

**Mamaroneck Union Free  
School District, New York**

Financial Statements and  
Supplementary Information

Year Ended June 30, 2020



# Mamaroneck Union Free School District, New York

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## **Independent Auditors' Report**

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

### **Report on the Financial Statements**

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

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

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

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

## ***Opinions***

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

## ***Emphasis of Matter***

As discussed in Note 4B in the notes to financial statements, on March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of COVID-19 ("Coronavirus"). Our opinion is not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

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

### ***Supplementary and Other Information***

Our audit for the year ended June 30, 2020 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* for the year ended June 30, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2020 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2020.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the School District as of and for the year ended June 30, 2019 (not presented herein), and have issued our report thereon dated September 11, 2019, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended June 30, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2019 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2019 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2019.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2020 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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

September 16 2020

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# **Mamaroneck Union Free School District, New York**

## **Management's Discussion and Analysis (MD&A) June 30, 2020**

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### **Introduction**

Our discussion and analysis of the Mamaroneck 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, 2020. To enhance your understanding of the School District's financial performance, it should be read in conjunction with the basic financial statements that immediately follow this section.

### **Financial Highlights**

Key financial highlights for fiscal year 2019-2020 are as follows:

- At the close of the current fiscal year, the School District's governmental funds financial statement shows a combined ending fund balance of \$16,978,295 an increase of \$1,684,578 from the prior year. An increase in the fund balance of the General Fund of \$3,608,890 was primarily due to expenditures being less than budgeted due to savings realized from the school closure due to the COVID -19 pandemic. This was partially offset by a decrease in the fund balance in the Capital Projects Fund of \$1,878,811 as a result of expenditures being incurred prior to bonds being issued.
- 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. At the end of the current fiscal year, this amount for the General Fund was \$5,548,135 or 3.89%. This is within the 4% statutory limit.
- During the current fiscal year, the School District retired \$5,115,000 of serial bonds issued in previous years for various capital projects. The School District also retired \$322,322 of energy performance contract debt. During the prior fiscal year, the School District received authorization to issue bonds in the amount of \$49,266,170 for various capital improvements. These bonds are expected to be issued over the next two years. Additionally, the School District issued \$7,595,000 of refunding serial bonds during the current year, the proceeds of which were used to redeem \$8,150,000 of outstanding serial bonds. This refunding of debt resulted in a net present value economic gain of \$383,057.
- On the district-wide financial statements, the liabilities and deferred inflows of resources of the School District exceeded the assets and deferred outflows of resources at the close of its most recent fiscal year by \$253,872,211, a decrease of \$26,994,079 for the year ended June 30, 2020. For the year ending June 30, 2020, the School District's OPEB obligations of \$431,352,874 are reflected as a liability on the district-wide Statement of Net Position and impact the total net position calculation. More detailed information about the School District's OPEB obligations reported in accordance with the provisions of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*", is presented in note 3E in the notes to the financial statements.
- The district-wide financial statements for the year ended June 30, 2020 are also significantly impacted by the provisions of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*." This pronouncement established accounting and financial reporting requirements associated with the School District's participation in the cost sharing multiple employer pension plans administered by the New York State and Local Employees' Retirement System ("ERS") and the New

York State Teachers' Retirement System ("TRS"). Under this standard, cost-sharing employers are required to report in their district-wide financial statements a net pension liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all of the municipalities and school districts in the plan. At June 30, 2020, the School District reported in its Statement of Net Position a liability for its proportionate share of the ERS net pension liability of \$11,209,189 and an asset of \$9,565,675 for its proportionate share of the TRS net pension asset. More detailed information about the School District's pension plan reporting in accordance with the provisions of GASB Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in note 3E in the notes to financial statements.

## **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements, which are comprised of three components: (1) district-wide financial statements, (2) fund financial statements and (3) notes to financial statements. This report also contains combining and individual fund financial 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 a 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 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, community services, cost of food sales, interest and general administrative 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 *balances 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 district-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 School District's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.
- The School District maintains six individual governmental funds; General Fund, Special Aid Fund, School Lunch Fund, Special Purpose Fund, Debt Service Fund, and Capital Projects 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, Special Aid and the Capital Projects funds, which are considered to be major funds. Data for the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* 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 budget.
- The *Fiduciary Funds* are used to account for assets held by the School District in an agency 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 Financial Statements*

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to 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 position may serve over time as a useful indicator of the School District's financial position. In the case of the Mamaroneck Union Free School District, New York at the close of the current fiscal year, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$253,872,211.

	June 30,	
	2020	2019
Current Assets	\$ 38,764,676	\$ 35,201,233
Capital Assets, net	103,341,038	106,384,985
<b>Total Assets</b>	<b>142,105,714</b>	<b>141,586,218</b>
Deferred Outflows of Resources	103,740,948	37,264,186
Current Liabilities	12,362,603	13,489,871
Long-term Liabilities	473,502,488	382,279,154
<b>Total Liabilities</b>	<b>485,865,091</b>	<b>395,769,025</b>
Deferred Inflows of Resources	13,853,782	9,959,511
<b>Net Position</b>		
Net Investment in Capital Assets	74,604,525	72,154,502
Restricted		
Capital Projects	66,225	112,560
Debt Service	775,714	744,340
Repairs	-	9,446
Tax Certiorari	6,509,815	5,443,209
Workers' Compensation Benefits	577,188	570,000
Unemployment	100,000	-
Retirement Contribution	1,007,118	500,000
Self-funded Health Insurance	1,000,000	-
Special Purposes	769,552	749,045
Unrestricted	(339,282,348)	(307,161,234)
<b>Total Net Position</b>	<b>\$ (253,872,211)</b>	<b>\$ (226,878,132)</b>

A large component of the School District's net position (\$74,604,525) reflects its investment in capital assets, less any related debt that is still outstanding that was used to acquire those assets. The School District uses these capital assets to provide services to 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.

Those assets subject to external restrictions listed above constitute \$10,805,612 of net position and are comprised of amounts restricted for specific purposes, i.e., payments of tax certiorari claims, debt service, retirement contributions, etc. There is a negative balance of unrestricted net position of \$339,282,348 primarily a result of the recognition of the OPEB liabilities. Overall, net position decreased by \$26,994,079. Excluding the effect related to the recording of the School District's OPEB obligations, the net position would have decreased by only \$3,897,176.

### Changes in Net Position

	June 30,	
	2020	2019
<b>REVENUES</b>		
Program Revenues		
Charges for Services	\$ 2,702,017	\$ 3,090,066
Operating Grants and Contributions	5,054,066	5,101,919
Capital Grants and Contributions	90,033	14,458
Total Program Revenues	7,846,116	8,206,443
General Revenues		
Real Property Taxes	121,933,737	119,322,742
Other Tax Items	4,476,866	5,707,143
Non-Property Taxes	2,156,498	1,657,589
Unrestricted Use of Money and Property	412,033	634,006
Sale of Property and Compensation for Loss	15,901	899
Unrestricted State Aid	6,804,455	6,622,344
Miscellaneous	784,660	830,530
Total General Revenues	136,584,150	134,775,253
Total Revenues	144,430,266	142,981,696
<b>PROGRAM EXPENSES</b>		
General Support	20,225,385	19,944,013
Instruction	146,677,075	121,982,508
Pupil Transportation	2,544,766	3,504,574
Community Services	253,502	315,789
Cost of Food Sales	1,135,946	1,197,497
Interest	587,671	883,430
Total Expenses	171,424,345	147,827,811
Change in Net Position	(26,994,079)	(4,846,115)
<b>NET POSITION</b>		
Beginning	(226,878,132)	(222,032,017)
Ending	\$ (253,872,211)	\$ (226,878,132)

*The following are the major changes in Net Position:*

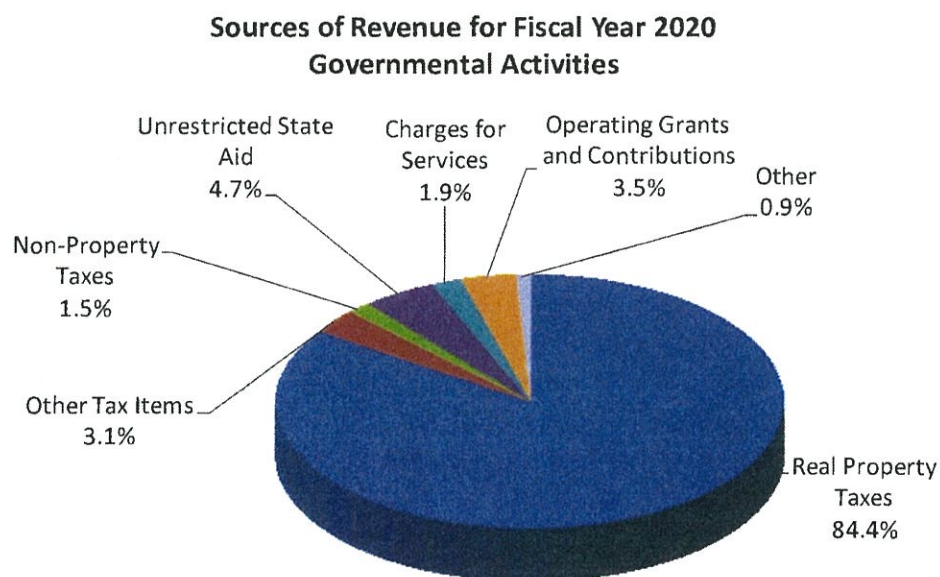
**Revenues:**

- Real property taxes increased by \$2,610,995 or 2.2%. The current property tax increase is attributed to increased expenses related to instruction and employee benefits. The School District relies upon real property taxes as its primary source of revenue.
- Other tax items include revenues received for the School Tax Relief Reimbursement Program ("STAR"). The STAR Program provides tax relief to homeowners by decreasing the assessments taxable to the homeowner or by providing a refund of a portion of school taxes paid. As a result in changes to the law, this revenue decreased by \$1,231,866 during the 2019-2020 fiscal year.
- The receipt of sales tax revenue increased by \$498,909 or 30.1% due to an increase in Westchester County's sales tax rate.
- Revenue from rental of facilities decreased by \$251,019 or 36.0% as a result of school closures due to the pandemic. Earnings on investments decreased by \$227,773 or 33% as a result of a sharp drop in interest rates, also as a result of the pandemic.

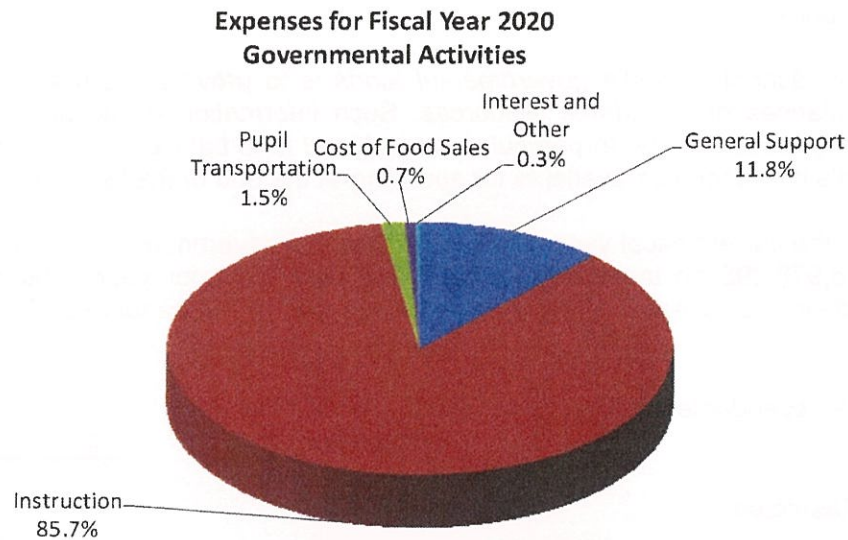
**Expenses:**

- Instructional program expenses increased by \$24,694,567 or 20.2%, over the prior year. This is primarily the result of the increase in OPEB liabilities as well as some staffing increases.
- Pupil transportation expenditures decreased by \$959,808 or 27.4% due to school closures during the pandemic.

The following graphs depict where the School District revenues were derived and how monies were spent. As you can see, the School District relies upon real property taxes for 84.4% of its revenue, while the School District's largest expense, instructional costs, accounts for 85.7% of total expenses.







### ***Financial Analysis of the School District's Funds***

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

#### ***Fund Balance Reporting***

GASB issued Statement No. 54 "*Fund Balance Reporting and Governmental Fund Type Definitions*" in February 2009. The requirements of Statement No. 54 became effective for financial statements for periods ending June 30, 2011. GASB Statement No. 54 abandoned the reserved and unreserved classifications of fund balance and replaced them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below:

- **Nonspendable** – consists of assets that either are inherently nonspendable in the current period because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale and principal of endowments.
- **Restricted** – consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.
- **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 (Board of Education), or by their designated body or official (Assistant Superintendent for Business Operations). The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.
- **Unassigned** – represents the residual classification for the School District'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. According to GASB, this pronouncement should result in an improvement in the usefulness of fund balance information.

