auditors' report.

Required Supplementary Information
New York State and Local Employees' Retirement System
Last Ten Fiscal Years (1)

- (1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".
- (2) The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.
- (3) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.
- (4) The discount rate used to calculate the total pension liability was decreased from 7.0% to 6.8% effective with the March 31, 2020 measurement date.
- (5) Increase in the School District's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.
- (6) Decrease in the School District's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains, partially offset by a decrease in the discount rate from 6.8% to 5.9% effective with the March 31, 2021 measurement date.

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Dobbs Ferry Union Free School District, New York

General Fund
Comparative Balance Sheet
June 30,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	<u>\$ 5,057,777</u>	<u>\$ 5,238,303</u>
Investments	<u>5,642,013</u>	<u>4,428,405</u>
Receivables		
Accounts	47,611	46,522
State and Federal aid	477,107	812,715
Due from other governments	503,730	418,963
Due from other funds	<u>1,808,013</u>	<u>1,062,231</u>
	<u>2,836,461</u>	<u>2,340,431</u>
Total Assets	<u><u>\$ 13,536,251</u></u>	<u><u>\$ 12,007,139</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 448,802	\$ 403,612
Accrued liabilities	103,827	26,017
Employee payroll deductions	-	6,265
Due to other funds	1,848,194	1,837,207
Due to other governments	35,651	35,651
Due to retirement systems	<u>2,544,670</u>	<u>2,320,208</u>
Total Liabilities	<u>4,981,144</u>	<u>4,628,960</u>
Fund balance		
Restricted	6,466,098	5,321,794
Assigned	127,839	46,635
Unassigned	<u>1,961,170</u>	<u>2,009,750</u>
Total Fund Balance	<u>8,555,107</u>	<u>7,378,179</u>
Total Liabilities and Fund Balance	<u><u>\$ 13,536,251</u></u>	<u><u>\$ 12,007,139</u></u>

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

General Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended June 30,

	2021				
	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
REVENUES					
Real property taxes	\$ 37,726,997	\$ 37,726,997	\$ 37,720,907	\$	\$ (6,090)
Other tax items	2,132,334	2,132,334	2,114,136		(18,198)
Non-property taxes	480,000	480,000	892,915		412,915
Charges for services	1,275,000	1,275,000	1,460,818		185,818
Use of money and property	61,000	61,000	16,555		(44,445)
State aid	5,140,945	5,140,945	5,156,473		15,528
Federal aid	188,449	188,449	226,127		37,678
Miscellaneous	61,000	61,000	224,989		163,989
Total Revenues	47,065,725	47,065,725	47,812,920		747,195
EXPENDITURES					
Current					
General support					
Board of education	65,656	47,394	47,219	14	161
Central administration	360,086	371,920	371,920	-	-
Finance	559,946	528,988	528,988	-	-
Staff	254,572	379,524	365,867	13,657	-
Central services	3,054,775	3,402,568	3,274,603	94,870	33,095
Special items	648,967	673,017	673,017	-	-
Total General Support	4,944,002	5,403,411	5,261,614	108,541	33,256
Instruction					
Instruction, administration and improvement	1,909,950	1,904,370	1,904,370	-	-
Teaching - Regular school	14,980,665	15,012,189	15,001,786	-	10,403
Programs for students with disabilities	6,472,315	6,250,325	6,250,325	-	-
Occupational education	51,000	98,990	98,990	-	-
Instructional media	1,495,214	1,547,556	1,534,595	12,960	1
Pupil services	2,823,037	2,659,802	2,647,949	6,338	5,515
Total Instruction	27,732,181	27,473,232	27,438,015	19,298	15,919
Pupil transportation	1,437,954	1,375,330	1,321,053	-	54,277
Community services	-	-	-	-	-
Employee benefits	10,466,728	10,512,317	10,357,996	-	154,321
Debt service					
Principal	2,091,961	2,091,960	2,091,960	-	-
Interest	304,534	304,534	304,533	-	1
Total Expenditures	46,977,360	47,160,784	46,775,171	127,839	257,774
Excess (Deficiency) of Revenues Over Expenditures	88,365	(95,059)	1,037,749	(127,839)	1,004,969
OTHER FINANCING SOURCES (USES)					
Issuance premium	-	-	174,557	-	174,557
Transfers out	(135,000)	(35,378)	(35,378)	-	-
Total Other Financing Sources (Uses)	(135,000)	(35,378)	139,179	-	174,557
Net Change in Fund Balance	(46,635)	(130,437)	1,176,928	\$ (127,839)	\$ 1,179,526
FUND BALANCE					
Beginning of Year	46,635	130,437	7,378,179		
End of Year	\$ -	\$ -	\$ 8,555,107		

