

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

Financial Statements and
Supplementary Information

Year Ended June 30, 2025

Dobbs Ferry Union Free School District, New York

Table of Contents

	Page
Independent Auditors' Report	1
Management's Discussion and Analysis	4
Basic Financial Statements	
District-Wide Financial Statements	
Statement of Net Position	14
Statement of Activities	15
Fund Financial Statements	
Balance Sheet - Governmental Funds	16
Reconciliation of Governmental Funds Balance Sheet to the District-Wide Statement of Net Position	18
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – General Fund	22
Notes to Financial Statements	23
Required Supplementary Information	
Other Postemployment Benefits	
Schedule of Changes in the School District's Total OPEB Liability and Related Ratios	51
New York State Teachers' Retirement System	
Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset)	53
Schedule of Contributions	53
New York State and Local Employees' Retirement System	
Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset)	55
Schedule of Contributions	55
Combining and Individual Fund Financial Statements and Schedules	
Major Governmental Funds	
General Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	57
Schedule of Revenues and Other Financing Sources Compared to Budget	58
Schedule of Expenditures and Other Financing Uses Compared to Budget	60
Capital Projects Fund	
Project-Length Schedule	64
Non-Major Governmental Funds	
Combining Balance Sheet	66
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	67
Supplementary Information	
Analysis of Change from Adopted Budget to Final Budget	68
Section 1318 of Real Property Tax Law Limit Calculation	68
Schedule of Net Investment in Capital Assets	69
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	70

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Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited 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, 2025, 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.

In our opinion the accompanying 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, 2025, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Policy

We draw attention to Note 2D 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. 101, "*Compensated Absences*". Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

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 is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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, 2025.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2025 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 14, 2025

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Dobbs Ferry Union Free School District, New York

Management's Discussion and Analysis (MD&A) June 30, 2025

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, 2025. 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 2024-2025

Key financial highlights for fiscal year 2024-2025 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 \$2,393,698. This amount is equal to 4.00% of the subsequent year's budget.
- The School District's governmental fund financial statements report a combined ending fund balance of \$13,748,130, a decrease in fund balance of \$325,165. 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's fund balance totals \$12,009,306. Of this amount, the unassigned fund balance of the General Fund is \$2,393,698. 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 \$44,403,447. Of this amount, the unrestricted portion is (\$80,803,427). The School District's total net position increased by \$6,077,863. This is due to the implementation of GASB Statement No. 101 "*Compensated Absences*", more detailed information is presented in Note 2E to the financial statements.
- The following were noteworthy factors in the revenues and expenditures in the General Fund being different than budgeted:
 - Sales tax income exceeded the anticipated budgeted amount by \$76,684.
 - Interest earnings exceeded forecasts creating a budget surplus of \$317,358.
 - Changes in staffing resulted in a budget surplus of \$718,221 and an additional budget savings in employment related benefits of \$209,409.
 - Lower utility usage resulted in a budget surplus of \$109,820.
 - Payment of a legal settlement from the reserves are not included in the original budget resulted in a payment of \$850,000.

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 governments 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 \$44,403,447 at the close of the current fiscal year.

Net Position

	June 30,	
	2025	2024
Current Assets	\$ 22,051,657	\$ 18,001,270
Capital Assets	47,628,375	49,719,493
Total Assets	69,680,032	67,720,763
Deferred Outflows of Resources	13,759,298	16,073,055
Current Liabilities	4,299,407	3,980,525
Long-term Liabilities	90,532,005	95,638,209
Total Liabilities	94,831,412	99,618,734
Deferred Inflows of Resources	33,011,365	22,500,668
Net investment in capital assets	26,560,492	28,713,251
Restricted for:		
Capital Projects	1,660,484	2,010,292
Tax Certiorari	3,508,548	3,624,827
Unemployment Benefits	193,083	123,083
Property loss and liability loss	440,997	1,000,000
Retirement System Contributions	1,321,944	1,021,944
Debt Service	523,625	523,625
Future Capital Projects	2,112,497	2,112,467
Special Purposes	78,340	76,293
Unrestricted	(80,803,447)	(77,531,366)
Total Net Position	\$ (44,403,437)	\$ (38,325,584)

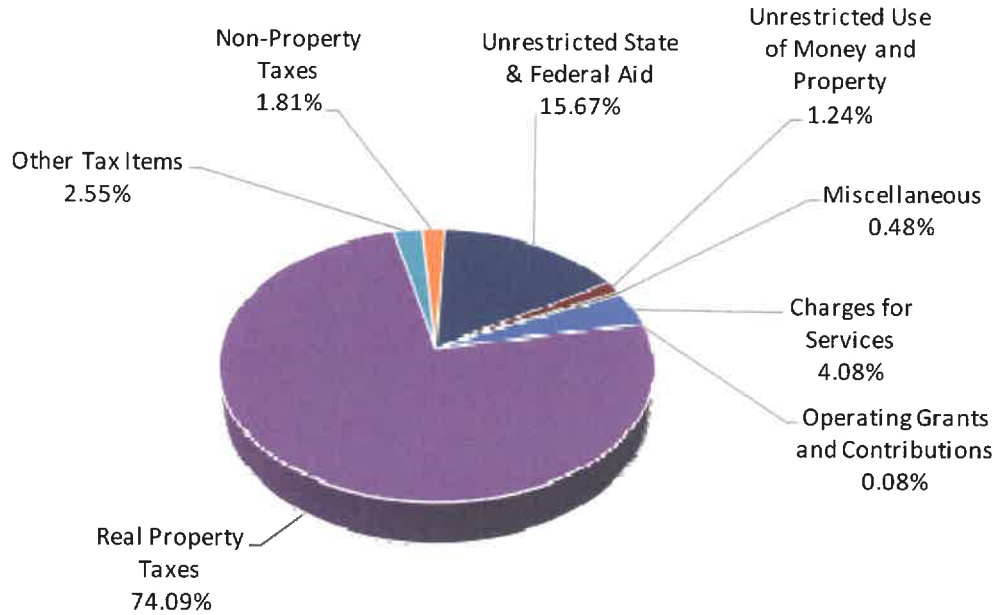
By far, the largest component of the School District's net assets is its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The School District uses these capital assets to provide services to the students and consequently, these assets are not 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 liabilities is due to the implementation of GASB Statement No. 101, "*Compensated Absences*". The decrease in the non-current liabilities is attributable to the decrease in Other Post-Employment Benefits and the Net Pension Liability (ERS).

Changes in Net Position

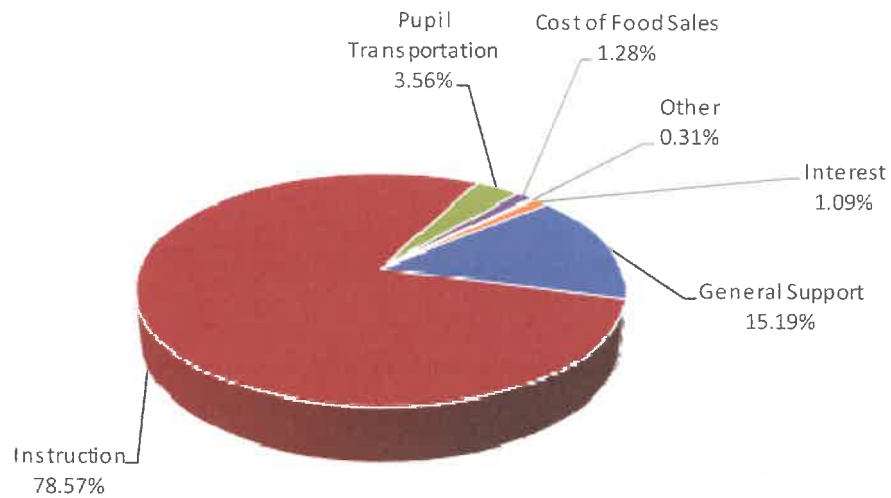
	June 30,	
	2025	2024
REVENUES		
Program Revenues:		
Charges for Services	\$ 2,368,914	\$ 2,494,905
Operating Grants and Contributions	1,487,163	2,066,375
Capital Grants and Contributions	46,248	-
Total Program Revenues	3,902,325	4,561,280
General Revenues:		
Real Property Taxes	42,973,095	41,017,200
Other Tax Items	1,476,900	1,604,382
Non-Property Taxes	1,051,684	1,039,081
Unrestricted Use of Money and Property	717,358	854,928
Sale of Property and Compensation for Loss	49,522	23,057
Unrestricted State Aid	8,751,549	8,952,341
Miscellaneous	267,214	248,710
Total General Revenues	55,287,322	53,739,699
Total Revenues	59,189,647	58,300,979
PROGRAM EXPENSES:		
General Support	8,953,197	8,202,693
Instruction	46,295,600	47,945,400
Pupil Transportation	2,096,648	1,924,675
Cost of Food Sales	751,636	882,120
Other	185,511	176,626
Interest	642,713	692,929
Total Expenses	58,925,305	59,824,443
Change in Net Position	264,342	(1,523,464)
Net Position - Beginning, as reported	(38,325,584)	(36,802,120)
Cumulative Effect of Change in Accounting Principle	(6,342,205)	-
Net Position - Beginning, as restated	(44,667,789)	(36,802,120)
Net Position - Ending	\$ (44,403,447)	\$ (38,325,584)

Governmental activities decreased the School District's net assets by \$6,077,863. Primarily as a result of the reporting of GASB Statement No. 101 – Compensated Absences. 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 approximately 80% of its expenses.

