Irvington Union Free School District, New York

Financial Statements and
Supplementary Information

Year Ended June 30, 2026

Irvington Union Free School District, New York

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PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Irvington Union Free School District, New York ("School District"), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the School District, as of June 30, 2026, and the respective changes in financial position 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.

Emphasis of Matter – Implementation of New Accounting Standard

As discussed in Note 2C to the financial statements, during the year ended June 30, 2026, the School District implemented Governmental Accounting Standards Board Statement No. 103, "*Financial Reporting Model Improvements*." The implementation of this standard resulted in changes to the presentation of certain financial statement information, including management's discussion and analysis, unusual or infrequent items, and other applicable financial reporting model presentation requirements. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2026 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 29, 2026

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The purpose of management's discussion and analysis ("MD&A") is to help Irvington Union Free School District, New York ("School District") residents and other readers understand what the financial statements and notes in this financial report say about the School District's financial health and why it changed since last year. It contains information drawn from those other parts of the report, accompanied by explanations informed by management's knowledge of the School District's finances.

Overview of the Financial Statements

The School District's financial report contains basic financial statements. Those financial statements present the School District's finances at both an overall and a detailed level. The Statement of Net Position and Statement of Activities (e.g. the *district-wide financial statements*) cover the School District's governmental activities.

- *Governmental activities* comprise the School District's most basic functions, such as instruction, pupil transportation, cost of food sales, and other. Governmental activities primarily are financed by real property taxes and federal and state grants.

The remaining basic financial statements present the School District's finances in greater detail. As their name implies, the fund financial statements disaggregate financial information by separate funds to report on the specific purposes for which resources are used or for which they are restricted. Fund financial statements can be reported using up to three groups of funds as follows:

- *Governmental fund financial statements* report all of the governmental activities except those that involve providing services to School District departments. In addition to the School District's main operating fund, the General Fund, those financial statements include special revenue funds that are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditure for specified purposes other than debt service or capital projects, a Capital Projects Fund to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets.

- Fiduciary fund financial statements are used to account for resources held for the benefit of parties outside the School District. 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.

Contents of the Basic Financial Statements

The next section of this financial report contains *notes to financial statements*, which delve deeper into the School District's finances as reported in the financial statements. The information in the notes is as important to understanding the School District's finances as the information in the financial statements. The School District uses notes to (1) present information in greater detail than is possible within the financial statements themselves, (2) explain the nature of amounts reported in the financial statements and how those amounts were determined, and (3) report

certain information that does not meet the requirements for inclusion in the financial statements (such as certain contingencies).

Types of Information in the Financial Statements

The district-wide financial statements use the *economic resources measurement focus* and *accrual basis of accounting*. (See table below) Accordingly, these statements generally report the following types of financial statement elements:

- *Assets* - resources the School District controls, from short-term like cash to long-term like capital assets.
- *Liabilities* - amounts the School District owes, from short-term such as accounts payable to long-term such as outstanding debt, compensated absences, pension and postemployment benefit liabilities.
- *Deferred outflows/inflows of resources* - flows that occurred during the year, or in prior years, that will not be reported as expenses and revenues until the future year to which they are related.
- *Revenues and expenses* - inflows and outflows of economic resources, respectively, related to the current year.

The governmental fund financial statements use the *current financial resources measurement focus* and *modified accrual basis of accounting* to report on the sources, uses, and balances of current financial resources. (See table below)

The governmental fund financial statements report the School District's near-term inflows, outflows, and balances of spendable resources using the modified accrual basis of accounting. The General Fund, Special Aid Fund, and Capital Projects Fund are reported as major funds. Because the focus of these statements is current financial resources, they do not report capital assets or long-term liabilities. Reconciliations following the governmental fund statements explain the differences between the governmental fund statements and the government-wide statements. The School District reports on governmental activities only. It had no business-type activities, fiduciary activities, or component units to report for the year ended June 30, 2026.

