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## NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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### **Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability, calculated using the discount rate of 2.79%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.79%) or 1-percentage-point higher (3.79%) than the current rate:

	<b>1% Decrease <u>1.79%</u></b>	<b>Current Discount Rate <u>2.79%</u></b>	<b>1% Increase <u>3.79%</u></b>
District's proportionate share of the net OPEB liability	<u>\$14,959,207</u>	<u>\$13,131,123</u>	<u>\$11,616,097</u>

### **OPEB Plan Fiduciary Net Position**

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on PSERS's website at [www.psers.pa.gov](http://www.psers.pa.gov).

## **(10) PENSION PLAN**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public School Employees Retirement System ("**PSERS**") and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### **Plan Description**

PSERS is a governmental cost sharing multiple-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in PSERS include all full-time public employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues a publicly available financial report that can be obtained at [www.psers.state.pa.us](http://www.psers.state.pa.us).

### **Benefits Provided**

PSERS provides retirement, disability, and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least 1 year credited service; (b) age 60 with 30 more years of credited service; or (c) 35 or more years of service regardless of age. Act 120 of 2010 (Act 120) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two membership classes, Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of 3 years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the code) multiplied by the number of years of credited service. For members whose membership started prior to July 1, 2011, after completion of five years of service, a member's right to the defined benefits is vested and early retirement benefits may be elected. For Class T-E and Class T-F members, the right to benefits is vested after ten years of service.







# DOWNINGTOWN AREA SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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### (11) JOINT VENTURE AND JOINTLY GOVERNED ORGANIZATION

#### Technical College High School Brandywine

The District and two other Chester County school districts participate in the Technical College High School Brandywine Campus ("**TCHS Brandywine**"). The TCHS Brandywine provides vocational-technical training and education to students of the participating school districts. The TCHS Brandywine is controlled by a joint Board comprised of representative school board members of the participating school districts. District oversight of the TCHS Brandywine operations is the responsibility of the joint board. The District's share of operating costs for the TCHS Brandywine fluctuates based on the District's percentage of enrollment. The District's share of operating costs for 2019-2020 was \$2,662,361.

The TCHS Brandywine prepares financial statements that are available to the public from their administrative offices.

#### Chester County Intermediate Unit

The District and the other Chester County school districts are participating members of the Chester County Intermediate Unit (the "**CCIU**"). The CCIU is a regional educational service agency, established by the Commonwealth of Pennsylvania, which is governed by a joint committee consisting of School Board members from each participating district. The School Board of each participating district must approve the annual operating budget of the CCIU but the participating districts have no ongoing fiduciary interest or responsibility to the CCIU. The CCIU is a self-sustaining organization that provides a broad array of services to participating districts which include: curriculum development and instructional improvement; educational planning services; instructional material; continuing professional development; pupil personnel services; management services and state and federal liaison services.

### (12) CONTINGENCIES AND COMMITMENTS

#### Government Grants and Awards

The District receives federal, state and local funding under a number of programs. Payments made by these sources under contractual agreements are provisional and subject to redetermination based on filing of reports and audits of those reports. Final settlements due from or to these sources are recorded in the year in which the related services are performed. Any adjustments resulting from subsequent examinations are recognized in the year in which the results of such examinations become known. District officials do not expect any significant adjustments as a result of these examinations.

#### Litigation

The District is a defendant in various matters of litigation and claims. These matters result from the normal course of business. It is not presently possible to determine the ultimate outcome or settlement cost, if any, of these matters.

### (13) RISK MANAGEMENT

#### Other Risks

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by commercial insurance. For insured programs, there were no significant reductions in insurance coverages during the 2019-2020 year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.



# DOWNINGTOWN AREA SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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### Healthcare

The District administers a self-insurance program to provide healthcare and related expenses for eligible employees, spouses and their dependents. Accordingly, benefit payments plus an administrative charge are made to a third party administrator, who approves and processes all claims. The District has recorded a liability in the General Fund that includes an estimate for claims incurred but not reported through June 30, 2020 as estimated by the District's third party administrator and healthcare benefit consultant.

The following table presents the self-insurance healthcare claims liability and the related changes in the claims liability for the year ended June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Insurance claims liability – beginning of year	\$ 4,604,576	\$ 4,666,233
Current year insurance claims and changes in estimates	15,306,809	16,936,162
Insurance claims paid	<u>(15,848,056)</u>	<u>(16,997,819)</u>
Insurance claims liability – end of year	<u>\$ 4,063,329</u>	<u>\$ 4,604,576</u>

### Workers' Compensation

The District and other participating Pennsylvania school districts and educational agencies participate in the School District Insurance Consortium ("**SDIC**"), which is a voluntary trust. The District and the other participating members pay premiums to SDIC for the purpose of seeking prevention or lessening of claims due to injuries of employees of the participating members and pooling workers' compensation and occupational disease insurance risks, reserves claims and losses and providing self-insurance and reinsurance thereof. It is the intent of the participating members of SDIC that the SDIC will utilize funds contributed by the participating members, which shall be held in trust by SDIC, to provide self-insurance and reimbursements to the members for their obligations to pay compensation as required under the Workers' Compensation Act and the Pennsylvania Occupational Disease Act and to purchase excess and aggregate insurance. As of June 30, 2020, the District is not aware of any additional assessments relating to SDIC.

## (14) SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 1, 2020, the date on which the financial statements were available to be issued. No material subsequent events have occurred since June 30, 2020 that required recognition or disclosure in the financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

# DOWNINGTOWN AREA SCHOOL DISTRICT

## BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

Year ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Local sources	\$ 172,858,820	\$ 172,858,820	\$ 172,674,069	\$ (184,751)
State sources	52,134,292	52,243,397	52,437,987	194,590
Federal sources	1,135,000	2,981,764	3,305,481	323,717
<b>Total revenues</b>	<b>226,128,112</b>	<b>228,083,981</b>	<b>228,417,537</b>	<b>333,556</b>
<b>EXPENDITURES</b>				
<b>Instruction</b>				
Regular programs	99,428,734	99,428,734	98,038,430	1,390,304
Special programs	31,655,377	32,566,557	32,559,701	6,856
Vocational programs	6,154,599	6,284,599	6,273,664	10,935
Other instructional programs	1,744,486	1,744,486	1,739,711	4,775
Nonpublic school programs	38,500	38,500	4,765	33,735
<b>Total instruction</b>	<b>139,021,696</b>	<b>140,062,876</b>	<b>138,616,271</b>	<b>1,446,605</b>
<b>Support services</b>				
Pupil support services	8,518,095	9,115,514	9,096,830	18,684
Instructional staff services	6,347,205	6,892,204	6,867,839	24,365
Administrative services	13,370,486	13,370,486	12,316,951	1,053,535
Pupil health	3,013,269	3,013,269	2,744,747	268,522
Business services	2,471,992	2,471,992	2,133,675	338,317
Operation and maintenance of plant services	15,331,601	15,331,601	14,511,209	820,392
Student transportation services	12,801,555	12,801,555	10,990,897	1,810,658
Support services - central	4,665,516	5,165,516	5,125,996	39,520
Other support services	94,000	203,106	202,835	271
<b>Total support services</b>	<b>66,613,719</b>	<b>68,365,243</b>	<b>63,990,979</b>	<b>4,374,264</b>
<b>Operation of noninstructional services</b>				
Student activities	3,850,814	3,850,814	3,674,686	176,128
Community services	84,660	84,660	66,670	17,990
<b>Total operation of noninstructional services</b>	<b>3,935,474</b>	<b>3,935,474</b>	<b>3,741,356</b>	<b>194,118</b>
<b>Facilities acquisition, construction and improvement services</b>				
	310,000	335,000	332,382	2,618
<b>Debt service</b>	<b>10,000,000</b>	<b>11,846,764</b>	<b>9,846,764</b>	<b>2,000,000</b>
<b>Total expenditures</b>	<b>219,880,889</b>	<b>224,545,357</b>	<b>216,527,752</b>	<b>8,017,605</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>6,247,223</b>	<b>3,538,624</b>	<b>11,889,785</b>	<b>8,351,161</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of/compensation for capital assets	89,700	89,700	278,039	188,339
Refund of prior year expenditures	75,000	75,000	117,370	42,370
Refund of prior year revenues	(50,000)	(50,000)	(285)	49,715
Transfers out (reimbursement)	(1,500,000)	(3,653,324)	(9,371,895)	(5,718,571)
Transfers out (non-reimbursement)	-	-	(2,327,268)	(2,327,268)
Budgetary reserve	(4,861,923)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(6,247,223)</b>	<b>(3,538,624)</b>	<b>(11,304,039)</b>	<b>(7,765,415)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>585,746</b>	<b>\$ 585,746</b>
<b>FUND BALANCE</b>				
Beginning of year			18,193,736	
<b>End of year</b>			<b>\$ 18,779,482</b>	