## 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, *unassigned 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 combined fund balances of \$16,978,295 an increase of \$1,684,578 from the prior year. This increase is a result of reduced expenditures as a result of the school closure due to the pandemic. The \$16,978,298 is made up as follows:

Nonspendable:		
	Inventories	\$ 19,929
Restricted:		
	Workers' Compensation	577,188
	Unemployment Benefits	100,000
	Tax Certiorari	6,509,815
	TRS Retirement Contributions	1,007,118
	Self-funded Health Insurance	1,000,000
	Debt Service	775,714
	Special Purposes	769,552
Total Restricted		10,739,387
Assigned:		
Purchases On Order:		
	General Government Support	1,315,945
	Instruction	349,165
		1,665,110
For Subsequent Year's Expenditures -		
	General Fund	400,000
School Lunch Fund		139,457
Total Assigned		2,204,567
	General Fund	5,548,135
	Capital Projects Fund	(1,533,723)
Total Unassigned		4,014,412
<b>Total Fund Balances (Deficits)</b>		<b>\$ 16,978,295</b>



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 \$16,807,366. This represents an increase of \$3,608,890 from the prior year. The amount of the unassigned fund balance is \$5,548,135 or 3.89% of the ensuing year's budget, which is below the State limit of 4%.

More detailed information about the School District's governmental fund balances is presented in note 3H in the notes to financial statements.

### **General Fund Budgetary Highlights – 2019-2020**

The original, voter approved adopted budget of \$139,875,230 was increased by \$784,330 as a result of the rollover of prior year encumbrances for a total original budget of \$140,659,560. The budget was further revised during the 2019-2020 fiscal year by a total of \$2,509,446 from the appropriation of fund balance from the Reserve for Tax Certiorari, the Reserve for Worker's Compensation, and the Reserve for Repairs restricted fund balance to fund claims. As a result, the final budget totaled \$143,169,006.

Revenue Highlights include:

- Increase in taxes due to increased tax levy
- Decrease in STAR reimbursement revenue due to changes by NYS
- Increase in sales tax revenue due to increase in Westchester County sales tax rate
- Decrease in rental of facilities revenue as facilities were closed due to the pandemic
- Increase in Medicaid revenue due to improved collections

Expenditure Highlights include:

- Increase in Instruction due to increased staffing
- Decrease in General Support due to decrease in tax certiorari refunds
- Decrease in pupil transportation as a result of school closure due to the pandemic

The net increase in fund balance in the general fund was \$3,608,889 resulting in an ending balance of \$16,807,366 or 11.8% of the ensuing year's budget.

### **For the Future**

The Mamaroneck Union Free School District is financially stable and strong. However, there are two inter-related challenges that will require some discussion: Enrollment and Budget.

*Enrollment:*

As the chart below shows, from 2010-11 to 2019-2020, with the exception of 2012-13 and 2018-2019, there has been an increase in enrollment in all of the School District's facilities. While the increases have been small on an annual basis, the cumulative effect has required increased staffing at various levels in different years. Enrollment for the 2020-2021 school year is projected to exceed 5,581 students.

### Mamaroneck School District's Changing Enrollment

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
<b>K-5</b>	2,385	2,415	2,384	2,417	2,463	2,549	2,626	2,686	2,615	2,606
<b>6-8</b>	1,068	1,126	1,137	1,156	1,187	1,194	1,194	1,302	1,264	1,281
<b>9-12</b>	1,452	1,451	1,467	1,459	1,470	1,510	1,510	1,627	1,603	1,630
<b>Sp. Ed.</b>	170	173	119	125	76	80	87	88	79	74
<b>Total</b>	5,075	5,165	5,107	5,157	5,196	5,333	5,417	5,703	5,561	5,591

#### *Budget:*

It is clear that the School District is heavily dependent upon real property taxes as they represent approximately 84.4% of School District revenues (exclusive of STAR).

Effective in the 2012-2013 school year, legislation was passed by New York State capping tax levy increases to 2%. Under these circumstances, the challenge of presenting a fiscally responsible budget, while meeting the needs of children and mandates, will require effective and efficient management of School District operations in future years. It will be important that discussions about these issues and what choices or changes are possible in expenditures that will need to take place so the community is fully cognizant of whatever tradeoffs are made.

### Capital Assets

As of June 30, 2020, the School District had \$103,341,038, net of accumulated depreciation invested in a broad range of capital assets, including land, buildings and improvements, as well as machinery and equipment and construction-in-progress. The change in capital assets, net of accumulated depreciation, is reflected below.

The change in capital assets during the current fiscal year results from the depreciation expense.

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

Class	June 30,	
	2020	2019
Land	\$ 333,435	\$ 333,435
Construction-in-Progress	1,762,025	2,217,091
Buildings and Improvements	100,235,872	102,835,717
Machinery and Equipment	1,009,706	998,742
<b>Total Capital Assets, net of Accumulated depreciation</b>	<b>\$ 103,341,038</b>	<b>\$ 106,384,985</b>

### Long-Term Debt

The School District had general obligation and other long-term debt outstanding as follows:

	June 30,	
	2020	2019
Bonds Payable, net	\$ 26,298,063	\$ 31,526,480
Energy Performance Contract	2,867,238	3,189,560
Claims Payable	1,385,653	1,504,236
Compensated Absences	389,471	334,651
Net Pension Liability	11,209,189	3,056,540
Other Post Employment Benefit Obligations	431,352,874	342,667,687
Total	<u>\$ 473,502,488</u>	<u>\$ 382,279,154</u>

The School District recorded its net pension liability to ERS and TRS as required by the provisions of GASB Statement No. 68. The School District's other postemployment benefit obligation was recorded in accordance with the provisions of GASB Statement No. 75. This liability will continue to grow as the School District is permitted at this time by New York State only to fund its pay-as-you-go obligations for health insurance.

More detailed information about the School District's long-term liabilities is presented in note 3E in the notes to 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:

Mamaroneck Union Free School District  
Attn: Sylvia Wallach  
Assistant Superintendent for Business Operations  
1000 West Boston Post Road  
Mamaroneck, New York 10543

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**Mamaroneck Union Free School District, New York**

## Statement of Net Position

June 30, 2020

	Governmental Activities
<b>ASSETS</b>	
Cash and equivalents	\$ 16,770,897
Investments	10,397,502
Receivables	
Accounts	213,468
State and Federal aid	1,391,938
Due from other governments, net	405,267
Net pension asset	9,565,675
Inventories	19,929
Capital assets	
Not being depreciated	2,095,460
Being depreciated, net	101,245,578
Total Assets	142,105,714
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	103,740,948
<b>LIABILITIES</b>	
Accounts payable	2,055,059
Accrued liabilities	2,649,605
Due to other governments	381,425
Due to retirement systems	6,828,213
Unearned revenues	306,404
Accrued interest payable	141,897
Non-current liabilities	
Due within one year	4,602,908
Due in more than one year	468,899,580
Total Liabilities	485,865,091
<b>DEFERRED INFLOWS OF RESOURCES</b>	13,853,782
<b>NET POSITION</b>	
Net investment in capital assets	74,604,525
Restricted	
Capital projects	66,225
Debt service	775,714
Tax certiorari	6,509,815
Workers' compensation benefits	577,188
Unemployment	100,000
Retirement contribution	1,007,118
Self-funded health insurance	1,000,000
Special purposes	769,552
Unrestricted	(339,282,348)
Total Net Position	\$ (253,872,211)

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

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**Mamaroneck Union Free School District, New York**

Statement of Activities  
Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General support	\$ 20,225,385	\$ 446,721	\$ 49,070	\$ -	\$ (19,729,594)
Instruction	146,677,075	1,732,331	4,207,061	79,169	(140,658,514)
Pupil transportation	2,544,766	12,385	-	-	(2,532,381)
Community services	253,502	-	269,951	-	16,449
Cost of food sales	1,135,946	510,580	527,984	-	(97,382)
Interest	587,671	-	-	10,864	(576,807)
Total Governmental Activities	<u>\$ 171,424,345</u>	<u>\$ 2,702,017</u>	<u>\$ 5,054,066</u>	<u>\$ 90,033</u>	<u>(163,578,229)</u>
General revenues					
Real property taxes					121,933,737
Other tax items					
Payments in lieu of taxes					45,735
School tax relief reimbursement					4,431,131
Non-property taxes					
Non-property tax distribution from County					2,156,498
Unrestricted use of money and property					412,033
Sale of property and compensation for loss					15,901
Unrestricted State aid					6,804,455
Miscellaneous					784,660
Total General Revenues					<u>136,584,150</u>
Change in Net Position					(26,994,079)
Net Position - Beginning					<u>(226,878,132)</u>
Net Position - Ending					<u>\$ (253,872,211)</u>

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

**Mamaroneck Union Free School District, New York**

Balance Sheet  
Governmental Funds  
June 30, 2020

	General	Special Aid	Capital Projects
<b>ASSETS</b>			
Cash and equivalents	\$ 15,824,949	\$ -	\$ -
Investments	9,638,252	-	-
Receivables			
Accounts	213,468	-	-
State and Federal aid	279,504	994,606	-
Due from other governments, net	405,267	-	-
Due from other funds	2,389,751	285,649	-
Inventories	-	-	-
Total Assets	<u>\$ 28,751,191</u>	<u>\$ 1,280,255</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>			
Liabilities			
Accounts payable	\$ 1,659,529	\$ 39,979	\$ 286,450
Accrued liabilities	2,649,605	-	-
Due to other funds	285,649	1,138,656	1,247,273
Due to other governments	293,779	87,646	-
Due to retirement systems	6,828,213	-	-
Unearned revenues	227,050	13,974	-
Total Liabilities	<u>11,943,825</u>	<u>1,280,255</u>	<u>1,533,723</u>
Fund balances (deficits)			
Nonspendable	-	-	-
Restricted	9,194,121	-	-
Assigned	2,065,110	-	-
Unassigned	5,548,135	-	(1,533,723)
Total Fund Balances (Deficits)	<u>16,807,366</u>	<u>-</u>	<u>(1,533,723)</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 28,751,191</u>	<u>\$ 1,280,255</u>	<u>\$ -</u>

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



Non-Major Governmental	Total Governmental Funds
\$ 945,948	\$ 16,770,897
759,250	10,397,502
-	213,468
117,828	1,391,938
-	405,267
-	2,675,400
19,929	19,929
<u>\$ 1,842,955</u>	<u>\$ 31,874,401</u>

\$ 69,101	\$ 2,055,059
-	2,649,605
3,822	2,675,400
-	381,425
-	6,828,213
65,380	306,404
<u>138,303</u>	<u>14,896,106</u>

19,929	19,929
1,545,266	10,739,387
139,457	2,204,567
-	4,014,412
<u>1,704,652</u>	<u>16,978,295</u>
<u>\$ 1,842,955</u>	<u>\$ 31,874,401</u>

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**Mamaroneck Union Free School District, New York**

Reconciliation of Governmental Funds Balance Sheet to  
the District-Wide Statement of Net Position  
June 30, 2020

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

Fund Balances - Total Governmental Funds	\$ 16,978,295
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	103,341,038
Governmental funds do not report the effect of losses on refunding bonds and assets or liabilities related to net pension assets (liabilities) whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on refunding bonds	266,711
Deferred amounts on other post employment benefit obligations payable	65,588,284
Deferred amounts on net pension assets (liabilities)	24,032,171
	89,887,166
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	
Net pension assets	9,565,675
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable	(26,298,063)
Energy performance contract payable	(2,867,238)
Claims payable	(1,385,653)
Compensated absences	(389,471)
Net pension liability	(11,209,189)
Other post employment benefit obligations payable	(431,352,874)
Accrued interest payable	(141,897)
	(473,644,385)
Net Position of Governmental Activities	\$ (253,872,211)

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

**Mamaroneck Union Free School District, New York**

Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
Year Ended June 30, 2020

	General	Special Aid	Capital Projects
<b>REVENUES</b>			
Real property taxes	\$ 121,933,737	\$ -	\$ -
Other tax items	4,476,866	-	-
Non-property taxes	2,156,498	-	-
Charges for services	1,744,716	-	-
Use of money and property	907,824	-	-
Sale of property and compensation for loss	15,901	-	-
State aid	7,592,354	1,113,172	79,169
Federal aid	412,967	1,890,166	-
Food sales	-	-	-
Miscellaneous	784,660	2,857	-
Total Revenues	140,025,523	3,006,195	79,169
<b>EXPENDITURES</b>			
Current			
General support	14,653,230	-	-
Instruction	78,281,099	3,238,934	-
Pupil transportation	2,511,252	-	-
Community services	-	-	-
Employee benefits	34,471,351	-	-
Cost of food sales	-	-	-
Debt service			
Principal	322,322	-	-
Interest	72,761	-	-
Refunding bond issuance costs	-	-	-
Capital outlay	-	-	1,957,980
Total Expenditures	130,312,015	3,238,934	1,957,980
Excess (Deficiency) of Revenues Over Expenditures	9,713,508	(232,739)	(1,878,811)
<b>OTHER FINANCING SOURCES (USES)</b>			
Refunding bonds issued	-	-	-
Issuance premium	-	-	-
Payment to refunded bond escrow agent	-	-	-
Transfers in	-	232,739	-
Transfers out	(6,104,618)	-	-
Total Other Financing Sources (Uses)	(6,104,618)	232,739	-
Net Change in Fund Balances	3,608,890	-	(1,878,811)
<b>FUND BALANCES (DEFICITS)</b>			
Beginning of Year	13,198,476	-	345,088
End of Year	\$ 16,807,366	\$ -	\$ (1,533,723)

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

Non-Major Governmental	Total Governmental Funds
\$ -	\$ 121,933,737
-	4,476,866
-	2,156,498
-	1,744,716
11,213	919,037
-	15,901
15,983	8,800,678
510,508	2,813,641
510,580	510,580
271,095	1,058,612
<u>1,319,379</u>	<u>144,430,266</u>
-	14,653,230
-	81,520,033
-	2,511,252
249,444	249,444
-	34,471,351
1,135,946	1,135,946
5,115,000	5,437,322
756,879	829,640
68,145	68,145
-	1,957,980
<u>7,325,414</u>	<u>142,834,343</u>
<u>(6,006,035)</u>	<u>1,595,923</u>
7,595,000	7,595,000
778,591	778,591
(8,284,936)	(8,284,936)
5,871,879	6,104,618
-	(6,104,618)
<u>5,960,534</u>	<u>88,655</u>
(45,501)	1,684,578
<u>1,750,153</u>	<u>15,293,717</u>
<u>\$ 1,704,652</u>	<u>\$ 16,978,295</u>

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**Mamaroneck 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, 2020

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

Net Change in Fund Balances - Total Governmental Funds	\$ 1,684,578
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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	2,188,786
Depreciation expense	(5,232,733)
	<u>(3,043,947)</u>

Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other 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 on the statement of activities.