Sources of Revenue for Fiscal Year 2025 Governmental Activities



Expenses for Fiscal Year 2025 Governmental Activities



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 portion of receivables 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 and positive remaining of 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 \$13,748,130. The fund balance is made up as follows:

Non-Spendable	\$ 4,848
Restricted	10,559,623
Assigned	794,809
Unassigned	<u>2,388,850</u>
	<u>\$ 13,748,130</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 \$12,009,306, of which \$2,393,698 or 4.00% 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 generally the same during 2024-2025. However, the general fund balance actually increased by \$22,596.

General Fund Budgetary Highlights

The original budget total expenditures, inclusive of transfers and other financing uses which included prior year encumbrances, was \$57,963,628. This differed from the final amended budget of \$58,982,647 by \$1,019,019. This difference is attributable to increase for the use of the Reserve for Tax Certiorari to pay court ordered property tax refunds, liability claims and appropriation from unassigned fund balance for unanticipated ordinary contingent expenses related to special education out-of-district placements.

Total Fund Balance Classifications

GASB Statement No. 54 Classification	Previous Classifications	Fund Balance
Nonspendable Fund Balance	Inventories	\$ 4,848
Restricted Fund Balance	Reserved for Tax Certiorari	3,508,548
	Reserved for Employee Benefit	
	Accrued Liability	220,135
	Reserved for Retirement Contributions	1,176,944
	Retirement Contributions - Designated for Subsequent	
	Year's Expenditures	145,000
	Reserved for Debt Service	523,625
	Reserve for Property and Liability Loss	650,000
	Reserved for Trust (Special Purpose Fund)	78,340
	Reserved for Unemployment Benefits	193,083
	Reserved for Capital and Future Capital Projects	4,063,948
		<u>10,559,623</u>
Assigned Fund Balance	Encumbrances - General	
	Government Support	209,552
	Encumbrances - Instruction	85,257
	Designated for subsequent year's expenditures	500,000
		<u>794,809</u>
Unassigned Fund Balance	Unassigned:	
	General Fund	2,393,698
	School Lunch Fund	(4,848)
		<u>2,388,850</u>
Total Fund Balance	(as of June 30, 2025)	<u><u>\$ 13,748,130</u></u>

Capital Assets

At June 30, 2025, the School District had capital assets of \$47,628,375 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,	
	2025	2024
Land	\$ 85,950	\$ 85,950
Construction-in-Progress	579,230	14,526,462
Buildings and Improvements	45,664,777	33,240,221
Land Improvements	2,872,977	2,962,937
Machinery and Equipment	516,559	531,508
	<u>516,559</u>	<u>531,508</u>
Total Capital Assets, net of accumulated depreciation	<u><u>\$ 49,719,493</u></u>	<u><u>\$ 51,347,078</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 Capital Projects Phase 2.

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

Long-Term Debt

At June 30, 2025 the School District had \$90,532,005 in general obligation and other long-term debt outstanding, as follows:

	June 30,	
	2025	2024
General Obligation Bonds Payable	\$ 22,933,758	\$ 24,749,633
Compensated Absences	81,324	102,969
Net Pension Liability	2,809,390	4,521,668
Other Post Employment Benefit Obligations Payable	69,813,737	72,269,860
Total	<u>\$ 95,638,209</u>	<u>\$ 101,644,130</u>

\$4,479,393 out of this balance of \$90,532,005 is due within one year. More detailed information about the School District's long-term liabilities is presented in Note 3D 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: Lisa Raymond
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, 2025

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 6,351,461
Investments	9,722,028
Receivables	
Accounts	73,632
State and Federal aid	1,093,297
Due from other governments	753,183
Inventories	4,848
Net pension asset - TRS	4,053,208
Capital assets	
Not being depreciated	1,142,108
Being depreciated, net	46,486,267
Total Assets	<u>69,680,032</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	10,359,157
OPEB related	3,400,141
Total Deferred Outflows of Resources	<u>13,759,298</u>
LIABILITIES	
Accounts payable	906,818
Accrued liabilities	58,934
Due to other governments	575
Due to retirement systems	3,216,057
Unearned revenues	67,935
Accrued interest payable	49,088
Non-current liabilities	
Due within one year	4,479,393
Due in more than one year	86,052,612
Total Liabilities	<u>94,831,412</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related	5,099,610
OPEB related	27,911,755
Total Deferred Inflows of Resources	<u>33,011,365</u>
NET POSITION	
Net investment in capital assets	26,560,492
Restricted	
Capital projects	1,660,484
Tax certiorari	3,508,548
Unemployment benefits	193,083
Property loss and liability loss	440,997
ERS retirement contributions	781,944
TRS retirement contributions	540,000
Debt service	523,625
Future capital projects	2,112,467
Special purposes	78,340
Unrestricted	<u>(80,803,427)</u>
Total Net Position	<u>\$ (44,403,447)</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, 2025

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	\$ 8,953,197	\$ 3,302	\$ -	\$ -	\$ (8,949,895)
Instruction	46,295,600	1,775,431	1,144,192	46,248	(43,329,729)
Pupil transportation	2,096,648	-	-	-	(2,096,648)
Cost of food sales	751,636	590,181	155,413	-	(6,042)
Other	185,511	-	187,558	-	2,047
Interest	642,713	-	-	-	(642,713)
 Total Governmental Activities	 \$ 58,925,305	 \$ 2,368,914	 \$ 1,487,163	 \$ 46,248	 (55,022,980)
 General revenues					
Real property taxes					42,973,095
Other tax items					
School tax relief reimbursement					1,464,193
Bisected property taxes					12,707
Non-property taxes					
Non-property tax distribution from County					1,051,684
Unrestricted use of money and property					717,358
Sale of property and compensation for loss					49,522
Unrestricted State aid					8,751,549
Miscellaneous					267,214
Total General Revenues					55,287,322
Change in Net Position					264,342
Net Position - Beginning, as reported					(38,325,584)
Cumulative Effect of Change in Accounting Principle					(6,342,205)
Net Position - Beginning, as restated					(44,667,789)
Net Position - Ending					\$ (44,403,447)

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, 2025

	General	Capital Projects	Special Aid
ASSETS			
Cash and equivalents	\$ 5,923,068	\$ -	\$ 322,928
Investments	9,722,028	-	-
Receivables			
Accounts	48,376	-	3,500
State and Federal aid	585,381	46,248	431,801
Due from other governments	753,183	-	-
Due from other funds	926,988	2,010,292	30,894
Inventories	-	-	-
Total Assets	<u>\$ 17,959,024</u>	<u>\$ 2,056,540</u>	<u>\$ 789,123</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 614,933	\$ 232,775	\$ 5,447
Accrued liabilities	58,934	-	-
Due to other funds	2,059,794	163,281	763,707
Due to other governments	-	-	-
Due to retirement systems	3,216,057	-	-
Unearned revenues	-	-	19,969
Total Liabilities	<u>5,949,718</u>	<u>396,056</u>	<u>789,123</u>
Fund balances			
Nonspendable	-	-	-
Restricted	8,820,799	1,660,484	-
Assigned	794,809	-	-
Unassigned	2,393,698	-	-
Total Fund Balances	<u>12,009,306</u>	<u>1,660,484</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 17,959,024</u>	<u>\$ 2,056,540</u>	<u>\$ 789,123</u>