**DOWNTOWN AREA SCHOOL DISTRICT**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - PSERS**

**Year ended June 30**

	<b>Measurement Date</b>					
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>
District's proportion of the net pension liability	0.6174%	0.7311%	0.6556%	0.6547%	0.6410%	0.6259%
District's proportionate share of the net pension liability	\$ 288,835,822	\$ 350,964,299	\$ 323,790,381	\$ 324,448,546	\$ 277,651,000	\$ 247,735,000
District's covered-employee payroll	\$ 85,153,373	\$ 98,456,473	\$ 87,291,671	\$ 84,793,744	\$ 82,474,947	\$ 79,863,944
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	339.19%	356.47%	370.93%	382.63%	336.65%	310.20%
Plan fiduciary net position as a percentage of the total pension liability	55.66%	54.00%	52.00%	50.00%	54.00%	57.00%

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In accordance with GASB Statement No. 68, this schedule has been prepared prospectively. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

**DOWNTOWN AREA SCHOOL DISTRICT**

**SCHEDULE OF THE DISTRICT'S PENSION PLAN CONTRIBUTIONS - PSERS**

**Year ended June 30**

	<b>Measurement Date</b>					
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>
Contractually required contribution	\$ 27,648,629	\$ 31,022,971	\$ 25,076,097	\$ 20,829,000	\$ 16,551,000	\$ 12,468,000
Contributions in relation to the contractually required contribution	<u>27,648,629</u>	<u>31,022,971</u>	<u>25,076,097</u>	<u>20,829,000</u>	<u>16,551,000</u>	<u>12,468,000</u>
Contribution deficiency (excess)	-	-	-	-	-	-
District's covered-employee payroll	\$ 85,153,373	\$ 98,456,473	\$ 87,291,671	\$ 84,793,744	\$ 82,474,947	\$ 79,863,944
Contributions as a percentage of covered-employee payroll	32.47%	31.51%	29.00%	25.00%	20.00%	16.00%

In accordance with GASB Statement No. 68, this schedule has been prepared prospectively. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

# DOWNINGTOWN AREA SCHOOL DISTRICT

## SCHEDULE OF CHANGES IN OPEB LIABILITY - SINGLE EMPLOYER PLAN

Year ended June 30

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>TOTAL OPEB LIABILITY</b>			
Service cost	\$ 1,253,362	\$ 1,088,495	\$ 1,116,126
Interest on total OPEB liability	481,312	465,654	362,294
Differences between projected and actual experience	-	(416,685)	-
Changes of assumptions	(475,375)	878,365	(203,972)
Benefit payments	<u>(891,975)</u>	<u>(923,460)</u>	<u>(915,163)</u>
<b>Net change in total OPEB liability</b>	367,324	1,092,369	359,285
<b>Total OPEB liability, beginning</b>	<u>15,381,235</u>	<u>14,288,866</u>	<u>13,929,581</u>
<b>Total OPEB liability, ending</b>	<u>\$ 15,748,559</u>	<u>\$ 15,381,235</u>	<u>\$ 14,288,866</u>
<b>Fiduciary net position as a % of total OPEB liability</b>	0.00%	0.00%	0.00%
<b>Covered payroll</b>	\$ 90,294,978	\$ 90,294,978	\$ 83,688,223
<b>Net OPEB liability as a % of covered payroll</b>	17.44%	17.03%	17.07%

In accordance with GASB Statement No. 75, this schedule has been prepared prospectively. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

# DOWNINGTOWN AREA SCHOOL DISTRICT

## SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY -PSERS

Year ended June 30

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	Measurement Date		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability	0.6174%	0.7311%	0.6556%
District's proportionate share of the net OPEB liability	\$ 13,131,123	\$ 15,243,062	\$ 13,357,273
District's covered-employee payroll	\$ 85,153,373	\$ 98,456,473	\$ 87,291,671
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	15.42%	15.48%	15.30%
Plan fiduciary net position as a percentage of the total OPEB liability	5.56%	5.56%	6.00%

In accordance with GASB Statement No. 75, this schedule has been prepared prospectively. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

# DOWNINGTOWN AREA SCHOOL DISTRICT

## SCHEDULE OF THE DISTRICT'S OPEB PLAN CONTRIBUTIONS - PSERS

Year ended June 30

	Measurement Date		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 707,361	\$ 816,814	\$ 724,818
Contributions in relation to the contractually required contribution	<u>\$ 707,361</u>	<u>\$ 816,814</u>	<u>\$ 724,818</u>
Contribution deficiency (excess)	-	-	-
District's covered-employee payroll	\$ 85,153,373	\$ 98,456,473	\$ 87,291,671
Contributions as a percentage of covered-employee payroll	0.83%	0.83%	0.83%

In accordance with GASB Statement No. 75, this schedule has been prepared prospectively. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.



