

**Briarcliff Manor Union Free  
School District, New York**

Financial Statements and  
Supplementary Information

Year Ended June 30, 2023

# Briarcliff Manor Union Free School District, New York

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**Briarcliff Manor Union Free School District, New York**

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## **Independent Auditors' Report**

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

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Briarcliff Manor Union Free School District, New York ("School District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the 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, 2023, 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.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management 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.

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

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

## ***Required Supplementary Information***

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

### ***Supplementary Information***

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2023 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*  
**PKF O'Connor Davies, LLP**  
Harrison, New York  
September 26, 2023

**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  
Briarcliff Manor 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 Briarcliff Manor Union Free School District, New York ("School District") as of and for the year ended June 30, 2023, 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 26, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting ("internal control") as a basis for designing 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 School District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

## **Report on Compliance and Other Matters**

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

### **Purpose of This Report**

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

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

September 26, 2023



## **Briarcliff Manor Union Free School District, New York**

### **Management's Discussion and Analysis (MD&A) June 30, 2023**

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#### **Introduction**

Our discussion and analysis of the Briarcliff Manor 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, 2023. 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 2022-2023 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 \$3,253,010, a reduction of \$4,841,700 from the prior year. This decrease is due to the issuance of Bond Anticipation Notes ("BANs") to finance construction on capital projects. The debt is reported as a liability of the Capital Projects Fund and any expenditures incurred during the year create a temporary deficit since there are no revenues or other financing sources reported in the fund. The deficit will be eliminated when proceeds received from bonds issued to pay off the BANs are recognized as revenue.
- 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 \$2,310,065 or 4.00%.
- 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 \$55,880,769. This represented a decrease of \$3,870,984 for the year ended June 30, 2023.
- The School District is committed to providing postemployment benefits to its employees in the form of healthcare. Subsequently, the School District has recognized substantial liabilities in the district-wide financial statements for these benefits. As of June 30, 2023, the School District had liabilities of \$104,293,078 for other postemployment benefits recorded in accordance with the provisions of GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"* ("OPEB").
- The School District also reported \$4,865,281 for its proportionate share of the net pension liabilities of the New York State and Local Employees' Retirement System ("ERS") and the New York State Teachers' Retirement System ("TRS") recorded in accordance with the provisions of GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"*. More detailed information about the School District's OPEB and pension reporting 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. Thus, expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned but unused vacation leave, OPEB and net pension liabilities).
  - The *governmental* activities of the School District include instruction, pupil transportation, general administrative support, cost of food sales, and interest.

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, Capital Projects, and Debt Service 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 on behalf of others. In accordance with the provisions of GASB Statement No. 84, the School District had no such activity to report in this fund category.

#### *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 liabilities, 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 Briarcliff Manor 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 \$55,880,769.

	June 30,	
	2023	2022
Current Assets	\$ 28,571,314	\$ 43,112,072
Capital Assets, net	46,210,221	42,824,111
<b>Total Assets</b>	<b>74,781,535</b>	<b>85,936,183</b>
Deferred Outflows of Resources	30,871,409	35,659,096
Current Liabilities	25,330,618	11,214,016
Long-Term Liabilities	116,402,950	120,457,222
<b>Total Liabilities</b>	<b>141,733,568</b>	<b>131,671,238</b>
Deferred Inflows of Resources	19,800,145	41,933,826
<b>NET POSITION</b>		
Net Investment in Capital Assets	33,004,181	33,666,024
Liability and Casualty Claims	221,913	220,811
Debt Service	300,090	89,561
Tax Certiorari	2,518,746	3,437,416
Retirement Contributions	710,493	706,965
Special Purposes	164,241	155,068
Capital Projects	365,493	110,157
Unrestricted	(93,165,926)	(90,395,787)
<b>Total Net Position</b>	<b>\$ (55,880,769)</b>	<b>\$ (52,009,785)</b>

Current assets decreased by \$14,540,758 from the prior year, mainly because both ERS and TRS pension systems recognized net pension assets in 2021-22, but recorded net pension liabilities in 2022-23. This was somewhat offset by the receipt of BAN proceeds on June 28, 2023. The timing of the BAN resulted in a higher cash balance in the Capital Fund at year-end since payments to contractors for capital construction projects didn't take place until the next fiscal year.

Current liabilities increased by \$14,116,602 over the previous year. This was mostly due to bond anticipation notes issued to finance construction, which were higher in 2022-23 than in 2021-22.

Deferred inflows of resources decreased by \$22,133,681 from the prior year. Deferred inflows of resources are acquisitions of net assets that are applicable to a future reporting period and have a negative effect on net position, similar to liabilities.

A large component of the School District's net position (\$33,004,181) reflects its investment in capital assets, net of accumulated depreciation and 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 \$4,280,976 of net position and are comprised of amounts restricted for specific purposes, i.e., payments of tax certiorari claims, capital projects, debt service, retirement contributions, etc. There is a negative balance of unrestricted net position of \$93,165,926, primarily a result of the recognition of the OPEB liabilities. Overall, net position decreased by \$3,870,984.

### Change in Net Position

	June 30,	
	2023	2022
<b>PROGRAM REVENUES</b>		
Charges for Services	\$ 5,222,226	\$ 5,012,933
Operating Grants and Contributions	664,587	820,013
Capital Grants and Contributions	210,529	55,308
Total Program Revenues	<u>6,097,342</u>	<u>5,888,254</u>
General Revenues		
Real Property Taxes	43,307,991	42,043,613
Other Tax Items	1,430,620	1,545,747
Non-Property Taxes	762,085	708,822
Unrestricted Use of Money and Property (Interest and Rental Revenues)	323,873	8,905
Sale of Property and Compensation for Loss	30,456	8,322
Unrestricted State Aid	3,877,691	3,758,917
Miscellaneous	167,071	234,749
Total General Revenues	<u>49,899,787</u>	<u>48,309,075</u>
Total Revenues	<u>55,997,129</u>	<u>54,197,329</u>
<b>PROGRAM EXPENSES</b>		
General Support	11,347,561	9,984,290
Instruction	44,794,081	40,238,915
Pupil Transportation	2,607,527	2,582,327
Interest	343,488	190,854
Cost of Food Sales	763,756	644,387
Other	11,700	11,162
Total Expenses	<u>59,868,113</u>	<u>53,651,935</u>
Change in Net Position	(3,870,984)	545,394
<b>NET POSITION</b>		
Beginning	<u>(52,009,785)</u>	<u>(52,555,179)</u>
Ending	<u><u>\$ (55,880,769)</u></u>	<u><u>\$ (52,009,785)</u></u>

### *Major contributing factors to changes in Net Position:*

#### Revenues:

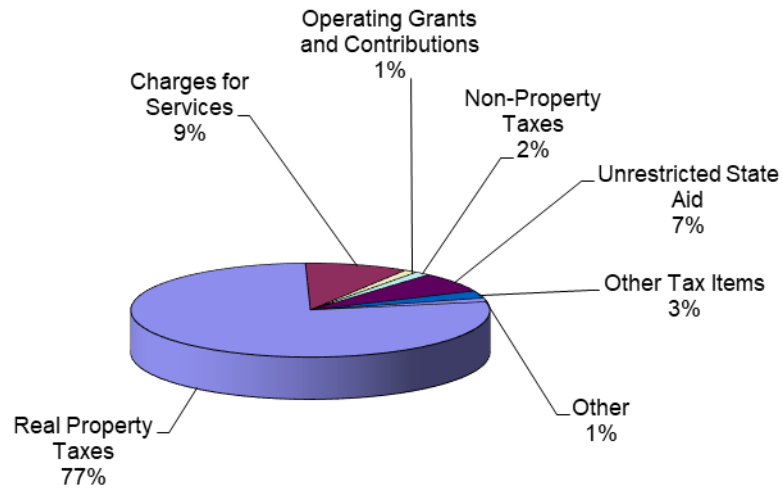
- Real property tax revenues increased by \$1,264,378 or 3.01%. The School District relies upon real property taxes as its primary source of revenue. Non-property revenues and assigned fund balance are the other revenue sources used to bring the budget into balance. There were projected reductions in these other revenue sources for the 2022-2023 school year, so additional real property tax revenues were levied to support the School District's goals and priorities identified in the proposed budget.
- Unrestricted use of money and property revenues increased by \$314,968, over 3,500%, because of 7 interest rate hikes that took place during the 2022-2023 school year.
- Charges for services increased by \$209,293 or 4.18%, mostly due to higher tuition revenue, cafeteria sales, and Extraclassroom fundraising activity. Tuition for non-resident students increased by \$97,222 or 2.32%. While there were less non-resident students in 2022-23 than in 2021-22, tuition rates set by NYSED were higher. Cafeteria sales increased by \$71,397 or 11.28% as a result of higher participation. Extraclassroom fundraising increased by \$40,580 or 51.20% as student clubs returned to normal levels of activity post-COVID.

#### Expenses:

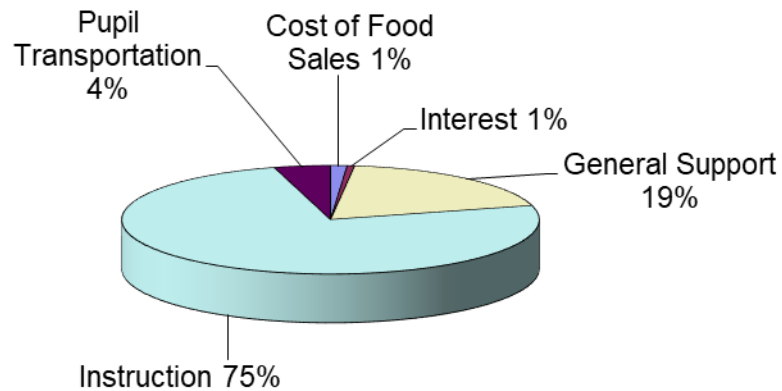
- General Support expenses increased by \$1,363,271 or 13.65% over the prior year. Tax certiorari judgments paid during the 2022-23 year were higher than the prior year. Business and District offices positions of Bookkeeper and Asst. to the Director of Human Resources were partially filled during the 2021-22 year and fully filled during 2022-23. There were higher salary expenses for Facilities Operations, Maintenance and Security personnel and the addition of staff to maintain buildings and grounds. Various GASB Statement No. 34 District-wide accruals also added to the increase in General Support expenses.
- Instruction program expenses increased by \$4,555,166 or 11.32% over the prior year. One-time revenues were used to purchase furniture for every Middle and High School classroom as well as some classrooms in Todd Elementary School. Special Education expenses rose as programs were added to support increased student needs. A new reading program was implemented in Todd Elementary School resulting in higher textbook expenses. GASB Statement No. 34 District-wide accruals for pensions and OPEB also added to the increase in Instruction expenses. The major contributing factor for the change was the recognition of pension liabilities in 2022-23 while in 2021-22 pension assets were recorded.
- Interest expenses increased by \$152,634 or 79.97%. This was mostly related to higher BAN interest payments. The District paid off a \$6,000,000 BAN in 2022-23 with a 3.0% interest rate, compared to a \$2,177,000 BAN in 2021-22 with a .34% interest rate.
- Cost of Food Sales increased by \$119,369 or 18.52%. Expenses were higher in 2022-23 due to a combination of increased student participation and higher food costs caused by inflation.