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
\$ 35,967,062	\$ 35,967,062	\$ 35,967,062	\$	\$ -
2,408,242	2,408,242	2,412,140		3,898
550,000	550,000	734,550		184,550
1,073,000	1,073,000	1,313,748		240,748
177,000	177,000	183,635		6,635
6,216,584	6,216,584	5,449,562		(767,022)
30,000	30,000	85,483		55,483
61,000	61,000	457,841		396,841
46,482,888	46,482,888	46,604,021		121,133
57,136	73,527	70,900	-	2,627
359,091	359,203	359,203	-	-
575,788	522,155	522,155	-	-
224,558	238,623	235,610	2,986	27
3,230,163	3,269,931	2,897,722	4,699	367,510
582,030	765,843	765,843	-	-
5,028,766	5,229,282	4,851,433	7,685	370,164
1,893,666	1,818,433	1,818,412	-	21
14,894,107	14,764,947	14,675,231	2,500	87,216
6,467,018	6,612,546	6,528,603	22,500	61,443
51,000	71,202	71,202	-	-
1,453,559	1,469,118	1,468,991	-	127
2,779,498	2,751,197	2,704,834	4,175	42,188
27,538,848	27,487,443	27,267,273	29,175	190,995
1,343,850	1,345,590	1,074,196	-	271,394
-	45,703	45,703	-	-
10,112,907	10,156,044	10,070,199	9,775	76,070
2,061,095	2,061,094	2,061,094	-	-
356,637	356,635	356,635	-	-
46,442,103	46,681,791	45,726,533	46,635	908,623
40,785	(198,903)	877,488	(46,635)	1,029,756
-	-	-	-	-
(135,000)	(1,853,354)	(1,753,354)	-	100,000
(135,000)	(1,853,354)	(1,753,354)	-	100,000
(94,215)	(2,052,257)	(875,866)	\$ (46,635)	\$ 1,129,756
94,215	2,052,257	8,254,045		
\$ -	\$ -	\$ 7,378,179		

Dobbs Ferry Union Free School District, New York

General Fund

**Schedule of Revenues and Other Financing Sources Compared to Budget
Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
REAL PROPERTY TAXES	\$ 37,726,997	\$ 37,726,997	\$ 37,720,907	\$ (6,090)
OTHER TAX ITEMS				
School tax relief reimbursement	2,077,334	2,077,334	2,077,334	-
Bisected property taxes	55,000	55,000	36,802	(18,198)
	2,132,334	2,132,334	2,114,136	(18,198)
	480,000	480,000	892,915	412,915
NON-PROPERTY TAXES				
Non-property tax distribution from County				
CHARGES FOR SERVICES				
Day school tuition	605,000	605,000	778,395	173,395
Other student fees and charges	135,000	135,000	113,894	(21,106)
Health services for other districts	535,000	535,000	568,529	33,529
	1,275,000	1,275,000	1,460,818	185,818
USE OF MONEY AND PROPERTY				
Earnings on investments	50,000	50,000	16,213	(33,787)
Rental of real property	10,000	10,000	330	(9,670)
Commissions	1,000	1,000	12	(988)
	61,000	61,000	16,555	(44,445)