Types of Information Reported in the Financial Statements

	Financial Statements		
	Entity Wide	**Fiduciary Fund**	**Governmental Fund**
Types of assets and liabilities	All assets and liabilities, both financial and nonfinancial, short-term and long-term		Only current financial resources, such as cash, taxes receivable, and accounts payable
Types of revenues/additions	All types of revenues/additions that flow into the entity during the year that relate to that year, regardless of when cash is received		Only revenues that are measurable and available to finance expenditures of that year
Types of expenses/deductions/ expenditures	All types of expenses/deductions that flow out of the entity during the year that relate to that year, regardless of when cash is paid		Only expenditures for which the related governmental fund liability is incurred in that year
Types of deferred outflows of resources and deferred inflows of resources	All types of resources that flow into and out of the entity during the year that relate to a future year		Current financial resources that flow into and out of the governmental funds during the year that relate to a future year

More detail about the measurement focus and basis of accounting can be found in the summary of significant accounting policies in the notes to financial statements.

Financial Summary

Statement of Net Position

	June 30, 2026	June 30, 2025	Total % Change 2026-2025
ASSETS			
Current and Other Assets	$ 25,822,894	$ 25,004,831	3.3%
Net Pension Asset-Proportionate Share	8,855,047	4,350,941	103.5%
Capital Assets, net	45,060,253	45,869,771	(1.8%)
Total Assets	79,738,194	75,225,543	6.0%
DEFERRED OUTFLOWS OF RESOURCES	27,531,662	19,294,142	42.7%
LIABILITIES			
Current Liabilities	4,520,149	5,322,494	(15.1%)
Long-term Liabilities	172,778,805	160,341,692	7.8%
Total Liabilities	177,298,954	165,664,186	7.0%
DEFERRED INFLOWS OF RESOURCES	38,104,530	44,113,549	(13.6%)
NET POSITION			
Net Investment in Capital Assets	17,342,553	15,365,449	12.9%
Restricted	19,182,725	8,169,958	134.8%
Unrestricted	(144,658,906)	(138,793,457)	(4.2%)
Total Net Position	$ (108,133,628)	$ (115,258,050)	6.2%

The table above shows that as of June 30, 2026, the School District's total net position for governmental activities (assets and deferred outflows minus liabilities and deferred inflows) was negative $108.1 million, an increase of $7.1 million or 6.2% compared with 2025.

Governmental Activities

Current assets increased by $818,063 primarily due to an increase of state and federal aid and higher returns on invested funds. Capital assets decreased by $809,518, primarily due to ongoing capital project activity, which is discussed further in the Significant Capital Asset and Long-Term Financing Activity section in this MD&A.

The School District's proportionate share of the TRS net pension asset increased by $4,504,106, from $4,350,941 to $8,855,047, primarily because of investment gains in the pension plan. Deferred outflows of resources increased by $8,237,520, primarily due to an increase in OPEB-related deferred outflows.

Current liabilities decreased by $802,345, or 15.1%, from the prior year. This results from lower accounts payables and accrued liabilities and a lower amount due to retirement systems.

Long-term liabilities increased by $12,437,113, or 7.8%, from the prior year. The principal driver was a $17,222,986 increase in the total OPEB liability due to a lower discount rate. This increase was partially offset by $2,786,622 of scheduled principal payments and premium amortization on general obligation bonds, a $1,832,772 decrease in the ERS net pension liability, and a $439,947 decrease in claims liabilities. Compensated absences increased by $273,468. Additional information about the School District's long-term financing activity is presented in the Significant Capital Asset and Long-Term Financing Activity section of this MD&A.

Deferred inflows of resources decreased by $6,009,019 because the decrease in OPEB-related deferred inflows more than offset the increase in pension-related deferred inflows.

A large component of the School District's net position ($17,342,553) reflects its investment in capital assets, less any related debt used to acquire those assets that are still outstanding. The School District uses these capital assets to provide services to the students, and consequently, these assets are not available for future spending. Although the School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of net position ($19,182,725) reflects amounts restricted for specific purposes, i.e., capital projects, debt service, liability claims, insurance, special purpose activities, retirement contributions and the net pension asset - TRS, etc. There is a negative balance of unrestricted net position of $144,658,906, primarily due to the recognition of pension and postemployment benefit liabilities.