Principal paid on bonds	5,115,000
Refunding bonds issued	(7,595,000)
Issuance premium	(778,591)
Payment to refunded bond escrow agent	8,284,936
Principal paid on energy performance contract	322,322
Amortization of premium and loss on refunding bonds	215,754
	<u>5,564,421</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.

Compensated absences	(54,820)
Pension assets (liability)	(8,192,206)
Claims payable	118,583
Other post employment benefit obligations payable	(23,096,903)
Accrued interest	26,215
	<u>(31,199,131)</u>

Change in Net Position of Governmental Activities	<u>\$ (26,994,079)</u>
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The notes to financial statements are an integral part of this statement.

**Mamaroneck Union Free School District, New York**

Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
General Fund  
Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Real property taxes	\$ 122,092,266	\$ 122,092,266	\$ 121,933,737	\$ (158,529)
Other tax items	4,476,360	4,476,360	4,476,866	506
Non-property taxes	1,620,000	1,620,000	2,156,498	536,498
Charges for services	1,580,601	1,580,601	1,744,716	164,115
Use of money and property	1,078,400	1,078,400	907,824	(170,576)
Sale of property and compensation for loss	-	-	15,901	15,901
State aid	7,803,894	7,803,894	7,592,354	(211,540)
Federal aid	175,000	175,000	412,967	237,967
Miscellaneous	648,709	648,709	784,660	135,951
Total Revenues	139,475,230	139,475,230	140,025,523	550,293
<b>EXPENDITURES</b>				
Current				
General support	14,560,458	17,879,481	14,653,230	3,226,251
Instruction	80,019,574	79,675,250	78,281,099	1,394,151
Pupil transportation	3,915,664	2,692,588	2,511,252	181,336
Employee benefits	35,611,104	36,399,927	34,471,351	1,928,576
Debt service				
Principal	322,322	322,322	322,322	-
Interest	72,761	72,761	72,761	-
Total Expenditures	134,501,883	137,042,329	130,312,015	6,730,314
Excess of Revenues Over Expenditures	4,973,347	2,432,901	9,713,508	7,280,607
<b>OTHER FINANCING USES</b>				
Transfers out	(6,157,677)	(6,126,677)	(6,104,618)	22,059
Net Change in Fund Balance	(1,184,330)	(3,693,776)	3,608,890	7,302,666
<b>FUND BALANCE</b>				
Beginning of Year	1,184,330	3,693,776	13,198,476	9,504,700
End of Year	\$ -	\$ -	\$ 16,807,366	\$ 16,807,366

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



**Mamaroneck Union Free School District, New York**

Statement of Assets and Liabilities

Fiduciary Fund

June 30, 2020

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	<u>Agency</u>
<b>ASSETS</b>	
Cash and equivalents	<u>\$ 628,901</u>
<b>LIABILITIES</b>	
Employee payroll deductions	\$ 183
Student activity funds	<u>628,718</u>
Total Liabilities	<u>\$ 628,901</u>

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

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**Note 1 - Summary of Significant Accounting Policies**

The Mamaroneck Union Free School District, New York ("School District"), as presently constituted, 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 accounting policies of the School District conform to generally accepted accounting principles for 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 following is a summary of the School District's more significant accounting policies:

**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.

**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 primary government 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.

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.

Separate financial statements are provided for governmental funds 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.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**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 explains 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.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed 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 State and Federal aid.

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.

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, lunch and milk programs of the School District.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the School District in accordance with the terms of a trust agreement.

Debt Service Fund - The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest, and for financial resources that are being accumulated for principal and interest maturing in future years.

- b. Fiduciary Fund (Not Included in District-Wide Financial Statements) - Fiduciary Funds are used to account for assets held by the School District in an agency capacity on behalf of others. Among the activities included in the Agency Fund are the student activity funds. The Agency Fund is also utilized to account for payroll tax withholdings that are payable to other jurisdictions.

**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*. The Agency Fund has no measurement focus but utilizes the accrual basis of accounting. 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 as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made. 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 certain claims, compensated absences, net pension liabilities and other post employment benefit obligations are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**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.

The School District utilizes a pooled investment concept for all governmental funds to facilitate its investment program. Investment income from this pooling is allocated to the respective funds based upon the sources of funds invested.

**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.

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.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations of 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 30<sup>th</sup>.

The School District's position in the pool 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 17<sup>th</sup> Street, Suite 1850, Denver, CO 80202.

The School District also participates in the New York Liquid Assets Fund ("NYLAF"), a cooperative investment pool, established pursuant to Articles 3A and 5G of General Municipal Law of the State of New York. The sponsoring agency of the pool is another governmental unit, which acting through the fiscal officer, is primarily responsible for executing the provisions of the cooperative agreement. NYLAF has designated RBC Global Asset Management, Inc. as its registered investment advisor.

The pool is authorized to invest in various securities issued by the United States and its agencies. The amounts represent the amortized cost of the cooperative shares and are considered to approximate fair value. The School District's position in the pool is equal to the value of the pool shares.

Additional information concerning the NYLAF is presented in the annual report, which may be obtained from the Governing Board c/o PMA Financial Network, 2135 City Gate Lane, 7<sup>th</sup> Floor, Naperville, IL 60563.

CLASS and NYLAF are rated AAAM by Standard and 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. CLASS and NYLAF invest 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

**Note 1 - Summary of Significant Accounting Policies (Continued)**

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, 2020.

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

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

**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 Mamaroneck, 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, 2020, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

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

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.



**Note 1 - Summary of Significant Accounting Policies (Continued)**

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

<u>Class</u>	<u>Life in Years</u>
Buildings and Improvements	20-50
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 sheet.

**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 revenue 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 \$227,050 for fees received in advance in the General Fund, \$13,974 for State and Federal aid received in advance in the Special Aid Fund, and \$65,380 for student meal monies received in advance in the School Lunch Fund. 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 will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

Deferred outflows and inflows of resources have been reported on the district-wide Statement of Net Position for the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
New York State and Local Employees' Retirement System	\$ 7,162,684	\$ 305,103
New York State Teachers' Retirement System	30,723,269	13,548,679
Deferred loss on refunding bonds	266,711	-
Other Post Employment Benefits	65,588,284	-
	<u>\$ 103,740,948</u>	<u>\$ 13,853,782</u>

**Note 1 - Summary of Significant Accounting Policies (Continued)**

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

The amounts reported as deferred outflows of resources and deferred inflows of resources in relation to the School District's pension and other post employment benefit obligations are detailed in Note 3E.

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

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

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

**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"*.

**Net Position** - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes, net investment in capital assets, restricted for capital projects, debt service, tax certiorari, workers' compensation benefits, retirement contribution, unemployment, self-funded health insurance and special purposes. The balance is classified as unrestricted.

**Fund Balance** - Generally, fund balance represents the difference between current assets and deferred outflows of 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:

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Non-spendable 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 or the Education 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 School Board 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 School Board 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 delegated to the Assistant Superintendent for Business Operations for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

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.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**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, particularly given the significant social and economic disruptions and uncertainties associated with the ongoing COVID-19 ("Coronavirus") pandemic and the mitigation responses, and such differences may be material. (See Note 4B).

**H. Subsequent Events 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 September 16, 2020.

**Note 2 - Stewardship, Compliance and Accountability**

**A. Budgetary Data**

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

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

**Note 2 - Stewardship, Compliance and Accountability (Continued)**

- 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 General and Debt Service funds.
- g) Budgets for General and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. The Board of Education does not adopt an annual budget for the Special Aid, School Lunch and Special Purpose funds.
- 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 General and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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

**B. Limitation on Fund Balance**

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

**C. Property Tax Limitation**

Chapter 97 of the Laws of 2011, as amended ("Tax Levy Limitation Law"), modified previous law by imposing a limit on the amount of real property taxes that a school district may levy. Prior to its enactment, there was no statutory limitation on the amount of real property taxes that a school district could levy if its budget had been approved by a simple majority of its voters. In the event the budget had been defeated by the voters, the school district was required to adopt a

**Mamaroneck Union Free School District, New York**

Notes to Financial Statements (Continued)

June 30, 2020

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**Note 2 - Stewardship, Compliance and Accountability (Continued)**

contingency budget. Under a contingency budget, school budget increases were limited to the lesser of 4% of the prior year's budget or 120% of the consumer price index ("CPI").

Under the Tax Levy Limitation Law, there is now a limitation on the amount of tax levy growth from one fiscal year to the next. Such limitation is the lesser of (i) 2% or (ii) the annual percentage increase in the CPI subject to certain exclusions. A budget with a tax levy that does not exceed such limit will require approval 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.

**Note 3 - Detailed Notes on All Funds**

**A. Due From/To Other Funds**

The balances reflected as due from/to other funds at June 30, 2020 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 2,389,751	\$ 285,649
Special Aid	285,649	1,138,656
Capital Projects	-	1,247,273
Non-Major Governmental	-	3,822
	<u>\$ 2,675,400</u>	<u>\$ 2,675,400</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.

**Mamaroneck Union Free School District, New York**

Notes to Financial Statements (Continued)  
June 30, 2020

**Note 3 - Detailed Notes on All Funds (Continued)****B. Capital Assets**

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

Class	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Capital Assets, not being depreciated:				
Land	\$ 333,435	\$ -	\$ -	\$ 333,435
Construction-in-progress	2,217,091	1,762,025	2,217,091	1,762,025
Total Capital Assets, not being depreciated	<u>\$ 2,550,526</u>	<u>\$ 1,762,025</u>	<u>\$ 2,217,091</u>	<u>\$ 2,095,460</u>
Capital Assets, being depreciated:				
Buildings and Improvements	\$ 188,881,941	\$ 2,333,875	\$ 30,532	\$ 191,185,284
Machinery and Equipment	3,222,796	309,977	342,368	3,190,405
Total Capital Assets, being depreciated	<u>192,104,737</u>	<u>2,643,852</u>	<u>372,900</u>	<u>194,375,689</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	86,046,224	4,933,593	30,405	90,949,412
Machinery and Equipment	2,224,054	299,140	342,495	2,180,699
Total Accumulated Depreciation	<u>88,270,278</u>	<u>5,232,733</u>	<u>372,900</u>	<u>93,130,111</u>
Total Capital Assets, being depreciated, net	<u>\$ 103,834,459</u>	<u>\$ (2,588,881)</u>	<u>\$ -</u>	<u>\$ 101,245,578</u>
Capital Assets, net	<u>\$ 106,384,985</u>	<u>\$ (826,856)</u>	<u>\$ 2,217,091</u>	<u>\$ 103,341,038</u>

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

General support	\$ 142,396
Instruction	5,085,348
Pupil transportation	<u>4,989</u>
Total Depreciation Expense	<u>\$ 5,232,733</u>

**C. Health Claim Liabilities**

The financial statements reflect the liability for health benefit claims. These liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on various factors such as inflation, the process used in computing claims liabilities does not necessarily result in an exact amount. A provision for inflation in the calculation of estimated future claim costs is implicit in the calculation because reliance is placed on both actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

**Mamaroneck Union Free School District, New York**

Notes to Financial Statements (Continued)  
June 30, 2020

**Note 3 - Detailed Notes on All Funds (Continued)**

An analysis of the activity of unpaid health benefit claim liabilities is as follows:

	2019-20	2018-19
Balance - Beginning of Year	\$ 2,266,886	\$ 1,766,886
Incurred Claims and Claims Adjustment Expenses	14,670,628	12,708,047
Claims and Claims Adjustment Expenses Paid	<u>(14,408,542)</u>	<u>(12,208,047)</u>
Balance - End of Year	<u>\$ 2,528,972</u>	<u>\$ 2,266,886</u>

The liability for health claims is reflected in the General Fund and district-wide financial statements within accrued liabilities.