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

Non-Major Governmental	Total Governmental Funds
\$ 105,465	\$ 6,351,461
-	9,722,028
21,756	73,632
29,867	1,093,297
-	753,183
18,608	2,986,782
4,848	4,848
<u>\$ 180,544</u>	<u>\$ 20,985,231</u>

\$ 53,663	\$ 906,818
-	58,934
-	2,986,782
575	575
-	3,216,057
47,966	67,935
<u>102,204</u>	<u>7,237,101</u>

4,848	4,848
78,340	10,559,623
-	794,809
(4,848)	2,388,850
<u>78,340</u>	<u>13,748,130</u>
<u>\$ 180,544</u>	<u>\$ 20,985,231</u>

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Dobbs Ferry Union Free School District, New York

Reconciliation of Governmental Funds Balance Sheet to
the District-Wide Statement of Net Position
June 30, 2025

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

Total Fund Balances - Governmental Funds	\$ 13,748,130
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	1,142,108
Capital assets - depreciable	79,750,207
Accumulated depreciation	(33,263,940)
	<u>47,628,375</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	10,359,157
Deferred outflows - OPEB related	3,400,141
Deferred inflows - pension related	(5,099,610)
Deferred inflows - OPEB related	(27,911,755)
	<u>(19,252,067)</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Total OPEB liability	(60,892,620)
General obligation bonds payable	(20,185,000)
Compensated absences	(7,069,705)
Net pension liability - ERS	(1,501,797)
Accrued interest payable	(49,088)
	<u>(89,698,210)</u>
Governmental funds report the effect of premiums, discounts, and refunding and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	
Premium on general obligation bonds	(882,883)
Net Position of Governmental Activities	<u>\$ (44,403,447)</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, 2025

	General	Capital Projects	Special Aid
REVENUES			
Real property taxes	\$ 42,973,095	\$ -	\$ -
Other tax items	1,476,900	-	-
Non-property taxes	1,051,684	-	-
Charges for services	1,775,431	-	-
Use of money and property	720,660	-	-
Sale of property and compensation for loss	49,522	-	-
State aid	8,913,326	46,248	267,693
Federal aid	108,305	-	541,181
Food sales	-	-	-
Miscellaneous	267,214	-	65,236
Total Revenues	57,336,137	46,248	874,110
EXPENDITURES			
Current			
General support	7,189,872	-	-
Instruction	32,930,396	-	940,091
Pupil transportation	2,086,480	-	-
Cost of food sales	-	-	-
Employee benefits	12,447,890	-	-
Other	-	-	-
Debt service			
Principal	1,785,000	-	-
Interest	727,050	-	-
Capital outlay	-	476,928	-
Total Expenditures	57,166,688	476,928	940,091
Excess (Deficiency) of Revenues Over Expenditures	169,449	(430,680)	(65,981)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	80,872	65,981
Transfers out	(146,853)	-	-
Total Other Financing Sources (Uses)	(146,853)	80,872	65,981
Net Change in Fund Balances	22,596	(349,808)	-
FUND BALANCES			
Beginning of Year	11,986,710	2,010,292	-
End of Year	\$ 12,009,306	\$ 1,660,484	\$ -

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

Non-Major Governmental	Total Governmental Funds
\$ -	\$ 42,973,095
-	1,476,900
-	1,051,684
-	1,775,431
264	720,924
-	49,522
7,625	9,234,892
147,695	797,181
590,181	590,181
187,387	519,837
933,152	59,189,647
-	7,189,872
-	33,870,487
-	2,086,480
745,594	745,594
-	12,447,890
185,511	185,511
-	1,785,000
-	727,050
-	476,928
931,105	59,514,812
2,047	(325,165)
-	146,853
-	(146,853)
-	-
2,047	(325,165)
76,293	14,073,295
\$ 78,340	\$ 13,748,130

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, 2025

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

Net Change in Fund Balances - Total Governmental Funds	\$ (325,165)
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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	522,068
Depreciation expense	<u>(2,613,186)</u>
	<u>(2,091,118)</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	<u>1,785,000</u>
	<u>1,785,000</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	3,462
Compensated absences	(646,176)
Changes in pension liabilities and related deferred outflows and inflows of resources	594,279
Changes in OPEB liabilities and related deferred outflows and inflows of resources	863,185
Amortization of premium on general obligation bonds	<u>80,875</u>
	<u>895,625</u>

Change in Net Position of Governmental Activities	<u><u>\$ 264,342</u></u>
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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 - Budget and Actual

General Fund

Year Ended June 30, 2025

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 42,973,095	\$ 42,973,095	\$ 42,973,095	\$ -
Other tax items	1,489,193	1,489,193	1,476,900	(12,293)
Non-property taxes	975,000	975,000	1,051,684	76,684
Charges for services	1,846,500	1,846,500	1,775,431	(71,069)
Use of money and property	407,000	407,000	720,660	313,660
Sale of property and compensation for loss	10,000	10,000	49,522	39,522
State aid	8,943,727	8,993,727	8,913,326	(80,401)
Federal aid	60,000	60,000	108,305	48,305
Miscellaneous	75,000	75,000	267,214	192,214
Total Revenues	56,779,515	56,829,515	57,336,137	506,622
EXPENDITURES				
Current				
General support	6,528,226	7,569,545	7,189,872	379,673
Instruction	34,095,575	33,929,789	32,930,396	999,393
Pupil transportation	1,889,478	2,089,313	2,086,480	2,833
Employee benefits	12,657,299	12,699,539	12,447,890	251,649
Debt service				
Principal	1,785,000	1,785,000	1,785,000	-
Interest	853,050	753,050	727,050	26,000
Total Expenditures	57,808,628	58,826,236	57,166,688	1,659,548
Excess (Deficiency) of Revenues Over Expenditures	(1,029,113)	(1,996,721)	169,449	2,166,170
OTHER FINANCING USES				
Transfers out	(155,000)	(156,411)	(146,853)	9,558
Net Change in Fund Balances	(1,184,113)	(2,153,132)	22,596	2,175,728
FUND BALANCES				
Beginning of Year	1,184,113	2,153,132	11,986,710	9,833,578
End of Year	\$ -	\$ -	\$ 12,009,306	\$ 12,009,306

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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 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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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. Issuances of long-term debt 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 Measurement 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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 position in the pool at June 30, 2025, \$9,722,028, is equal to the value of the pool shares. The maximum maturity for any specific investment in the portfolio is 397 days.

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.

CLASS is rated AAAm by Standard & Poor's Rating Service. 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.

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, 2025.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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, 2025, 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 and non-equipment capital assets with an initial, individual cost of more than \$15,000 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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 \$19,969 for aid received in advance in the Special Aid Fund and \$47,966 in the School Lunch Fund for meal purchases paid in advance and Federal aid received 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 assets 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 assets 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 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,

Note 1 - Summary of Significant Accounting Policies (Continued)

whether or not withheld from the actual debt proceeds received, are reported as Capital Projects Fund expenditures.

Compensated Absences – The liability for compensated absences represents the sick time (“leave”/“leave days”) and salary related payments which have been earned for services previously rendered by employees in accordance with the School District’s various collective bargaining agreements, accumulates, is allowed to be carried over to subsequent year(s) and is deemed more likely than not (by management) to be used for time off or otherwise paid/settled in the future. The liability is calculated based on each employee’s rate of pay and the number of unused leave days accumulated as of year-end, management’s assumption that the likelihood of future use (either by use during employment or settlement/payment upon separation from service) is probable, and the salary-related payments are directly and incrementally associated with payments for the leave. The School District utilizes historical data of past usage patterns to estimate the expected usage and payment of compensated absences. The liability for compensated absences is reflected in the district-wide financial statements as current and long-term liabilities. In the fund financial statements, only the compensated absences liability that has matured through employee resignation or retirement and is expected to be payable from expendable available financial resources is reported. The financial reporting of these amounts is presented in accordance with the provisions of GASB Statement No. 101, *“Compensated Absences”*.