Changes in Net Position

	June 30, 2026	June 30, 2025	Total % Change 2026-2025
REVENUES			
Program Revenue:			
Charges for Services	$ 1,494,881	$ 1,957,274	(23.6%)
Operating Grants and Contributions	2,624,468	2,443,574	7.4%
Capital Grants and Contributions	56,284	19,481	188.9%
Total Program Revenues	4,175,633	4,420,329	(5.5%)
General Revenue:			
Property Taxes and Tax Items	67,989,697	65,416,741	3.9%
Use of Money and Property	623,072	714,428	(12.8%)
State Formula Aid	8,235,494	7,414,354	11.1%
Other	1,733,187	1,505,240	15.1%
Total General Revenues	78,581,450	75,050,763	4.7%
Total Revenues	82,757,083	79,471,092	4.1%
EXPENSES			
General support	12,609,077	11,776,570	7.1%
Instruction	57,230,122	57,547,500	(0.6%)
Pupil transportation	3,705,707	3,890,755	(4.8%)
Cost of food sales	865,723	836,259	3.5%
Other	473,970	472,578	0.3%
Interest	748,062	850,575	(12.1%)
Total Expenses	75,632,661	75,374,237	0.3%
Change in Net Position	7,124,422	4,096,855	73.9%
Net position - Beginning	(115,258,050)	(119,354,905)	3.4%
Net position - Ending	$ (108,133,628)	$ (115,258,050)	6.2%

The table above shows that revenues exceeded expenses in the current year, resulting in an increase in net position. The total net position of the School District's governmental activities was negative $108.1 million, an increase of $7.1 million or 6.2% from 2025. The following detailed analyses explain the significant changes in the School District's financial position and results of operations from the prior year and the primary factors that affected those changes.

Detailed Analyses

Governmental Activities

Revenues:

The School District's total program revenues saw a decrease of $244,696, general revenues increased by $3,530,687 for a total increase of $3,285,991. The primary drivers of these changes were:

- Real property taxes increased by $2,778,707. This increase met tax levy cap guidelines and was voter approved.

- Unrestricted State aid increased by $821,140 primarily from increased foundation aid and BOCES aid for shared services utilized through Board of Cooperative Educational Services (BOCES).

- Charges for services decreased by $462,393 from lower tuition fees and cost of food sales from participation in the Universal Lunch program.

- Other tax items decreased by $205,751 due to a reduction in STAR payments as new STAR payments are made directly to the taxpayer lowering the amount paid to the school district.

Expenses:

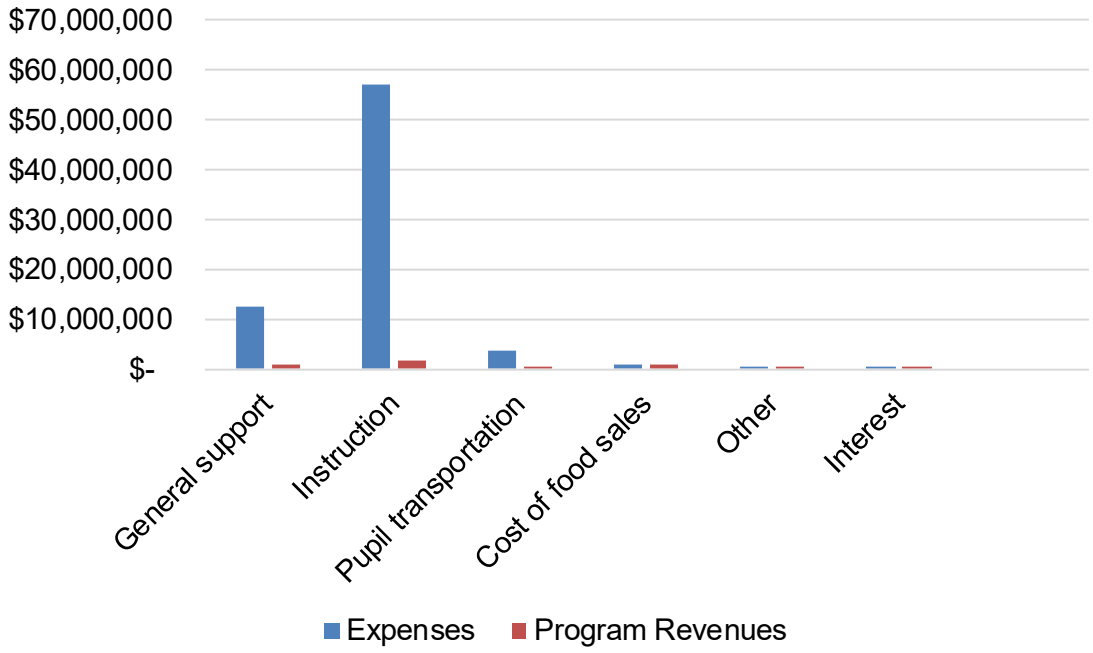
The School District's expenses increased by $258,424. Major factors contributing to the increase included:

- General support increased by $832,507 due to an increase in refunds of real property tax from successful tax certiorari claims.

- Instruction expense decreased by $317,378. Governmental-fund instruction expenditures increased by $685,754, but the net district-wide adjustments allocated to instruction were $1,003,132 lower than in the prior year. Lower special education tuition costs partially offset salary increases.

- Pupil transportation decreased by $185,048. This resulted from an increased ability to manage transportation with our consortium districts for students in out of district special education or private schools.

Governmental Activities - Expenses and Program Revenues



As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The School District reports three major funds individually in the governmental fund financial statements, the General Fund, Special Aid Fund and Capital Projects Fund.

General Fund - The General Fund is the chief operating fund of the School District. At the end of the current fiscal year, unassigned fund balance of the General Fund was $3.3 million, while total fund balance decreased to $17.4 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 4.2% of total general fund expenditures, while total fund balance represents 22.3% of that same amount.

The fund balance of the School District's General Fund decreased by $1.4 million during the current fiscal year. Significant factors affecting the change in fund balance included the following:

- Transfers out increased by $3,913,916. This included $3,950,000 transferred to the Capital Projects Fund for voter-approved projects and $48,724 transferred to the Special Aid Fund.

- Real property taxes increased by $2,778,707. This increase met tax levy cap guidelines and was voter approved.

- General support increased by $1,171,740 primarily due to an increase in refunds of real property tax from successful tax certiorari claims.

- Instruction increased by $893,350 largely due to salary increases as salaries represent our largest instructional expenditure.

Special Aid Fund - Revenues and expenditures in the Special Aid Fund decreased by $126,653 and $162,737, respectively from the prior year. This change from the prior year was primarily attributable to lower costs for the Extended School Year summer program where student participation is optional. Significant revenues and expenditures during the current year related to special projects or programs supported in whole or in part by federal or State grants or allocations. Activity in the fund may fluctuate from year to year based on the timing and availability of grant funding and related expenditures due to student needs.

Capital Projects Fund - Fund balance in the Capital Projects Fund was $3.4 million at year end, representing an increase of $3.0 million from the prior year. The change was primarily attributable to $3,950,000 transferred from the General Fund for voter-approved projects, partially offset by $967,384 of capital outlay expenditures. Significant project activity during the year included capital outlay expenditures of $967,384. Additional information regarding capital asset and long-term financing activity is included in the Significant Capital Asset and Long-Term Financing Activity section of this MD&A.

Significant Capital Asset and Long-Term Financing Activity

Capital Assets - The School District's investment in capital assets for its governmental activities as of June 30, 2026, amounts to $45.1 million (net of accumulated depreciation). This investment in capital assets includes land, construction-in-progress, land improvements, buildings and improvements, and machinery and equipment. The total decrease in capital assets for the current fiscal year was $0.8 million.

Capital Assets

	June 30,	
	2026	2025
Land	$ 793,200	$ 793,200
Construction-in-Progress	142,331	-
Land Improvements	6,118,306	5,334,698
Buildings and Improvements	88,573,019	88,572,569
Machinery and Equipment	1,848,137	1,602,509
Total	97,474,993	96,302,976
Less: Accumulated Depreciation	(52,414,740)	(50,433,205)
Net Capital Assets	$ 45,060,253	$ 45,869,771

Significant capital asset activity during the current fiscal year included the following:

- Net capital assets decreased by $809,518 because depreciation expense of $2,006,727 exceeded capital asset additions net of deletions of $1,197,209.
- Land improvements increased by $783,608.
- Machinery and equipment increased by $245,628.
- Construction-in-progress increased by $142,331.