**SUPPLEMENTARY INFORMATION**

# DOWNINGTOWN AREA SCHOOL DISTRICT

## COMBINING BALANCE SHEET - CAPITAL PROJECTS FUND

June 30, 2020

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	<u>Capital Reserve Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash	\$ 6,610,353	\$ 31,229,530	\$ 37,839,883
Investments	20,196,842	59,767,520	79,964,362
Other receivables	-	3,000	3,000
Due from other funds	-	11,699,163	11,699,163
<b>Total assets</b>	<u>\$ 26,807,195</u>	<u>\$ 102,699,213</u>	<u>\$ 129,506,408</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ 7,301,917	\$ 7,301,917
Due to other funds	-	29,144	29,144
	<u>-</u>	<u>7,331,061</u>	<u>7,331,061</u>
<b>FUND BALANCES</b>			
Committed to			
Capital projects	<u>26,807,195</u>	<u>95,368,152</u>	<u>122,175,347</u>
<b>Total fund balances</b>	<u>26,807,195</u>	<u>95,368,152</u>	<u>122,175,347</u>
<b>Total liabilities and fund balances</b>	<u>\$ 26,807,195</u>	<u>\$ 102,699,213</u>	<u>\$ 129,506,408</u>

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**DOWNINGTOWN AREA SCHOOL DISTRICT**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUND**

Year ended June 30, 2020

	<b>Capital Reserve Fund</b>	<b>Capital Projects Fund</b>	<b>Total</b>
<b>REVENUES</b>			
Local sources	\$ 562,448	\$ 1,929,192	\$ 2,491,640
<b>EXPENDITURES</b>			
Current			
Instruction	-	3,687,024	3,687,024
Support services	-	435,777	435,777
Operation of noninstructional services	-	69,926	69,926
Facilities acquisition, construction and improvement services	-	36,025,340	36,025,340
<b>Total expenditures</b>	<b>-</b>	<b>40,218,067</b>	<b>40,218,067</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>562,448</b>	<b>(38,288,875)</b>	<b>(37,726,427)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Refund of prior year expenditures	-	64,404	64,404
Transfers in (reimbursement)	-	9,371,895	9,371,895
Transfers in (non-reimbursement)	-	2,327,268	2,327,268
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>11,763,567</b>	<b>11,763,567</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>562,448</b>	<b>(26,525,308)</b>	<b>(25,962,860)</b>
<b>FUND BALANCES</b>			
Beginning of year	26,244,747	121,893,460	148,138,207
<b>End of year</b>	<b>\$ 26,807,195</b>	<b>\$ 95,368,152</b>	<b>\$ 122,175,347</b>

**DOWNTOWN AREA SCHOOL DISTRICT**

**BORROWING BASE CALCULATION - GENERAL FUND**

Year ended June 30,

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	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Gross revenues received - General Fund</b>	<u>\$ 222,813,860</u>	<u>\$ 225,625,070</u>	<u>\$ 228,417,537</u>
<b>Deductions pursuant to Section 102 (c)(16) of Act 185 of 1972;</b>			
(i) Subsidy - rentals and sinking fund payments	1,630,989	1,127,730	1,139,792
(ii) Non-recurring receipts	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total deductions</b>	<u>1,630,989</u>	<u>1,127,730</u>	<u>1,139,792</u>
<b>TOTAL REVENUES AS DEFINED IN     SECTION (102(c)(16) OF ACT 185     OF 1972</b>	<u>\$ 221,182,871</u>	<u>\$ 224,497,340</u>	<u>\$ 227,277,745</u>
<b>TOTAL REVENUES FOR PAST THREE YEARS</b>	<u>\$ 649,221,662</u>	<u>\$ 662,341,532</u>	<u>\$ 672,957,956</u>
<b>BORROWING BASE - AVERAGE ANNUAL REVENUES</b>	<u>\$ 216,407,221</u>	<u>\$ 220,780,511</u>	<u>\$ 224,319,319</u>
<b>DEBT LIMIT - 225% OF BORROWING BASE</b>	<u>\$ 486,916,247</u>	<u>\$ 496,756,149</u>	<u>\$ 504,718,467</u>

# DOWNINGTOWN AREA SCHOOL DISTRICT

## COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GENERAL FUND

June 30,

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>REVENUES</b>										
Local sources	\$172,674,069	\$172,336,280	\$169,667,095	\$168,019,218	\$165,798,902	\$161,347,717	\$158,062,114	\$155,165,778	\$150,471,909	\$146,373,855
State sources	52,437,987	50,286,113	50,224,146	50,415,422	43,445,079	40,489,476	38,795,263	35,850,554	36,203,487	34,875,076
Federal sources	3,305,481	3,002,677	2,922,619	2,973,257	2,724,944	2,758,810	3,057,783	3,012,007	3,140,124	5,757,006
<b>Total revenues</b>	<u>228,417,537</u>	<u>225,625,070</u>	<u>222,813,860</u>	<u>221,407,897</u>	<u>211,968,925</u>	<u>204,596,003</u>	<u>199,915,160</u>	<u>194,028,339</u>	<u>189,815,520</u>	<u>187,005,937</u>
<b>EXPENDITURES</b>										
Instruction	138,616,271	134,766,707	130,407,874	126,339,494	122,852,991	114,337,036	107,576,872	102,566,445	100,946,540	101,266,153
Support services	63,990,979	63,073,821	60,274,071	60,692,658	58,164,456	54,859,555	50,494,222	47,672,427	46,149,161	48,032,336
Operation of noninstructional services	3,741,356	4,125,096	4,152,500	3,952,347	3,781,391	3,742,258	3,418,070	3,405,943	3,234,836	3,353,499
Facilities acquisition, construction and improvement services	332,382	279,002	331,257	353,018	311,756	187,621	300,250	1,558,131	3,000,000	-
Debt service	9,846,764	9,839,885	11,833,005	11,831,039	13,361,677	13,887,128	16,801,219	27,185,883	26,836,505	18,287,185
<b>Total expenditures</b>	<u>216,527,752</u>	<u>212,084,511</u>	<u>206,998,707</u>	<u>203,168,556</u>	<u>198,472,271</u>	<u>187,013,598</u>	<u>178,590,633</u>	<u>182,388,829</u>	<u>180,167,042</u>	<u>170,939,173</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>11,889,785</u>	<u>13,540,559</u>	<u>15,815,153</u>	<u>18,239,341</u>	<u>13,496,654</u>	<u>17,582,405</u>	<u>21,324,527</u>	<u>11,639,510</u>	<u>9,648,478</u>	<u>16,066,764</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers out	(11,699,163)	(13,208,160)	(15,826,069)	(25,760,784)	(13,127,754)	(19,572,644)	(25,071,254)	(20,745,138)	(21,931,206)	(6,374,284)
Sale of/compensation for capital assets	278,039	44,245	162,237	182,098	45,414	37,165	17,064	3,675	16,100	-
Proceeds from extended-term financing	-	-	-	-	-	-	-	-	-	713,040
Refunds of prior years expenditures (revenues)	117,085	122,639	201,532	69,585	(76,904)	119,098	239,113	384	(10,642)	36,170
<b>Total other financing sources (uses)</b>	<u>(11,304,039)</u>	<u>(13,041,276)</u>	<u>(15,462,300)</u>	<u>(25,509,101)</u>	<u>(13,159,244)</u>	<u>(19,416,381)</u>	<u>(24,815,077)</u>	<u>(20,741,079)</u>	<u>(21,925,748)</u>	<u>(5,625,074)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>585,746</u>	<u>499,283</u>	<u>352,853</u>	<u>(7,269,760)</u>	<u>337,410</u>	<u>(1,833,976)</u>	<u>(3,490,550)</u>	<u>(9,101,569)</u>	<u>(12,277,270)</u>	<u>10,441,690</u>
<b>FUND BALANCE</b>										
Beginning of year	18,193,736	17,694,453	17,341,600	24,611,360	24,273,950	26,107,926	29,598,476	38,700,045	50,977,315	40,180,859
Prior period adjustment	-	-	-	-	-	-	-	-	-	354,766
<b>Fund balance as restated</b>	<u>18,193,736</u>	<u>17,694,453</u>	<u>17,341,600</u>	<u>24,611,360</u>	<u>24,273,950</u>	<u>26,107,926</u>	<u>29,598,476</u>	<u>38,700,045</u>	<u>50,977,315</u>	<u>40,535,625</u>
<b>End of year</b>	<u>\$ 18,779,482</u>	<u>\$ 18,193,736</u>	<u>\$ 17,694,453</u>	<u>\$ 17,341,600</u>	<u>\$ 24,611,360</u>	<u>\$ 24,273,950</u>	<u>\$ 26,107,926</u>	<u>\$ 29,598,476</u>	<u>\$ 38,700,045</u>	<u>\$ 50,977,315</u>