STATE AID				
Basic formula	3,920,636	3,291,882	3,217,268	(74,614)
BOCES	659,125	659,125	749,471	90,346
Transportation aid	301,082	-	-	-
Lottery aid	18,723	1,029,836	1,029,836	-
Textbooks	141,379	94,744	94,540	(204)
Computer software	-	51,627	51,627	-
Library aid	-	13,731	13,731	-
Tax limitation aid	100,000	-	-	-
	<u>5,140,945</u>	<u>5,140,945</u>	<u>5,156,473</u>	<u>15,528</u>
FEDERAL AID				
Medical assistance	50,000	50,000	81,651	31,651
Elementary and Secondary School Emergency Relief Fund (CARES)	138,449	138,449	116,177	(22,272)
Governor's Emergency Education Relief Fund (CARES)	-	-	19,794	19,794
COVID - 19 Disaster Grants Public Assistance	-	-	8,505	8,505
	<u>188,449</u>	<u>188,449</u>	<u>226,127</u>	<u>37,678</u>
MISCELLANEOUS				
Other	1,000	1,000	28,568	27,568
Gifts and donations	-	-	412	412
Refund for BOCES' aided services	60,000	60,000	175,844	115,844
Refund of prior year's expenditures	-	-	20,165	20,165
	<u>61,000</u>	<u>61,000</u>	<u>224,989</u>	<u>163,989</u>
TOTAL REVENUES	47,065,725	47,065,725	47,812,920	747,195
OTHER FINANCING SOURCES				
Issuance premium	-	-	174,557	174,557
	<u>-</u>	<u>-</u>	<u>174,557</u>	<u>174,557</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 47,065,725	\$ 47,065,725	\$ 47,987,477	\$ 921,752

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
GENERAL SUPPORT					
BOARD OF EDUCATION					
Board of education	\$ 31,675	\$ 28,105	\$ 28,099	\$ 5	\$ 1
District clerk	9,531	9,425	9,425	-	-
District meeting	24,450	9,864	9,695	9	160
Total Board of Education	65,656	47,394	47,219	14	161
CENTRAL ADMINISTRATION					
Chief school administrator	360,086	371,920	371,920	-	-
FINANCE					
Business administration	394,961	373,253	373,253	-	-
Accounting and auditing	64,500	59,003	59,003	-	-
Treasurer	100,485	96,732	96,732	-	-
Total Finance	559,946	528,988	528,988	-	-
STAFF					
Legal	68,986	186,439	172,782	13,657	-
Personnel	115,398	131,246	131,246	-	-
Public information and services	70,188	61,839	61,839	-	-
Total Staff	254,572	379,524	365,867	13,657	-

CENTRAL SERVICES					
Operation and maintenance of plant					
Central printing and mailing					
Central data processing	2,798,108	3,146,484	3,018,519	94,870	33,095
	22,750	14,361	14,361	-	-
	233,917	241,723	241,723	-	-
Total Central Services	3,054,775	3,402,568	3,274,603	94,870	33,095
SPECIAL ITEMS					
Unallocated insurance	184,400	188,647	188,647	-	-
Refunds of real property taxes	-	37,655	37,655	-	-
Assessments on school property	230,000	212,148	212,148	-	-
Administrative charge - BOCES	234,567	234,567	234,567	-	-
Total Special Items	648,967	673,017	673,017	-	-
Total General Support	4,944,002	5,403,411	5,261,614	108,541	33,256
INSTRUCTION					
INSTRUCTION, ADMINISTRATION AND IMPROVEMENT					
Curriculum development and supervision	303,255	262,608	262,608	-	-
Supervision - Regular school	1,454,207	1,476,248	1,476,248	-	-
Research, planning and evaluation	2,300	-	-	-	-
In-service training - Instruction	150,188	165,514	165,514	-	-
Total Instruction, Administration and Improvement	1,909,950	1,904,370	1,904,370	-	-
TEACHING - REGULAR SCHOOL	14,980,665	15,012,189	15,001,786	-	10,403
PROGRAMS FOR STUDENTS WITH DISABILITIES	6,472,315	6,250,325	6,250,325	-	-
OCCUPATIONAL EDUCATION	51,000	98,990	98,990	-	-

(Continued)

Dobbs Ferry Union Free School District, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)

Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
INSTRUCTION (Continued)					
<i>INSTRUCTIONAL MEDIA</i>					
School library and audiovisual	\$ 345,131	\$ 290,330	\$ 290,330	\$ -	\$ -
Computer assisted instruction	1,150,083	1,257,226	1,244,265	12,960	1
Total Instructional Media	1,495,214	1,547,556	1,534,595	12,960	1
<i>PUPIL SERVICES</i>					
Guidance - Regular school	822,516	829,907	829,907	-	-
Health services - Regular school	453,807	497,985	497,985	-	-
Psychological services - Regular school	748,617	739,743	739,743	-	-
Co-curricular activities - Regular school	237,240	153,149	153,149	-	-
Interscholastic athletics - Regular school	560,857	439,018	427,165	6,338	5,515
Total Pupil Services	2,823,037	2,659,802	2,647,949	6,338	5,515
Total Instruction	27,732,181	27,473,232	27,438,015	19,298	15,919
<i>PUPIL TRANSPORTATION</i>					
District transportation services	24,954	24,954	24,353	-	601
Contract and public carrier transportation	1,413,000	1,350,376	1,296,700	-	53,676
Total Pupil Transportation	1,437,954	1,375,330	1,321,053	-	54,277

EMPLOYEE BENEFITS				
State retirement	370,000	397,484	397,484	-
Teachers' retirement	2,240,000	2,213,994	2,211,253	2,741
Social security	1,988,000	1,989,148	1,941,059	48,089
Hospital, medical and dental insurance	5,288,980	5,292,795	5,259,079	33,716
Unemployment insurance	39,775	69,775	-	69,775
Workers' compensation benefits	161,743	159,361	159,361	-
Union welfare benefits	352,680	346,875	346,875	-
Other	25,550	42,885	42,885	-
Total Employee Benefits	10,466,728	10,512,317	10,357,996	154,321
DEBT SERVICE				
Principal				
Serial bonds	1,890,000	1,890,000	1,890,000	-
Energy performance contract debt	201,961	201,960	201,960	-
Interest				
Serial bonds	2,091,961	2,091,960	2,091,960	-
Energy performance contract debt	294,125	294,125	294,125	-
	10,409	10,409	10,408	1
Total Debt Service	304,534	304,534	304,533	1
	2,396,495	2,396,494	2,396,493	1
TOTAL EXPENDITURES	46,977,360	47,160,784	46,775,171	257,774
OTHER FINANCING USES				
Transfers out				
Capital Projects Fund	100,000	-	-	-
Special Aid Fund	35,000	35,378	35,378	-
TOTAL OTHER FINANCING USES	135,000	35,378	35,378	-
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 47,112,360	\$ 47,196,162	\$ 46,810,549	\$ 257,774

See independent auditors' report.

Dobbs Ferry Union Free School District, New YorkCapital Projects Fund
Comparative Balance Sheet
June 30,

	2021	2020
ASSETS		
Cash and equivalents	\$ 35,554	\$ 28,414
Investments	13,500,010	10,519
State and Federal aid receivable	65,685	-
Due from other funds	952,614	1,700,000
Total Assets	\$ 14,553,863	\$ 1,738,933
Liabilities		
Accounts payable	\$ 180,840	\$ 149,918
Bond anticipation note payable	13,500,000	-
Due to other funds	472,633	472,620
Total Liabilities	14,153,473	622,538
Fund balance		
Restricted	400,390	1,116,395
Total Liabilities and Fund Balance	\$ 14,553,863	\$ 1,738,933

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

Capital Projects Fund
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balance
Years Ended June 30,

	<u>2021</u>	<u>2020</u>
REVENUES		
State aid	\$ 65,685	\$ -
EXPENDITURES		
Capital outlay	<u>781,690</u>	<u>611,210</u>
Deficiency of Revenues Over Expenditures	(716,005)	(611,210)
OTHER FINANCING SOURCES		
Transfer in	<u>-</u>	<u>1,700,000</u>
Net Change in Fund Balance	(716,005)	1,088,790
FUND BALANCE		
Beginning of Year	<u>1,116,395</u>	<u>27,605</u>
End of Year	<u><u>\$ 400,390</u></u>	<u><u>\$ 1,116,395</u></u>

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project Through June 30, 2021

PROJECT	Authorization	Expenditures and Transfers to Date		
		Prior Years	Current Year	Total
2020 Construction for Buildings (HS/MS)	\$ 18,020,000	\$ 498,333	\$ 632,508	\$ 1,130,841
2020 Construction for Buildings (Elementary)	1,957,378	85,272	83,497	168,769
District-Wide Reconstruction	16,013,845	16,013,845	-	16,013,845
2019 Smart Schools Bond	367,973	157,082	65,685	222,767
	<u>\$ 36,359,196</u>	<u>\$ 16,754,532</u>	<u>\$ 781,690</u>	<u>\$ 17,536,222</u>

See independent auditors' report.