**D. Accrued Liabilities**

Accrued liabilities at June 30, 2020 were as follows:

	General Fund
Payroll and Employee Benefits	\$ 115,852
Health Insurance	2,528,972
Other	<u>4,781</u>
	<u>\$ 2,649,605</u>

**E. Long-Term Liabilities**

The following table summarizes changes in the School District's long-term liabilities for the year ended June 30, 2020:

	Balance July 1, 2019	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2020	Due Within One-Year
General Obligation Bonds Payable	\$ 30,715,000	\$ 7,595,000	\$ 13,265,000	\$ 25,045,000	\$ 4,095,000
Plus - Unamortized Premium on Bonds	<u>811,480</u>	<u>778,591</u>	<u>337,008</u>	<u>1,253,063</u>	<u>-</u>
	<u>31,526,480</u>	<u>8,373,591</u>	<u>13,602,008</u>	<u>26,298,063</u>	<u>4,095,000</u>
Energy Performance Contract Payable	<u>3,189,560</u>	<u>-</u>	<u>322,322</u>	<u>2,867,238</u>	<u>329,908</u>
Other Non-current Liabilities:					
Claims Payable	1,504,236	631,466	750,049	1,385,653	139,000
Compensated Absences	334,651	87,820	33,000	389,471	39,000
Net Pension Liability	3,056,540	8,152,649	-	11,209,189	-
Other Post Employment Benefit Obligations	<u>342,667,687</u>	<u>97,904,271</u>	<u>9,219,084</u>	<u>431,352,874</u>	<u>-</u>
Total Other Non- current Liabilities	<u>347,563,114</u>	<u>106,776,206</u>	<u>10,002,133</u>	<u>444,337,187</u>	<u>178,000</u>
Total Long-Term Liabilities	<u>\$ 382,279,154</u>	<u>\$ 115,149,797</u>	<u>\$ 23,926,463</u>	<u>\$ 473,502,488</u>	<u>\$ 4,602,908</u>



**Note 3 - Detailed Notes on All Funds (Continued)**

Each governmental fund's liability for energy performance contract debt, claims payable, compensated absences, net pension liabilities and other post employment benefit obligations is liquidated by the General Fund. The School District's indebtedness for general obligation bonds is satisfied by the Debt Service Fund, which is funded primarily by the General Fund.

**General Obligation Bonds Payable**

General obligation bonds payable at June 30, 2020 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rate	Amount Outstanding at June 30, 2020
District-Wide Reconstruction	2012	\$ 3,505,000	June, 2025	2.00 %	\$ 1,475,000
District-Wide Reconstruction	2014	5,000,000	August, 2028	2.25 - 3.30	3,295,000
District-Wide Reconstruction	2015	4,455,000	July, 2029	2.00 - 3.00	3,185,000
Refunding Bonds	2015	8,745,000	November, 2021	3.00	3,050,000
District-Wide Reconstruction	2018	9,340,000	June, 2032	3.00	7,745,000
Refunding Bonds	2020	7,595,000	June, 2025	5.00	6,295,000
					<u>\$ 25,045,000</u>

Interest expenditures of \$756,879 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$518,367 was recorded in the district-wide financial statements.

**Energy Performance Contract Payable**

The School District, in a prior fiscal year, entered into a \$4,891,632 contractual agreement to install energy savings equipment and/or to upgrade existing facilities to enhance performance. The agreement provides for annual payments of \$395,083 payable semi-annually, including interest at 2.34% through January 2028. The contract further provides that the savings in energy costs resulting from this modernization will equal or exceed the payment terms. Interest expenditures of \$72,761 were recorded in the fund financial statements in the General Fund. Interest expense of \$69,304 was recorded in the district-wide financial statements. The balance due at June 30, 2020 was \$2,867,238.

**Payments to Maturity**

The annual requirements to amortize all outstanding bonded and energy performance contract debt as of June 30, 2020 including interest payments of \$3,954,399 are as follows:

Year Ending June 30,	General Obligation Bonds			Energy Performance Contract		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 4,095,000	\$ 813,015	\$ 4,908,015	\$ 329,908	\$ 65,175	\$ 395,083
2022	4,235,000	674,071	4,909,071	337,674	57,409	395,083
2023	2,780,000	553,090	3,333,090	345,621	49,462	395,083
2024	2,880,000	451,024	3,331,024	353,757	41,327	395,084
2025	2,970,000	344,396	3,314,396	362,082	33,000	395,082
2026-2030	6,615,000	758,920	7,373,920	1,138,196	47,060	1,185,256
2031-2032	1,470,000	66,450	1,536,450	-	-	-
	<u>\$ 25,045,000</u>	<u>\$ 3,660,966</u>	<u>\$ 28,705,966</u>	<u>\$ 2,867,238</u>	<u>\$ 293,433</u>	<u>\$ 3,160,671</u>

**Mamaroneck Union Free School District, New York**

Notes to Financial Statements (Continued)  
 June 30, 2020

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**Note 3 - Detailed Notes on All Funds (Continued)**

Year Ending June 30,	Total		Total
	Principal	Interest	
2021	\$ 4,424,908	\$ 878,190	\$ 5,303,098
2022	4,572,674	731,480	5,304,154
2023	3,125,621	602,552	3,728,173
2024	3,233,757	492,351	3,726,108
2025	3,332,082	377,396	3,709,478
2026-2030	7,753,196	805,980	8,559,176
2031-2032	1,470,000	66,450	1,536,450
	<u>\$ 27,912,238</u>	<u>\$ 3,954,399</u>	<u>\$ 31,866,637</u>

The above general obligation bonds and energy performance contract debt are direct obligations 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.

**Advance Refunding**

During the current fiscal year, the School issued \$7,595,000 in serial bonds with an interest rate of 5.0%. The proceeds were used to advance refund \$8,150,000 of the outstanding 2010 serial bonds bearing interest ranging from 3.0% to 3.5%. The net proceeds of \$8,284,936 (inclusive of a \$778,591 reoffering premium and after an initial payment of \$88,655 in underwriting fees and other issuance costs, of which \$20,510 was subsequently refunded to the School District) were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds. As a result, the 2010 serial bonds are considered defeased and the liability for those serial bonds has been removed from the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$134,936 in governmental activities. This amount and the premium is being amortized over the remaining life of the refunded debt. The School advance refunded the 2010 serial bonds to reduce its total debt service payments over 5 years by \$393,769 and to obtain a net present value economic gain of \$383,057.

**Claims Payable**

The district-wide financial statement reflects workers' compensation benefit liabilities, which are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported ("IBNR's"). The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claim costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

**Mamaroneck Union Free School District, New York**

Notes to Financial Statements (Continued)

June 30, 2020

**Note 3 - Detailed Notes on All Funds (Continued)**

An analysis of unpaid claim liabilities is as follows:

	<u>2019-20</u>	<u>2018-19</u>
Unpaid Claims - Beginning of Year	\$ 1,504,236	\$ 1,382,928
Incurring Claims including IBNR's	631,466	873,358
Claims Paid	<u>(750,049)</u>	<u>(752,050)</u>
Unpaid Claims - End of Year	<u>\$ 1,385,653</u>	<u>\$ 1,504,236</u>
Due Within One Year	<u>\$ 139,000</u>	<u>\$ 150,000</u>

**Compensated Absences**

Under the terms of the existing collective bargaining agreement with CSEA employees, the School District is required to compensate retiring employees with 15 or more years of service for accumulated sick leave. Full and part-time employees are to be paid at the rates of \$50 and \$30 per day, respectively, for a maximum of 15 days. Vacation time must be taken in the year earned for twelve month employees. However, twelve month employees earn vacation after the completion of one year of service and, as a result, the School District has a liability to twelve month employees for vacation leave earned in the previous year. The value of compensated absences has been reflected in the district-wide financial statements.

**Pension Plans***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](http://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.

**Mamaroneck Union Free School District, New York**

Notes to Financial Statements (Continued)  
June 30, 2020

**Note 3 - Detailed Notes on All Funds (Continued)**

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](http://www.nystrs.org) or obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395.

ERS and TRS are noncontributory for employees who joined the systems before July 27, 1976. Employees who joined the systems after July 27, 1976 and before January 1, 2010 contribute 3% of their salary for the first ten years of membership. Employees who joined the systems after January 1, 2010 generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS's fiscal year ending March 31. Pursuant to Article 11 of the Education Law of the State of New York, actuarially determined employer contributions are established annually for the TRS by its Board of Trustees. The employer contribution rates for the plans' year ending in 2020 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A15	15.9 %
	4 A15	15.9
	5 A15	13.3
	6 A15	9.4
TRS	1-6	8.86 %

At June 30, 2020, 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, 2020	June 30, 2019
Net pension liability (asset)	\$ 11,209,189	\$ (9,565,675)
School Districts' proportion of the net pension liability (asset)	0.0423298 %	0.368193 %
Change in proportion since the prior measurement date	(0.0008093) %	0.003990 %

The net pension liability (asset) was measured as of March 31, 2020 for ERS and June 30, 2019 for TRS and the total pension liability used to calculate the net pension liability (asset) 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

**Mamaroneck Union Free School District, New York**

Notes to Financial Statements (Continued)  
June 30, 2020

**Note 3 - Detailed Notes on All Funds (Continued)**

present value of future compensation by employer relative to the total of all participating members. The School District's proportion of the net pension 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, 2020, the School District recognized pension expense in the district-wide financial statements of \$15,483,139 (\$3,739,246 for ERS and \$11,743,893 for TRS). Pension expenditures for ERS of \$1,670,268 and \$6,461 were recorded in the fund financial statements and were charged to the General and School Lunch funds, respectively. Pension expenditures for TRS of \$5,485,762 and \$128,442 were reported in the fund financial statements and were charged to the General and Special Aid funds, respectively.

At June 30, 2020, the School District reported 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	\$ 659,706	\$ -	\$ 6,482,414	\$ 711,322
Changes of assumptions	225,700	194,888	18,070,839	4,406,182
Net difference between projected and actual earnings on pension plan investments	5,746,375	-	-	7,671,178
Changes in proportion and differences between School District contributions and proportionate share of contributions	40,456	110,215	513,074	759,997
School District contributions subsequent to the measurement date	490,447	-	5,656,942	-
	<u>\$ 7,162,684</u>	<u>\$ 305,103</u>	<u>\$ 30,723,269</u>	<u>\$ 13,548,679</u>
	Total			
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 7,142,120	\$ 711,322		
Changes of assumptions	18,296,539	4,601,070		
Net difference between projected and actual earnings on pension plan investments	5,746,375	7,671,178		
Changes in proportion and differences between School District contributions and proportionate share of contributions	553,530	870,212		
School District contributions subsequent to the measurement date	6,147,389	-		
	<u>\$ 37,885,953</u>	<u>\$ 13,853,782</u>		

\$490,447 reported as deferred outflows of resources related to ERS resulting from the School District's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2021. The \$5,656,942 reported as deferred outflows of resources related to TRS will be recognized as an increase of the net pension asset in the plan's year ended June 30, 2020. Other amounts reported as deferred

**Mamaroneck Union Free School District, New York**

Notes to Financial Statements (Continued)  
June 30, 2020

**Note 3 - Detailed Notes on All Funds (Continued)**

outflows of resources and deferred inflows of resources related to ERS and TRS will be recognized in pension expense as follows:

<u>Year Ended</u>	<u>March 31,</u> <u>ERS</u>	<u>June 30,</u> <u>TRS</u>
2020	\$ -	\$ 4,244,545
2021	1,047,318	191,498
2022	1,584,344	4,228,859
2023	2,068,079	2,877,859
2024	1,667,393	330,444
Thereafter	-	(355,557)

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:

	<u>ERS</u>	<u>TRS</u>
Measurement Date	March 31, 2020	June 30, 2019
Actuarial valuation date	April 1, 2019	June 30, 2018
Investment rate of return	6.8% *	7.1% *
Salary scale	4.2%	1.90%-4.72%
Inflation rate	2.5%	2.2%
Cost of living adjustments	1.3%	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-2018. For TRS, annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP-2018, 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, 2010 - March 31, 2015. The actuarial assumptions used in the TRS valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2014.

For ERS, the long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**Note 3 - Detailed Notes on All Funds (Continued)**

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.

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, 2020		TRS June 30, 2019	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	36 %	4.05 %	33 %	6.3 %
International Equity	14	6.15	16	7.8
Private Equity	10	6.75	8	9.9
Real Estate	10	4.95	11	4.6
Domestic Fixed Income Securities	-	-	16	1.3
Global Fixed Income Securities	-	-	2	0.9
High Yield Fixed Income Securities	-	-	1	3.6
Global Equities	-	-	4	7.2
Private Debt	-	-	1	6.5
Real Estate Debt	-	-	7	2.9
Absolute Return Strategies	2	3.25	-	-
Opportunistic Portfolio	3	4.65	-	-
Real Assets	3	5.95	-	-
Bonds and Mortgages	17	0.75	-	-
Cash	1	0.00	1	0.3
Inflation Indexed Bonds	4	0.50	-	-
	<u>100 %</u>		<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.5% for ERS and 2.2% for TRS.