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 and deferred outflows of resources 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

Note 1 - Summary of Significant Accounting Policies (Continued)

regulations of other governments. Restricted net position for the School District includes restricted for capital projects, tax certiorari, unemployment benefits, property loss and liability loss, retirement contribution, debt service, future capital projects 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.

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

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).

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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 14, 2025.

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.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- 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.
- 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.

Note 2 - Stewardship, Compliance and Accountability (Continued)

C. Property Tax Limitation

Chapter 97 of the Laws of 2011, as amended ("Tax Levy Limitation Law"), modified previous law by imposing 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 by 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 the budget, the tax levy for the school district's budget for the ensuing fiscal year may not exceed the amount of the tax levy for the prior fiscal year. School districts will be permitted to carry forward a certain portion of their unused tax levy limitation from a prior year.

The Tax Levy Limitation Law permits certain significant exclusions to the tax levy limit for school districts. 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 Law. However, such exclusion does not apply to taxes to pay 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. Capital Projects Fund Deficit

A deficit in the 2020 Construction for Buildings (Elementary) arose because expenditures exceed the current financing for this project. This deficit will be reduced and eliminated with the subsequent receipt or issuance of authorized financing or financed through the General Fund.

E. Cumulative Effect of Change in Accounting Principle

The School District implemented the provisions of GASB Statement No. 101 "*Compensated Absences*", for the year ended June 30, 2025. In addition to the value of unused leave time owed to employees upon separation from employment, the School District now also recognized as part of the compensated absences liability an estimated amount of unused leave earned as of year-end that will be used by employees as time off in future years. As a result, the School District has reported a cumulative effect of change in accounting principle to the July 1, 2024 net position of governmental activities of \$(6,342,205).

F. New Accounting Pronouncement

GASB Statement No. 102, "*Certain Risk Disclosures*", provides guidance on disclosure for risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. Under this Statement, a government is required to assess whether an event or events associated with a concentration or constraint that could cause substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of GASB Statement No. 102 are effective for the School District's fiscal year ended June 30, 2025. Management has determined that no events have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2025

Note 3 - Detailed Notes on All Funds**A. Interfund Receivables/Payable**

The composition of due from/to other funds at June 30, 2025 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 926,988	\$ 2,059,794
Capital Projects	2,010,292	163,281
Special Aid	30,894	763,707
Non-Major Governmental	18,608	-
	<u>\$ 2,986,782</u>	<u>\$ 2,986,782</u>

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:

<u>Class</u>	<u>Balance July 1, 2024</u>	<u>Additions</u>	<u>Balance June 30, 2025</u>
Capital Assets, not being depreciated:			
Land	\$ 85,950	\$ -	\$ 85,950
Construction-in-Progress	579,230	476,928	1,056,158
Total Capital Assets, not being depreciated	<u>\$ 665,180</u>	<u>\$ 476,928</u>	<u>\$ 1,142,108</u>
Capital Assets, being depreciated:			
Buildings and Improvements	\$ 74,544,694	\$ -	\$ 74,544,694
Land Improvements	3,914,561	9,378	3,923,939
Machinery and Equipment	1,245,812	35,762	1,281,574
Total Capital Assets, being depreciated	<u>79,705,067</u>	<u>45,140</u>	<u>79,750,207</u>
Less Accumulated Depreciation for:			
Building and Improvements	28,879,917	2,341,666	31,221,583
Land Improvements	1,041,584	187,964	1,229,548
Machinery and Equipment	729,253	83,556	812,809
Total Accumulated Depreciation	<u>30,650,754</u>	<u>2,613,186</u>	<u>33,263,940</u>
Total Capital Assets, being depreciated, net	<u>\$ 49,054,313</u>	<u>\$ (2,568,046)</u>	<u>\$ 46,486,267</u>
Capital Assets, net	<u>\$ 49,719,493</u>	<u>\$ (2,091,118)</u>	<u>\$ 47,628,375</u>

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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

General Support	\$ 1,071,197
Instruction	1,535,947
Cafeteria	<u>6,042</u>
Total Depreciation Expense	<u>\$ 2,613,186</u>

C. Accrued Liabilities

Accrued liabilities at June 30, 2025 were as follows:

	General Fund
Payroll and Employee Benefits	<u>\$ 58,934</u>

D. Long-Term Liabilities

The following table summarizes changes in the School District's long-term liabilities for the year ended June 30, 2025:

	Balance July 1, 2024	Cumulative Effect of Change in Accounting Principle*	Balance as Restated July 1, 2024	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2025	Due Within One-Year
General Obligation Bonds Payable	\$ 21,970,000	\$ -	\$ 21,970,000	\$ -	\$ 1,785,000	\$ 20,185,000	\$ 1,835,000
Plus							
Unamortized premium on bonds	963,758	-	963,758	-	80,875	882,883	-
	<u>22,933,758</u>	<u>-</u>	<u>22,933,758</u>	<u>-</u>	<u>1,865,875</u>	<u>21,067,883</u>	<u>1,835,000</u>
Other Non-current Liabilities:							
Compensated Absences	81,324	6,342,205	6,423,529	646,176 **	-	7,069,705	707,000
Net Pension Liability - ERS	1,266,008	-	1,266,008	235,789	-	1,501,797	-
Net Pension Liability - TRS	1,543,382	-	1,543,382	-	1,543,382	-	-
Other Postemployment Benefit Liabilities	69,813,737	-	69,813,737	(7,058,239)	1,862,878	60,892,620	1,937,393
Total Non-Current Liabilities	<u>72,704,451</u>	<u>6,342,205</u>	<u>79,046,656</u>	<u>(6,176,274)</u>	<u>3,406,260</u>	<u>69,464,122</u>	<u>2,644,393</u>
Total Long-Term Liabilities	<u>\$ 95,638,209</u>	<u>\$ 6,342,205</u>	<u>\$ 101,980,414</u>	<u>\$ (6,176,274)</u>	<u>\$ 5,272,135</u>	<u>\$ 90,532,005</u>	<u>\$ 4,479,393</u>

*See Note 2E

**The change in the compensated absences liability is presented as a net change.

The School District's indebtedness for general obligation bonds 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, 2025

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

General obligations bonds payable at June 30, 2025 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at June 30, 2025
District-Wide Reconstruction	2018	\$ 14,269,145	June, 2033	2.00 - 3.00 %	\$ 7,870,000
District-Wide Reconstruction	2023	13,865,000	June, 2037	4.00%	12,315,000
					<u>\$ 20,185,000</u>

Interest expenditures of \$727,050 were recorded in the fund financial statements in the General Fund. Interest expense of \$642,713 was recorded in the district-wide financial statements.

Payments to Maturity

The annual requirements to amortize all outstanding bonded debt as of June 30, 2025 including interest payments of \$4,218,238 are as follows:

Ending June 30,	General Obligation Bonds	
	Principal	Interest
2026	\$ 1,835,000	\$ 675,350
2027	1,885,000	622,100
2028	1,935,000	566,444
2029	1,995,000	507,794
2030	2,060,000	445,150
2031-2035	8,000,000	1,252,000
2036-2037	2,475,000	149,400
	<u>\$ 20,185,000</u>	<u>\$ 4,218,238</u>

The above general obligation bonds 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.