Unexpended Balance	Methods of Financing				Fund Balance at June 30, 2021	Bond Anticipation Notes June 30, 2021
	Interfund Transfers	Proceeds of Obligations	State Aid	Total		
\$ 16,889,159	\$ 1,530,000	\$ -	\$ -	\$ 1,530,000	\$ 399,159	\$ 12,150,000
1,788,609	170,000	-	-	170,000	1,231	1,350,000
-	1,744,700	14,269,145	-	16,013,845	-	-
145,206	-	-	222,767	222,767	-	-
<u>\$ 18,822,974</u>	<u>\$ 3,444,700</u>	<u>\$ 14,269,145</u>	<u>\$ 222,767</u>	<u>\$ 17,936,612</u>	<u>\$ 400,390</u>	<u>\$ 13,500,000</u>

Dobbs Ferry Union Free School District, New YorkSpecial Aid Fund
Comparative Balance Sheet
June 30,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	<u>\$ 127,039</u>	<u>\$ 97,778</u>
Receivables		
Accounts	15,872	52,788
State and Federal aid	<u>576,088</u>	<u>693,820</u>
	<u>591,960</u>	<u>746,608</u>
Due from other funds	<u>57,962</u>	<u>-</u>
Total Assets	<u><u>\$ 776,961</u></u>	<u><u>\$ 844,386</u></u>
LIABILITIES		
Accounts payable	\$ 109,600	\$ 141,555
Accrued liabilities	-	642
Due to other funds	584,791	589,611
Unearned revenues	<u>82,570</u>	<u>112,578</u>
Total Liabilities	<u><u>\$ 776,961</u></u>	<u><u>\$ 844,386</u></u>

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

Special Aid Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended June 30,

	2021	2020
REVENUES		
State aid	\$ 141,510	\$ 214,645
Federal aid	441,085	640,608
Miscellaneous	31,657	83,554
Total Revenues	614,252	938,807
EXPENDITURES		
Current		
Instruction	649,630	992,161
Deficiency of Revenues Over Expenditures	(35,378)	(53,354)
OTHER FINANCING SOURCES		
Transfers in	35,378	53,354
Net Change in Fund Balance	-	-
FUND BALANCE		
Beginning of Year	-	-
End of Year	\$ -	\$ -

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2021
(With Comparative Totals for 2020)

	School Lunch	Special Purpose	Total Non-Major Governmental Funds	
			2021	2020
ASSETS				
Cash and equivalents	\$ -	\$ 86,853	\$ 86,853	\$ 80,270
Receivables				
Accounts	6,248	-	6,248	7,583
State and Federal aid	169,727	-	169,727	34,685
Due from other funds	87,029	-	87,029	137,207
	263,004	-	263,004	179,475
Inventories	11,169	-	11,169	10,134
Total Assets	<u>\$ 274,173</u>	<u>\$ 86,853</u>	<u>\$ 361,026</u>	<u>\$ 269,879</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 64,981	\$ -	\$ 64,981	\$ 21,668
Due to other governments	347	-	347	188
Unearned revenues	27,237	-	27,237	33,139
Total Liabilities	92,565	-	92,565	54,995
Fund balances				
Nonspendable	11,169	-	11,169	10,134
Restricted	-	86,853	86,853	80,145
Assigned	170,439	-	170,439	124,605
Total Fund Balances	181,608	86,853	268,461	214,884
Total Liabilities and Fund Balances	<u>\$ 274,173</u>	<u>\$ 86,853</u>	<u>\$ 361,026</u>	<u>\$ 269,879</u>

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended June 30, 2021
(With Comparative Totals for 2020)