The discount rate used to calculate the total pension liability was 6.8% for ERS and 7.1% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Mamaroneck Union Free School District, New York**

Notes to Financial Statements (Continued)  
June 30, 2020

**Note 3 - Detailed Notes on All Funds (Continued)**

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 6.8% for ERS and 7.1% for TRS, as well as what the School District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (5.8% for ERS and 6.1% for TRS) or 1 percentage point higher (7.8% for ERS and 8.1% for TRS) than the current rate:

	1% Decrease (5.8%)	Current Assumption (6.8%)	1% Increase (7.8%)
School District's proportionate share of the ERS net pension liability	<u>\$ 20,572,026</u>	<u>\$ 11,209,189</u>	<u>\$ 2,585,976</u>
	1% Decrease (6.1%)	Current Assumption (7.1%)	1% Increase (8.1%)
School District's proportionate share of the TRS net pension liability (asset)	<u>\$ 43,178,457</u>	<u>\$ (9,565,675)</u>	<u>\$ (53,812,049)</u>

The components of the collective net pension liability (asset) as of the March 31, 2020 ERS measurement date and the June 30, 2019 TRS measurement date were as follows:

	ERS	TRS
Total pension liability	\$ 194,596,261,000	\$ 119,879,473,882
Fiduciary net position	<u>168,115,682,000</u>	<u>122,477,480,654</u>
Employers' net pension liability (asset)	<u>\$ 26,480,579,000</u>	<u>\$ (2,598,006,772)</u>
Fiduciary net position as a percentage of total pension liability	<u>86.39%</u>	<u>102.17%</u>

Employer contributions to ERS are paid annually and cover the period through the end of ERS's fiscal year, which is March 31<sup>st</sup>. Accrued retirement contributions as of June 30, 2020 represent the projected employer contribution for the period April 1, 2020 through June 30, 2020 based on paid ERS wages multiplied by the employers' contribution rate, by tier. Employee contributions are remitted monthly.

Employer and employee contributions for the year ended June 30, 2020 are paid to TRS in the following fiscal year through a state aid intercept or, if state aid is insufficient, through a payment by the School District to TRS. Accrued retirement contributions as of June 30, 2020 represent employee and employer contributions for the fiscal year ended June 30, 2020 based on paid TRS wages multiplied by the employers' contribution rate plus employee contributions for the fiscal year as reported to TRS.

Accrued retirement contributions as of June 30, 2020 were \$490,447 to ERS and \$6,337,766 to TRS (including employee contributions of \$680,824).



## Mamaroneck Union Free School District, New York

Notes to Financial Statements (Continued)  
June 30, 2020

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### **Note 3 - Detailed Notes on All Funds (Continued)**

#### *Voluntary Defined Contribution Plan*

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

#### **Other Post Employment Benefit Obligations ("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 post employment 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, 2020, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	519
Active employees	<u>714</u>
	<u><u>1,233</u></u>

The School District's total OPEB liability of \$431,352,874 was measured as of June 30, 2020, and was determined by an actuarial valuation as of July 1, 2019.

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

Salary increases	3.0%, average, including inflation
Discount rate	2.44%
Healthcare cost trend rates	7.0% for 2021, decreasing 0.25% per year to an ultimate rate of 4.5% for 2031 and later years
Retirees' share of benefit-related costs	Varies from 7.0% to 18.0%, depending on applicable retirement year and bargaining unit

The discount rate was based on an average of three 20-year bond indices (e.g., Bond Buyer – 20 Bond GO, S&P Municipal Bond 20 Year High Grade Rate Index, Fidelity GA AA 20 Years) as of June 30, 2020.

**Mamaroneck Union Free School District, New York**

Notes to Financial Statements (Continued)  
June 30, 2020

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**Note 3 - Detailed Notes on All Funds (Continued)**

Mortality rates were based on the Society of Actuaries Pub-2010 Public Retirement Healthy Male and Female Total Dataset Headcount-Weighted Mortality tables based on Employee and Healthy Annuitant Tables for pre and post retirement projected with mortality improvements using the most current Society of Actuaries Mortality Improvement Scale MP-2019.

The actuarial assumptions used in the July 1, 2019 valuation were based on the most recent decrement tables for turnover, disability and retirement for ERS and TRS. ERS and TRS tables were based on a version released in 2015.

The School District's change in the total OPEB liability for the year ended June 30, 2020 is as follows:

Total OPEB Liability - Beginning of Year	\$ 342,667,687
Service cost	12,098,703
Interest	8,248,619
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	77,556,949
Benefit payments	<u>(9,219,084)</u>
Total OPEB Liability - End of Year	<u>\$ 431,352,874</u>

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.44%) or 1 percentage point higher (3.44%) than the current discount rate:

	1% Decrease (1.44%)	Current Assumption (2.44%)	1% Increase (3.44%)
Total OPEB Liability	<u>\$ 545,411,472</u>	<u>\$ 431,352,874</u>	<u>\$ 348,746,236</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 (6% decreasing to 3.5%) or 1 percentage point higher (8% decreasing to 5.5%) than the current healthcare cost trend rates:

	1% Decrease (6% decreasing to 3.5%)	Healthcare Cost Trend Rates (7% decreasing to 4.5%)	1% Increase (8% decreasing to 5.5%)
Total OPEB Liability	<u>\$ 340,127,271</u>	<u>\$ 431,352,874</u>	<u>\$ 559,436,857</u>

**Mamaroneck Union Free School District, New York**

Notes to Financial Statements (Continued)  
 June 30, 2020

**Note 3 - Detailed Notes on All Funds (Continued)**

For the year ended June 30, 2020, the School District recognized OPEB expense of \$32,315,987 in the district-wide financial statements. At June 30, 2020, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Changes of assumptions or other inputs	\$ 65,588,284
Differences between expected and actual experience	-
	<u>\$ 65,588,284</u>

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

Year Ended June 30,	
2021	\$ 11,968,665
2022	11,968,665
2023	11,968,665
2024	11,968,665
2025	11,968,668
Thereafter	5,744,956

**F. Revenues and Expenditures****Interfund Transfers**

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

	Transfers In		
Transfers Out	Special Aid Fund	Non-Major Governmental Fund	Total
General Fund	<u>\$ 232,739</u>	<u>\$ 5,871,879</u>	<u>\$ 6,104,618</u>

Transfers are used to 1) move funds from the operating funds to the Debt Service Fund as debt service principal and interest payments become due and 2) move amounts earmarked in the operating funds to fulfill commitments for Special Aid Fund expenditures.

**Note 3 - Detailed Notes on All Funds (Continued)**

**G. Net Position**

The components of net position are detailed below:

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

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

*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 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 Workers' Compensation Benefits* - the component of net position that has been established to set aside funds to be used for a specific purpose in accordance with Section 6-j of the General Municipal Law of the State of New York.

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

*Restricted for 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 Self-funded Health Insurance* - the component of net position that has been established to set aside funds to be used for a specific purpose in accordance with Section 6-n of the General Municipal Law of the State of New York.

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

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

**Mamaroneck Union Free School District, New York**

**Notes to Financial Statements (Continued)**  
**June 30, 2020**

**Note 3 - Detailed Notes on All Funds (Continued)**

**H. Fund Balances**

	2020				2019			
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nondisposable - Inventories	\$ -	\$ -	\$ 19,929	\$ 19,929	\$ -	\$ -	\$ 11,207	\$ 11,207
Restricted:								
Workers' compensation	577,188	-	-	577,188	570,000	-	-	570,000
Unemployment benefits	100,000	-	-	100,000	-	-	-	-
Repairs	-	-	-	-	9,446	-	-	9,446
Tax certiorari	6,509,815	-	-	6,509,815	5,443,209	-	-	5,443,209
TRS retirement contributions	1,007,118	-	-	1,007,118	500,000	-	-	500,000
Self-funded health insurance	1,000,000	-	-	1,000,000	-	-	-	-
Capital projects	-	-	-	-	-	345,088	-	345,088
Debt service	-	-	775,714	775,714	-	-	744,340	744,340
Special purposes	-	-	769,552	769,552	-	-	749,045	749,045
Total Restricted	9,194,121	-	1,545,266	10,739,387	6,522,655	345,088	1,493,385	8,361,128
Assigned:								
Purchases on order:								
General government support	1,315,945	-	-	1,315,945	687,387	-	-	687,387
Instruction	349,165	-	-	349,165	94,321	-	-	94,321
Transportation	-	-	-	-	2,622	-	-	2,622
For subsequent year's expenditures -								
General Fund	1,665,110	-	-	1,665,110	784,330	-	-	784,330
School Lunch Fund	400,000	-	-	400,000	400,000	-	-	400,000
Total Assigned	2,065,110	-	139,457	2,204,567	1,184,330	-	245,561	1,429,891
Unassigned	5,548,135	(1,533,723)	-	4,014,412	5,491,491	-	-	5,491,491
Total Fund Balances (Deficits)	\$ 16,807,366	\$ (1,533,723)	\$ 1,704,662	\$ 16,978,295	\$ 13,198,476	\$ 345,088	\$ 1,750,153	\$ 15,293,717

**Note 3 - Detailed Notes on All Funds (Continued)**

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

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

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

Subsequent year's expenditures represent that at June 30, 2020, the Board of Education has assigned the above amounts to be appropriated for the ensuing year's budget.

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

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted, committed or assigned. Unassigned fund balance in the Capital Projects fund represents expenditures in excess of current revenues in various capital projects.

**Note 4 - Summary Disclosure of Significant Contingencies**

**A. Litigation**

There are currently pending certiorari proceedings, the results of which could 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.

There are several pending cases relating to parents of special education students who have filed claims for reimbursement for their costs of private school placements for these children. The School District's legal counsel is vigorously defending these cases. Should the School District be unsuccessful, the School District's legal counsel estimates the liability for tuition and attorney's fees to be approximately \$500,000.

**B. Contingencies**

The School District participates in various Federal grant programs. These programs are 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.

## Mamaroneck Union Free School District, New York

Notes to Financial Statements (Continued)  
June 30, 2020

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### **Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

The School District currently has one labor contract that is expired as of June 30, 2020. No provision has been made in these financial statements for the settlement of this labor contract.

<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
Federation of School Secretaries	June 30, 2016

#### *Coronavirus*

On March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of Coronavirus. This was followed by the President of the United States declaring the outbreak of Coronavirus a national emergency on March 13, 2020.

Preceding these announcements, the Governor of the State of New York declared a state of emergency on March 7, 2020 and has since issued multiple Executive Orders regarding the pandemic. Furthermore, the Enacted 2020-21 New York State budget granted the Budget Director the authority to reduce state aid payments to local governments and school districts by any amount needed to achieve a balanced budget. The Budget Director is authorized, under Section 1(f) of Chapter 53 of the Laws of 2020, to withhold all or some of specific local aid payments during state fiscal year 2020-21, that began on April 1, 2020, if the budget is deemed unbalanced and if the Budget Director further determines that such withholding is necessary to respond to the direct and indirect economic financial and social effects of the Coronavirus pandemic ("Reduction Authority").

The ultimate size of any permanent reductions would depend in part on the availability of unrestricted Federal aid. The Federal government has not reached a consensus on additional recovery legislation at this time. Therefore, in the interim, without assurance of Federal aid, New York State has begun withholding a minimum of 20% of most municipal and school district aid payments to achieve the cash flow savings anticipated in the Executive Budget Financial Plan as updated for the Governor's amendments and forecast revisions pursuant to the Reduction Authority. Such measures have already impacted the state aid revenues reported by the School District for the year ended June 30, 2020.

In addition to these New York State actions, the School District's economically sensitive revenues (i.e., sales tax distributions, interest earnings, charges for services) are being negatively impacted. Meanwhile, the School District's expenditures on health and safety measures (personal protective equipment, sanitizing supplies, custodial overtime, technology acquisitions to support remote work and remote learning, additional bus runs to lower capacity) will increase significantly.

The outbreak of the Coronavirus and the dramatic steps taken by the Federal government and New York State to address it will continue to negatively affect New York State and its local economies. The full impact of the Coronavirus on New York State's operations and financial condition is not expected to be known for some time. Similarly, the degree of the impact on the School District's future operations and finances as a result of the Coronavirus is extremely difficult to predict due to uncertainties relating to its duration and severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including New

**Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

York State, to contain or mitigate its effects. The spread of the outbreak or reemergence later in the year could have a material adverse financial effect on New York State and local municipalities, including the School District. The School District is continuously monitoring the situation and will take such proactive measures as may be required to maintain operations and meet its obligations. Given this level of uncertainty, management cannot reasonably estimate the actual impact on the School District's future financial position at this time.