Note 3 - Detailed Notes on All Funds (Continued)

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 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 ERS plan year ended March 31, 2025 and TRS plan year ended June 30, 2025 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	4 A15	17.90 %
	5 A15	15.40
	6 A15	11.40
TRS	1-6	10.11 %

At June 30, 2025, the School District reported the following for its proportionate share of the net pension liability (asset) for ERS and TRS:

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2025	June 30, 2024
Net pension liability (asset)	\$ 1,501,797	\$ (4,053,208)
School District's proportion of the net pension liability	0.0087590 %	0.135849 %
Change in proportion since the prior measurement date	0.0001608 %	0.000889 %

The net pension liability was measured as of March 31, 2025 for ERS and June 30, 2024 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 (asset) 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, 2025, the School District recognized pension expense in the district-wide financial statements of \$4,917,109 (\$574,046 for ERS and \$4,343,063 for TRS). Pension expenditures for ERS of \$439,429 were recorded in the fund financial statements in the General Fund. Pension expenditures for TRS of \$2,650,820 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, 2025

Note 3 - Detailed Notes on All Funds (Continued)

At June 30, 2025, 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	\$ 372,756	\$ 17,583	\$ 4,364,561	\$ -
Changes of assumptions	62,982	-	2,424,640	407,847
Net difference between projected and actual earnings on pension plan investments	117,827	-	-	4,503,459
Changes in proportion and differences between School District contributions and proportionate share of contributions	77,597	10,505	98,137	160,216
School District contributions subsequent to the measurement date	127,839	-	2,712,818	-
	<u>\$ 759,001</u>	<u>\$ 28,088</u>	<u>\$ 9,600,156</u>	<u>\$ 5,071,522</u>
Total				
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 4,737,317	\$ 17,583		
Changes of assumptions	2,487,622	407,847		
Net difference between projected and actual earnings on pension plan investments	117,827	4,503,459		
Changes in proportion and differences between School District contributions and proportionate share of contributions	175,734	170,721		
School District contributions subsequent to the measurement date	2,840,657	-		
	<u>\$ 10,359,157</u>	<u>\$ 5,099,610</u>		

\$127,839 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 decrease of the net pension liability in the plan's year ended March 31, 2026. The \$2,712,818 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, 2025. 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
2025	\$ -	\$ (2,138,542)
2026	290,308	4,940,981
2027	405,448	(812,735)
2028	(114,408)	(906,236)
2029	21,726	532,417
Thereafter	-	199,931
	<u>\$ 603,074</u>	<u>\$ 1,815,816</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, 2025	June 30, 2024
Actuarial valuation date	April 1, 2024	June 30, 2023
Investment rate of return	5.9% *	6.95% *
Salary scale	4.3%	1.95%-5.18%
Inflation rate	2.9%	2.4%
Cost of living adjustments	1.5%	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-2021. For TRS, annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021, 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, 2015 to June 30, 2020.

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.

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2025

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, 2025		TRS June 30, 2024	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	25 %	3.54 %	33 %	6.6 %
International Equity	14	6.57	15	7.4
Private Equity	15	7.25	9	10.0
Real Estate	12	4.95	11	6.3
Domestic Fixed Income Securities	-	-	16	2.6
Global Fixed Income Securities	-	-	2	2.5
High Yield Fixed Income Securities	-	-	1	4.8
Global Equities	-	-	4	6.9
Private Debt	-	-	2	5.9
Real Estate Debt	-	-	6	3.9
Opportunistic/Absolute Return Strategy	3	5.25	-	-
Credit	4	5.40	-	-
Real Assets	4	5.55	-	-
Fixed Income	22	2.00	-	-
Cash	1	0.25	1	0.5
	<u>100 %</u>		<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.9% for ERS and 2.4% for TRS.

The discount rate used to calculate the total pension liability was 5.9% for ERS and 6.95% 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 (asset) calculated using the discount rate of 5.9% for ERS and 6.95% 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 5.95% for TRS) or 1 percentage point higher (6.9% for ERS and 7.95% for TRS) than the current rate:

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2025

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>\$ 4,346,390</u>	<u>\$ 1,501,797</u>	<u>\$ (873,440)</u>
	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
School District's proportionate share of the TRS net pension liability (asset)	<u>\$ 18,722,001</u>	<u>\$ (4,053,208)</u>	<u>\$ (23,207,770)</u>

The components of the collective net pension liability as of the March 31, 2025 ERS measurement date and the June 30, 2024 TRS measurement date were as follows:

	ERS	TRS
Total pension liability	\$ 247,600,239,000	\$ 142,837,826,465
Fiduciary net position	<u>230,454,512,000</u>	<u>145,821,434,780</u>
Employers' net pension liability (asset)	<u>\$ 17,145,727,000</u>	<u>\$ (2,983,608,315)</u>
Fiduciary net position as a percentage of total pension liability	<u>93.08%</u>	<u>102.09%</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, 2025 represent the projected employer contribution for the period April 1, 2025 through June 30, 2025 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, 2025 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, 2025 represent employee and employer contributions for the fiscal year ended June 30, 2025 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, 2025 were \$127,839 to ERS and \$3,091,467 to TRS (including employee contributions of \$378,649).

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

Note 3 - Detailed Notes on All Funds (Continued)

8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

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, 2025, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	199
Active employees	259
	458

The School District's total OPEB liability of \$60,892,620 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2023.

The total OPEB liability in the July 1, 2023 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	2.40%
Discount rate	5.20%
Health care cost trend rates	6.70% in 2025 decreasing 0.5% per year to an ultimate rate of 4.10% over 54 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/Aa 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.

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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.

The School District's change in the total OPEB liability for the year ended June 30, 2025 is as follows:

Total OPEB Liability - Beginning of Year	\$ 69,813,737
Service cost	3,070,932
Interest	2,828,114
Changes in assumptions or other inputs	(12,957,285)
Benefit payments	<u>(1,862,878)</u>
Total OPEB Liability - End of Year	<u>\$ 60,892,620</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 (4.20%) or 1 percentage point higher (6.20%) than the current discount rate:

	1% Decrease 4.20%	Current Discount Rate 5.20%	1% Increase 6.20%
Total OPEB Liability	<u>\$ 70,784,365</u>	<u>\$ 60,892,620</u>	<u>\$ 52,896,799</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 (5.7% decreasing to 3.1%) or 1 percentage point higher (7.7% decreasing to 5.1%) than the current healthcare cost trend rates:

	1% Decrease (5.70% decreasing to 3.10%)	Current Healthcare Cost Trend Rates (6.70% decreasing to 4.10%)	1% Increase (7.70% increasing to 5.10%)
Total OPEB Liability	<u>\$ 50,938,804</u>	<u>\$ 60,892,620</u>	<u>\$ 73,737,404</u>

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

For the year ended June 30, 2025, the School District recognized OPEB expense of \$999,695 in the district-wide financial statements. At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,343,146	\$ 5,062,465
Changes in assumptions	<u>2,056,995</u>	<u>22,849,290</u>
	<u>\$ 3,400,141</u>	<u>\$ 27,911,755</u>

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

<u>Year Ended June 30,</u>	
2026	\$ (4,822,757)
2027	(4,133,575)
2028	(4,337,190)
2029	(4,594,361)
2030	(3,045,712)
Thereafter	<u>(3,578,019)</u>
	<u>\$ (24,511,614)</u>

E. 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>	<u>Capital Projects Fund</u>	<u>Special Aid Fund</u>	<u>Total</u>
General Fund	<u>\$ 80,872</u>	<u>\$ 65,981</u>	<u>\$ 146,853</u>

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

Note 3 - Detailed Notes on All Funds (Continued)

F. 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.

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 Property Loss and Liability Loss – the component of net position that has been established to set aside funds to cover property loss and liability claims in accordance with Education Law Sections 1709(8-c), 1950(4)(cc).

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 has been established to set aside funds to be used for extraclassroom activities and other purposes 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, 2025

Note 3 - Detailed Notes on All Funds (Continued)

G. Fund Balances

	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable:				
Inventories	\$ -	\$ -	\$ 4,848	\$ 4,848
	-	-	4,848	4,848
Restricted:				
Tax certiorari	3,433,548	-	-	3,433,548
Tax certiorari - for				
subsequent years expenditures	75,000	-	-	75,000
Unemployment benefits	193,083	-	-	193,083
Property Loss and Liability Loss	500,000	-	-	500,000
Property Loss and Liability - for				
subsequent years expenditures	150,000	-	-	150,000
Employee benefit accrued liability	220,135	-	-	220,135
ERS retirement contributions	636,944	-	-	636,944
ERS retirement contributions - for				
subsequent years expenditures	145,000	-	-	145,000
TRS retirement contributions	540,000	-	-	540,000
Debt service	523,625	-	-	523,625
Future capital projects	2,403,464	-	-	2,403,464
Capital projects	-	1,660,484	-	1,660,484
Special purposes - extraclassroom activities	-	-	54,546	54,546
Special purposes - other	-	-	23,794	23,794
Total Restricted	8,820,799	1,660,484	78,340	10,559,623
Assigned:				
Purchases on order:				
General support	209,552	-	-	209,552
Instruction	85,257	-	-	85,257
	294,809	-	-	294,809
Designated for subsequent				
year's expenditures	500,000	-	-	500,000
Total Assigned	794,809	-	-	794,809
Unassigned	2,393,698	-	(4,848)	2,388,850
Total Fund Balance	\$ 12,009,306	\$ 1,660,484	\$ 78,340	\$ 13,748,130

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.