Additional information on the School District's capital assets can be found in Note 3B of this report.

Long-term financing - At June 30, 2026, the School District had $26,505,000 of general obligation bonds outstanding and $1,212,700 of unamortized bond premium. During the year, the School District made $2,700,000 of scheduled principal payments and did not issue general obligation bonds.

Long-Term Financings

	June 30, 2026	June 30, 2025
General Obligation Bonds Payable	$ 26,505,000	$ 29,205,000
Unamortized prmium on bonds	1,212,700	1,299,322
Total	$ 27,717,700	$ 30,504,322

The $26.5 million general obligation bonds are bonded debt, backed by the full faith and credit of the School District. During the current year, the School District did not issue any general obligation bonds.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of the average full valuation of taxable property within the jurisdiction. The current debt limitation for the School District is significantly more than the School District's outstanding general obligation debt.

Additional information on the School District's long-term debt can be found in Note 3D of this report.

Currently Known Facts, Decisions or Conditions

The School District is aware of the following items that will impact future finances and were considered in developing the following fiscal year's budget

- Student enrollment, while slightly down in the 2025-26 school year, is mostly flat. We expect some enrollment from one new housing development and there are several apartment complexes that result in varying withdrawals and enrollments annually.

- The revenue budget continues to conservatively include investment income as the District actively invests tax funds until they are needed for cash flow. Additionally, tuition revenue is conservatively forecast as school districts who place students in our special education programs have the ability to withdraw these students.

- Collective bargaining agreements greatly impact expenditures as 75% of the District's expenditure reflect salaries and benefits. A contract was settled with the Irvington Faculty Association in May 2026 ahead of the expiration of June 2027 and the costs for this contract were included in the 2026-27 budgeted expenditures. The CSEA Clerical/Aide agreement will end in June 2027. The Irvington Administrators' Association agreement will end in June 2030, and the CSEA Custodial Unit agreement will end in June 2031. All agreements look to decrease the Other Post Employment Benefits expense, however, contract changes take time for the financial effect to reflect on the balance sheet due to when employees retire and generally don't affect previous retirees.

- The current voter approved Capital Reserve project has addressed some more pressing needs for recreational field/playground areas as well as some classroom and building issues. The District maintains a long range facilities plan and will work to time our next capital project to be budget neutral by timing new borrowings when current debts are fully paid.

- The District maintains Reserve Funds for tax certiorari refunds, legal liabilities, insurance deductibles or non-covered expenses, workers comp, employee liability payments upon retirement and for capital work. The importance of reserve funds is to manage costs in these areas so as not to have a budgetary impact and disrupt our educational programs.

At the end of the current fiscal year, the unassigned fund balance in the General Fund was $3.3 million. The School District has appropriated $422,500 of this amount for spending in the 2026-2027 fiscal year budget. The District has a long standing practice of maintaining the unassigned fund balance to the NY State limit of 4% which is also a recommended limit to avoid fiscal stress. The District has not been cited for Fiscal Stress by the Office of the State Comptroller.

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 government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the offices of Carol Stein, Assistant Superintendent for Business, Irvington Union Free School District, 40 North Broadway, Irvington, New York 10533.