**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 also maintains liability coverage for school board members up to \$1 million and an umbrella policy with coverage up to \$10 million. The School District is also self-insured for workers' compensation with stop-loss coverage of \$450,000 per claim. The School District is self-insured for health insurance benefits with stop-loss coverage of \$250,000 per claim. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

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**Mamaroneck 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)

	2020	2019	2018
Total OPEB Liability:			
Service cost	\$ 12,098,703	\$ 4,314,842	\$ 4,189,167
Interest	8,248,619	11,566,335	11,285,803
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions or other inputs	77,556,949 (4)	-	-
Benefit payments	(9,219,084)	(7,360,425)	(7,559,073)
Net Change in Total OPEB Liability	88,685,187	8,520,752	7,915,897
Total OPEB Liability – Beginning of Year	342,667,687	334,146,935	326,231,038 (3)
Total OPEB Liability – End of Year	<u>\$ 431,352,874</u>	<u>\$ 342,667,687</u>	<u>\$ 334,146,935</u>
School District's covered-employee payroll	<u>\$ 71,630,485</u>	<u>\$ 67,912,337</u>	<u>\$ 63,040,312</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>602.19%</u>	<u>504.57%</u>	<u>530.05%</u>

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

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

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

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

**Mamaroneck Union Free School District, New York**

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

Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset) (2)						
	2020 (5)	2019	2018 (4)	2017 (3)	2016	2015
School District's proportion of the net pension liability (asset)	0.368193%	0.364203%	0.367915%	0.375450%	0.363018%	0.354728%
School District's proportionate share of the net pension liability (asset)	\$ (9,565,675)	\$ (6,585,757)	\$ (2,796,518)	\$ 4,021,230	\$ (37,705,977)	\$ (39,514,493)
School District's covered payroll	\$ 61,904,444	\$ 59,831,563	\$ 58,752,441	\$ 58,402,173	\$ 55,015,659	\$ 52,983,998
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(15.45)%	(11.01)%	(4.76)%	6.89%	(68.54)%	(74.58)%
Plan fiduciary net position as a percentage of the total pension liability	102.17%	101.53%	100.66%	99.01%	110.46%	111.48%
Schedule of Contributions						
	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 5,656,942	\$ 6,574,252	\$ 5,863,493	\$ 6,885,786	\$ 7,744,128	\$ 9,644,245
Contributions in relation to the contractually required contribution	(5,656,942)	(6,574,252)	(5,863,493)	(6,885,786)	(7,744,128)	(9,644,245)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 63,848,109	\$ 61,904,444	\$ 59,831,563	\$ 58,752,441	\$ 58,402,173	\$ 55,015,659
Contributions as a percentage of covered payroll	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%

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

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

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

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

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

See independent auditors' report.

**Mamaroneck Union Free School District, New York**

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

Schedule of the School District's Proportionate Share of the Net Pension Liability (2)						
	2020 (4)	2019	2018	2017	2016 (3)	2015
School District's proportion of the net pension liability	0.0423298%	0.0431391%	0.0436370%	0.0452827%	0.0459791%	0.0463053%
School District's proportionate share of the net pension liability	\$ 11,209,189	\$ 3,056,540	\$ 1,408,361	\$ 4,254,860	\$ 7,379,766	\$ 1,564,306
School District's covered payroll	\$ 12,033,664	\$ 12,018,718	\$ 11,805,973	\$ 11,447,501	\$ 11,904,797	\$ 11,477,370
School District's proportionate share of the net pension liability as a percentage of its covered payroll	93.15%	25.43%	11.93%	37.17%	61.99%	13.63%
Plan fiduciary net position as a percentage of the total pension liability	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

Schedule of Contributions

	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 1,690,459	\$ 1,698,956	\$ 1,693,888	\$ 1,801,998	\$ 2,068,343	\$ 2,184,695
Contributions in relation to the contractually required contribution	(1,690,459)	(1,698,956)	(1,693,888)	(1,801,998)	(2,068,343)	(2,184,695)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 12,276,772	\$ 12,079,245	\$ 11,924,230	\$ 11,469,592	\$ 11,802,248	\$ 11,459,252
Contributions as a percentage of covered payroll	13.77%	14.07%	14.21%	15.71%	17.52%	19.06%

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

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

(3) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

(4) The discount rate used to calculate the total pension liability was decreased from 7.0% to 6.8% effective with the March 31, 2020 measurement date.

See independent auditors' report.

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**Mamaroneck Union Free School District, New York**

General Fund  
Comparative Balance Sheet  
June 30,

	2020	2019
<b>ASSETS</b>		
Cash and equivalents	\$ 15,824,949	\$ 18,047,463
Investments	9,638,252	5,690,194
Receivables		
Accounts	213,468	213,718
State and Federal aid	279,504	369,242
Due from other governments, net of allowance for uncollectible amounts of \$481,532 in 2020 and \$277,739 in 2019	405,267	1,287,370
Due from other funds	2,389,751	535,578
	3,287,990	2,405,908
<b>Total Assets</b>	<b>\$ 28,751,191</b>	<b>\$ 26,143,565</b>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 1,659,529	\$ 2,157,261
Accrued liabilities	2,649,605	2,729,820
Due to other funds	285,649	-
Due to other governments	293,779	206,198
Due to retirement systems	6,828,213	7,673,182
Unearned revenues	227,050	178,628
<b>Total Liabilities</b>	<b>11,943,825</b>	<b>12,945,089</b>
Fund balance		
Restricted	9,194,121	6,522,655
Assigned	2,065,110	1,184,330
Unassigned	5,548,135	5,491,491
<b>Total Fund Balance</b>	<b>16,807,366</b>	<b>13,198,476</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 28,751,191</b>	<b>\$ 26,143,565</b>

See independent auditors' report.

**Mamaroneck Union Free School District, New York**
**General Fund**
**Comparative Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Years Ended June 30,**

	2020				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	Encumbr- ances	
<b>REVENUES</b>					
Real property taxes	\$ 122,092,266	\$ 122,092,266	\$ 121,933,737	\$	\$ (158,529)
Other tax items	4,476,360	4,476,360	4,476,866		506
Non-property taxes	1,620,000	1,620,000	2,156,498		536,498
Charges for services	1,580,601	1,580,601	1,744,716		164,115
Use of money and property	1,078,400	1,078,400	907,824		(170,576)
Sale of property and compensation for loss	-	-	15,901		15,901
State aid	7,803,894	7,803,894	7,592,354		(211,540)
Federal aid	175,000	175,000	412,967		237,967
Miscellaneous	648,709	648,709	784,660		135,951
<b>Total Revenues</b>	<b>139,475,230</b>	<b>139,475,230</b>	<b>140,025,523</b>		<b>550,293</b>
<b>EXPENDITURES</b>					
<b>Current</b>					
General support					
Board of education	97,109	102,981	76,352	-	26,629
Central administration	413,504	438,002	420,313	16,200	1,489
Finance	1,152,998	1,059,150	1,028,607	11,051	19,492
Staff	1,129,442	1,215,928	1,100,011	70	115,847
Central services	10,657,101	11,714,170	9,737,428	1,288,624	688,118
Special items	1,110,304	3,349,250	2,290,519	-	1,058,731
<b>Total General Support</b>	<b>14,560,458</b>	<b>17,879,481</b>	<b>14,653,230</b>	<b>1,315,945</b>	<b>1,910,306</b>
Instruction					
Instruction, administration and improvement	5,510,742	6,057,830	5,840,276	5,374	212,180
Teaching - Regular school	46,891,188	45,645,353	45,343,354	196,045	105,954
Programs for students with disabilities	17,066,990	17,005,227	16,760,618	630	243,979
Occupational education	50,322	50,557	50,512	-	45
Teaching - Special schools	282,000	279,500	270,487	-	9,013
Instructional media	2,226,528	2,361,987	2,201,626	133,854	26,507
Pupil services	7,991,804	8,274,796	7,814,226	13,262	447,308
<b>Total Instruction</b>	<b>80,019,574</b>	<b>79,675,250</b>	<b>78,281,099</b>	<b>349,165</b>	<b>1,044,986</b>
Pupil transportation	3,915,664	2,692,588	2,511,252	-	181,336
Employee benefits	35,611,104	36,399,927	34,471,351	-	1,928,576
Debt service					
Principal	322,322	322,322	322,322	-	-
Interest	72,761	72,761	72,761	-	-
<b>Total Expenditures</b>	<b>134,501,883</b>	<b>137,042,329</b>	<b>130,312,015</b>	<b>1,665,110</b>	<b>5,065,204</b>
<b>Excess of Revenues Over Expenditures</b>	<b>4,973,347</b>	<b>2,432,901</b>	<b>9,713,508</b>	<b>(1,665,110)</b>	<b>5,615,497</b>
<b>OTHER FINANCING USES</b>					
Transfers out	(6,157,677)	(6,126,677)	(6,104,618)	-	22,059
<b>Net Change in Fund Balance</b>	<b>(1,184,330)</b>	<b>(3,693,776)</b>	<b>3,608,890</b>	<b>\$ (1,665,110)</b>	<b>\$ 5,637,556</b>
<b>FUND BALANCE</b>					
Beginning of Year	1,184,330	3,693,776	13,198,476		
End of Year	\$ -	\$ -	\$ 16,807,366		

See independent auditors' report.

2019				
Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget Positive (Negative)
\$ 119,693,078	\$ 119,693,078	\$ 119,322,742	\$	\$ (370,336)
5,707,134	5,707,134	5,707,143		9
1,555,000	1,555,000	1,657,589		102,589
1,476,444	1,476,444	1,681,165		204,721
866,400	866,400	1,386,616		520,216
-	-	899		899
7,709,245	7,709,245	7,646,477		(62,768)
78,000	78,000	264,914		186,914
605,000	605,000	830,530		225,530
137,690,301	137,690,301	138,498,075		807,774
97,484	113,541	104,639	2,035	6,867
396,682	414,246	412,506	714	1,026
1,217,692	1,196,009	1,150,252	6,192	39,565
1,108,786	1,129,782	1,055,629	5,229	68,924
9,863,711	10,776,598	9,830,608	673,217	272,773
1,091,203	3,406,447	3,323,977	-	82,470
13,775,558	17,036,623	15,877,611	687,387	471,625
5,502,535	5,593,470	5,541,330	4,063	48,077
44,801,296	44,598,881	44,185,978	23,553	389,350
17,688,967	17,497,767	16,804,438	35,327	658,002
51,264	36,145	36,145	-	-
235,000	286,165	283,532	-	2,633
2,305,617	2,434,002	2,391,410	12,894	29,698
7,079,937	7,148,925	7,091,097	18,484	39,344
77,664,616	77,595,355	76,333,930	94,321	1,167,104
3,928,746	3,581,322	3,474,131	2,622	104,569
36,411,820	36,013,120	34,181,474	-	1,831,646
314,900	314,900	314,900	-	-
80,183	80,183	80,183	-	-
132,175,823	134,621,503	130,262,229	784,330	3,574,944
5,514,478	3,068,798	8,235,846	(784,330)	4,382,718
(7,397,778)	(7,416,485)	(7,413,631)	-	2,854
(1,883,300)	(4,347,687)	822,215	\$ (784,330)	\$ 4,385,572
1,883,300	4,347,687	12,376,261		
\$ -	\$ -	\$ 13,198,476		

**Mamaroneck Union Free School District, New York**

General Fund

Schedule of Revenues Compared to Budget

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REAL PROPERTY TAXES</b>	<b>\$ 122,092,266</b>	<b>\$ 122,092,266</b>	<b>\$ 121,933,737</b>	<b>\$ (158,529)</b>
<b>OTHER TAX ITEMS</b>				
Payments in lieu of taxes	45,229	45,229	45,735	506
School tax relief reimbursement	4,431,131	4,431,131	4,431,131	-
	4,476,360	4,476,360	4,476,866	506
<b>NON-PROPERTY TAXES</b>	<b>1,620,000</b>	<b>1,620,000</b>	<b>2,156,498</b>	<b>536,498</b>
Non-property tax distribution from County				
<b>CHARGES FOR SERVICES</b>				
Day school tuition - Individuals	25,000	25,000	82,670	57,670
Day school tuition - Other districts	375,601	375,601	458,905	83,304
Health services for other districts	925,000	925,000	891,162	(33,838)
Transportation - Other districts	15,000	15,000	12,385	(2,615)
Other services for other districts and other governments	240,000	240,000	299,594	59,594
	1,580,601	1,580,601	1,744,716	164,115
<b>USE OF MONEY AND PROPERTY</b>				
Earnings on investments	430,000	430,000	461,103	31,103
Rental of real property	648,400	648,400	446,721	(201,679)
	1,078,400	1,078,400	907,824	(170,576)
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>				
Minor sales	-	-	15,901	15,901



<b>STATE AID</b>			
Basic formula	6,811,877	6,811,877	(7,422)
Supplemental aid	293,805	293,805	(102,979)
Textbooks	518,212	369,517	(95,182)
Computer software	-	104,920	-
Library	-	43,775	-
Homeless aid	-	-	39,195
Other	180,000	180,000	(45,152)
	<u>7,803,894</u>	<u>7,803,894</u>	<u>(211,540)</u>
<b>FEDERAL AID</b>			
Medicaid assistance	175,000	175,000	237,967
	<u>175,000</u>	<u>175,000</u>	<u>237,967</u>
<b>MISCELLANEOUS</b>			
Refund of prior year's expenditures	273,709	273,709	88,211
Reimbursement of Medicare Part D expenditures	300,000	300,000	21,485
Other	75,000	75,000	26,255
	<u>648,709</u>	<u>648,709</u>	<u>135,951</u>
<b>TOTAL REVENUES</b>	<u>\$ 139,475,230</u>	<u>\$ 139,475,230</u>	<u>\$ 550,293</u>

See independent auditors' report.