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 77% of its revenue, while the School District's largest expense, instructional costs, accounts for 75% of total expenses.

### Sources of Revenue for Fiscal Year 2023 Governmental Activities



### Expenses for Fiscal Year 2023 Governmental Activities



### ***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.

#### ***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 \$3,253,010, a reduction of \$4,841,700 from the prior year. This decrease is attributable to the issuance of BANs to finance construction on capital projects. The debt is reported as a liability of the Capital Projects Fund and any expenditures incurred during the year create a temporary deficit until the short-term debt is financed with long-term debt. The deficit will be eliminated when proceeds received from bonds issued to pay off the BANs are recognized as revenue. The \$3,253,010 fund balance consists of the following:

#### Restricted:

Liability and casualty claims	\$ 221,913
Tax certiorari	2,518,746
Employee benefit accrued liability	399,690
ERS retirement contributions	274,279
TRS retirement contributions	436,214
Debt service	300,090
Special purposes	<u>164,241</u>

Total Restricted	<u>4,315,173</u>
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#### Assigned:

Purchases on order	
General government support	93,482
Instruction	110,450
Employee benefits	<u>10,095</u>

214,027

Subsequent year's expenditures	2,408,361
School Lunch Fund	<u>1,987</u>

Total Assigned	<u>2,624,375</u>
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Unassigned	<u>(3,686,540)</u>
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Total Fund Balances	<u><u>\$ 3,253,008</u></u>
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The General Fund is the primary operating fund of the School District. At the end of the current fiscal year, the total fund balance of the General Fund was \$8,783,295. This represents a decrease of \$1,546,977 from the prior year. Combined higher than expected revenues and lower than anticipated expenses created a large surplus for the 2021-22 school year. Part of the surplus was earmarked as assigned fund balance, designated for use towards 2022-23 expenses, essentially creating a planned deficit. The money was used towards one-time expenditures such as the purchase of classroom furniture Districtwide, and the purchase of textbooks for a new reading program at Todd Elementary School.

The amount of the unassigned fund balance is \$2,310,065 or 4.00% of the ensuing year's budget.

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 – 2022-2023**

The original, voter approved adopted budget of \$56,280,408 was increased by \$408,226 as a result of the rollover of prior year encumbrances for a total original budget of \$56,688,634. The budget was further revised during the 2022-2023 fiscal year by a total of \$927,074 from the appropriation of fund balance from the Employee Benefit Accrued Liability Reserve (EBALR), and the Tax Certiorari Reserve. As a result, the final budget totaled \$57,615,708.

Revenue Highlights include:

- Charges for Services were higher than budgeted mainly due to increased tuition revenue because of larger than projected special education student enrollment from other districts. Prior year tuition rate adjustments, billed and collected in 2022-2023, were also higher than projected.
- Interest revenue was higher than budgeted as a result of 10 interest rate hikes that took place since the 2022-23 budget was established.
- State aid was higher than budgeted because certain aids varied from initial projections provided by the State in the Spring of 2022. The largest fluctuations were in the categories of BOCES Aid and Basic Formula Aid.

Expenditure Highlights include:

- Instruction expenses were less than budgeted as certain open positions remained unfilled during the school year. In addition, substitute teacher expenses, Special Education tuition and consultations, contractual payments to other districts for health services, technology expenses, co-curricular activities, and athletic expenses were lower than anticipated.
- Central services costs were lower than budgeted for various items such as utilities, custodial/maintenance salaries, equipment repairs, and upkeep of grounds.
- Employee benefits expenses were less than projected for Social Security, Disability Insurance, and Retiree Health Insurance.
- Transfer to Capital expenses fund capital projects. Expenses were less than budgeted because the District-wide unit ventilator component replacement project came in under projections.

The net decrease in fund balance in the General Fund was \$1,546,977 resulting in an ending balance of \$8,783,295 or 15.22% of the ensuing year's budget.

## For the Future

The Briarcliff Manor 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:*

Apart from 2016-2017, enrollment on average has declined from 2013-14 to 2021-2022. However, in more recent years, the District has experienced a flattening and slight increase in enrollment. Declining enrollment negatively impacts state aid, and requires a thoughtful examination of staffing levels, and the sustainability of certain academic courses and programs. The projected enrollment for the 2023-2024 school year is 1,364 students.

**Briarcliff Manor Union Free School District's Changing Enrollment**

	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
<b>K-5</b>	605	582	562	552	519	508	509	528	534	568
<b>6-8</b>	363	348	346	351	359	357	314	282	267	298
<b>9-12</b>	585	592	561	583	548	563	563	546	535	493
<b>Out of District</b>	13	18	13	20	20	17	18	19	18	17
<b>Ungraded</b>	0	0	0	1	1	0	0	0	0	0
<b>Total</b>	1566	1540	1482	1507	1447	1445	1404	1375	1354	1376

### *Budget:*

The School District is heavily dependent upon real property taxes as they represent approximately 77% 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, take place so the community is fully cognizant of whatever tradeoffs are made.

## Capital Assets

As of June 30, 2023, the School District had \$46,210,221, net of accumulated depreciation invested in a broad range of capital assets, including land, buildings and improvements, machinery and equipment, and construction-in-progress. The change in capital assets, net of accumulated depreciation, is reflected below.

The increase in capital assets during the current fiscal year resulted mainly from the completion of a district-wide security camera project and construction-in-progress for the following projects: Todd Phases 1 through 3, MS/HS Phases 1 through 3, a district-wide HVAC Univent upgrade project, and a Todd Playground paving project. The increase in capital assets was partially offset by additional 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,	
	2023	2022
Land	\$ 318,215	\$ 318,215
Buildings and Improvements	34,837,240	36,705,960
Machinery and Equipment	3,028,944	3,199,459
Construction-in-Progress	8,025,822	2,600,477
Total Capital Assets, net of accumulated depreciation	<u>\$ 46,210,221</u>	<u>\$ 42,824,111</u>

### Long-Term Debt

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

	June 30,	
	2023	2022
General Obligation Bonds Payable	\$ 5,726,283	\$ 6,565,752
Compensated Absences	400,647	425,727
Net Pension Liability	4,865,281	-
Financed Purchase Debt Payable	1,117,661	1,195,706
Other Postemployment Benefit Obligations (OPEB)	104,293,078	112,270,037
Total	<u>\$ 116,402,950</u>	<u>\$ 120,457,222</u>

During the 2022-2023 fiscal year, 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 liability ("OPEB") was recorded in accordance with the provisions of GASB Statement No. 75. The OPEB liability decreased this year mainly due to changes in assumptions and other inputs. However, it will generally continue to grow as benefit expenses rise, and New York State requires school districts to fund their obligations for health insurance on a pay-as-you-go basis.

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:

Briarcliff Manor Union Free School District  
Attention: John Brucato  
Asst. Superintendent for Finance & Operations  
45 Ingham Road  
Briarcliff Manor, NY 10510  
Or visit our website at [www.briarcliffschools.org](http://www.briarcliffschools.org)

**Briarcliff Manor Union Free School District, New York**Statement of Net Position  
June 30, 2023

	Governmental Activities
<b>ASSETS</b>	
Cash and equivalents	\$ 23,436,633
Investments	3,607,947
Receivables	
Accounts	106,107
State and Federal aid	296,345
Due from other governments	1,124,282
Capital assets	
Not being depreciated	8,344,037
Being depreciated, net	37,866,184
Total Assets	<u>74,781,535</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related	14,977,145
OPEB related	<u>15,894,264</u>
Total Deferred Outflows of Resources	<u>30,871,409</u>
<b>LIABILITIES</b>	
Accounts payable	2,467,335
Accrued liabilities	167,475
Bond anticipation notes payable	19,620,000
Deposits payable	54,386
Bond interest and matured bonds payable	5,019
Due to retirement systems	2,691,043
Due to other governments	273,254
Unearned revenues	39,792
Accrued interest payable	12,314
Non-current liabilities	
Due within one year	1,306,026
Due in more than one year	<u>115,096,924</u>
Total Liabilities	<u>141,733,568</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related	1,315,188
OPEB related	<u>18,484,957</u>
Total Deferred Inflows of Resources	<u>19,800,145</u>
<b>NET POSITION</b>	
Net investment in capital assets	33,004,181
Restricted	
Liability and casualty claims	221,913
Debt service	300,090
Tax certiorari	2,518,746
Retirement contributions	710,493
Special purposes	
Extraclassroom activities	88,113
Other	76,128
Capital projects	365,493
Unrestricted	<u>(93,165,926)</u>
Total Net Position	<u>\$ (55,880,769)</u>

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

**Briarcliff Manor Union Free School District, New York**

Statement of Activities  
Year Ended June 30, 2023

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	\$ 11,347,561	\$ 62,893	\$ 20,795	\$ -	\$ (11,263,873)
Instruction	44,794,081	4,442,559	630,714	-	(39,720,808)
Pupil transportation	2,607,527	12,541	-	-	(2,594,986)
Cost of food sales	763,756	704,233	-	-	(59,523)
Other	11,700	-	13,078	-	1,378
Interest	343,488	-	-	210,529	(132,959)
Total Governmental Activities	<u>\$ 59,868,113</u>	<u>\$ 5,222,226</u>	<u>\$ 664,587</u>	<u>\$ 210,529</u>	<u>(53,770,771)</u>
General revenues					
Real property taxes					43,307,991
Other tax items					
School tax relief reimbursement					1,430,620
Non-property taxes					
Non-property tax distribution from County					762,085
Unrestricted use of money and property					323,873
Sale of property and compensation for loss					30,456
Unrestricted State aid					3,877,691
Miscellaneous					167,071
Total General Revenues					<u>49,899,787</u>
Change in Net Position					(3,870,984)
Net Position - Beginning					<u>(52,009,785)</u>
Net Position - Ending					<u>\$ (55,880,769)</u>