Irvington Union Free School District, New York

Statement of Net Position
June 30, 2026

	Governmental Activities
ASSETS	
Cash and equivalents	$ 5,694,155
Investments	17,936,223
Receivables	
Accounts	62,874
State and Federal aid	1,397,469
Due from other governments	722,705
Inventories	9,468
Net pension asset - TRS	8,855,047
Capital assets	
Not being depreciated	935,531
Being depreciated, net	44,124,722
Total Assets	79,738,194
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	12,549,020
OPEB related	14,982,642
Total Deferred Outflows of Resources	27,531,662
LIABILITIES	
Accounts payable	564,836
Accrued liabilities	66,213
Unearned revenues	54,742
Due to retirement systems	3,715,430
Employee payroll deductions	54
Accrued interest payable	118,874
Non-current liabilities	
Due within one year	8,179,971
Due in more than one year	164,598,834
Total Liabilities	177,298,954
DEFERRED INFLOWS OF RESOURCES	
Pension related	8,829,679
OPEB related	29,274,851
Total Deferred Inflows of Resources	38,104,530
NET POSITION	
Net investment in capital assets	17,342,553
Restricted	
Future capital projects	2,139,973
Capital projects	3,221,312
Debt service	217,243
Liability claims	1,574,120
Insurance	729,814
Special purpose	
Extraclassroom activities	57,763
Other	330,496
Retirement contributions	2,056,957
Net pension asset - TRS	8,855,047
Unrestricted	(144,658,906)
Total Net Position	$ (108,133,628)

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

Statement of Activities
Year Ended June 30, 2026

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental activities					
General support	$ 12,609,077	$ 396,091	$ 567,155	$ -	$ (11,645,831)
Instruction	57,230,122	815,956	948,323	-	(55,465,843)
Pupil transportation	3,705,707	-	53,853	-	(3,651,854)
Cost of food sales	865,723	282,834	563,823	-	(19,066)
Other	473,970	-	491,314	-	17,344
Interest	748,062	-	-	56,284	(691,778)
Total Governmental Activities	$ 75,632,661	$ 1,494,881	$ 2,624,468	$ 56,284	(71,457,028)
General revenues					
Real property taxes					66,695,472
Other tax items					
Payments in lieu of taxes					18,950
School tax relief reimbursement					1,275,275
Non-property taxes					
Non-property tax distribution from County					1,103,435
Unrestricted use of money and property					623,072
Sale of property and compensation for loss					8,600
Unrestricted State aid					8,235,494
Miscellaneous					621,152
Total General Revenues					78,581,450
Change in Net Position					7,124,422
NET POSITION					
Beginning					(115,258,050)
Ending					$ (108,133,628)

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

Irvington Union Free School District, New York

Balance Sheet
Governmental Funds
June 30, 2026

	General	Capital Projects	Special Aid	Non-Major Governmental	Total Governmental Funds
ASSETS					
Cash and equivalents	$ 4,929,905	$ 123,081	$ 48,534	$ 592,635	$ 5,694,155
Investments	14,463,728	3,472,495	-	-	17,936,223
Receivables					
Accounts	7,042	-	55,832	-	62,874
State and Federal aid	776,875	-	535,722	84,872	1,397,469
Due from other governments	722,705	-	-	-	722,705
Due from other funds	642,568	-	8,246	101	650,915
Inventories	-	-	-	9,468	9,468
Total Assets	$ 21,542,823	$ 3,595,576	$ 648,334	$ 687,076	$ 26,473,809
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 387,759	$ 145,021	$ 17,766	$ 14,290	$ 564,836
Accrued liabilities	64,051	-	-	2,162	66,213
Unearned revenue	8,265	-	-	46,477	54,742
Due to other funds	101	12,000	630,568	8,246	650,915
Due to retirement systems	3,715,430	-	-	-	3,715,430
Employee payroll deductions	54	-	-	-	54
Total Liabilities	4,175,660	157,021	648,334	71,175	5,052,190
Fund balances					
Nonspendable	-	-	-	9,468	9,468
Restricted	13,071,590	3,438,555	-	388,259	16,898,404
Assigned	996,695	-	-	218,174	1,214,869
Unassigned	3,298,878	-	-	-	3,298,878
Total Fund Balances	17,367,163	3,438,555	-	615,901	21,421,619
Total Liabilities and Fund Balances	$ 21,542,823	$ 3,595,576	$ 648,334	$ 687,076	$ 26,473,809

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

Irvington Union Free School District, New York

Reconciliation of Governmental Funds Balance Sheet to
the District-Wide Statement of Net Position
June 30, 2026