**Mamaroneck Union Free School District, New York**

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget  
Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget Positive (Negative)
<b>GENERAL SUPPORT</b>					
<b>BOARD OF EDUCATION</b>					
Board of education	\$ 33,387	\$ 40,869	\$ 39,020	\$ -	\$ 1,849
District clerk	14,859	16,000	16,000	-	-
District meeting	48,863	46,112	21,332	-	24,780
Total Board of Education	97,109	102,981	76,352	-	26,629
<b>CENTRAL ADMINISTRATION</b>					
Chief school administrator	413,504	438,002	420,313	16,200	1,489
<b>FINANCE</b>					
Business administration	843,739	774,188	767,655	3,265	3,268
Auditing	140,185	127,628	105,358	7,700	14,570
Treasurer	17,671	7,342	6,256	86	1,000
Purchasing	148,903	147,492	146,838	-	654
Fiscal agent fees	2,500	2,500	2,500	-	-
Total Finance	1,152,998	1,059,150	1,028,607	11,051	19,492
<b>STAFF</b>					
Legal	291,000	336,000	258,270	-	77,730
Personnel	679,894	721,601	688,318	70	33,213
Public information and services	158,548	158,327	153,423	-	4,904
Total Staff	1,129,442	1,215,928	1,100,011	70	115,847

<b>CENTRAL SERVICES</b>					
Operation and maintenance of plant					665,190
Central printing and mailing	9,928,433	10,125,858	9,000,356	460,312	15,967
Central data processing	37,500	62,500	46,533	-	6,961
	691,168	1,525,812	690,539	828,312	
Total Central Services	10,657,101	11,714,170	9,737,428	1,288,624	688,118
<b>SPECIAL ITEMS</b>					
Unallocated insurance	552,049	546,498	545,896	-	602
Judgments and claims	100,000	2,256,922	1,233,588	-	1,023,334
Taxes on school property	348,255	373,830	339,035	-	34,795
Administrative charge - BOCES	110,000	172,000	172,000	-	-
Total Special Items	1,110,304	3,349,250	2,290,519	-	1,058,731
Total General Support	14,560,458	17,879,481	14,653,230	1,315,945	1,910,306
<b>INSTRUCTION</b>					
<b>INSTRUCTION, ADMINISTRATION AND IMPROVEMENT</b>					
Curriculum development and supervision			560,943	-	120,638
Building administration	463,664	681,581	3,799,313	2,750	54,857
Research, planning and evaluation	3,812,494	3,856,920	567,112	-	4,324
Professional development	435,995	571,436	22,116	-	-
In-service training - Instruction	19,000	22,116	890,792	2,624	32,361
	779,589	925,777			
Total Instruction, Administration and Improvement	5,510,742	6,057,830	5,840,276	5,374	212,180
<b>TEACHING - REGULAR SCHOOL</b>	46,891,188	45,645,353	45,343,354	196,045	105,954
<b>PROGRAMS FOR STUDENTS WITH DISABILITIES</b>	17,066,990	17,005,227	16,760,618	630	243,979
<b>OCCUPATIONAL EDUCATION</b>	50,322	50,557	50,512	-	45
<b>TEACHING - SPECIAL SCHOOLS</b>	282,000	279,500	270,487	-	9,013

(Continued)

**Mamaroneck Union Free School District, New York**

**General Fund**

**Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)**  
**Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget Positive (Negative)
<b>INSTRUCTION (Continued)</b>					
<b>INSTRUCTIONAL MEDIA</b>					
School library and audiovisual	\$ 1,161,623	\$ 1,067,633	\$ 1,053,464	\$ 10,439	\$ 3,730
Computer assisted instruction	1,064,905	1,294,354	1,148,162	123,415	22,777
Total Instructional Media	2,226,528	2,361,987	2,201,626	133,854	26,507
<b>PUPIL SERVICES</b>					
Guidance - Regular school	2,472,944	2,615,526	2,609,517	-	6,009
Health services - Regular school	1,205,970	1,282,750	1,248,882	876	32,992
Psychological services - Regular school	1,668,173	1,902,495	1,839,538	-	62,957
Social work services - Regular school	941,314	945,213	746,009	-	199,204
Co-curricular activities - Regular school	369,395	397,228	323,222	2,590	71,416
Interscholastic athletics - Regular school	1,334,008	1,131,584	1,047,058	9,796	74,730
Total Pupil Services	7,991,804	8,274,796	7,814,226	13,262	447,308
Total Instruction	80,019,574	79,675,250	78,281,099	349,165	1,044,986
<b>PUPIL TRANSPORTATION</b>					
District transportation services	112,120	104,667	92,046	-	12,621
Contract transportation	3,788,444	2,573,321	2,409,701	-	163,620
Building	15,100	14,600	9,505	-	5,095
Total Pupil Transportation	3,915,664	2,692,588	2,511,252	-	181,336

<b>EMPLOYEE BENEFITS</b>				
State retirement	1,841,230	1,670,268	1,670,268	-
Teachers' retirement	5,880,249	5,628,223	5,485,762	-
Social security	5,723,583	5,595,802	5,583,091	-
Life insurance	95,000	98,675	93,635	-
Hospital, medical and dental insurance	21,373,041	22,201,528	20,761,799	-
Workers' compensation	555,801	1,055,801	750,049	-
Unemployment benefits	47,000	47,000	28,674	-
Disability insurance	10,200	17,630	17,312	-
Other	85,000	85,000	80,761	-
Total Employee Benefits	35,611,104	36,399,927	34,471,351	1,928,576
<b>DEBT SERVICE</b>				
Energy performance contract				
Principal	322,322	322,322	322,322	-
Interest	72,761	72,761	72,761	-
Total Debt Service	395,083	395,083	395,083	-
<b>TOTAL EXPENDITURES</b>	134,501,883	137,042,329	130,312,015	5,065,204
<b>OTHER FINANCING USES</b>				
Transfers out				
Special Aid Fund	220,000	234,000	232,739	-
Debt Service Fund	5,937,677	5,892,677	5,871,879	-
<b>TOTAL OTHER FINANCING USES</b>	6,157,677	6,126,677	6,104,618	22,059
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	\$ 140,659,560	\$ 143,169,006	\$ 136,416,633	\$ 1,665,110
				\$ 5,087,263

See independent auditors' report.

**Mamaroneck Union Free School District, New York**

Special Aid Fund  
Comparative Balance Sheet  
June 30,

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Receivables		
State and Federal aid	\$ 994,606	\$ 631,053
Due from other funds	<u>285,649</u>	<u>-</u>
Total Assets	<u><u>\$ 1,280,255</u></u>	<u><u>\$ 631,053</u></u>
<b>LIABILITIES</b>		
Accounts payable	\$ 39,979	\$ 48,881
Due to other funds	1,138,656	535,578
Due to other governments	87,646	29,763
Unearned revenues	<u>13,974</u>	<u>16,831</u>
Total Liabilities	<u><u>\$ 1,280,255</u></u>	<u><u>\$ 631,053</u></u>

See independent auditors' report.

**Mamaroneck Union Free School District, New York**

Special Aid Fund

Comparative Statement of Revenues, Expenditures and

Changes in Fund Balance

Years Ended June 30,

	<u>2020</u>	<u>2019</u>
<b>REVENUES</b>		
State aid	\$ 1,113,172	\$ 863,889
Federal aid	1,890,166	1,797,747
Miscellaneous	<u>2,857</u>	<u>319,318</u>
Total Revenues	3,006,195	2,980,954
<b>EXPENDITURES</b>		
Current		
Instruction	<u>3,238,934</u>	<u>3,181,807</u>
Deficiency of Revenues Over Expenditures	(232,739)	(200,853)
<b>OTHER FINANCING SOURCES</b>		
Transfers in	<u>232,739</u>	<u>200,853</u>
Net Change in Fund Balance	-	-
<b>FUND BALANCE</b>		
Beginning of Year	<u>-</u>	<u>-</u>
End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See independent auditors' report.

**Mamaroneck Union Free School District, New York**

Capital Projects Fund  
Comparative Balance Sheet  
June 30,

	2020	2019
<b>ASSETS</b>		
Cash and equivalents	\$ -	\$ 345,338
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>		
Liabilities		
Accounts payable	\$ 286,450	\$ 250
Due to other funds	1,247,273	-
Total Liabilities	1,533,723	250
Fund balance (deficit)		
Restricted	-	345,088
Unassigned	(1,533,723)	-
Total Fund Balance (Deficit)	(1,533,723)	345,088
Total Liabilities and Fund Balance (Deficit)	\$ -	\$ 345,338

See independent auditors' report.



**Mamaroneck Union Free School District, New York**

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

---

	<u>2020</u>	<u>2019</u>
<b>REVENUES</b>		
State aid	\$ 79,169	\$ -
Miscellaneous	<u>-</u>	<u>(3,556)</u>
Total Revenues	79,169	(3,556)
<b>EXPENDITURES</b>		
Capital outlay	<u>1,957,980</u>	<u>2,136,176</u>
Deficiency of Revenues Over Expenditures	(1,878,811)	(2,139,732)
<b>FUND BALANCE (DEFICIT)</b>		
Beginning of Year	<u>345,088</u>	<u>2,484,820</u>
End of Year	<u><u>\$ (1,533,723)</u></u>	<u><u>\$ 345,088</u></u>

See independent auditors' report.

**Mamaroneck Union Free School District, New York**

Capital Projects Fund

Project-Length Schedule

Inception of Project Through June 30, 2020

PROJECT	Authorization	Expenditures and Transfers to Date		
		Prior Years	Current Year	Total
2019 Bond Projects				
High School Fire Alarm	\$ 3,157,162	\$ -	\$ 373,136	\$ 373,136
High School Renovations	13,154,244	-	119,644	119,644
Central School Renovations	4,321,741	-	45,178	45,178
Mamaroneck Avenue School Renovations	7,866,945	-	403,030	403,030
Chatsworth Avenue School Renovations	8,030,542	-	377,176	377,176
Murray Avenue School Electric Upgrade	544,525	-	74,572	74,572
Murray Avenue School Renovations	6,383,883	-	268,868	268,868
Transportation Garage	565,133	-	29,054	29,054
Hommocks Middle School Renovations	5,730,995	-	71,367	71,367
Total 2019 Bond Projects	49,755,170	-	1,762,025	1,762,025
District-wide Improvements	9,621,608	9,508,710	46,335	9,555,045
High School PE Locker Room	7,088,094	6,975,545	-	6,975,545
High School Renovations	1,431,565	1,378,946	-	1,378,946
Chatsworth Avenue School Renovations	652,935	581,270	70,451	651,721
Smart Schools Bond Act Non-public schools allocation	79,191	-	79,169	79,169
Totals	\$ 68,628,563	\$ 18,444,471	\$ 1,957,980	\$ 20,402,451

See independent auditors' report.

Unexpended Balance	Methods of Financing			Fund Balance (Deficit) at June 30, 2020
	Proceeds of Obligations	State Aid	Total	
\$ 2,784,026	\$ -	\$ -	\$ -	\$ (373,136)
13,034,600	-	-	-	(119,644)
4,276,563	-	-	-	(45,178)
7,463,915	-	-	-	(403,030)
7,653,366	-	-	-	(377,176)
469,953	-	-	-	(74,572)
6,115,015	-	-	-	(268,868)
536,079	-	-	-	(29,054)
5,659,628	-	-	-	(71,367)
47,993,145	-	-	-	(1,762,025)
66,563	9,455,000	166,270	9,621,270	66,225
112,549	7,083,789	-	7,083,789	108,244
52,619	1,431,565	-	1,431,565	52,619
1,214	652,935	-	652,935	1,214
22	-	79,169	79,169	-
<u>\$ 48,226,112</u>	<u>\$ 18,623,289</u>	<u>\$ 245,439</u>	<u>\$ 18,868,728</u>	<u>\$ (1,533,723)</u>

**Mamaroneck Union Free School District, New York**

Combining Balance Sheet  
Non-Major Governmental Funds  
June 30, 2020  
(With Comparative Totals for 2019)

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	School Lunch	Special Purpose	Debt Service
<b>ASSETS</b>			
Cash and equivalents	\$ 138,158	\$ 782,437	\$ 25,353
Investments	-	8,889	750,361
State and Federal aid receivable	117,828	-	-
Inventories	19,929	-	-
Total Assets	<u>\$ 275,915</u>	<u>\$ 791,326</u>	<u>\$ 775,714</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 47,327	\$ 21,774	\$ -
Due to other funds	3,822	-	-
Unearned revenues	65,380	-	-
Total Liabilities	<u>116,529</u>	<u>21,774</u>	<u>-</u>
Fund balances			
Nonspendable	19,929	-	-
Restricted	-	769,552	775,714
Assigned	139,457	-	-
Total Fund Balances	<u>159,386</u>	<u>769,552</u>	<u>775,714</u>
Total Liabilities and Fund Balances	<u>\$ 275,915</u>	<u>\$ 791,326</u>	<u>\$ 775,714</u>

See independent auditors' report.