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

**Briarcliff Manor Union Free School District, New York**

Balance Sheet  
Governmental Funds  
June 30, 2023

	General	Capital Projects	Debt Service
<b>ASSETS</b>			
Cash and equivalents	\$ 9,913,573	\$ 13,295,452	\$ -
Investments	3,501,714	-	30,485
Receivables			
Accounts	67,767	-	-
State and Federal aid	108,980	-	-
Due from other governments	1,124,282	-	-
Due from other funds	620,774	1,569,520	274,696
Total Assets	<u>\$ 15,337,090</u>	<u>\$ 14,864,972</u>	<u>\$ 305,181</u>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>			
Liabilities			
Accounts payable	\$ 1,794,813	\$ 562,582	\$ -
Accrued liabilities	165,860	-	-
Bond anticipation notes payable	-	19,620,000	-
Deposits payable	54,386	-	-
Bond interest and matured bonds payable	-	-	5,019
Due to retirement systems	2,691,043	-	-
Due to other funds	1,569,900	678,993	72
Due to other governments	272,557	-	-
Unearned revenues	5,236	-	-
Total Liabilities	<u>6,553,795</u>	<u>20,861,575</u>	<u>5,091</u>
Fund balances (deficits)			
Restricted	3,850,842	-	300,090
Assigned	2,622,388	-	-
Unassigned	2,310,065	(5,996,603)	-
Total Fund Balances (Deficits)	<u>8,783,295</u>	<u>(5,996,603)</u>	<u>300,090</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 15,337,090</u>	<u>\$ 14,864,972</u>	<u>\$ 305,181</u>

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

<u>Non-Major Governmental</u>	<u>Total Governmental Funds</u>
\$ 227,608	\$ 23,436,633
75,748	3,607,947
38,340	106,107
187,365	296,345
-	1,124,282
380	2,465,370
<u>\$ 529,441</u>	<u>\$ 31,036,684</u>

\$ 109,940	\$ 2,467,335
1,615	167,475
-	19,620,000
-	54,386
-	5,019
-	2,691,043
216,405	2,465,370
697	273,254
34,556	39,792
<u>363,213</u>	<u>27,783,674</u>

164,241	4,315,173
1,987	2,624,375
-	(3,686,538)
<u>166,228</u>	<u>3,253,010</u>
<u>\$ 529,441</u>	<u>\$ 31,036,684</u>

**Briarcliff Manor Union Free School District, New York**Reconciliation of Governmental Funds Balance Sheet to  
the District-Wide Statement of Net Position  
June 30, 2023

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

Total Fund Balances - Governmental Funds	\$ 3,253,010
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	8,344,037
Capital assets - depreciable	77,740,541
Accumulated depreciation	<u>(39,874,357)</u>
	<u>46,210,221</u>
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	14,977,145
Deferred outflows - OPEB related	15,894,264
Deferred inflows - pension related	(1,315,188)
Deferred inflows - OPEB related	<u>(18,484,957)</u>
	<u>11,071,264</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(12,314)
General obligation bonds payable	(5,135,000)
Financed purchase debt payable	(1,117,661)
Compensated absences	(400,647)
Net pension liability - ERS	(2,475,008)
Net pension liability - TRS	(2,390,273)
Total OPEB liability	<u>(104,293,078)</u>
	<u>(115,823,981)</u>
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Premium on general obligation bonds	<u>(591,283)</u>
Net Position of Governmental Activities	<u>\$ (55,880,769)</u>

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



**Briarcliff Manor Union Free School District, New York**

## Statement of Revenues, Expenditures and Changes in Fund Balances

## Governmental Funds

Year Ended June 30, 2023

	General	Capital Projects	Debt Service	Non-Major Governmental	Total Governmental Funds
<b>REVENUES</b>					
Real property taxes	\$ 43,307,991	\$ -	\$ -	\$ -	\$ 43,307,991
Other tax items	1,430,620	-	-	-	1,430,620
Non-property taxes	762,085	-	-	-	762,085
Charges for services	4,334,796	-	-	-	4,334,796
Use of money and property	407,561	-	8,247	3,242	419,050
Sale of property and compensation for loss	30,456	-	-	-	30,456
State aid	3,991,324	-	-	184,393	4,175,717
Federal aid	-	-	-	303,649	303,649
Food sales	-	-	-	704,233	704,233
Miscellaneous	167,071	-	-	159,179	326,250
Total Revenues	54,431,904	-	8,247	1,354,696	55,794,847
<b>EXPENDITURES</b>					
Current					
General support	8,901,175	-	-	-	8,901,175
Instruction	29,717,747	-	-	560,354	30,278,101
Pupil transportation	2,565,474	-	-	-	2,565,474
Employee benefits	10,782,836	-	-	-	10,782,836
Cost of food sales	-	-	-	760,022	760,022
Other	-	-	-	124,209	124,209
Debt service					
Principal	1,275,189	-	-	-	1,275,189
Interest	426,607	-	-	-	426,607
Capital outlay	-	6,167,360	-	-	6,167,360
Total Expenditures	53,669,028	6,167,360	-	1,444,585	61,280,973
Excess (Deficiency) of Revenues Over Expenditures	762,876	(6,167,360)	8,247	(89,889)	(5,486,126)
<b>OTHER FINANCING SOURCES (USES)</b>					
Financed purchase debt	-	442,144	-	-	442,144
Issuance premium	-	-	202,282	-	202,282
Transfers in	-	2,210,791	-	99,062	2,309,853
Transfers out	(2,309,853)	-	-	-	(2,309,853)
Total Other Financing Sources (Uses)	(2,309,853)	2,652,935	202,282	99,062	644,426
Net Change in Fund Balances	(1,546,977)	(3,514,425)	210,529	9,173	(4,841,700)
<b>FUND BALANCES (DEFICITS)</b>					
Beginning of Year	10,330,272	(2,482,178)	89,561	157,055	8,094,710
End of Year	\$ 8,783,295	\$ (5,996,603)	\$ 300,090	\$ 166,228	\$ 3,253,010

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

**Briarcliff Manor 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, 2023

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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	\$ (4,841,700)
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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	5,855,371
Depreciation expense	<u>(2,469,261)</u>
	<u>3,386,110</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.

Financed purchase debt issued	(442,144)
Issuance premium	(202,282)
Principal paid on general obligation bonds	755,000
Principal paid on financed purchase debt	<u>520,189</u>
	<u>630,763</u>

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued interest	(1,350)
Compensated absences	25,080
Changes in pension liabilities and related deferred outflows and inflows of resources	(1,272,813)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	(2,083,825)
Loss on refunding and amortization of issuance premium	<u>286,751</u>
	<u>(3,046,157)</u>

Change in Net Position of Governmental Activities	<u><u>\$ (3,870,984)</u></u>
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The notes to the financial statements are an integral part of this statement.

**Briarcliff Manor Union Free School District, New York**

Statement of Revenues, Expenditures and Changes in Fund  
Balance - Budget and Actual  
General Fund  
Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 44,798,025	\$ 43,367,405	\$ 43,307,991	\$ (59,414)
Other tax items	-	1,430,620	1,430,620	-
Non-property taxes	690,000	690,000	762,085	72,085
Charges for services	3,868,257	3,868,257	4,334,796	466,539
Use of money and property	69,480	69,480	407,561	338,081
Sale of property and compensation for loss	4,000	4,000	30,456	26,456
State aid	3,839,012	3,839,012	3,991,324	152,312
Federal aid	-	-	-	-
Miscellaneous	147,250	147,250	167,071	19,821
Total Revenues	53,416,024	53,416,024	54,431,904	1,015,880
<b>EXPENDITURES</b>				
Current				
General support	8,572,532	9,400,004	8,901,175	498,829
Instruction	30,733,055	30,561,928	29,717,747	844,181
Pupil transportation	2,591,581	2,623,631	2,565,474	58,157
Employee benefits	10,653,844	10,845,559	10,782,836	62,723
Debt service				
Principal	1,274,014	1,275,189	1,275,189	-
Interest	411,608	426,608	426,607	1
Total Expenditures	54,236,634	55,132,919	53,669,028	1,463,891
Excess (Deficiency) of Revenues Over Expenditures	(820,610)	(1,716,895)	762,876	2,479,771
<b>OTHER FINANCING USES</b>				
Transfers out	(2,452,000)	(2,482,789)	(2,309,853)	172,936
Net Change in Fund Balance	(3,272,610)	(4,199,684)	(1,546,977)	2,652,707
<b>FUND BALANCE</b>				
Beginning of Year	3,272,610	4,199,684	10,330,272	6,130,588
End of Year	\$ -	\$ -	\$ 8,783,295	\$ 8,783,295

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

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

The Briarcliff Manor Union Free School District, New York ("School District"), as presently constituted, was established in 1909 and operates in accordance with the provisions of the Education Law of the State of New York. The Board of Education is the legislative body responsible for overall operation of the School District and is elected by the voters of the School District. The Superintendent serves as the chief executive officer. The School District's primary function is to provide education for its pupils. Services such as transportation of pupils, administration, finance and plant maintenance support the primary function.

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

**A. Financial Reporting Entity**

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

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

The School District participates in the Putnam-Northern Westchester Board of Cooperative Educational Services ("BOCES"), a jointly governed entity. BOCES is a voluntary cooperative association of school districts in a geographic area that share planning, services and programs, which provide educational and support services. BOCES' governing board is elected based on the vote of members of the participating districts' governing boards. BOCES' budget is comprised of separate budgets for administrative, program and capital costs. BOCES charges the districts for program costs based on participation and for administrative and capital costs. Each component school district's share of administrative and capital costs is determined by resident public school enrollment as defined by Education Law. Copies of BOCES' financial statements can be requested from Putnam-Northern Westchester BOCES, 200 BOCES Drive, Yorktown Heights, New York 10598.

**B. District-Wide Financial Statements**

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

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

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

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

**C. Fund Financial Statements**

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

**Fund Categories**

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

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

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

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for outlays, including the acquisition or construction of major capital facilities and other capital assets.

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.

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

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The non-major special revenue funds of the School District are as follows:

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.

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

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

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

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

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

The district-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. 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.

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year-end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences, net pension liability and other postemployment benefit liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt are reported as other financing sources.