Note 3 - Detailed Notes on All Funds (Continued)

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.

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 four actions in which the parents of a students are seeking reimbursement for tuition at non-public schools for the 2024-25 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 fees. The School District vigorously contests any liability for these claims.

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 School District is vigorously defending this litigation. The case was stayed in January 2022 pending the Boy Scouts of America bankruptcy and remains stayed. The School District is claiming that it should not be liable for the actions of the local Boy Scouts of America personnel.

In addition, there is a case against the School District and three employees of the School District, pending in Westchester County Supreme Court. The plaintiffs assert claims of race and religious discrimination and retaliation. The case is in discovery phase and the School District will vigorously contest any liability for these claims.

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.

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.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

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. 103, "*Financial Reporting Model Improvements*", has been issued to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

GASB Statement No. 104, "*Disclosure of Certain Capital Assets*", requires certain types of capital assets to be disclosed separately in the capital assets note disclosures. Governments must separately present lease assets, right-to-use assets from public-private or public-public partnerships, subscription assets and all other tangible assets by major class. For capital assets held for sale-assets a government has decided to sell with completion of the date probable within one year of the financial statement date-governments must disclose the historical cost, accumulated depreciation (or amortization), and the carrying amount of any pledged debt related to those assets. This Statement affects only presentation and disclosure, not recognition or measurement requirements. The requirements of this statement are effective for reporting periods beginning after June 15, 2025.

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 of this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

Note 6 - Subsequent Events

The School District, on July 30, 2025, issued a bond anticipation note in the amount of \$2,000,000 bearing interest at 3.75%. The note matures on June 25, 2026, and was issued to provide additional financing for the purpose of construction of improvements to District buildings and project sites.

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)

	2025	2024	2023 (4)
Total OPEB Liability:			
Service cost	\$ 3,070,932	\$ 3,223,800	\$ 3,076,715
Interest	2,828,114	2,723,683	2,398,412
Changes of benefit terms	-	98,115	-
Differences between expected and actual experience	-	(3,536,160)	-
Changes of assumptions or other inputs *	(12,957,285)	(3,205,340)	2,975,052
Benefit payments	(1,862,878)	(1,760,221)	(1,695,991)
	(8,921,117)	(2,456,123)	6,754,188
Total OPEB Liability – Beginning of Year	69,813,737	72,269,860	65,515,672
Total OPEB Liability – End of Year	\$ 60,892,620	\$ 69,813,737	\$ 72,269,860
School District's covered-employee payroll	\$ 25,725,884	\$ 25,725,884	\$ 24,614,383
Total OPEB liability as a percentage of covered-employee payroll	236.70%	271.38%	293.61%
*Discount Rate	5.20%	3.93%	3.65%

(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) Premiums increased less than expected, along with a decrease in the total number of active employees and retirees covered by the plan. The election coverage percentage was revised from 100% to 95% as of July 1, 2021. The mortality improvement scale was revised from MP-2019 to MP-2020. The annual rate of increase in healthcare costs was revised based on the 2022 Getzen Model. Retiree contributions for health care costs were updated to reflect the latest collective bargaining agreements. These updated assumptions led to a reduction in the liability.

See independent auditors' report.

2022	2021	2020	2019	2018
\$ 4,208,389 1,829,737 -	\$ 4,205,541 1,759,820 -	\$ 3,841,167 2,496,880 -	\$ 3,551,980 2,185,249 -	\$ 3,448,524 2,059,624 -
(4,610,903) (15,608,255) (1,601,344)	- 713,990 (1,602,560)	4,556,914 (1,429,910) (1,471,442)	- (6,050,798) (1,485,862)	14,992 - (1,393,074)
(15,782,376)	5,076,791	7,993,609	(1,799,431)	4,130,066
81,298,048	76,221,257	68,227,648	70,027,079	65,897,013 (3)
<u>\$ 65,515,672</u>	<u>\$ 81,298,048</u>	<u>\$ 76,221,257</u>	<u>\$ 68,227,648</u>	<u>\$ 70,027,079</u>
<u>\$ 24,614,383</u>	<u>\$ 24,055,156</u>	<u>\$ 24,055,156</u>	<u>\$ 22,227,145</u>	<u>\$ 22,227,145</u>
<u>266.17%</u>	<u>337.97%</u>	<u>316.86%</u>	<u>306.96%</u>	<u>315.05%</u>
<u>3.54%</u>	<u>2.16%</u>	<u>2.21%</u>	<u>3.50%</u>	<u>3.00%</u>

Dobbs Ferry Union Free School District, New York

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

Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset) (1)

	2025	2024 (3)	2023 (2)	2022 (3)	2021 (2)
School District's proportion of the net pension liability (asset)	0.135849%	0.134960%	0.137512%	0.136442%	0.135946%
School District's proportionate share of the net pension liability (asset)	\$ (4,053,208)	1,543,382	\$ 2,638,703	\$ (23,644,019)	\$ 3,756,550
School District's covered payroll	\$ 26,512,305	23,376,161	\$ 24,545,074	\$ 23,196,142	\$ 23,141,390
School District's proportionate share of the liability (asset) as a percentage of its covered payroll	(15%)	7%	11%	(101.93)%	16%
Plan fiduciary net position as a percentage of the total pension liability	102.09%	99.17%	98.57%	113.20%	97.76%
Discount Rate	6.95%	6.95%	6.95%	6.95%	7.10%

Schedule of Contributions

	2025	2024	2023	2022	2021
Contractually required contribution	\$ 2,531,590	2,587,601	\$ 2,405,407	\$ 2,405,407	\$ 2,210,592
Contributions in relation to the contractually required contribution	(2,712,818)	(2,405,407)	(2,405,407)	(2,405,407)	(2,210,592)
Contribution (excess) deficiency	\$ (181,228)	182,194	\$ -	\$ -	\$ -
School District's covered payroll	\$ 26,833,017	\$ 26,512,305	\$ 23,376,161	\$ 24,545,074	\$ 23,196,142
Contributions as a percentage of covered payroll	9.43%	9.76%	10.29%	9.80%	9.53%

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

(2) 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.

(3) 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.

See independent auditors' report.

2020	2019	2018	2017	2016
0.132966%	0.129987%	0.128823%	0.126673%	0.126494%
\$ (3,454,456)	\$ (2,350,504)	\$ (979,184)	\$ 1,356,722	\$ (13,138,707)
\$ 22,358,254	\$ 21,339,605	\$ 20,413,236	\$ 19,547,640	\$ 18,996,389
(15.45)%	(11.01)%	(4.80)%	6.94%	(69.16)%
102.17%	101.53%	100.66%	99.01%	110.46%
7.10%	7.25%	7.25%	7.50%	8.00%

2020	2019	2018	2017	2016
\$ 2,050,327	\$ 2,374,447	\$ 2,091,281	\$ 2,392,431	\$ 2,592,017
(2,050,327)	(2,374,447)	(2,091,281)	(2,392,431)	(2,592,017)
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 23,141,390	\$ 22,358,254	\$ 21,339,605	\$ 20,413,236	\$ 19,547,640
8.86%	10.62%	9.80%	11.72%	13.26%

Dobbs Ferry Union Free School District, New York

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

Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset) (1)

	2025	2024 (3)	2023 (2)	2022 (3)
School District's proportion of the net pension liability (asset)	0.0087590%	0.0085982%	0.0087808%	0.0086080%
School District's proportionate share of the net pension liability (asset)	\$ 1,501,797	\$ 1,266,008	\$ 1,882,965	\$ (703,668)
School District's covered payroll	\$ 3,050,898	\$ 3,085,104	\$ 2,990,608	\$ 2,935,573
School District's proportionate share of the net pension liability (asset) as a percentage of its of its covered payroll	49%	41%	63%	(23.97)%
Plan fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%
Discount Rate	5.90%	5.90%	5.90%	5.90%

Schedule of Contributions

	2025	2024	2023	2022
Contractually required contribution	\$ 235,789	\$ 368,420	\$ 324,719	\$ 417,835
Contributions in relation to the contractually required contribution	(235,789)	(368,420)	(324,719)	(417,835)
Contribution excess	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 3,022,207	\$ 3,126,706	\$ 2,977,508	\$ 3,165,017
Contributions as a percentage of covered payroll	7.80%	11.78%	10.91%	13.20%

(1) The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

(2) 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.