# DOWNINGTOWN AREA SCHOOL DISTRICT

## COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ORIGINAL BUDGET AND ACTUAL GENERAL FUND

June 30,

	2020		2019		2018		2017		2016	
	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
<b>REVENUES</b>										
Local sources	\$ 172,858,820	\$ 172,674,069	\$ 168,769,339	\$ 172,336,280	\$ 167,346,585	\$ 169,667,095	\$ 163,745,222	\$ 168,019,218	\$ 158,782,552	\$ 165,798,902
State sources	52,134,292	52,437,987	50,500,466	50,286,113	48,250,113	50,224,146	46,198,778	50,415,422	43,095,448	43,445,079
Federal sources	1,135,000	3,305,481	1,270,000	3,002,677	1,128,000	2,922,619	1,168,000	2,973,257	925,000	2,724,944
<b>Total revenues</b>	<b>226,128,112</b>	<b>228,417,537</b>	<b>220,539,805</b>	<b>225,625,070</b>	<b>216,724,698</b>	<b>222,813,860</b>	<b>211,112,000</b>	<b>221,407,897</b>	<b>202,803,000</b>	<b>211,968,925</b>
<b>EXPENDITURES</b>										
Regular programs	99,428,734	98,038,430	92,178,760	96,559,508	101,187,500	94,482,875	97,996,065	90,304,527	93,665,914	88,830,399
Special programs	31,655,377	32,559,701	30,071,679	30,413,690	30,756,460	28,808,958	29,791,057	28,905,873	27,734,555	26,945,686
Vocational programs	6,154,599	6,273,664	5,735,778	5,810,180	5,708,799	5,657,676	6,270,044	5,553,718	6,157,309	5,661,706
Other instructional programs	1,744,486	1,739,711	1,816,672	1,942,120	1,674,763	1,422,288	1,744,527	1,557,847	1,582,643	1,413,430
Nonpublic school programs	38,500	4,765	37,392	41,209	5,000	36,077	12,000	17,529	15,000	1,770
Pupil personnel services	8,518,095	9,096,830	8,063,628	8,148,107	7,875,328	7,795,655	7,480,586	7,443,942	7,022,511	7,033,625
Instructional staff services	6,347,205	6,867,839	6,106,092	7,097,655	5,921,418	6,231,579	5,738,259	6,262,051	5,521,646	5,525,255
Administrative services	13,370,486	12,316,951	12,279,091	11,872,379	12,175,347	10,636,060	12,104,043	12,550,594	11,449,044	11,436,417
Pupil health	3,013,269	2,744,747	2,949,147	2,808,862	3,022,009	2,825,577	2,876,200	2,791,701	2,846,521	2,583,197
Business services	2,471,992	2,133,675	2,304,020	2,405,528	2,254,580	2,159,612	2,041,382	1,981,294	1,895,079	1,692,735
Operation and maintenance of plant services	15,331,601	14,511,209	14,820,790	14,130,699	14,998,184	14,018,196	14,851,685	14,116,920	14,335,773	14,599,437
Student transportation services	12,801,555	10,990,897	11,976,434	12,212,453	11,821,037	11,543,650	11,371,606	11,259,811	11,084,751	11,378,180
Central and other support services	4,759,516	5,328,831	4,552,692	4,398,138	4,662,983	5,063,742	4,387,526	4,286,345	4,143,691	3,915,610
Student activities	3,850,814	3,674,686	3,776,780	4,045,151	3,674,876	4,066,865	3,493,302	3,874,670	3,299,563	3,706,256
Community services	84,660	66,670	87,000	79,945	81,716	85,635	83,718	77,677	44,000	75,135
Facilities acquisition, construction and improvement	310,000	332,382	310,000	279,002	360,000	331,257	350,000	353,018	485,000	311,756
Debt service	10,000,000	9,846,764	10,000,000	9,839,885	10,090,000	11,833,005	10,020,000	11,831,039	15,500,000	13,361,677
<b>Total expenditures</b>	<b>219,880,889</b>	<b>216,527,752</b>	<b>207,065,955</b>	<b>212,084,511</b>	<b>216,270,000</b>	<b>206,998,707</b>	<b>210,612,000</b>	<b>203,168,556</b>	<b>206,783,000</b>	<b>198,472,271</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>6,247,223</b>	<b>11,889,785</b>	<b>13,473,850</b>	<b>13,540,559</b>	<b>454,698</b>	<b>15,815,153</b>	<b>500,000</b>	<b>18,239,341</b>	<b>(3,980,000)</b>	<b>13,496,654</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Sale of/compensation for capital assets	89,700	278,039	90,000	44,245	45,302	162,237	-	182,098	-	45,414
Proceeds from extended term financing	-	-	-	-	-	-	-	-	-	-
Refund of prior year expenditures (revenues)	25,000	117,085	(50,000)	122,639	-	201,532	-	69,585	(20,000)	(76,904)
Transfers out	(1,500,000)	(11,699,163)	(7,950,000)	(13,208,160)	-	(15,826,069)	-	(25,760,784)	-	(13,127,754)
Budgetary reserve	(4,861,923)	-	(5,563,850)	-	(500,000)	-	(500,000)	-	(500,000)	-
<b>Total other financing sources (uses)</b>	<b>(6,247,223)</b>	<b>(11,304,039)</b>	<b>(13,473,850)</b>	<b>(13,041,276)</b>	<b>(454,698)</b>	<b>(15,462,300)</b>	<b>(500,000)</b>	<b>(25,509,101)</b>	<b>(520,000)</b>	<b>(13,159,244)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>585,746</b>	<b>-</b>	<b>499,283</b>	<b>-</b>	<b>352,853</b>	<b>-</b>	<b>(7,269,760)</b>	<b>(4,500,000)</b>	<b>337,410</b>
<b>FUND BALANCE</b>										
Beginning of year	18,193,736	18,193,736	23,214,234	17,694,453	25,561,600	17,341,600	24,500,000	24,611,360	26,500,000	24,273,950
<b>End of year</b>	<b>\$ 18,193,736</b>	<b>\$ 18,779,482</b>	<b>\$ 23,214,234</b>	<b>\$ 18,193,736</b>	<b>\$ 25,561,600</b>	<b>\$ 17,694,453</b>	<b>\$ 24,500,000</b>	<b>\$ 17,341,600</b>	<b>\$ 22,000,000</b>	<b>\$ 24,611,360</b>