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

**Cash and Equivalents, Investments and Risk Disclosure**

**Cash and Equivalents** - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from 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 of at least 102% of all deposits not covered by Federal deposit insurance. The School District has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

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

The School District follows the provisions of GASB Statement No. 72, "*Fair Value Measurement and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or

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

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 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 PMA Asset Management, LLC 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, LLC, 300 Westage Business Center Drive, Fishkill, NY 12524.

NYLAF is 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. NYLAF invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

**Risk Disclosure**

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

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. GASB Statement No. 40, *"Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3"*, directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the School District's name. The School District's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at June 30, 2023.

**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.



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

**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 does not limit 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 various towns which are included in the levy are responsible for the billing and collection of the taxes. The towns guarantee the full payment of the School District warrant and assume 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, 2023, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

**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 two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation.

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

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

<u>Class</u>	<u>Life in Years</u>
Buildings and Improvements	15-50
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 sheets.

**Unearned Revenues** - Unearned revenues arise when assets are recognized before revenue recognition criteria has been satisfied. In the district-wide financial statements, unearned revenues

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

consist of amounts received in advance and/or revenue from 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 \$5,236 in the General Fund for facilities use and science award monies received in advance, \$216 in the Special Aid Fund for local grants received in advance, and \$34,340 for prepaid meal cards 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 assets includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expenditures/expense) until then.

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

The School District reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit liabilities in the district-wide financial statements. These amounts are detailed in the discussion of the School District's pension and other postemployment benefit liabilities in Note 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 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 Debt Service or Capital Projects funds expenditures.

**Compensated Absences** - The various collective bargaining agreements provide for the payment of accumulated 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.

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

71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*".

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

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

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

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

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

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

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

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are

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

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

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Board of Education for amounts assigned for balancing the subsequent year's budget or the Assistant Superintendent for Finance and 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 unassigned fund balance. For all governmental funds other than the General Fund, any deficit fund balance is reported as unassigned.

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

**F. Encumbrances**

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are generally reported as assigned 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

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

also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**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 26, 2023.

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

**A. Budgetary Data**

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

- a) At least seven days prior to the budget hearing, a copy of the budget is made available to the voters.
- b) At the budget hearing, the voters may raise questions concerning the items contained in the budget.
- c) The Board of Education establishes a date for the annual meeting, which by law will be held on the third Tuesday in May.
- d) The voters are permitted to vote upon the General Fund budget at the annual meeting.
- e) If the original proposed budget is not approved by the voters, the Board of Education has the option of either resubmitting the original or revising the budget for voter approval at a special meeting held at a later date; or the Board of Education may, at that point, adopt a contingency budget. If the Board of Education decides to submit either the original or a revised budget to the voters for a second time, and the voters do not approve the second budget submittal, the Board of Education must adopt a contingency budget and the tax levy cannot exceed the total tax levy of the prior year (0% levy growth). In addition, the administrative component of the contingency budget shall not comprise a greater percentage of the contingency budget exclusive of the capital component than the lesser of either 1) the percentage the administrative component had comprised in the prior year budget exclusive of the capital component; or 2) the percentage the administrative component had comprised in the last proposed defeated budget exclusive of the capital component.
- f) Formal budgetary integration is employed during the year as a management control device for the General Fund.

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

- g) Budgets for the General Fund 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, Debt Service, School Lunch or Special Purpose funds since other means control the use of these resources (e.g., grants awards) and sometimes span a period of more than one fiscal year.
- h) The Board of Education has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Education. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- i) Appropriations in the General Fund lapse at the end of the fiscal year, except 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 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 2 - Stewardship, Compliance and Accountability (Continued)**

**D. New Accounting Pronouncement**

GASB Statement No. 96, “*Subscription-Based Information Technology Arrangements (SBITA’s)*”, established a single model for SBITA accounting based on the concept that SBITA’s are a financing of a “right-to-use” underlying asset. This statement requires a subscriber to recognize a subscription liability and an intangible right-to-use subscription asset. The requirements of GASB Statement No. 96 are effective for the School District’s fiscal year ended June 30, 2023. The School District has completed its evaluation of the financial impact of GASB Statement No. 96 and determined that the implementation of this standard was not required as it did not have a material impact on its financial statements.

**E. Capital Projects Fund Deficits**

The deficits of \$6,362,096 in the Facilities Improvements projects arise because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an “other financing source”. Liabilities for bond anticipation notes issued are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. Deficits in these projects will be reduced and eliminated as the bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing.

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

**A. Interfund Receivables/Payables**

The composition of due from/to other funds at June 30, 2023 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 620,774	\$ 1,569,900
Capital Projects	1,569,520	678,993
Debt Service	274,696	72
Non-Major Governmental	380	216,405
	<u>\$ 2,465,370</u>	<u>\$ 2,465,370</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) payment between funds are made.

**Briarcliff Manor Union Free School District, New York**

## Notes to Financial Statements (Continued)

June 30, 2023

**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, 2022	Additions	Deletions	Balance June 30, 2023
Capital Assets, not being depreciated:				
Land	\$ 318,215	\$ -	\$ -	\$ 318,215
Construction-in-progress	2,600,478	5,620,188	194,844	8,025,822
Total Capital Assets, not being depreciated	<u>\$ 2,918,693</u>	<u>\$ 5,620,188</u>	<u>\$ 194,844</u>	<u>\$ 8,344,037</u>
Capital Assets, being depreciated/amortized:				
Buildings and Improvements	\$ 71,973,953	\$ -	\$ -	\$ 71,973,953
Machinery and Equipment	5,336,561	430,027	-	5,766,588
Total Capital Assets, being depreciated	<u>77,310,514</u>	<u>430,027</u>	<u>-</u>	<u>77,740,541</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	35,267,993	1,868,720	-	37,136,713
Machinery and Equipment	2,137,103	600,541	-	2,737,644
Total Accumulated Depreciation	<u>37,405,096</u>	<u>2,469,261</u>	<u>-</u>	<u>39,874,357</u>
Total Capital Assets, being depreciated/amortized, net	<u>\$ 39,905,418</u>	<u>\$ (2,039,234)</u>	<u>\$ -</u>	<u>\$ 37,866,184</u>
Capital Assets, net	<u>\$ 42,824,111</u>	<u>\$ 3,580,954</u>	<u>\$ 194,844</u>	<u>\$ 46,210,221</u>

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

General Support	\$ 370,960
Instruction	2,094,566
Cost of Food Sales	<u>3,735</u>
Total Depreciation Expense	<u>\$ 2,469,261</u>

**C. Accrued Liabilities**

Accrued liabilities at June 30, 2023 were as follows:

	General Fund	Non-Major Governmental	Total
Payroll and employee benefits	<u>\$ 165,860</u>	<u>\$ 1,615</u>	<u>\$ 167,475</u>



**Briarcliff Manor Union Free School District, New York**

Notes to Financial Statements (Continued)  
 June 30, 2023

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

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

Purpose	Year of Original Issue	Maturity Date	Interest Rate	Balance July 1, 2022	Issued	Redemptions	Balance June 30, 2023
Facilities Improvements	2020	3/24/2023	0.92 %	\$ 347,000	\$ -	\$ 347,000	\$ -
Facilities Improvements	2022	6/29/2023	3.00 %	6,000,000	-	6,000,000	-
Facilities Improvements	2023	6/28/2024	4.75 %	-	19,620,000	-	19,620,000
				<u>\$ 6,347,000</u>	<u>\$ 19,620,000</u>	<u>\$ 6,347,000</u>	<u>\$ 19,620,000</u>

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

Interest expenditures of \$183,192 were recorded in the fund financial statements in the General Fund. Interest expense of \$185,707 was recorded in the district-wide financial statements.

**E. Long-Term Liabilities**

The following table summarizes changes in the School District's long-term liabilities for the year ended June 30, 2023:

	Balance July 1, 2022	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2023	Due Within One-Year
General Obligation Bonds Payable	\$ 5,890,000	\$ -	\$ 755,000	\$ 5,135,000	\$ 720,000
Plus -Unamortized premiums on bonds	675,752	-	84,469	591,283	84,469
	<u>6,565,752</u>	<u>-</u>	<u>839,469</u>	<u>5,726,283</u>	<u>804,469</u>
Other Non-current Liabilities					
Financed Purchase Debt Payable	1,195,706	442,144	520,189	1,117,661	461,557
Compensated Absences	425,727	75,000	100,080	400,647	40,000
Net Pension Liability - ERS	-	2,475,008	-	2,475,008	-
Net Pension Liability - TRS	-	2,390,273	-	2,390,273	-
Other Postemployment Benefit Liability	112,270,037	-	7,976,959	104,293,078	-
	<u>113,891,470</u>	<u>5,382,425</u>	<u>8,597,228</u>	<u>110,676,667</u>	<u>501,557</u>
	<u>\$ 120,457,222</u>	<u>\$ 5,382,425</u>	<u>\$ 9,436,697</u>	<u>\$ 116,402,950</u>	<u>\$ 1,306,026</u>

Each governmental fund's liability for general obligation bonds payable, financed purchase debt, compensated absences, net pension liability and other postemployment benefit obligations are liquidated by the General Fund.

**Briarcliff Manor Union Free School District, New York**

Notes to Financial Statements (Continued)  
 June 30, 2023

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

General obligation bonds payable at June 30, 2023 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at June 30, 2023
Serial Bonds	2016	\$ 575,000	June, 2025	2.000 %	150,000
Refunding	2022	5,615,000	June, 2030	4.000	4,985,000
					<u>\$ 5,135,000</u>

Interest expenditures of \$230,350 were recorded in the fund financial statements in the General Fund. Interest expense of \$144,716 was recorded in the district-wide financial statements.

**Financed Purchase Debt Payable**

The School District has entered into various agreements to finance the costs of purchasing certain equipment. The terms of the agreements provide for repayment in annual installments, through 2025, including interest at a rate of 3.66% and 1.90%. Interest expenditures and interest expense of \$13,065 was recorded in the General Fund and district-wide financial statements, respectively. The balance due at June 30, 2023 was \$1,117,661.