(3) 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.

See independent auditors' report.

2021 (3)	2020 (2)	2019	2018	2017	2016
0.0082386%	0.0088680%	0.0091502%	0.0094193%	0.0091606%	0.0090176%
\$ 8,204	\$ 2,348,296	\$ 648,320	\$ 304,003	\$ 860,754	\$ 1,447,343
\$ 2,758,523	\$ 2,716,945	\$ 2,649,279	\$ 2,702,228	\$ 2,755,750	\$ 2,576,891
0.30%	86.43%	24.47%	11.25%	31.23%	56.17%
99.95%	86.39%	96.27%	98.24%	94.70%	90.70%
5.90%	6.80%	7.00%	7.00%	7.00%	7.00%
2021	2020	2019	2018	2017	2016
\$ 370,707	\$ 369,851	\$ 390,167	\$ 413,012	\$ 397,184	\$ 460,524
(370,707)	(369,851)	(390,167)	(413,012)	(397,184)	(460,524)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,828,174	\$ 2,691,048	\$ 2,705,864	\$ 2,624,512	\$ 2,756,291	\$ 2,630,266
13.11%	13.74%	14.42%	15.74%	14.41%	17.51%

Dobbs Ferry Union Free School District, New York

General Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
REVENUES					
Real property taxes	\$ 42,973,095	\$ 42,973,095	\$ 42,973,095	\$	\$ -
Other tax items	1,489,193	1,489,193	1,476,900		(12,293)
Non-property taxes	975,000	975,000	1,051,684		76,684
Charges for services	1,846,500	1,846,500	1,775,431		(71,069)
Use of money and property	407,000	407,000	720,660		313,660
Sale of property and compensation for loss	10,000	10,000	49,522		39,522
State aid	8,943,727	8,993,727	8,913,326		(80,401)
Federal aid	60,000	60,000	108,305		48,305
Miscellaneous	75,000	75,000	267,214		192,214
Total Revenues	56,779,515	56,829,515	57,336,137		506,622
EXPENDITURES					
Current					
General support					
Board of education	57,780	58,055	55,196	-	2,859
Central administration	458,349	458,373	457,079	-	1,294
Finance	658,062	698,809	694,589	16,700	(12,480)
Staff	306,949	1,182,628	1,090,303	-	92,325
Central services	4,304,453	4,375,980	4,102,504	191,752	81,724
Special items	742,633	795,700	790,201	1,100	4,399
Total General Support	6,528,226	7,569,545	7,189,872	209,552	170,121
Instruction					
Instruction, administration and improvement	2,394,294	2,438,235	2,395,642	-	42,593
Teaching - Regular school	16,640,411	16,579,257	16,345,095	-	234,162
Programs for students with disabilities	9,839,214	9,879,381	9,428,426	85,257	365,698
Occupational education	201,676	104,775	104,774	-	1
Instructional media	1,701,580	1,707,280	1,616,783	-	90,497
Pupil services	3,318,400	3,220,861	3,039,676	-	181,185
Total Instruction	34,095,575	33,929,789	32,930,396	85,257	914,136
Pupil transportation	1,889,478	2,089,313	2,086,480	-	2,833
Employee benefits	12,657,299	12,699,539	12,447,890	-	251,649
Debt service					
Principal	1,785,000	1,785,000	1,785,000	-	-
Interest	853,050	753,050	727,050	-	26,000
Total Expenditures	57,808,628	58,826,236	57,166,688	294,809	1,364,739
Excess (Deficiency) of Revenues Over Expenditures	(1,029,113)	(1,996,721)	169,449	(294,809)	1,871,361
OTHER FINANCING USES					
Transfers out	(155,000)	(156,411)	(146,853)	-	9,558
Net Change in Fund Balance	(1,184,113)	(2,153,132)	22,596	\$ (294,809)	\$ 1,880,919
FUND BALANCE					
Beginning of Year	1,184,113	2,153,132	11,986,710		
End of Year	\$ -	\$ -	\$ 12,009,306		

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REAL PROPERTY TAXES	\$ 42,973,095	\$ 42,973,095	\$ 42,973,095	\$ -
OTHER TAX ITEMS				
School tax relief reimbursement	1,464,193	1,464,193	1,464,193	-
Bisected property taxes	25,000	25,000	12,707	(12,293)
	1,489,193	1,489,193	1,476,900	(12,293)
NON-PROPERTY TAXES				
Non-property tax distribution from County	975,000	975,000	1,051,684	76,684
CHARGES FOR SERVICES				
Day school tuition	1,093,500	1,093,500	991,508	(101,992)
Textbook Charges	10,000	10,000	9,180	(820)
Other student fees and charges	150,000	150,000	198,186	48,186
Health services for other districts	593,000	593,000	576,557	(16,443)
	1,846,500	1,846,500	1,775,431	(71,069)
USE OF MONEY AND PROPERTY				
Earnings on investments	400,000	400,000	717,358	317,358
Rental of real property	5,000	5,000	2,292	(2,708)
Commissions	2,000	2,000	1,010	(990)
	407,000	407,000	720,660	313,660
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sale of equipment	10,000	10,000	14,879	4,879
Insurance Recoveries	-	-	34,643	34,643
	10,000	10,000	49,522	39,522
STATE AID				
Basic formula	7,748,128	7,748,128	5,723,233	(2,024,895)
BOCES	934,029	934,029	965,750	31,721
Lottery aid	22,140	22,140	1,912,566	1,890,426
Textbooks	139,430	139,430	93,026	(46,404)
Computer software	-	-	55,033	55,033
Library aid	-	-	13,718	13,718
Tax limitation aid	100,000	150,000	150,000	-
	8,943,727	8,993,727	8,913,326	(80,401)
FEDERAL AID				
Medical assistance	60,000	60,000	108,305	48,305

(Continued)

Dobbs Ferry Union Free School District, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
MISCELLANEOUS				
Other	\$ 10,000	\$ 10,000	\$ 39,800	\$ 29,800
Refund for BOCES' aided services	65,000	65,000	139,914	74,914
Refund of prior year's expenditures	<u>-</u>	<u>-</u>	<u>87,500</u>	<u>87,500</u>
	<u>75,000</u>	<u>75,000</u>	<u>267,214</u>	<u>192,214</u>
TOTAL REVENUES	<u><u>\$ 56,779,515</u></u>	<u><u>\$ 56,829,515</u></u>	<u><u>\$ 57,336,137</u></u>	<u><u>\$ 506,622</u></u>

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, 2025

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
GENERAL SUPPORT					
BOARD OF EDUCATION					
Board of education	\$ 29,180	\$ 32,900	\$ 30,242	\$ -	\$ 2,658
District clerk	12,700	13,195	12,995	-	200
District meeting	15,900	11,960	11,959	-	1
Total Board of Education	57,780	58,055	55,196	-	2,859
CENTRAL ADMINISTRATION					
Chief school administrator	458,349	458,373	457,079	-	1,294
FINANCE					
Business administration	482,384	524,138	535,887	1,500	(13,249)
Accounting and auditing	59,450	58,005	42,805	15,200	-
Treasurer	116,228	116,666	115,897	-	769
Total Finance	658,062	698,809	694,589	16,700	(12,480)
STAFF					
Legal	130,000	976,000	916,393	-	59,607
Personnel	114,626	123,086	122,854	-	232
Records Management Officer	7,000	7,000	348	-	6,652
Public information and services	55,323	76,542	50,708	-	25,834
Total Staff	306,949	1,182,628	1,090,303	-	92,325
CENTRAL SERVICES					
Operation and maintenance of plant	3,997,747	4,107,980	3,837,870	191,752	78,358
Central printing and mailing	16,000	16,000	13,276	-	2,724
Central data processing	290,706	252,000	251,358	-	642
Total Central Services	4,304,453	4,375,980	4,102,504	191,752	81,724
SPECIAL ITEMS					
Unallocated insurance	253,153	265,941	264,744	-	1,197
Judgements and Claims	-	41,279	41,279	-	-
Assessments on school property	208,246	207,246	202,944	1,100	3,202
Administrative charge - BOCES	281,234	281,234	281,234	-	-
Total Special Items	742,633	795,700	790,201	1,100	4,399
Total General Support	6,528,226	7,569,545	7,189,872	209,552	170,121
INSTRUCTION					
INSTRUCTION, ADMINISTRATION AND IMPROVEMENT					
Curriculum development and supervision	285,928	296,587	278,945	-	17,642
Supervision - Regular school	1,861,294	1,869,319	1,860,347	-	8,972
In-service training - Instruction	247,072	272,329	256,350	-	15,979
Total Instruction, Administration and Improvement	2,394,294	2,438,235	2,395,642	-	42,593