# DOWNTOWN AREA SCHOOL DISTRICT

## COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ORIGINAL BUDGET AND ACTUAL GENERAL FUND

June 30,

	2015		2014		2013		2012		2011	
	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
<b>REVENUES</b>										
Local sources	\$ 155,097,493	\$ 161,347,717	\$ 151,319,934	\$ 158,062,114	\$ 151,697,123	\$ 155,165,778	\$ 148,233,912	\$ 150,471,909	\$ 147,481,628	\$ 146,373,855
State sources	40,717,507	40,489,476	38,440,601	38,795,263	36,648,877	35,850,554	34,933,500	36,203,487	37,898,372	34,875,076
Federal sources	<u>1,020,000</u>	<u>2,758,810</u>	<u>1,419,465</u>	<u>3,057,783</u>	<u>1,458,000</u>	<u>3,012,007</u>	<u>1,549,025</u>	<u>3,140,124</u>	<u>2,412,000</u>	<u>5,757,006</u>
<b>Total revenues</b>	<u>196,835,000</u>	<u>204,596,003</u>	<u>191,180,000</u>	<u>199,915,160</u>	<u>189,804,000</u>	<u>194,028,339</u>	<u>184,716,437</u>	<u>189,815,520</u>	<u>187,792,000</u>	<u>187,005,937</u>
<b>EXPENDITURES</b>										
Regular programs	90,286,288	82,933,616	84,642,863	77,480,067	83,498,254	73,925,443	76,800,064	71,789,600	74,462,903	69,548,479
Special programs	25,849,778	24,485,681	24,118,246	22,947,710	24,799,582	21,085,193	24,431,112	21,050,519	25,523,433	23,042,260
Vocational programs	5,394,047	5,367,294	6,302,373	5,723,326	6,571,773	6,176,446	7,064,327	6,538,896	6,969,898	7,045,387
Other instructional programs	1,824,222	1,550,445	1,982,521	1,425,769	1,636,066	1,379,363	1,508,031	1,567,525	1,796,365	1,630,027
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Pupil personnel services	6,646,435	6,644,737	6,099,362	6,045,437	5,706,891	5,728,429	5,492,904	5,298,326	5,395,672	5,264,519
Instructional staff services	5,608,033	5,159,824	5,463,142	4,420,735	5,085,592	4,460,467	5,450,065	4,289,526	5,651,230	4,752,581
Administrative services	10,821,188	10,594,845	10,170,156	9,479,748	9,173,297	8,826,275	8,654,446	8,290,794	8,952,895	9,139,590
Pupil health	3,010,261	2,569,803	2,829,823	2,600,594	2,738,077	2,633,840	2,490,275	2,516,052	1,562,265	1,473,162
Business services	1,563,524	1,687,424	1,411,977	1,375,160	1,263,848	1,298,612	1,182,131	1,137,795	1,231,514	1,215,356
Operation and maintenance of plant services	13,604,300	13,749,844	12,681,294	13,085,122	12,960,461	11,694,446	13,141,927	11,409,836	14,217,981	13,121,864
Student transportation services	11,118,147	10,926,856	10,048,899	10,031,148	10,223,581	9,572,089	9,815,366	9,900,783	9,718,010	9,613,066
Central and other support services	4,093,679	3,526,222	3,637,940	3,456,278	3,599,481	3,458,269	3,747,757	3,306,049	3,369,557	3,452,198
Student activities	3,244,593	3,675,858	3,114,404	3,400,821	3,209,497	3,377,064	3,054,297	3,203,140	3,068,971	3,295,941
Community services	52,250	66,400	51,000	17,249	64,600	28,879	70,100	31,696	82,306	57,558
Facilities acquisition, construction and improvement	1,468,255	187,621	300,000	300,250	-	1,558,131	-	3,000,000	-	-
Debt service	<u>16,190,000</u>	<u>13,887,128</u>	<u>15,586,000</u>	<u>16,801,219</u>	<u>16,500,000</u>	<u>27,185,883</u>	<u>18,000,000</u>	<u>26,836,505</u>	<u>20,000,000</u>	<u>18,287,185</u>
<b>Total expenditures</b>	<u>200,775,000</u>	<u>187,013,598</u>	<u>188,440,000</u>	<u>178,590,633</u>	<u>187,031,000</u>	<u>182,388,829</u>	<u>180,902,802</u>	<u>180,167,042</u>	<u>182,003,000</u>	<u>170,939,173</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>(3,940,000)</u>	<u>17,582,405</u>	<u>2,740,000</u>	<u>21,324,527</u>	<u>2,773,000</u>	<u>11,639,510</u>	<u>3,813,635</u>	<u>9,648,478</u>	<u>5,789,000</u>	<u>16,066,764</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Sale of/compensation for capital assets	-	37,165	-	17,064	-	3,675	-	16,100	-	-
Proceeds from extended-term financing	-	-	-	-	-	-	-	-	-	713,040
Refund of prior year expenditures (revenues)	(60,000)	119,098	(60,000)	239,113	(80,000)	384	(100,000)	(10,642)	(60,000)	36,170
Transfers out	-	(19,572,644)	(6,000,000)	(25,071,254)	(5,980,000)	(20,745,138)	(5,713,635)	(21,931,206)	(6,500,000)	(6,374,284)
Budgetary reserve	<u>(500,000)</u>	<u>-</u>	<u>(500,000)</u>	<u>-</u>	<u>(500,000)</u>	<u>-</u>	<u>(500,000)</u>	<u>-</u>	<u>(750,000)</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>(560,000)</u>	<u>(19,416,381)</u>	<u>(6,560,000)</u>	<u>(24,815,077)</u>	<u>(6,560,000)</u>	<u>(20,741,079)</u>	<u>(6,313,635)</u>	<u>(21,925,748)</u>	<u>(7,310,000)</u>	<u>(5,625,074)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(4,500,000)</u>	<u>(1,833,976)</u>	<u>(3,820,000)</u>	<u>(3,490,550)</u>	<u>(3,787,000)</u>	<u>(9,101,569)</u>	<u>(2,500,000)</u>	<u>(12,277,270)</u>	<u>(1,521,000)</u>	<u>10,441,690</u>
<b>FUND BALANCE</b>										
Beginning of year	56,606,800	26,107,926	51,820,000	29,598,476	23,950,000	38,700,045	42,250,000	50,977,315	15,136,800	40,180,859
Prior period adjustment	-	-	-	-	-	-	-	-	-	354,766
<b>Fund balance as restated</b>	<u>56,606,800</u>	<u>26,107,926</u>	<u>51,820,000</u>	<u>29,598,476</u>	<u>23,950,000</u>	<u>38,700,045</u>	<u>42,250,000</u>	<u>50,977,315</u>	<u>15,136,800</u>	<u>40,535,625</u>
<b>End of year</b>	<u>\$ 52,106,800</u>	<u>\$ 24,273,950</u>	<u>\$ 48,000,000</u>	<u>\$ 26,107,926</u>	<u>\$ 20,163,000</u>	<u>\$ 29,598,476</u>	<u>\$ 39,750,000</u>	<u>\$ 38,700,045</u>	<u>\$ 13,615,800</u>	<u>\$ 50,977,315</u>