**Payments to Maturity**

The annual requirements to amortize all outstanding general obligation bonded debt and financed purchase debt as of June 30, 2023 including interest payments of \$841,272 are as follows:

Year Ending June 30,	General Obligation Bonds		Financed Purchase Debt		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	720,000	202,400	461,557	12,431	1,181,557	214,831
2025	750,000	175,100	282,189	5,039	1,032,189	180,139
2026	700,000	146,600	283,836	3,391	983,836	149,991
2027	730,000	118,600	90,079	1,711	820,079	120,311
2028	760,000	89,400	-	-	760,000	89,400
2029-2030	1,475,000	86,600	-	-	1,475,000	86,600
	<u>\$ 5,135,000</u>	<u>\$ 818,700</u>	<u>\$ 1,117,661</u>	<u>\$ 22,572</u>	<u>\$ 6,252,661</u>	<u>\$ 841,272</u>

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

**Legal Debt Margin**

The School District is subject to legal limitations on the amount of debt that it may issue. The School District's legal debt margin is 10% of the most recent full valuation of taxable real property. At June 30, 2023, that amount was \$205,233,365. As of June 30, 2023, the total outstanding debt applicable to the limit was \$24,755,000, which is 12.1% of the total debt limit.

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

**Compensated Absences**

Pursuant to collective bargaining agreements, the School District is required to compensate retiring employees for accumulated sick leave. The School District's obligation for accumulated sick leave is dependent upon the terms of the respective bargaining agreement. Vacation time is generally taken in the year earned. The value of the 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.

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

**Briarcliff Manor Union Free School District, New York**

## Notes to Financial Statements (Continued)

June 30, 2023

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

determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS's fiscal year ending March 31. Pursuant to Article 11 of the Education Law of the State of New York, actuarially determined employer contributions are established annually for the TRS by its Board of Trustees. The employer contribution rates for the ERS plan year ended March 31, 2023 and TRS plan year ended June 30, 2023 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75I 41J165	17.5 %
	4 A15 41J165	13.1
	5 A15 41J165	11.2
	6 A15 41J165	8.3
	6 A15 41J100	8.3
TRS	1-6	10.29 %

At June 30, 2023, the School District reported the following for its proportionate share of the net pension liability for ERS and TRS:

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2023	June 30, 2022
Net pension liability	\$ 2,475,008	\$ 2,390,273
School Districts' proportion of the net pension liability	0.0115417 %	0.124565 %
Change in proportion since the prior measurement date	(0.0006181) %	(0.007123) %

The net pension liability was measured as of March 31, 2023 for ERS and June 30, 2022 for TRS and the total pension liability used to calculate the net pension liability were determined by actuarial valuations as of those dates. The School District's proportion of the net pension liability for ERS was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. The School District's proportion of the net pension liability for TRS was based on the School District's contributions to the pension plan relative to the contributions of all participating members.

For the year ended June 30, 2023, the School District recognized pension expense in the district-wide financial statements of \$4,097,090 (\$977,609 of expense for ERS and \$3,119,481 for TRS). Pension expenditures of \$509,174 for ERS and \$2,353,398 for TRS were recorded in the fund financial statements and were charged to the General Fund.

# Briarcliff Manor Union Free School District, New York

## Notes to Financial Statements (Continued)

June 30, 2023

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

At June 30, 2023, the School District reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS		TRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 263,608	\$ 69,508	\$ 2,504,704	\$ 47,897
Changes of assumptions	1,202,024	13,285	4,636,725	962,870
Net difference between projected and actual earnings on pension plan investments	-	14,541	3,088,459	-
Changes in proportion and differences between School District contributions and proportionate share of contributions	289,537	74,402	503,211	132,685
School District contributions subsequent to the measurement date	141,531	-	2,347,346	-
	<u>\$ 1,896,700</u>	<u>\$ 171,736</u>	<u>\$ 13,080,445</u>	<u>\$ 1,143,452</u>
	Total			
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 2,768,312	\$ 117,405		
Changes of assumptions	5,838,749	976,155		
Net difference between projected and actual earnings on pension plan investments	3,088,459	14,541		
Changes in proportion and differences between School District contributions and proportionate share of contributions	792,748	207,087		
School District contributions subsequent to the measurement date	2,488,877	-		
	<u>\$ 14,977,145</u>	<u>\$ 1,315,188</u>		

\$141,531 reported as deferred outflows of resources related to ERS resulting from the School District's accrued contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the plan's year ended March 31, 2024. The \$2,347,346 reported as deferred outflows of resources related to TRS will be recognized as a decrease of the net pension liability in the plan's year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and TRS will be recognized in pension expense as follows:

Year Ended	March 31,	June 30,
	ERS	TRS
2023	\$ -	\$ 1,875,694
2024	411,896	984,030
2025	(77,274)	(321,546)
2026	560,103	6,142,363
2027	688,708	832,653
Thereafter	-	76,453
	<u>\$ 1,583,433</u>	<u>\$ 9,589,647</u>

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

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

	ERS	TRS
Measurement Date	March 31, 2023	June 30, 2022
Actuarial valuation date	April 1, 2022	June 30, 2021
Investment rate of return	5.9% *	6.95% *
Salary scale	4.4%	1.95%-5.18%
Inflation rate	2.9%	2.4%
Cost of living adjustments	1.5%	1.3%

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

For ERS, annuitant mortality rates are based on the ERS's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021. For TRS, annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021, applied on a generational basis. Active member mortality rates are based on plan member experience.

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

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

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

**Briarcliff Manor Union Free School District, New York**

Notes to Financial Statements (Continued)  
June 30, 2023

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

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

Asset Type	ERS March 31, 2023		TRS June 30, 2022	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32 %	4.30 %	33 %	6.5 %
International Equity	15	6.85	16	7.2
Private Equity	10	7.50	8	9.9
Real Estate	9	4.60	11	6.2
Domestic Fixed Income Securities	-	-	16	1.1
Global Fixed Income Securities	-	-	2	0.6
High Yield Fixed Income Securities	-	-	1	3.3
Global Equities	-	-	4	6.9
Private Debt	-	-	2	5.3
Real Estate Debt	-	-	6	2.4
Opportunistic/ARS Portfolio	3	5.38	-	-
Credit	4	5.43	-	-
Real Assets	3	5.84	-	-
Fixed Income	23	1.50	-	-
Cash	1	-	1	(0.3)
	<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 2.4% for TRS.

The discount rate used to calculate the total pension liability was 5.9% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the School District's proportionate share of the net pension liability (asset) calculated using the discount rate of 5.9% for ERS and 6.95% for TRS, as well as what the School District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.9% for ERS and 5.95% for TRS) or 1 percentage point higher (6.9% for ERS and 7.95% for TRS) than the current rate:

**Briarcliff Manor Union Free School District, New York**

## Notes to Financial Statements (Continued)

June 30, 2023

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

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
School District's proportionate share of the ERS net pension liability (asset)	<u>\$ 5,981,034</u>	<u>\$ 2,475,008</u>	<u>\$ (454,684)</u>
	1% Decrease (5.95%)	Current Discount Rate (6.95%)	1% Increase (7.95%)
School District's proportionate share of the TRS net pension (asset)	<u>\$ 22,039,438</u>	<u>\$ 2,390,273</u>	<u>\$ (14,134,546)</u>

The components of the collective net pension liability as of the March 31, 2023 ERS measurement date and the June 30, 2022 TRS measurement date were as follows:

	ERS	TRS
Total pension liability	\$ 232,627,259,000	\$ 133,883,473,797
Fiduciary net position	<u>211,183,223,000</u>	<u>131,964,582,107</u>
Employers' net pension liability	<u>\$ 21,444,036,000</u>	<u>\$ 1,918,891,690</u>
Fiduciary net position as a percentage of total pension liability	<u>90.78%</u>	<u>98.57%</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, 2023 represent the projected employer contribution for the period April 1, 2023 through June 30, 2023 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, 2023 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, 2023 represent employee and employer contributions for the fiscal year ended June 30, 2023 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, 2023 were \$141,531 to ERS and \$2,549,512 to TRS (including employee contributions of \$202,166).

*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 an 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.



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

**Other Postemployment Benefit Liability ("OPEB")**

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

At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	143
Active employees	<u>245</u>
	<u><u>388</u></u>

The School District's total OPEB liability of \$104,293,078 was measured as of July 1, 2022 and was determined by an actuarial valuation as of July 1, 2021.

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	2%, average, including inflation
Discount rate	3.54%
Healthcare cost trend rates	6.0% for 2023, decreasing by various amounts to an ultimate rate of 3.94% for 2092
Retirees' share of benefit-related costs	Depending on the date of hire, years of service and job classification employees

The discount rate was based on the Bond Buyer Weekly 20-Bond GO Index.

Mortality rates were based on the Pub-2010 Mortality Table for employees sex distinct, job category-specific, headcount weighted, and adjusted for mortality improvements with scale MP-2021 mortality improvement scale on a generational basis.

The actuarial assumptions used in the July 1, 2021 valuation for turnover were based on the experience under the New York State and Local Retirement System as prepared by the Department of Civil Service's actuarial consultant in the report titled, *"Development of Recommended Actuarial Assumptions for New York State/SUNY GASB 75 Valuation (June 2019)"*.

**Briarcliff Manor Union Free School District, New York**

## Notes to Financial Statements (Continued)

June 30, 2023

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

The School District's change in the total OPEB liability for the year ended June 30, 2023 is as follows:

Total OPEB Liability - Beginning of Year	\$ 112,270,037
Service cost	4,133,072
Interest	2,465,632
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(12,202,321)
Benefit payments	<u>(2,373,342)</u>
Total OPEB Liability - End of Year	<u>\$ 104,293,078</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 (2.54%) or 1 percentage point higher (4.54%) than the current discount rate:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	<u>\$ 124,113,444</u>	<u>\$ 104,293,078</u>	<u>\$ 88,566,785</u>

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.00% decreasing to 2.94%) or 1 percentage point higher (7.00% decreasing to 4.94%) than the current healthcare cost trend rates:

	1% Decrease (5.00% decreasing to 2.94%)	Current Healthcare Cost Trend Rates (6.00% decreasing to 3.94%)	1% Increase (7.00% decreasing to 4.94%)
Total OPEB Liability	<u>\$ 86,137,457</u>	<u>\$ 104,293,078</u>	<u>\$ 128,063,552</u>

For the year ended June 30, 2023, the School District recognized OPEB expense of \$4,602,654 in the district-wide financial statements. At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 12,567,697	\$ 16,919,463
Differences between expected and actual experience	807,738	1,565,494
School District contributions subsequent to the measurement date	<u>2,518,829</u>	<u>-</u>
	<u>\$ 15,894,264</u>	<u>\$ 18,484,957</u>

**Briarcliff Manor Union Free School District, New York**

## Notes to Financial Statements (Continued)

June 30, 2023

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

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

Year Ended June 30,	
<u>                    </u>	
2024	\$ (1,392,296)
2025	(15,552)
2026	582,803
2027	(438,453)
2028	(2,331,869)
2029 and Thereafter	<u>(1,514,155)</u>
	<u><u>\$ (5,109,522)</u></u>

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

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

<u>Transfers Out</u>	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
General Fund	<u>\$ 2,210,791</u>	<u>\$ 99,062</u>	<u>\$ 2,309,853</u>

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

**G. Net Position**

The components of net position are detailed below:

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

*Restricted for Liability and Casualty Claims* - the component of net position that has been established to set aside funds to be used for the payment of future claims made upon the School District in accordance with Section 6-n of the General Municipal Law of the State of New York.