Non-Major Governmental Funds	
2020	2019
\$ 945,948	\$ 1,241,921
759,250	748,381
117,828	29,589
19,929	11,207
<u>\$ 1,842,955</u>	<u>\$ 2,031,098</u>
\$ 69,101	\$ 224,573
3,822	-
65,380	56,372
<u>138,303</u>	<u>280,945</u>
19,929	11,207
1,545,266	1,493,385
139,457	245,561
<u>1,704,652</u>	<u>1,750,153</u>
<u>\$ 1,842,955</u>	<u>\$ 2,031,098</u>

**Mamaroneck Union Free School District, New York**

Combining Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 Non-Major Governmental Funds  
 Year Ended June 30, 2020  
 (With Comparative Totals for 2019)

	School Lunch	Special Purpose	Debt Service
<b>REVENUES</b>			
Use of money and property	\$ 219	\$ 130	\$ 10,864
State aid	15,983	-	-
Federal aid	510,508	-	-
Food sales	510,580	-	-
Miscellaneous	1,274	269,821	-
<b>Total Revenues</b>	<b>1,038,564</b>	<b>269,951</b>	<b>10,864</b>
<b>EXPENDITURES</b>			
Current			
Community services	-	249,444	-
Cost of food sales	1,135,946	-	-
Debt service			
Principal	-	-	5,115,000
Interest	-	-	756,879
Refunding bond issuance costs	-	-	68,145
<b>Total Expenditures</b>	<b>1,135,946</b>	<b>249,444</b>	<b>5,940,024</b>
Excess (Deficiency) of Revenues Over Expenditures	(97,382)	20,507	(5,929,160)
<b>OTHER FINANCING SOURCES</b>			
Refunding bonds issued	-	-	7,595,000
Issuance premium	-	-	778,591
Payment to refunded bond escrow agent	-	-	(8,284,936)
Transfers in	-	-	5,871,879
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>5,960,534</b>
<b>Net Change in Fund Balances</b>	<b>(97,382)</b>	<b>20,507</b>	<b>31,374</b>
<b>FUND BALANCES</b>			
Beginning of Year	256,768	749,045	744,340
End of Year	\$ 159,386	\$ 769,552	\$ 775,714

See independent auditors' report.

Non-Major Governmental Funds	
2020	2019
\$ 11,213	\$ 18,671
15,983	14,320
510,508	430,405
510,580	711,161
271,095	331,666
1,319,379	1,506,223
249,444	313,191
1,135,946	1,190,688
5,115,000	6,160,000
756,879	1,052,778
68,145	-
7,325,414	8,716,657
(6,006,035)	(7,210,434)
7,595,000	-
778,591	-
(8,284,936)	-
5,871,879	7,212,778
5,960,534	7,212,778
(45,501)	2,344
1,750,153	1,747,809
\$ 1,704,652	\$ 1,750,153

**Mamaroneck Union Free School District, New York**

School Lunch Fund  
Comparative Balance Sheet  
June 30,

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 138,158	\$ 466,041
State and Federal aid receivable	117,828	29,589
Inventories	<u>19,929</u>	<u>11,207</u>
Total Assets	<u><u>\$ 275,915</u></u>	<u><u>\$ 506,837</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 47,327	\$ 196,003
Due to other funds	3,822	-
Unearned revenues	<u>65,380</u>	<u>54,066</u>
Total Liabilities	<u>116,529</u>	<u>250,069</u>
Fund balance		
Nonspendable	19,929	11,207
Assigned	<u>139,457</u>	<u>245,561</u>
Total Fund Balance	<u>159,386</u>	<u>256,768</u>
Total Liabilities and Fund Balance	<u><u>\$ 275,915</u></u>	<u><u>\$ 506,837</u></u>

See independent auditors' report.



**Mamaroneck Union Free School District, New York**

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

	2020	2019
<b>REVENUES</b>		
Use of money and property	\$ 219	\$ 469
State aid	15,983	14,320
Federal aid	510,508	430,405
Food sales	510,580	711,161
Miscellaneous	1,274	66
Total Revenues	1,038,564	1,156,421
<b>EXPENDITURES</b>		
Current		
Cost of food sales	1,135,946	1,190,688
Deficiency of Revenues Over Expenditures	(97,382)	(34,267)
<b>FUND BALANCE</b>		
Beginning of Year	256,768	291,035
End of Year	\$ 159,386	\$ 256,768

See independent auditors' report.

**Mamaroneck Union Free School District, New York**

Special Purpose Fund  
Comparative Balance Sheet  
June 30,

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 782,437	\$ 771,157
Investments	<u>8,889</u>	<u>8,764</u>
Total Assets	<u>\$ 791,326</u>	<u>\$ 779,921</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 21,774	\$ 28,570
Unearned revenues	<u>-</u>	<u>2,306</u>
Total Liabilities	21,774	30,876
Fund balance		
Restricted	<u>769,552</u>	<u>749,045</u>
Total Liabilities and Fund Balance	<u>\$ 791,326</u>	<u>\$ 779,921</u>

See independent auditors' report.

**Mamaroneck Union Free School District, New York**

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

	<u>2020</u>	<u>2019</u>
<b>REVENUES</b>		
Use of money and property	\$ 130	\$ 188
Miscellaneous	<u>269,821</u>	<u>331,600</u>
Total Revenues	269,951	331,788
<b>EXPENDITURES</b>		
Current		
Community services	<u>249,444</u>	<u>313,191</u>
Excess of Revenues Over Expenditures	20,507	18,597
<b>FUND BALANCE</b>		
Beginning of Year	<u>749,045</u>	<u>730,448</u>
End of Year	<u>\$ 769,552</u>	<u>\$ 749,045</u>

See independent auditors' report.

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**Mamaroneck Union Free School District, New York**

Debt Service Fund  
Comparative Balance Sheet  
June 30,

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 25,353	\$ 4,723
Investments	<u>750,361</u>	<u>739,617</u>
Total Assets	<u>\$ 775,714</u>	<u>\$ 744,340</u>
<b>FUND BALANCE</b>		
Restricted	<u>\$ 775,714</u>	<u>\$ 744,340</u>

See independent auditors' report.

**Mamaroneck Union Free School District, New York**

Debt Service Fund

Comparative Schedule of Revenues, Expenditures and

Changes in Fund Balance - Budget and Actual

Years Ended June 30,

	2020			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ 10,864	\$ 10,864
<b>EXPENDITURES</b>				
Debt service				
Serial bonds				
Principal	5,115,000	5,115,000	5,115,000	-
Interest	756,879	756,879	756,879	-
	5,871,879	5,871,879	5,871,879	-
Refunding bond issuance costs	-	88,655	68,145	20,510
Total Expenditures	5,871,879	5,960,534	5,940,024	20,510
Deficiency of Revenues Over Expenditures	(5,871,879)	(5,960,534)	(5,929,160)	31,374
<b>OTHER FINANCING SOURCES (USES)</b>				
Refunding bonds issued	-	7,595,000	7,595,000	-
Issuance premium	-	778,591	778,591	-
Payment to refunded bond escrow agent	-	(8,284,936)	(8,284,936)	-
Transfers in	5,871,879	5,871,879	5,871,879	-
Total Other Financing Sources	5,871,879	5,960,534	5,960,534	-
Net Change in Fund Balance	-	-	31,374	31,374
<b>FUND BALANCE</b>				
Beginning of Year	-	-	744,340	744,340
End of Year	\$ -	\$ -	\$ 775,714	\$ 775,714

See independent auditors' report.

2019			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 18,014	\$ 18,014
6,160,000	6,160,000	6,160,000	-
1,052,778	1,052,778	1,052,778	-
7,212,778	7,212,778	7,212,778	-
-	-	-	-
7,212,778	7,212,778	7,212,778	-
(7,212,778)	(7,212,778)	(7,194,764)	18,014
-	-	-	-
-	-	-	-
-	-	-	-
7,212,778	7,212,778	7,212,778	-
7,212,778	7,212,778	7,212,778	-
-	-	18,014	18,014
-	-	726,326	726,326
\$ -	\$ -	\$ 744,340	\$ 744,340

**Mamaroneck Union Free School District, New York**

General Fund  
Analysis of Change from Adopted Budget to Final Budget  
Year Ended June 30, 2020

---

Adopted Budget	\$ 139,875,230
Additions - Encumbrances	<u>784,330</u>
Original Budget	140,659,560
Budget Amendments	<u>2,509,446</u>
Final Budget	<u><u>\$ 143,169,006</u></u>

General Fund  
Section 1318 of Real Property Tax Law Limit Calculation

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2020-21 Expenditure Budget	<u>\$ 142,609,792</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	
Unrestricted fund balance	
Assigned fund balance	2,065,110
Unassigned fund balance	<u>5,548,135</u>
Total Unrestricted Fund Balance	<u>7,613,245</u>
Less	
Appropriated for subsequent year's budget	400,000
Encumbrances	<u>1,665,110</u>
Total Adjustments	<u>2,065,110</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 5,548,135</u></u>
Actual Percentage	<u><u>3.89%</u></u>

See independent auditors' report.



**Mamaroneck Union Free School District, New York**

**Schedule of Net Investment in Capital Assets**

**Year Ended June 30, 2020**

---

Capital Assets, net		\$ 103,341,038
Less		
General obligation bonds payable - Capital construction	(25,045,000)	
Energy performance contract payable	(2,867,238)	
Unamortized portion of issuance premium on bonds	<u>(1,253,063)</u>	(29,165,301)
Plus		
Unexpended bond proceeds	162,077	
Unamortized portion of loss on refunding bonds	<u>266,711</u>	<u>428,788</u>
Net Investment in Capital Assets		<u>\$ 74,604,525</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  
Mamaroneck 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 Mamaroneck Union Free School District, New York ("School District") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated September 16, 2020.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

September 16, 2020

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

**Independent Auditors' Report**

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

**Report on Compliance for Each Major Federal Program**

We have audited the Mamaroneck Union Free School District, New York's ("School District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2020. The School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

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

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



### ***Opinion on Each Major Federal Program***

In our opinion, the School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

### **Report on Internal Control Over Compliance**

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

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

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

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

*PKF O'Connor Davies, LLP*  
**PKF O'Connor Davies, LLP**  
Harrison, New York  
September 16, 2020

**Mamaroneck Union Free School District, New York**

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2020

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number (1)</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Provided to Sub- Recipients</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>				
Indirect Programs - Passed through New York State Department of Education				
<i>Child Nutrition Cluster</i>				
School Breakfast Program	10.553	N/A	\$ -	\$ 79,959
National School Lunch Program - Commodities	10.555	N/A	-	97,655
National School Lunch Program - Cash	10.555	N/A	-	332,894
Total U.S. Department of Agriculture			-	510,508
<u>U.S. Department of Education</u>				
Indirect Programs - Passed through New York State Department of Education				
<i>Special Education Cluster (IDEA)</i>				
Special Education - Grants to States	84.027	032-20-1067	-	1,264,524
Special Education - Preschool Grants	84.173	033-20-1067	-	47,836
Subtotal Special Education Cluster			-	1,312,360
Title I Grants to Local Educational Agencies	84.010	021-20-3700	-	381,772
Title I Grants to Local Educational Agencies	84.010	021-19-3700	-	1,137
			-	382,909
English Language Acquisition State Grants	84.365	293-20-3700	-	47,539
English Language Acquisition State Grants	84.365	293-19-3700	-	434
			-	47,973
Supporting Effective Instruction State Grants	84.367	147-20-3700	-	115,592
Supporting Effective Instruction State Grants	84.367	147-19-3700	-	94
			-	115,686
Student Support and Academic Enrichment Program	84.424	204-20-3700	-	18,177
Student Support and Academic Enrichment Program	84.424	204-19-3700	-	3,413
			-	21,590
Title IIA - Immigration Grant	84.365A	149-20-3700	-	9,648
Total U.S. Department of Education			-	1,890,166
Total Expenditures of Federal Awards			\$ -	\$ 2,400,674

(1) Catalog of Federal Domestic Assistance number  
N/A - Information not available

The accompanying notes are an integral part of this schedule.

## **Mamaroneck Union Free School District, New York**

Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2020

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### **Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards ("Schedule") includes the federal award activity of the Mamaroneck Union Free School District, New York ("School District") under programs of the federal government for the year ended June 30, 2020. Federal awards received directly from the Federal agencies as well as Federal awards passed through other government agencies are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the School District.

### **Note 2 - Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance. Pass-through identifying numbers are presented where available.



**Mamaroneck Union Free School District, New York**

Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2020

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None

**Mamaroneck Union Free School District, New York**

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2020

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**Section I - Summary of Auditors' Results**

***Financial Statements***

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

Unmodified

Internal control over financial reporting:

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

\_\_\_\_ Yes      X   No  
\_\_\_\_ Yes      X   None reported

Noncompliance material to financial statements  
noted?

\_\_\_\_ Yes      X   No

***Federal Awards***

Internal control over major federal programs:

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

\_\_\_\_ Yes      X   No  
\_\_\_\_ Yes      X   None reported

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

Unmodified

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

\_\_\_\_ Yes      X   No

Identification of major federal programs:

CFDA Number(s)

Name of Federal Program or Cluster

10.553  
10.555  
10.555

Child Nutrition Cluster:  
School Breakfast Program  
National School Lunch Program – Commodities  
National School Lunch Program - Cash

Dollar threshold used to distinguish  
between Type A and Type B programs:  
Auditee qualified as low-risk auditee?

\$750,000  
  X   Yes    \_\_\_\_ No

**Mamaroneck Union Free School District, New York**

Schedule of Findings and Questioned Costs (Concluded)  
Year Ended June 30, 2020

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**Section II - Financial Statement Findings**

None

**Section III - Federal Award Findings and Questioned Costs**

None