# DOWNINGTOWN AREA SCHOOL DISTRICT

## COMPARATIVE SCHEDULES OF REVENUES AND OTHER FINANCING SOURCES - GENERAL FUND

June 30,

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>					
<b>Local sources</b>					
Current real estate taxes	\$ 141,921,935	\$ 139,238,919	\$ 137,897,085	\$ 136,816,786	\$ 134,549,959
Interim real estate taxes	2,074,669	2,727,132	2,281,663	3,448,417	4,121,201
Public utility realty tax	150,294	166,470	166,089	176,715	179,587
Act 511 local services taxes	224,184	211,683	220,294	232,779	212,407
Act 511 earned income taxes	16,935,044	16,976,574	16,475,316	16,440,768	15,700,345
Act 511 real estate transfer taxes	2,871,706	3,796,236	2,999,767	2,937,027	3,348,454
Delinquent real estate taxes	2,499,954	2,246,920	3,520,845	2,964,014	3,332,783
Earnings on investments	1,857,522	2,224,533	1,380,428	732,214	475,958
Revenues from intermediary sources	1,697,945	1,813,562	1,854,021	1,927,828	1,670,659
Rentals	469,922	536,340	476,662	374,630	494,672
Tuition - regular and summer school	40,914	132,874	255,867	38,956	71,276
Student activities	1,812,144	2,079,732	1,930,289	1,707,287	1,430,436
Miscellaneous revenue	117,836	185,305	208,769	221,797	211,165
<b>Total revenues from local sources</b>	<u>172,674,069</u>	<u>172,336,280</u>	<u>169,667,095</u>	<u>168,019,218</u>	<u>165,798,902</u>
<b>State sources</b>					
Basic education	15,213,438	14,785,800	14,607,845	14,346,522	13,870,652
Charter schools	-	-	-	-	-
Tuition court placed	776,402	79,034	137,120	157,552	115,763
Special education	5,804,520	5,901,099	6,131,365	5,849,908	5,688,100
Transportation	3,618,939	3,746,544	3,894,611	3,838,040	4,016,650
Rental and sinking fund payments	1,248,896	1,263,351	2,252,395	4,842,591	591,455
Medical and dental services	305,654	329,923	285,534	288,748	288,659
State property tax reduction allocation	3,954,207	3,875,394	3,939,786	3,906,948	3,808,899
Other state grants	-	51,416	1,663	-	6,195
Safe schools	45,000	25,000	-	-	9,780
Accountability grant	-	-	-	-	-
Ready to learn grant	874,969	874,969	874,969	874,969	874,969
Dual enrollment	-	-	-	-	-
Social security subsidy	3,663,307	3,588,740	3,332,110	3,218,331	3,182,939
Retirement subsidy	16,932,655	15,764,843	14,766,748	13,091,813	10,991,018
Incarcerated education	-	-	-	-	-
<b>Total revenues from state sources</b>	<u>52,437,987</u>	<u>50,286,113</u>	<u>50,224,146</u>	<u>50,415,422</u>	<u>43,445,079</u>
<b>Federal sources</b>					
Title I - low income	273,480	339,732	294,189	356,259	257,694
Title II - improving teaching quality	199,135	173,142	233,281	147,573	135,367
Title III - english language	65,992	45,514	39,921	31,686	27,623
Title IV- student support & enrichment	51,456	-	1,687	-	-
Drug free school grants	-	-	-	-	-
Qualified school construction bond (QSCB)	1,846,765	1,839,885	1,833,005	1,831,039	1,827,108
All other federal grants	568,980	576,693	509,899	594,897	452,998
Medical assistance/administrative	28,671	27,711	10,637	11,803	24,154
COVID-19 grants	271,002	-	-	-	-
ARRA grants	-	-	-	-	-
<b>Total revenues from federal sources</b>	<u>3,305,481</u>	<u>3,002,677</u>	<u>2,922,619</u>	<u>2,973,257</u>	<u>2,724,944</u>
<b>Other financing sources</b>					
Sale of/compensation for capital assets	278,039	44,245	162,237	182,098	45,414
Proceeds from extended-term financing	-	-	-	-	-
Refunds of prior years expenditures	117,370	141,018	201,532	88,522	64,835
<b>Total other financing sources</b>	<u>395,409</u>	<u>185,263</u>	<u>363,769</u>	<u>270,620</u>	<u>110,249</u>
<b>Total revenues</b>	<u>\$ 228,812,946</u>	<u>\$ 225,810,333</u>	<u>\$ 223,177,629</u>	<u>\$ 221,678,517</u>	<u>\$ 212,079,174</u>



# DOWNINGTOWN AREA SCHOOL DISTRICT

## COMPARATIVE SCHEDULES OF REVENUES AND OTHER FINANCING SOURCES - GENERAL FUND

June 30,

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>REVENUES</b>					
<b>Local sources</b>					
Current real estate taxes	\$ 132,009,040	\$ 130,277,236	\$ 129,407,143	\$ 126,413,056	\$ 123,849,460
Interim real estate taxes	3,176,436	2,360,683	1,752,473	1,792,941	1,736,256
Public utility realty tax	191,740	186,605	189,265	197,693	196,179
Act 511 local services taxes	203,886	204,042	170,459	209,436	164,639
Act 511 earned income taxes	16,076,800	15,098,451	14,065,246	12,845,110	12,550,773
Act 511 real estate transfer taxes	2,514,756	2,443,816	2,678,500	2,067,424	1,734,999
Delinquent real estate taxes	3,355,254	3,954,319	3,379,685	3,486,927	2,997,765
Earnings on investments	381,737	309,237	377,824	419,429	741,421
Revenues from intermediary sources	1,691,913	1,593,535	1,682,844	1,563,822	1,474,452
Rentals	235,404	267,334	158,046	117,069	93,811
Tuition - regular and summer school	53,854	58,790	77,561	62,613	59,311
Student activities	1,275,591	1,171,632	1,090,745	1,113,741	-
Miscellaneous revenue	181,306	136,434	135,987	182,648	774,789
<b>Total revenues from local sources</b>	<u>161,347,717</u>	<u>158,062,114</u>	<u>155,165,778</u>	<u>150,471,909</u>	<u>146,373,855</u>
<b>State sources</b>					
Basic education	13,474,564	13,509,785	13,062,584	13,062,584	11,697,594
Charter schools	-	-	-	-	935,412
Tuition court placed	150,544	102,923	131,695	437,805	198,057
Special education	5,500,007	5,411,988	5,310,989	5,211,893	5,226,233
Transportation	3,804,844	3,754,560	3,649,538	3,653,543	3,715,525
Rental and sinking fund payments	782,427	1,892,129	1,541,547	3,193,177	2,909,754
Medical and dental services	290,607	313,153	308,513	287,491	288,145
State property tax reduction allocation	3,881,937	3,813,172	3,828,397	3,850,949	3,903,983
Other state grants	1,000	-	-	51,000	-
Safe schools	-	-	13,434	13,656	-
Accountability grant	-	264,742	264,742	264,742	673,836
Ready to learn grant	660,098	-	-	-	-
Dual enrollment	-	-	-	-	46,405
Social security subsidy	3,082,604	2,964,554	2,890,657	2,862,912	2,995,144
Retirement subsidy	8,860,844	6,768,257	4,848,458	3,313,297	2,281,268
Incarcerated education	-	-	-	438	3,720
<b>Total revenues from state sources</b>	<u>40,489,476</u>	<u>38,795,263</u>	<u>35,850,554</u>	<u>36,203,487</u>	<u>34,875,076</u>
<b>Federal sources</b>					
Title I - low income	298,055	265,935	253,603	257,547	286,555
Title II - improving teaching quality	148,398	105,225	138,074	196,466	188,221
Title III - english language	22,959	18,016	33,528	40,114	38,075
Drug free school grants	-	-	-	-	10,064
Qualified school construction bond (QSCB)	1,823,177	1,809,417	1,965,689	1,586,545	603,774
All other federal grants	444,422	830,834	621,113	1,059,452	1,827,036
Medical assistance/administrative	21,799	28,356	-	-	-
COVID-19 grants	-	-	-	-	-
ARRA grants	-	-	-	-	2,803,281
<b>Total revenues from federal sources</b>	<u>2,758,810</u>	<u>3,057,783</u>	<u>3,012,007</u>	<u>3,140,124</u>	<u>5,757,006</u>
<b>Other financing sources</b>					
Sale of/compensation for capital assets	37,165	17,064	3,675	16,100	-
Proceeds from extended-term financing	-	-	-	-	713,040
Refunds of prior years expenditures	121,572	244,587	11,754	43,861	82,631
<b>Total other financing sources</b>	<u>158,737</u>	<u>261,651</u>	<u>15,429</u>	<u>59,961</u>	<u>795,671</u>
<b>Total revenues</b>	<u>\$ 204,754,740</u>	<u>\$ 200,176,811</u>	<u>\$ 194,043,768</u>	<u>\$ 189,875,481</u>	<u>\$ 187,801,608</u>