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

Total Fund Balances - Governmental Funds	$ 21,421,619
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	935,531
Capital assets - depreciable	96,539,462
Accumulated depreciation	(52,414,740)
	45,060,253
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	12,549,020
Deferred outflows - OPEB related	14,982,642
Deferred inflows - pension related	(8,829,679)
Deferred inflows - OPEB related	(29,274,851)
	(10,572,868)
Other long-term assets that are not available to pay for current-period expenditures and, therefore, are either deferred or not reported in the funds.	
Net pension asset - TRS	8,855,047
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(118,874)
General obligation bond payable	(26,505,000)
Claims payable	(7,449,926)
Net pension liability - ERS	(835,380)
Compensated absences	(6,852,105)
Total OPEB liability	(129,923,694)
	(171,684,979)
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	(1,212,700)
Net Position of Governmental Activities	$ (108,133,628)

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

Irvington Union Free School District, New York

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2026

	General	Capital Projects	Special Aid	Non-Major Governmental	Total Governmental Funds
REVENUES					
Real property taxes	$ 66,695,472	$ -	$ -	$ -	$ 66,695,472
Other tax items	1,294,225	-	-	-	1,294,225
Non-property taxes	1,103,435	-	-	-	1,103,435
Charges for services	815,956	-	-	-	815,956
Use of money and property	1,531,128	56,284	-	9,609	1,597,021
Sale of property and compensation for loss	8,600	-	-	-	8,600
State aid	8,411,622	-	229,193	435,845	9,076,660
Federal aid	-	-	466,430	123,754	590,184
Food sales	-	-	-	282,834	282,834
Miscellaneous	621,152	-	185,615	485,929	1,292,696
Total Revenues	80,481,590	56,284	881,238	1,337,971	82,757,083
EXPENDITURES					
Current					
General support	11,310,249	-	83,150	-	11,393,399
Instruction	40,846,219	-	774,918	-	41,621,137
Pupil transportation	3,590,934	-	71,894	-	3,662,828
Employee benefits	18,617,550	-	-	-	18,617,550
Cost of food sales	-	-	-	865,723	865,723
Other	-	-	-	473,970	473,970
Debt service					
Principal	2,700,000	-	-	-	2,700,000
Interest	850,957	-	-	-	850,957
Capital outlay	-	967,384	-	-	967,384
Total Expenditures	77,915,909	967,384	929,962	1,339,693	81,152,948
Excess (Deficiency) of Revenues Over Expenditures	2,565,681	(911,100)	(48,724)	(1,722)	1,604,135
OTHER FINANCING SOURCES (USES)					
Transfers in	12,000	3,950,000	48,724	-	4,010,724
Transfers out	(3,998,724)	(12,000)	-	-	(4,010,724)
Total Other Financing Sources (Uses)	(3,986,724)	3,938,000	48,724	-	-
Net Change in Fund Balances	(1,421,043)	3,026,900	-	(1,722)	1,604,135
FUND BALANCES					
Beginning of Year	18,788,206	411,655	-	617,623	19,817,484
End of Year	$ 17,367,163	$ 3,438,555	$ -	$ 615,901	$ 21,421,619

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

Irvington 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, 2026

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

Net Change in Fund Balances - Total Governmental Funds	$ 1,604,135
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	1,197,209
Depreciation expense	(2,006,727)
	(809,518)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Principal paid on general obligation bonds	2,700,000
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	16,273
Compensated absences	(273,468)
Claims payable	439,947
Changes in pension liabilities and related deferred outflows and inflows of resources	3,097,603
Changes in OPEB and related deferred outflows and inflows of resources	262,828
Amortization of issuance premium	86,622
	3,629,805
Change in Net Position of Governmental Activities	$ 7,124,422

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

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Note 1 - Summary of Significant Accounting Policies

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

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

A. Financial Reporting Entity

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

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

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

B. District-Wide Financial Statements

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

The Statement of Net Position presents the financial position of the School District at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges

Note 1 - Summary of Significant Accounting Policies (Continued)

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 funds and fiduciary funds, even though the latter is excluded from the district-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Fund Financial Statements

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

Fund Categories

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

General Fund - The General Fund constitutes the primary 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.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

Special Revenue Funds:

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

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

b. Fiduciary Fund (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,* as is the Fiduciary Fund. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenue 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 judgments and claims, compensated absences, net pension liability and other postemployment benefit liability are

Note 1 - Summary of Significant Accounting Policies (Continued)

recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt are reported as other financing sources.