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

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

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

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

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

*Restricted for Special Purposes* - the component of net position that has been established to set aside funds to be used for extraclassroom activities and other purposes with constraints placed on their use by either external parties and/or statute.

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

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

# Briarcliff Manor Union Free School District, New York

Notes to Financial Statements (Continued)  
June 30, 2023

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

### H. Fund Balances

	2023					2022				
	General Fund	Capital Projects Fund	Debt Service Fund	Non-Major Governmental Funds	Total	General Fund	Capital Projects Fund	Debt Service Fund	Non-Major Governmental Funds	Total
Restricted										
Liability and casualty claims	\$ 221,913	\$ -	\$ -	\$ -	\$ 221,913	\$ 220,811	\$ -	\$ -	\$ -	\$ 220,811
Tax certiorari	2,518,746	-	-	-	2,518,746	3,437,416	-	-	-	3,437,416
Employee benefit accrued liability	399,690	-	-	-	399,690	424,770	-	-	-	424,770
ERS retirement contributions	274,279	-	-	-	274,279	272,917	-	-	-	272,917
TRS retirement contributions	436,214	-	-	-	436,214	434,048	-	-	-	434,048
Debt service	-	-	300,090	-	300,090	-	-	89,561	-	89,561
Special purposes - extraclassroom activities	-	-	-	88,113	88,113	-	-	-	80,318	80,318
Special purposes - other	-	-	-	76,128	76,128	-	-	-	74,750	74,750
Total Restricted	3,850,842	-	300,090	164,241	4,315,173	4,789,962	-	89,561	155,068	5,034,591
Assigned										
Purchases on order										
General government support	93,482	-	-	-	93,482	218,345	-	-	-	218,345
Instruction	110,450	-	-	-	110,450	180,211	-	-	-	180,211
Employee benefits	10,095	-	-	-	10,095	9,670	-	-	-	9,670
	214,027	-	-	-	214,027	408,226	-	-	-	408,226
Subsequent year's expenditures	2,408,361	-	-	-	2,408,361	2,864,384	-	-	-	2,864,384
School Lunch Fund	-	-	-	1,987	1,987	-	-	-	1,987	1,987
Total Assigned	2,622,388	-	-	1,987	2,624,375	3,272,610	-	-	1,987	3,274,597
Unassigned	2,310,065	(5,996,603)	-	-	(3,686,538)	2,267,700	(2,482,178)	-	-	(214,478)
Total Fund Balances	\$ 8,783,295	\$ (5,996,603)	\$ 300,090	\$ 166,228	\$ 3,253,010	\$ 10,330,272	\$ (2,482,178)	\$ 89,561	\$ 157,055	\$ 8,094,710

**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.

Employee Benefit Accrued Liability - the component of fund balance that has been restricted pursuant to Section 6r of the General Municipal Law of the State of New York to provide funds for the payment of unused sick time and other forms of payment for accrued leave time granted upon termination or separation from service.

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, 2023, the Board of Education has assigned the above amounts to be appropriated for the ensuing year's budget.

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

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

**A. Litigation**

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

**B. Contingencies**

The School District participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act. Accordingly, the School District's compliance with applicable grant requirements may be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School District anticipates such amounts, if any, to be immaterial.

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

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

**C. Risk Management**

The School District and other school districts have formed a reciprocal insurance company (the "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, auto physical damage coverage, school board legal liability/employment practices liability and an excess catastrophe liability (umbrella) policy with coverage up to \$25,000,000. 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, although extremely remote, their proportionate share by the Department of Financial Services if the funds of the Company are less than what is required to satisfy its liabilities. The subscriber districts are required to pay annual premiums.

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 for each occurrence and auto liability policy with coverage up to \$1 million each occurrence and school board legal liability policy with coverage up to \$1 million per claim and \$3 million in the aggregate. The School District also maintains an excess liability policy/umbrella policy with coverage up to \$20 million. This excess limit sits atop all three previously mentioned liability limits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The School District also maintains Network Security and Data Compromise (cyber risk) insurance with a \$1,000,000 aggregate limit. The NYSIR Excess policy does not provide any coverage or any additional limits of insurance for the cyber perils. Cyber risk is excluded under the Excess Liability policy.

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

The School District and neighboring school districts in Northern Westchester and Putnam Counties participate in the Putnam Northern Westchester Health Benefits Consortium Health Plan. The Plan operates under a Municipal Cooperative Agreement dated March 1, 2017. The purposes of the Plan are to provide for the efficient and economical evaluation, processing, administration and payment of claims against plan members for medical expenses through self-insurance and/or otherwise; to effect cost savings insofar as may be possible in Plan Members' expenses for such claims and service; to provide for centralized administration, funding and disbursements for such services. The governance of the Plan rests with five (5) Trustees who are Chief School Administrators and School Business Officials and a Joint Governance Board of six (6) management employees and six (6) union representatives. The Trustees comprise 5 of the

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

6 management employees. The Plan is community rated and each participating employer is billed according to coverages provided to its employees and retirees. Participating employers share risk and retrospective payments are possible.

There were no significant reductions in insurance coverage from the previous fiscal year, nor have settlements exceeded insurance coverage in any of the prior three fiscal years.

**Note 5 - Recently Issued GASB Pronouncements**

GASB Statement No. 101, "*Compensated Absences*", provides guidance on the accounting and financial reporting for compensated absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

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

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**Briarcliff Manor 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)

	2023	2022	2021	2020	2019	2018
Total OPEB Liability:						
Service cost	\$ 4,133,072	\$ 4,015,528	\$ 2,811,848	\$ 2,545,971	\$ 2,884,260	\$ 3,687,903
Interest	2,465,632	2,565,810	3,083,969	3,370,893	3,148,928	2,721,830
Changes of benefit terms	-	88,383	-	-	(9,612)	(3,933)
Differences between expected and actual experience	-	(1,454,643)	-	(1,380,533)	-	8,150,790
Changes of assumptions or other inputs	(12,202,321)	(3,953,279)	22,982,917	(1,801,422)	(4,138,416)	(19,977,286)
Benefit payments	<u>(2,373,342)</u>	<u>(2,152,478)</u>	<u>(2,039,096)</u>	<u>(1,942,061)</u>	<u>(1,885,798)</u>	<u>(1,730,629)</u>
Net Change in Total OPEB Liability	(7,976,959)	(890,679)	26,839,638	792,848	(638)	(7,151,325)
Total OPEB Liability – Beginning of Year	<u>112,270,037</u>	<u>113,160,716</u>	<u>86,321,078</u>	<u>85,528,230</u>	<u>85,528,868</u>	<u>92,680,193</u> (3)
Total OPEB Liability – End of Year	<u>\$ 104,293,078</u>	<u>\$ 112,270,037</u>	<u>\$ 113,160,716</u>	<u>\$ 86,321,078</u>	<u>\$ 85,528,230</u>	<u>\$ 85,528,868</u>
School District's covered-employee payroll	<u>\$ 24,979,743</u>	<u>\$ 24,279,054</u>	<u>\$ 24,696,005</u>	<u>\$ 24,281,001</u>	<u>\$ 23,969,449</u>	<u>\$ 23,969,449</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>418%</u>	<u>462%</u>	<u>458%</u>	<u>356%</u>	<u>357%</u>	<u>357%</u>
Discount Rate	<u>3.54%</u>	<u>2.14%</u>	<u>2.21%</u>	<u>3.50%</u>	<u>3.87%</u>	<u>3.60%</u>

Notes to Schedule:

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

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

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

See independent auditors' report.

**Briarcliff Manor 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)

	2023 (3)	2022 (4)	2021 (3)	2020	2019	2018	2017	2016	2015
School District's proportion of the net pension liability (asset)	0.124565%	0.131688%	0.128022%	0.129949%	0.130224%	0.129185%	0.133678%	0.134090%	0.130501%
School District's proportionate share of the net pension liability (asset)	\$ 2,390,273	\$ (22,820,297)	\$ 3,537,579	\$ (3,376,079)	\$ (2,354,788)	\$ (981,938)	\$ 1,431,746	\$ (13,927,712)	\$ (14,536,985)
School District's covered payroll	\$ 22,165,112	\$ 22,443,363	\$ 21,729,300	\$ 21,690,569	\$ 21,211,982	\$ 20,471,642	\$ 20,626,611	\$ 20,142,187	\$ 19,277,012
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	10.78%	101.68%	16.28%	15.56%	11.10%	4.80%	6.94%	69.15%	75.41%
Plan fiduciary net position as a percentage of the total pension liability (asset)	98.60%	113.20%	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%	111.48%
Discount Rate	6.95%	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%	8.00%

Schedule of Contributions

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 2,347,346	\$ 2,172,181	\$ 2,138,853	\$ 1,925,216	\$ 2,303,538	\$ 2,078,774	\$ 2,399,276	\$ 2,735,089	\$ 3,530,925
Contributions in relation to the contractually required contribution	(2,347,346)	(2,172,181)	(2,138,853)	(1,925,216)	(2,303,538)	(2,078,774)	(2,399,276)	(2,735,089)	(3,530,925)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 22,811,914	\$ 22,165,112	\$ 22,443,363	\$ 21,729,300	\$ 21,690,569	\$ 21,211,982	\$ 20,471,642	\$ 20,626,611	\$ 20,142,187
Contributions as a percentage of covered payroll	10.29%	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%

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

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

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

(4) Decrease in the School District's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gain.