**SINGLE AUDIT**

# DOWNINGTOWN AREA SCHOOL DISTRICT

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND CERTAIN STATE GRANTS

Year ended June 30, 2020

<u>Federal Grantor/Pass-Through Grantor/Project Title</u>	<u>Source Code</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Grant Period Beginning/Ending Dates</u>	<u>Grant Amount</u>	<u>Total Received for Year</u>	<u>Accrued (Deferred) Revenue July 1, 2019</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>	<u>Accrued (Deferred) Revenue June 30, 2020</u>	<u>Passed Through to Subrecipients</u>
<b>U.S. Department of Education</b>											
<b>Passed-Through the Pennsylvania Department of Education</b>											
Title I - Improving Basic Programs	I	84.010	013-190121	07/01/18 - 09/30/19	\$ 324,225	\$ 82,407	\$ 53,322	\$ 29,085	\$ 29,085	\$ -	\$ -
Title I - Improving Basic Programs	I	84.010	013-200121	07/01/19 - 09/30/20	309,732	221,597	-	244,395	244,395	22,798	-
Total CFDA #84.010						304,004	53,322	273,480	273,480	22,798	-
Title II - Improving Teacher Quality	I	84.367	020-190121	07/01/18 - 09/30/19	184,095	123,185	3,900	119,285	119,285	-	-
Title II - Improving Teacher Quality	I	84.367	020-200121	07/01/19 - 09/30/20	168,030	47,964	-	79,850	79,850	31,886	-
Total CFDA #84.367						171,149	3,900	199,135	199,135	31,886	-
Title III - Language Instruction LEP/ Immigrant Students	I	84.365	010-190121	07/01/18 - 09/30/19	41,648	27,765	(9,392)	37,157	37,157	-	-
Title III - Language Instruction LEP/ Immigrant Students	I	84.365	010-200121	07/01/19 - 09/30/20	34,035	21,880	-	28,835	28,835	6,955	-
Total CFDA #84.365						49,645	(9,392)	65,992	65,992	6,955	-
Title IV Student Support & Academic Enrichment	I	84.424	144-180121	07/01/17 - 09/30/19	10,000	5,000	(3,313)	8,313	8,313	-	-
Title IV Student Support & Academic Enrichment	I	84.424	144-190121	07/01/18 - 09/30/20	21,143	-	(7,048)	21,143	21,143	14,095	-
Title IV Student Support & Academic Enrichment	I	84.424	144-200121	07/01/19 - 09/30/20	24,266	24,266	-	22,000	22,000	(2,266)	-
Total CFDA #84.424						29,266	(10,361)	51,456	51,456	11,829	-
<b>Passed-Through the Chester County I.U.</b>											
I.D.E.A. - Part B, Section 611	I	84.027	062-1800024	07/01/18 - 09/30/19	1,808,762	849,663	849,663	-	-	-	-
I.D.E.A. - Part B, Section 611	I	84.027	062-1900024	07/01/19 - 09/30/20	1,692,845	698,683	-	1,692,845	1,692,845	994,162	-
Total CFDA #84.027						1,548,346	849,663	1,692,845	1,692,845	994,162	-
I.D.E.A. - Part B, Section 619	I	84.173	131-1900024	07/01/18 - 06/30/19	4,800	4,800	4,800	-	-	-	-
I.D.E.A. - Part B, Section 619	I	84.173	131-2000024	07/01/19 - 06/30/20	5,100	-	-	5,100	5,100	5,100	-
Total CFDA #84.173						4,800	4,800	5,100	5,100	5,100	-
<b>Total U.S. Department of Education</b>						<b>2,107,210</b>	<b>891,932</b>	<b>2,288,008</b>	<b>2,288,008</b>	<b>1,072,730</b>	<b>-</b>

Continued on next page

<u>Federal Grantor/Pass-Through Grantor/Project Title</u>	<u>Source Code</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Grant Period Beginning/Ending Dates</u>	<u>Grant Amount</u>	<u>Total Received for Year</u>	<u>Accrued (Deferred) Revenue July 1, 2019</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>	<u>Accrued (Deferred) Revenue June 30, 2020</u>	<u>Passed Through to Subrecipients</u>
<b>U.S. Department of Health and Human Services</b>											
<b>Passed Through the Pennsylvania Department of Public Welfare</b>											
Medical Assistance Program	I	93.778	N/A	07/01/18 - 06/30/19	27,711	8,127	8,127	-	-	-	-
Medical Assistance Program	I	93.778	N/A	07/01/19 - 06/30/20	28,671	15,280	-	28,671	28,671	13,391	-
Total CFDA #93.778						23,407	8,127	28,671	28,671	13,391	-
<b>U.S. Department of Treasury</b>											
<b>Passed Through the Pennsylvania Commission on Crime and Delinquency</b>											
COVID-19 Relief Fund	I	21.019	2020-CS-01-33382	03/01/20-10/30/20	621,202	-	-	271,002	271,002	271,002	-
<b>U.S. Department of Agriculture</b>											
<b>Passed-Through the Pennsylvania Department of Education</b>											
State Matching Share	S	N/A	N/A	07/01/18 - 06/30/19	N/A	8,150	8,150	-	-	-	-
State Matching Share	S	N/A	N/A	07/01/19 - 06/30/20	N/A	44,642	-	47,365	47,365	2,723	-
Total State Matching Share						52,792	8,150	47,365	47,365	2,723	-
Breakfast Program	I	10.553	N/A	07/01/18 - 06/30/19	N/A	7,945	7,945	-	-	-	-
Breakfast Program	I	10.553	N/A	07/01/19 - 06/30/20	N/A	87,757	-	110,534	110,534	22,777	-
Total CFDA #10.553						95,702	7,945	110,534	110,534	22,777	-
National School Lunch Program	I	10.555	N/A	07/01/18 - 06/30/19	N/A	63,522	63,522	-	-	-	-
National School Lunch Program	I	10.555	N/A	07/01/19 - 06/30/20	N/A	407,985	-	451,064	451,064	43,079	-
<b>Passed-Through the Pennsylvania Department of Agriculture</b>											
National School Lunch Program	I	10.555	N/A	07/01/19 - 06/30/20	N/A	a) 113,021	b) (3,393)	c) 111,259	111,259	d) (5,155)	-
Total CFDA #10.555						584,528	60,129	562,323	562,323	37,924	-
<b>Total U.S. Department of Agriculture</b>						733,022	76,224	720,222	720,222	63,424	-
<b>Total Federal Awards and Certain State Grants</b>						<b>\$ 2,863,639</b>	<b>\$ 976,283</b>	<b>\$ 3,307,903</b>	<b>\$ 3,307,903</b>	<b>\$ 1,420,547</b>	<b>\$ -</b>