	School Lunch	Special Purpose	Total Non-Major Governmental Funds	
			2021	2020
REVENUES				
Use of money and property	\$ -	\$ 4	\$ 4	\$ 30
State aid	11,381	-	11,381	7,210
Federal aid	327,883	-	327,883	159,631
Food sales	36,237	-	36,237	422,603
Miscellaneous	49,712	64,531	114,243	64,198
Total Revenues	425,213	64,535	489,748	653,672
EXPENDITURES				
Current				
Cost of food sales	378,344	-	378,344	623,529
Other	-	57,827	57,827	73,018
Total Expenditures	378,344	57,827	436,171	696,547
Excess (Deficiency) of Revenues Over Expenditures	46,869	6,708	53,577	(42,875)
FUND BALANCES				
Beginning of Year, as reported	134,739	80,145	214,884	217,206
Cumulative Effect of Change in Accounting Principle	-	-	-	40,553
Beginning of Year, as restated	134,739	80,145	214,884	257,759
End of Year	\$ 181,608	\$ 86,853	\$ 268,461	\$ 214,884

See independent auditors' report.

Dobbs Ferry Union Free School District, New YorkSchool Lunch Fund
Comparative Balance Sheet
June 30,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	<u>\$ -</u>	<u>\$ 125</u>
Receivables		
Accounts	6,248	7,583
State and Federal aid	169,727	34,685
Due from other funds	<u>87,029</u>	<u>137,207</u>
	<u>263,004</u>	<u>179,475</u>
Inventories	<u>11,169</u>	<u>10,134</u>
Total Assets	<u><u>\$ 274,173</u></u>	<u><u>\$ 189,734</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 64,981	\$ 21,668
Due to other governments	347	188
Unearned revenues	<u>27,237</u>	<u>33,139</u>
Total Liabilities	<u>92,565</u>	<u>54,995</u>
Fund balance		
Nonspendable	11,169	10,134
Assigned	<u>170,439</u>	<u>124,605</u>
Total Fund Balance	<u>181,608</u>	<u>134,739</u>
Total Liabilities and Fund Balance	<u><u>\$ 274,173</u></u>	<u><u>\$ 189,734</u></u>

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

School Lunch Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended June 30,

	<u>2021</u>	<u>2020</u>
REVENUES		
State aid	\$ 11,381	\$ 7,210
Federal aid	327,883	159,631
Food sales	36,237	422,603
Miscellaneous	<u>49,712</u>	<u>-</u>
Total Revenues	425,213	589,444
EXPENDITURES		
Current		
Cost of food sales	<u>378,344</u>	<u>623,529</u>
Excess (Deficiency) of Revenues Over Expenditures	46,869	(34,085)
FUND BALANCE		
Beginning of Year	<u>134,739</u>	<u>168,824</u>
End of Year	<u><u>\$ 181,608</u></u>	<u><u>\$ 134,739</u></u>

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

Special Purpose Fund
Comparative Balance Sheet
June 30,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	<u>\$ 86,853</u>	<u>\$ 80,145</u>
FUND BALANCE		
Restricted	<u>\$ 86,853</u>	<u>\$ 80,145</u>

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

Special Purpose Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended June 30,

	<u>2021</u>	<u>2020</u>
REVENUES		
Use of money and property	\$ 4	\$ 30
Miscellaneous	<u>64,531</u>	<u>64,198</u>
	<u>64,535</u>	<u>64,228</u>
EXPENDITURES		
Current		
Other	<u>57,827</u>	<u>73,018</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>6,708</u>	<u>(8,790)</u>
FUND BALANCE		
Beginning of Year, as reported	80,145	48,382
Cumulative Effect of Change in Accounting Principle	<u>-</u>	<u>40,553</u>
Beginning of Year, as restated	<u>80,145</u>	<u>88,935</u>
End of Year	<u>\$ 86,853</u>	<u>\$ 80,145</u>

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

General Fund

Analysis of Change from Adopted Budget to Final Budget

Year Ended June 30, 2021

Adopted Budget	\$ 47,065,725
Additions - Encumbrances	<u>46,635</u>
Original Budget	47,112,360
Budget Amendments	<u>83,802</u>
Final Budget	<u><u>\$ 47,196,162</u></u>

General Fund

Section 1318 of Real Property Tax Law Limit Calculation

2021-2022 Expenditure Budget	<u>\$ 49,029,234</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	
Unrestricted fund balance	
Assigned fund balance	\$ 127,839
Unassigned fund balance	<u>1,961,170</u>
Total Unrestricted Fund Balance	<u>2,089,009</u>
Less	
Encumbrances	<u>127,839</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 1,961,170</u></u>
Actual Percentage	<u><u>4.00%</u></u>

See independent auditors' report.