**Briarcliff Manor 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 (Asset) (2)

	2023 (3)	2022 (4)	2021 (4)	2020 (3)	2019	2018	2017	2016 (3)	2015
School District's proportion of the net pension liability (asset)	0.0115417%	0.0121598%	0.0111552%	0.0122168%	0.0112901%	0.0108266%	0.0132591%	0.0126075%	0.0134211%
School District's proportionate share of the net pension liability (asset)	\$ 2,475,008	\$ (994,013)	\$ 11,108	\$ 3,235,080	\$ 799,935	\$ 349,423	\$ 1,245,856	\$ 2,023,533	\$ 453,397
School District's covered payroll	\$ 4,623,620	\$ 4,169,801	\$ 4,035,770	\$ 3,922,325	\$ 4,000,400	\$ 3,531,776	\$ 3,428,278	\$ 3,915,563	\$ 3,504,627
School District's proportionate share of the net pension liability as a percentage of its covered payroll	(53.53%)	(23.84%)	0.28%	82.48%	20.00%	9.89%	36.34%	51.68%	12.94%
Plan fiduciary net position as a percentage of the total pension liability	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%
Discount Rate	5.90%	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.50%	7.50%

Schedule of Contributions

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 490,277	\$ 646,887	\$ 571,620	\$ 588,863	\$ 534,150	\$ 523,920	\$ 604,321	\$ 619,687	\$ 662,469
Contributions in relation to the contractually required contribution	(490,277)	(646,887)	(571,620)	(588,863)	(534,150)	(523,920)	(604,321)	(619,687)	(662,469)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 4,652,407	\$ 4,288,297	\$ 4,130,666	\$ 3,876,948	\$ 4,153,454	\$ 3,561,334	\$ 3,396,256	\$ 3,896,508	\$ 3,507,633
Contributions as a percentage of covered payroll	10.54%	15.08%	13.84%	15.19%	12.86%	14.71%	17.79%	15.90%	18.89%

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

(4) Decrease in the School District's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

**Briarcliff Manor Union Free School District, New York**

General Fund  
Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
Years Ended June 30, 2023

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
<b>REVENUES</b>					
Real property taxes	\$ 44,798,025	\$ 43,367,405	\$ 43,307,991	\$	\$ (59,414)
Other tax items	-	1,430,620	1,430,620		-
Non-property taxes	690,000	690,000	762,085		72,085
Charges for services	3,868,257	3,868,257	4,334,796		466,539
Use of money and property	69,480	69,480	407,561		338,081
Sale of property and compensation for loss	4,000	4,000	30,456		26,456
State aid	3,839,012	3,839,012	3,991,324		152,312
Miscellaneous	147,250	147,250	167,071		19,821
Total Revenues	53,416,024	53,416,024	54,431,904		1,015,880
<b>EXPENDITURES</b>					
Current					
General support					
Board of education	80,155	74,316	56,469	-	17,847
Central administration	437,991	440,488	437,794	-	2,694
Finance	967,834	962,463	924,987	243	37,233
Staff	547,610	526,288	480,203	-	46,085
Central services	5,888,951	5,920,040	5,537,868	93,239	288,933
Special items	649,991	1,476,409	1,463,854	-	12,555
Total General Support	8,572,532	9,400,004	8,901,175	93,482	405,347
Instruction					
Instruction, administration and improvement	2,162,076	2,171,744	2,087,399	5	84,340
Teaching - Regular school	18,001,132	17,851,717	17,642,372	2,128	207,217
Programs for students with disabilities	4,948,880	4,970,850	4,830,230	862	139,758
Occupational education	133,899	133,899	133,899	-	-
Teaching - Special schools	5,000	1,780	1,780	-	-
Instructional media	1,903,933	1,921,203	1,789,083	91,807	40,313
Pupil services	3,578,135	3,510,735	3,232,984	15,648	262,103
Total Instruction	30,733,055	30,561,928	29,717,747	110,450	733,731
Pupil transportation	2,591,581	2,623,631	2,565,474	-	58,157
Employee benefits	10,653,844	10,845,559	10,782,836	10,095	52,628
Debt service					
Principal	1,274,014	1,275,189	1,275,189	-	-
Interest	411,608	426,608	426,607	-	1
Total Expenditures	54,236,634	55,132,919	53,669,028	214,027	1,249,864
Excess (Deficiency) of Revenues Over Expenditures	(820,610)	(1,716,895)	762,876	(214,027)	2,265,744
<b>OTHER FINANCING USES</b>					
Transfers out	(2,452,000)	(2,482,789)	(2,309,853)	-	172,936
Net Change in Fund Balance	(3,272,610)	(4,199,684)	(1,546,977)	<u>\$ (214,027)</u>	<u>\$ 2,438,680</u>
<b>FUND BALANCE</b>					
Beginning of Year	3,272,610	4,199,684	10,330,272		
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,783,295</u>		

See independent auditors' report.

**Briarcliff Manor Union Free School District, New York**

General Fund

Schedule of Revenues Compared to Budget

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REAL PROPERTY TAXES</b>	<u>\$ 44,798,025</u>	<u>\$ 43,367,405</u>	<u>\$ 43,307,991</u>	<u>\$ (59,414)</u>
<b>OTHER TAX ITEMS</b>				
School tax relief reimbursement	<u>-</u>	<u>1,430,620</u>	<u>1,430,620</u>	<u>-</u>
<b>NON-PROPERTY TAXES</b>				
Non-property tax distribution from County	<u>690,000</u>	<u>690,000</u>	<u>762,085</u>	<u>72,085</u>
<b>CHARGES FOR SERVICES</b>				
Day school tuition	3,826,281	3,826,281	4,283,055	456,774
Other student fees and charges	39,000	39,000	39,200	200
Transportation services for other districts	<u>2,976</u>	<u>2,976</u>	<u>12,541</u>	<u>9,565</u>
	<u>3,868,257</u>	<u>3,868,257</u>	<u>4,334,796</u>	<u>466,539</u>
<b>USE OF MONEY AND PROPERTY</b>				
Earnings on investments	3,680	3,680	344,668	340,988
Rental of real property - Individuals	<u>65,800</u>	<u>65,800</u>	<u>62,893</u>	<u>(2,907)</u>
	<u>69,480</u>	<u>69,480</u>	<u>407,561</u>	<u>338,081</u>
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>				
Insurance recoveries	4,000	4,000	-	(4,000)
Sale of equipment	<u>-</u>	<u>-</u>	<u>30,456</u>	<u>30,456</u>
	<u>4,000</u>	<u>4,000</u>	<u>30,456</u>	<u>26,456</u>

**STATE AID**

Basic formula	2,992,239	2,473,323	2,548,182	74,859
BOCES aid	732,879	732,879	810,593	77,714
Lottery aid	-	518,916	518,916	-
Textbook aid	77,240	77,240	77,065	(175)
Computer software/hardware aid	28,241	28,241	28,168	(73)
Library aid	8,413	8,413	8,400	(13)
	<u>3,839,012</u>	<u>3,839,012</u>	<u>3,991,324</u>	<u>152,312</u>

**MISCELLANEOUS**

Refund of prior year's expenditures	30,000	30,000	73,706	43,706
Refund of prior year's expenditures-BOCES	80,000	80,000	45,251	(34,749)
Other	37,250	37,250	48,114	10,864
	<u>147,250</u>	<u>147,250</u>	<u>167,071</u>	<u>19,821</u>
<b>TOTAL REVENUES</b>	<u><u>\$ 53,416,024</u></u>	<u><u>\$ 53,416,024</u></u>	<u><u>\$ 54,431,904</u></u>	<u><u>\$ 1,015,880</u></u>

See independent auditors' report.

**Briarcliff Manor Union Free School District, New York**

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbr- ances</u>	<u>Variance with Final Budget</u>
<b>GENERAL SUPPORT</b>					
<b><i>BOARD OF EDUCATION</i></b>					
Board of education	\$ 51,149	\$ 45,310	\$ 29,471	\$ -	\$ 15,839
District clerk	21,306	21,306	20,250	-	1,056
District meeting	7,700	7,700	6,748	-	952
Total Board of Education	80,155	74,316	56,469	-	17,847
<b><i>CENTRAL ADMINISTRATION</i></b>					
Chief school administrator	437,991	440,488	437,794	-	2,694
<b><i>FINANCE</i></b>					
Business administration	803,587	801,713	769,188	243	32,282
Accounting and auditing	58,970	58,970	54,536	-	4,434
Treasurer	105,277	101,780	101,263	-	517
Total Finance	967,834	962,463	924,987	243	37,233
<b><i>STAFF</i></b>					
Legal	149,719	149,719	118,557	-	31,162
Personnel	278,146	288,246	279,830	-	8,416
Records management officer	19,947	15,323	9,690	-	5,633
Public information and services	99,798	73,000	72,126	-	874
Total Staff	547,610	526,288	480,203	-	46,085
<b><i>CENTRAL SERVICES</i></b>					
Operation and maintenance of plant	4,919,061	4,994,426	4,620,547	93,239	280,640
Central printing and mailing	22,500	1,500	1,500	-	-
Central data processing	947,390	924,114	915,821	-	8,293
Total Central Services	5,888,951	5,920,040	5,537,868	93,239	288,933

**SPECIAL ITEMS**

Unallocated insurance	251,496	246,496	243,235	-	3,261
School association dues	26,330	16,330	7,036	-	9,294
Assessments on school property	42,128	42,234	42,234	-	-
Judgments and claims	20,651	862,068	862,068	-	-
Administrative charge - BOCES	309,386	309,281	309,281	-	-
Total Special Items	649,991	1,476,409	1,463,854	-	12,555
Total General Support	8,572,532	9,400,004	8,901,175	93,482	405,347

**INSTRUCTION****INSTRUCTION, ADMINISTRATION AND IMPROVEMENT**

Curriculum development and supervision	674,469	671,218	605,504	-	65,714
Supervision - Regular school	1,486,307	1,500,526	1,481,895	5	18,626
Research, planning and evaluation	1,300	-	-	-	-
Total Instruction, Administration and Improvement	2,162,076	2,171,744	2,087,399	5	84,340

**TEACHING - REGULAR SCHOOL**

18,001,132	17,851,717	17,642,372	2,128	207,217
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**PROGRAMS FOR STUDENTS WITH DISABILITIES**

4,948,880	4,970,850	4,830,230	862	139,758
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**OCCUPATIONAL EDUCATION**

133,899	133,899	133,899	-	-
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**TEACHING - SPECIAL SCHOOLS**

5,000	1,780	1,780	-	-
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**INSTRUCTIONAL MEDIA**

School library and audiovisual	356,743	363,476	358,833	392	4,251
Computer assisted instruction	1,547,190	1,557,727	1,430,250	91,415	36,062
Total Instructional Media	1,903,933	1,921,203	1,789,083	91,807	40,313

(Continued)