Continued on next page

<u>Federal Grantor/Pass-Through Grantor/Project Title</u>	<u>Source Code</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Grant Period Beginning/Ending Dates</u>	<u>Grant Amount</u>	<u>Total Received for Year</u>	<u>Accrued (Deferred) Revenue July 1, 2019</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>	<u>Accrued (Deferred) Revenue June 30, 2020</u>	<u>Passed Through to Subrecipients</u>
Total Federal Awards						\$ 2,810,847	\$ 968,133	\$ 3,260,538	\$ 3,260,538	\$1,417,824	\$ -
Total State Awards						<u>52,792</u>	<u>8,150</u>	<u>47,365</u>	<u>47,365</u>	<u>2,723</u>	<u>-</u>
Total Federal Awards and Certain State Grants						<u>\$ 2,863,639</u>	<u>\$ 976,283</u>	<u>\$ 3,307,903</u>	<u>\$ 3,307,903</u>	<u>\$1,420,547</u>	<u>\$ -</u>
Special Education Cluster (IDEA) (CFDA's #84.027 and #84.173)						<u>\$ 1,553,146</u>	<u>\$ 854,463</u>	<u>\$ 1,697,945</u>	<u>\$ 1,697,945</u>	<u>\$ 999,262</u>	<u>\$ -</u>
Child Nutrition Cluster (CFDA's #10.553 and #10.555)						<u>\$ 680,230</u>	<u>\$ 68,074</u>	<u>\$ 672,857</u>	<u>\$ 672,857</u>	<u>\$ 60,701</u>	<u>\$ -</u>

**Footnotes**

- a) Total amount of commodities received
- b) Beginning inventory July 1
- c) Total amount of commodities used
- d) Ending inventory June 30

**Source Codes**

- D - Direct Funding
- I - Indirect Funding
- S - State Share

# DOWNINGTOWN AREA SCHOOL DISTRICT

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND CERTAIN STATE GRANTS

June 30, 2020

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### (1) FEDERAL EXPENDITURES

The Schedule of Expenditures of Federal Awards and Certain State Grants reflects federal expenditures for all individual grants which were active during the fiscal year. Additionally, the Schedule reflects expenditures for certain state grants.

### (2) BASIS OF ACCOUNTING

The District uses the modified accrual method of recording transactions except as noted for the accounting of donated commodities in Note 3. Revenues are recorded when measurable and available. Expenditures are recorded when incurred.

### (3) NONMONETARY FEDERAL AWARDS – DONATED FOOD

The Commonwealth of Pennsylvania distributes federal surplus food to institutions (schools, hospitals and prisons) and to the needy. Expenditures reported in the Schedule of Expenditures of Federal Awards and Certain State Grants under CFDA #10.555 National School Lunch Program and passed through the Pennsylvania Department of Agriculture represent federal surplus food consumed by the District during the 2019-2020 fiscal year.

### (4) ACCESS PROGRAM

The District participates in the ACCESS Program which is a medical assistance program that reimburses local educational agencies for direct eligible health-related services provided to enrolled special needs students. Reimbursements are federal source revenues but are classified as fee-for-service and are not considered federal financial assistance. The amount of ACCESS funding recognized for the year ended June 30, 2020 was \$568,980.

### (5) QUALIFIED SCHOOL CONSTRUCTION BONDS PROGRAM

The District participates in the Qualified School Construction Bonds ("**QSCB**") program sponsored by the State Public School Building Authority ("**SPSBA**"). In conjunction with the QSCB Program, the District receives subsidy reimbursements for a portion of the interest payments made under its loan agreements with the SPSBA. Reimbursements are federal source revenues but are not considered federal financial assistance. The amount of QSCB subsidy payments recognized for the year ended June 30, 2020 was \$1,846,765.

### (5) INDIRECT COSTS

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

**DOWNTOWN AREA SCHOOL DISTRICT**

***SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS***

**Year ended June 30, 2020**

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There were no audit findings for the year ended June 30, 2019.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**Board of School Directors  
Downingtown Area School District  
Downingtown, Pennsylvania**

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, the business-type activities, each major fund, and the aggregate remaining fund information of Downingtown Area School District, Downingtown, Pennsylvania, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Downingtown Area School District's basic financial statements, and have issued our report thereon dated December 1, 2020.

***Internal Control Over Financial Reporting***

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

BBD, LLP

**Philadelphia, Pennsylvania  
December 1, 2020**



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

**Board of School Directors  
Downingtown Area School District  
Downingtown, Pennsylvania**

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

We have audited Downingtown Area School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Downingtown Area School District's major federal programs for the year ended June 30, 2020. Downingtown Area School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Downingtown Area 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 Downingtown Area 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 Downingtown Area School District's compliance.

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

In our opinion, Downingtown Area 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 Downingtown Area 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 Downingtown Area 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 Downingtown Area 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.

BBD, LLP

**Philadelphia, Pennsylvania  
December 1, 2020**

# **DOWNINGTOWN AREA SCHOOL DISTRICT**

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**Year ended June 30, 2020**

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### **SUMMARY OF AUDITOR'S RESULTS**

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Downingtown Area School District were prepared in accordance with GAAP.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements of Downingtown Area School District are reported in the independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
3. No instances of noncompliance material to the financial statements of Downingtown Area School District, which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.
4. No significant deficiencies or material weaknesses in internal control over the major federal award programs are reported in the independent auditor's report on compliance for each major program and on internal control over compliance required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs for Downingtown Area School District expresses an unmodified opinion on all major federal programs.
6. There are no audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a).
7. The programs tested as major programs were:
  - Special Education Cluster:
    - I.D.E.A. – Part B, Section 611 – CFDA Number 84.027
    - I.D.E.A. – Part B, Section 619 – CFDA Number 84.173
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. Downingtown Area School District did qualify as a low-risk auditee.

### **FINDINGS—FINANCIAL STATEMENT AUDIT**

None

### **FINDINGS AND QUESTIONED COSTS—MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None