(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, 2025

	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
INSTRUCTION (Continued)					
TEACHING - REGULAR SCHOOL	\$ 16,640,411	\$ 16,579,257	\$ 16,345,095	\$ -	\$ 234,162
PROGRAMS FOR STUDENTS WITH DISABILITIES	9,839,214	9,879,381	9,428,426	85,257	365,698
OCCUPATIONAL EDUCATION	201,676	104,775	104,774	-	1
INSTRUCTIONAL MEDIA					
School library and audiovisual	281,288	275,639	224,146	-	51,493
Computer assisted instruction	1,420,292	1,431,641	1,392,637	-	39,004
Total Instructional Media	1,701,580	1,707,280	1,616,783	-	90,497
PUPIL SERVICES					
Attendance- Regular school	67,767	66,783	66,783	-	-
Guidance - Regular school	958,389	958,291	944,009	-	14,282
Health services - Regular school	517,395	517,395	478,853	-	38,542
Psychological services - Regular school	461,460	352,628	318,586	-	34,042
Social Work services- Regular school	330,590	330,590	325,849	-	4,741
Co-curricular activities - Regular school	304,335	314,006	263,398	-	50,608
Interscholastic athletics - Regular school	678,464	681,168	642,198	-	38,970
Total Pupil Services	3,318,400	3,220,861	3,039,676	-	181,185
Total Instruction	34,095,575	33,929,789	32,930,396	85,257	914,136
PUPIL TRANSPORTATION					
District transportation services	131,528	133,863	133,863	-	-
Contract and public carrier transportation	1,757,950	1,955,450	1,952,617	-	2,833
Total Pupil Transportation	1,889,478	2,089,313	2,086,480	-	2,833
EMPLOYEE BENEFITS					
State retirement	452,114	452,114	439,429	-	12,685
Teachers' retirement	2,748,681	2,743,681	2,650,820	-	92,861
Social security	2,321,100	2,323,906	2,231,921	-	91,985
Hospital, medical and dental insurance	6,542,094	6,489,589	6,444,353	-	45,236
Unemployment insurance	30,000	68,805	68,805	-	-
Workers' compensation benefits	128,703	128,703	125,613	-	3,090
Union welfare benefits	377,383	372,383	366,639	-	5,744
Other	57,224	120,358	120,310	-	48
Total Employee Benefits	12,657,299	12,699,539	12,447,890	-	251,649
DEBT SERVICE					
Principal					
Serial bonds	1,785,000	1,785,000	1,785,000	-	-

(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, 2025

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
Interest					
Serial bonds	\$ 727,050	\$ 727,050	\$ 727,050	\$ -	\$ -
Bond anticipation notes	126,000	26,000	-	-	26,000
Total Debt Service	2,638,050	2,538,050	2,512,050	-	26,000
TOTAL EXPENDITURES	57,808,628	58,826,236	57,166,688	294,809	1,364,739
OTHER FINANCING USES					
Transfers out					
Capital Projects Fund	100,000	100,000.00	80,872	-	19,128
Special Aid Fund	55,000	56,411	65,981	-	(9,570)
TOTAL OTHER FINANCING USES	155,000	156,411	146,853	-	9,558
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 57,963,628	\$ 58,982,647	\$ 57,313,541	\$ 294,809	\$ 1,374,297

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project Through June 30, 2025

PROJECT	Authorization	Expenditures and Transfers to Date		
		Prior Years	Current Year	Total
2020 Construction for Buildings (HS/MS)	\$ 18,020,000	\$ 12,039,934	\$ 314,163	\$ 12,354,097
2020 Construction for Buildings (Elementary)	1,957,378	2,780,604	35,645	2,816,249
2019 Smart Schools Bond	367,973	285,205	-	285,205
Connectivity	46,248	-	46,248	46,248
2024-25 Capital Outlay Exception Project	100,000	-	80,872	80,872
	<u>\$ 20,491,599</u>	<u>\$ 15,105,743</u>	<u>\$ 476,928</u>	<u>\$ 15,582,671</u>

See independent auditors' report.

Unexpended Balance	Methods of Financing				Fund Balance at June 30, 2025
	Interfund Transfers	Proceeds of Obligations	State Aid	Total	
\$ 5,665,903	\$ 1,530,000	\$ 12,520,226	\$ -	\$ 14,050,226	\$ 1,696,129
(858,871)	170,000	2,610,604	-	2,780,604	(35,645)
82,768	-	-	285,205	285,205	-
-	-	-	46,248	46,248	-
19,128	80,872	-	-	80,872	-
<u>\$ 4,908,928</u>	<u>\$ 1,780,872</u>	<u>\$ 15,130,830</u>	<u>\$ 331,453</u>	<u>\$ 17,243,155</u>	<u>\$ 1,660,484</u>

Dobbs Ferry Union Free School District, New York

Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	School Lunch	Special Purpose	Total Non-Major Governmental Funds
ASSETS			
Cash and equivalents	\$ 27,125	\$ 78,340	\$ 105,465
Receivables			
Accounts	21,756	-	21,756
State and Federal aid	29,867	-	29,867
Due from Other Funds	18,608	-	18,608
	70,231	-	70,231
Inventories	4,848	-	4,848
Total Assets	<u>\$ 102,204</u>	<u>\$ 78,340</u>	<u>\$ 180,544</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 53,663	\$ -	\$ 53,663
Due to other governments	575	-	575
Unearned revenues	47,966	-	47,966
Total Liabilities	102,204	-	102,204
Fund balances			
Nonspendable	4,848	-	4,848
Restricted	-	78,340	78,340
Unassigned	(4,848)	-	(4,848)
Total Fund Balances	-	78,340	78,340
Total Liabilities and Fund Balances	<u>\$ 102,204</u>	<u>\$ 78,340</u>	<u>\$ 180,544</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, 2025**

	School Lunch	Special Purpose	Total Non-Major Governmental Funds
REVENUES			
Use of money and property	\$ -	\$ 264	\$ 264
State aid	7,625	-	7,625
Federal aid	147,695	-	147,695
Food sales	590,181	-	590,181
Miscellaneous	93	187,294	187,387
Total Revenues	745,594	187,558	933,152
EXPENDITURES			
Current			
Cost of food sales	745,594	-	745,594
Other	-	185,511	185,511
Total Expenditures	745,594	185,511	931,105
Net Change in Fund Balances	-	2,047	2,047
FUND BALANCES			
Beginning of Year	-	76,293	76,293
End of Year	\$ -	\$ 78,340	\$ 78,340

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, 2025

Adopted Budget	\$ 57,594,408
Additions - Encumbrances	<u>369,220</u>
Original Budget	57,963,628
Budget Amendments	<u>1,019,019</u>
Final Budget	<u><u>\$ 58,982,647</u></u>

General Fund

Section 1318 of Real Property Tax Law Limit Calculation

2025-2026 Expenditure Budget	<u>\$ 59,842,452</u>
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General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law

Unrestricted fund balance

Assigned fund balance

\$ 794,809

Unassigned fund balance

2,393,698

Total Unrestricted Fund Balance

3,188,507

Less

Appropriated for subsequent year's budget

500,000

Encumbrances

294,809

Total Adjustments

794,809

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

\$ 2,393,698

Actual Percentage

4.00%

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

Schedule of Net Investment in Capital Assets
Year Ended June 30, 2025

Capital Assets, net		\$	47,628,375
Less			
General obligation bonds payable	\$	(20,185,000)	
Unamortized portion of issuance premium on bonds		<u>(882,883)</u>	<u>(21,067,883)</u>
Net Investment in Capital Assets		\$	<u>26,560,492</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, 2025, 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 14, 2025.

Report on 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 or significant deficiencies may exist that were not identified.

Report on 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 School District'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 School District'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 14, 2025