Dobbs Ferry Union Free School District, New YorkSchedule of Net Investment in Capital Assets
Year Ended June 30, 2021

Capital Assets, net		\$ 41,763,498
Less		
General obligation bonds payable	\$ (11,745,000)	
Energy performance contract payable	<u>(207,100)</u>	<u>(11,952,100)</u>
Net Investment in Capital Assets		<u>\$ 29,811,398</u>

See independent auditors' report.

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**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**

Independent Auditors' Report

**The Board of Education of the
Dobbs Ferry Union Free School District, New York**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Dobbs Ferry Union Free School District, New York ("School District") as of and for the year ended June 30, 2021, 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 5, 2021.

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 the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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.

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.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

October 5, 2021



**Report on Compliance For Each Major Federal Program and Report
on Internal Control Over Compliance Required by
the Uniform Guidance**

Independent Auditors' Report

**The Board of Education of the
Dobbs Ferry Union Free School District, New York**

Report on Compliance for Each Major Federal Program

We have audited the Dobbs Ferry Union Free School District, New York's ("School District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2021. The School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School District's compliance.

Opinion on Each Major Federal Program

In our opinion, the School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

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

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

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

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

October 5, 2021

DOBBS FERRY UNION FREE SCHOOL DISTRICT, NEW YORK

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Provided To to Sub - Recipients</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>				
Indirect Programs - Passed through New York State Department of Education				
<i>Child Nutrition Center</i>				
National School Lunch Program (NSLP)	10.559	N/A	\$ -	308,973
National School Lunch Program (NSLP) Commodities	10.555	N/A	-	18,910
Total U.S. Department of Agriculture			-	327,883
<u>U.S. Department of Education</u>				
Indirect Programs - Passed through New York State Department of Education				
<i>Special Education - Cluster (IDEA)</i>				
Special Education - Grants to States (IDEA, Part B)	84.027	0033-21-1054	-	369,132
Special Education - Preschool Grants (IDEA, Preschool)	84.173	0033-21-1054	-	11,136
Subtotal Special Education Cluster			-	380,268
Title I Grants Local Educational Agencies	84.010	0021-21-3645	-	24,242
Supporting Effective Instruction State Grants	84.367	0147-20-3645	-	26,675
Student Support and Academic Enrichment Program	84.424	0204-20-3645		9,900
Governor's Emergency Education Relief (GEER) Fund (CARES)	84.425C	5895-21-3645		19,794
Elementary and Secondary School Emergency Relief (ESSER) Fund (CARES)	84.425D	5890-21-3645		116,177
Total U.S. Department of Education			-	577,056
<u>U.S. Department of Homeland Security</u>				
COVID - 19 Disaster Grants Public Assistance (Presidentially Declared Disasters)	97.036	PA-02-NY-4480	-	8,505
Total Expenditures of Federal Awards			\$ -	\$ 913,444

N/A - Information not available.

The accompanying notes are an integral part of this schedule.

Dobbs Ferry Union Free School District, New York

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Dobbs Ferry Union Free School District, New York ("School District") under programs of the federal government for the year ended June 30, 2021. Federal awards received directly from the Federal agencies as well as Federal awards passed through other government agencies are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the School District.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Indirect Cost Rate

The School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Dobbs Ferry Union Free School District, New York

Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Section I - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on
whether the financial statements audited were
prepared in accordance with GAAP

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

____ Yes X No
____ Yes X None reported

Noncompliance material to financial statements
noted?

____ Yes X No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

____ Yes X No
____ Yes X None reported

Type of auditors' report issued on compliance
for major federal programs

Unmodified

Any audit findings disclosed that are
required to be reported in accordance with
2 CFR 200.516(a)?

____ Yes X No

Identification of major federal programs:

Assistance Listing
Numbers

Name of Federal Program or Cluster

84.027
84.173

Special Education Cluster (IDEA):
Special Education – Grants to States
Special Education – Preschool Grants

Dollar threshold used to distinguish
between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

____ Yes X No

Dobbs Ferry Union Free School District, New York

Schedule of Findings and Questioned Costs (Concluded)
Year Ended June 30, 2021

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Dobbs Ferry Union Free School District, New York

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2021

None