**Briarcliff Manor Union Free School District, New York**

General Fund

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

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
<b>INSTRUCTION (Continued)</b>					
<b><i>PUPIL SERVICES</i></b>					
Guidance - Regular school	\$ 907,446	\$ 914,834	\$ 803,099	\$ -	\$ 111,735
Health services - Regular school	456,313	387,447	343,026	-	44,421
Psychological services - Regular school	465,431	468,431	467,879	-	552
Social work services - Regular school	209,942	194,215	194,215	-	-
Co-curricular activities - Regular school	338,606	378,585	324,446	2,500	51,639
Interscholastic athletics - Regular school	1,200,397	1,167,223	1,100,319	13,148	53,756
Total Pupil Services	3,578,135	3,510,735	3,232,984	15,648	262,103
Total Instruction	30,733,055	30,561,928	29,717,747	110,450	733,731
<b>PUPIL TRANSPORTATION</b>					
District transportation services	50,754	122,804	118,865	-	3,939
Contract and public carrier transportation	2,540,827	2,500,827	2,446,609	-	54,218
Total Pupil Transportation	2,591,581	2,623,631	2,565,474	-	58,157
<b>EMPLOYEE BENEFITS</b>					
State retirement	485,957	512,957	509,174	-	3,783
Teachers' retirement	2,324,412	2,353,398	2,353,398	-	-
Social security	2,101,674	2,043,694	2,034,259	-	9,435
Health insurance	5,082,381	5,230,000	5,215,406	-	14,594
Unemployment benefits	20,000	20,000	14,604	-	5,396
Disability insurance	70,000	60,000	46,537	-	13,463
Life insurance	27,500	28,077	28,077	-	-
Workers' compensation benefits	143,950	145,353	145,353	-	-
Dental insurance	327,970	307,000	293,248	10,095	3,657
Other	70,000	145,080	142,780	-	2,300
Total Employee Benefits	10,653,844	10,845,559	10,782,836	10,095	52,628

**DEBT SERVICE**

## Serial Bonds

## Principal

Serial Bonds	755,000	755,000	755,000	-	-
Financed purchase debt	519,014	520,189	520,189	-	-

	<u>1,274,014</u>	<u>1,275,189</u>	<u>1,275,189</u>	<u>-</u>	<u>-</u>
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## Interest

Serial bonds	230,350	230,350	230,350	-	-
Financed purchase debt	13,065	13,065	13,065	-	-
Bond anticipation notes	168,193	183,193	183,192	-	1

	<u>411,608</u>	<u>426,608</u>	<u>426,607</u>	<u>-</u>	<u>1</u>
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Total Debt Service	<u>1,685,622</u>	<u>1,701,797</u>	<u>1,701,796</u>	<u>-</u>	<u>1</u>
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<b>TOTAL EXPENDITURES</b>	<u>54,236,634</u>	<u>55,132,919</u>	<u>53,669,028</u>	<u>214,027</u>	<u>1,249,864</u>
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**OTHER FINANCING USES**

## Transfers out

Special Aid Fund	50,000	50,000	43,273	-	6,727
School Lunch Fund	65,000	55,789	55,789	-	-
Capital Projects Fund	2,337,000	2,377,000	2,210,791	-	166,209

<b>TOTAL OTHER FINANCING USES</b>	<u>2,452,000</u>	<u>2,482,789</u>	<u>2,309,853</u>	<u>-</u>	<u>172,936</u>
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<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u><u>\$ 56,688,634</u></u>	<u><u>\$ 57,615,708</u></u>	<u><u>\$ 55,978,881</u></u>	<u><u>\$ 214,027</u></u>	<u><u>\$ 1,422,800</u></u>
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See independent auditors' report.

**Briarcliff Manor Union Free School District, New York**

Capital Projects Fund

Project-Length Schedule

Inception of Project Through June 30, 2023

Project	Authorization	Expenditures and Transfers to Date		
		Prior Years	Current Year	Total
Facilities Improvements:				
Todd/MS/HS Backup Generators	\$ -	\$ 410,741	\$ -	\$ 410,741
Todd Security Camera Project	-	142,593	-	142,593
MS/HS Security Camera Project	-	189,018	-	189,018
Todd/MS/HS Doors & Security Camera Project	-	194,844	105,027	299,871
Todd/MS/HS Univent/BMS Upgrades Proj	-	-	132,451	132,451
Todd Playground Paving Project	-	-	151,275	151,275
	1,531,126	937,196	388,753	1,325,949
Facilities Improvements:				
Todd/MS/HS PA Systems	-	169,973	-	169,973
MS/HS Roof, Track and Driveway	-	1,436,771	-	1,436,771
MS/HS Generator	-	1,219,958	-	1,219,958
	2,987,000	2,826,702	-	2,826,702
Facilities Improvements:				
Todd Phase I	-	66,474	673,466	739,940
Todd Phase II	-	4,800	174,781	179,581
Todd Phase III	-	12,500	222	12,722
MS/HS Phase I	-	2,257,859	2,892,002	5,149,861
MS/HS Phase II	-	64,000	1,585,384	1,649,384
MS/HS Phase III	-	-	10,608	10,608
	26,633,113	2,405,633	5,336,463	7,742,096
Apple Purchase Agreement	1,419,341	977,197	442,144	1,419,341
Totals	<u>\$ 32,570,580</u>	<u>\$ 7,146,728</u>	<u>\$ 6,167,360</u>	<u>\$ 13,314,088</u>

See independent auditors' report.

Unexpended Balance	Methods of Financing			Fund Balance (Deficit) at June 30, 2023	Bond Anticipation Note Outstanding at June 30, 2023
	Proceeds of Obligations	Transfers	Totals		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
205,177	-	1,531,144	1,531,144	205,195	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
160,298	-	2,987,000	2,987,000	160,298	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
18,891,017	-	1,380,000	1,380,000	(6,362,096)	19,620,000
-	1,419,341	-	1,419,341	-	-
<u>\$ 19,256,492</u>	<u>\$ 1,419,341</u>	<u>\$ 5,898,144</u>	<u>\$ 7,317,485</u>	<u>\$ (5,996,603)</u>	<u>\$ 19,620,000</u>

**Briarcliff Manor Union Free School District, New York**

Combining Balance Sheet  
Non-Major Governmental Funds  
June 30, 2023

	Special Aid	School Lunch	Special Purpose	Total Non-Major Governmental Funds
<b>ASSETS</b>				
Cash and equivalents	\$ 46,228	\$ 93,267	\$ 88,113	\$ 227,608
Investments	-	-	75,748	75,748
	<u>46,228</u>	<u>93,267</u>	<u>163,861</u>	<u>303,356</u>
Receivables				
Accounts	29,039	9,301	-	38,340
State and Federal aid	187,365	-	-	187,365
Due from other funds	-	-	380	380
	<u>216,404</u>	<u>9,301</u>	<u>380</u>	<u>226,085</u>
Total Assets	<u>\$ 262,632</u>	<u>\$ 102,568</u>	<u>\$ 164,241</u>	<u>\$ 529,441</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 44,396	\$ 65,544	\$ -	\$ 109,940
Accrued liabilities	1,615	-	-	1,615
Due to other funds	216,405	-	-	216,405
Due to other governments	-	697	-	697
Unearned revenues	216	34,340	-	34,556
	<u>262,632</u>	<u>100,581</u>	<u>-</u>	<u>363,213</u>
Total Liabilities	<u>262,632</u>	<u>100,581</u>	<u>-</u>	<u>363,213</u>
Fund balances				
Restricted	-	-	164,241	164,241
Assigned	-	1,987	-	1,987
	<u>-</u>	<u>1,987</u>	<u>164,241</u>	<u>166,228</u>
Total Fund Balances	<u>-</u>	<u>1,987</u>	<u>164,241</u>	<u>166,228</u>
Total Liabilities and Fund Balances	<u>\$ 262,632</u>	<u>\$ 102,568</u>	<u>\$ 164,241</u>	<u>\$ 529,441</u>

See independent auditors' report.

**Briarcliff Manor Union Free School District, New York**

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Non-Major Governmental Funds  
Year Ended June 30, 2023

	Special Aid	School Lunch	Special Purpose	Total Non-Major Governmental Funds
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ 3,242	\$ 3,242
State aid	184,393	-	-	184,393
Federal aid	303,649	-	-	303,649
Food sales	-	704,233	-	704,233
Miscellaneous	29,039	-	130,140	159,179
Total Revenues	517,081	704,233	133,382	1,354,696
<b>EXPENDITURES</b>				
Current				
Instruction	560,354	-	-	560,354
Cost of food sales	-	760,022	-	760,022
Other	-	-	124,209	124,209
Total Expenditures	560,354	760,022	124,209	1,444,585
Excess (Deficiency) of Revenues Over Expenditures	(43,273)	(55,789)	9,173	(89,889)
<b>OTHER FINANCING SOURCES</b>				
Transfers in	43,273	55,789	-	99,062
Net Change in Fund Balances	-	-	9,173	9,173
<b>FUND BALANCES</b>				
Beginning of Year	-	1,987	155,068	157,055
End of Year	\$ -	\$ 1,987	\$ 164,241	\$ 166,228

See independent auditors' report.

**Briarcliff Manor Union Free School District, New York**

## General Fund

## Analysis of Change from Adopted Budget to Final Budget

Year Ended June 30, 2023

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Adopted Budget	\$ 56,280,408
Additions	
Encumbrances	<u>408,226</u>
Original Budget	56,688,634
Budget Amendments	<u>927,074</u>
Final Budget	<u><u>\$ 57,615,708</u></u>

## General Fund

Section 1318 of Real Property Tax Law Limit Calculation

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2023-24 Expenditure Budget	<u>\$ 57,719,409</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	
Unrestricted fund balance	
Assigned fund balance	\$ 2,622,388
Unassigned fund balance	<u>2,310,065</u>
Total Unrestricted Fund Balance	<u>4,932,453</u>
Less	
Appropriations for subsequent year's budget	2,408,361
Encumbrances	<u>214,027</u>
Total Adjustments	<u>2,622,388</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 2,310,065</u></u>
Actual Percentage	<u><u>4.00%</u></u>

See independent auditors' report.

**Briarcliff Manor Union Free School District, New York**

Schedule of Net Investment in Capital Assets  
Year Ended June 30, 2023

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Capital Assets, net		\$ 46,210,221
Less		
General obligation bonds payable	\$ (5,135,000)	
Unamortized portion of premium on bonds	(591,283)	
Bond anticipation notes payable	(19,620,000)	
Financed purchase debt	<u>(1,117,661)</u>	(26,463,944)
Plus		
Unspent bond anticipation note proceeds		<u>13,257,904</u>
Net Investment in Capital Assets		<u><u>\$ 33,004,181</u></u>

See independent auditors' report.