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

Cash and Equivalents, Investments and Risk Disclosure

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

The School District's deposits and investment policies are governed by State statutes. The School District has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The School District is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The School District has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

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

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

The School District participates in the New York Cooperative Liquid Assets Securities System ("NYCLASS"), a cooperative investment pool organized under a municipal cooperation agreement pursuant to Articles 3-A and 5-G of General Municipal Law of the State of New York. NYCLASS is administered by a governing board elected by its participants. The governing board has retained PTMA Investment Advisors as its investment adviser. PTMA Investment Advisors is registered with the Securities and Exchange Commission ("SEC") and is subject to applicable federal securities laws and SEC oversight in its capacity as investment adviser. The SEC registration and oversight apply to the investment adviser and do not constitute SEC registration, approval, or direct regulation of NYCLASS.

Note 1 - Summary of Significant Accounting Policies (Continued)

NYCLASS is authorized to invest in obligations issued or guaranteed by the United States and certain of its agencies, obligations of the State of New York and repurchase agreements, in accordance with its investment policies. These investments are reported at fair value. NYCLASS issues separate audited financial statements for its fiscal year ending June 30th.

At June 30, 2026, the School District's investment in NYCLASS was $17,936,223, which equaled the value of its pool shares. NYCLASS's investment policy limits the maximum remaining maturity of any individual investment to 397 days and the maximum weighted-average maturity of the portfolio to 60 days.

NYCLASS is rated AAAm by S&P Global Ratings. An AAAm principal stability fund rating indicates S&P Global Ratings' opinion that the pool has an extremely strong capacity to maintain principal stability and limit exposure to principal losses due to credit risk. The rating is not a guarantee of performance or principal and is subject to change. An investment in NYCLASS is not insured or guaranteed by the FDIC or any other governmental agency.

Additional information, including NYCLASS's annual report and audited financial statements, is available at www.newyorkclass.org.

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 has a formal investment policy; however, longer term investments could lead to 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, 2026.

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 because restrictions to allowable obligations are covered under General Municipal Law of the State of New York.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Property Taxes Receivable - Real property taxes attach as an enforceable lien on real property as of September 1st and are levied and payable in September and January. The Town of Greenburgh, New York is responsible for the billing and collection of taxes. The Town guarantees the full payment of the School District warrant and assumes responsibility for uncollected taxes.

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the School District. Receivables are recorded and revenues recognized as earned or as specific program expenses/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, 2026, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

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

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

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

Class	Life in Years
Land Improvements	20-30
Buildings and Improvements	7-50
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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The School District has reported unearned revenues of $8,265 for health insurance premiums received in advance in the General Fund and $46,477 for student meal monies received in advance in the School Lunch Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

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

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

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

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

Compensated Absences - The liability for compensated absences represents the sick time ("leave"/"leave days") and salary related payments which have been earned for services previously rendered by employees in accordance with the School District's various collective bargaining agreements, accumulates, is allowed to be carried over to subsequent year(s) and is deemed more likely than not (by management) to be used for time off or otherwise paid/settled in the future. The liability is calculated based on each employees' rate of pay and the number of unused leave days accumulated as of year-end, management's assumption that the likelihood of future use (either by use during employment or settlement/payment upon separation from service) is probable, and the salary related payments are directly and incrementally associated with payments for the leave. The School District utilizes historical data of past usage patterns to estimate the expected usage and

Note 1 - Summary of Significant Accounting Policies (Continued)

payment of compensated absences. The liability for compensated absences is reflected in the district-wide financial statements as current and long-term liabilities. In the fund financial statements, only the compensated absences liability that has matured through employee resignation or retirement and is expected to be payable from expendable available financial resources is reported. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 101, "*Compensated Absences*".

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

Other 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 - 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 future capital projects, capital projects, debt service, liability claims, insurance, special purpose, retirement contributions and net pension asset - TRS.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Balance - Generally, fund balance represents the difference between the 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 used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law or 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 entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Board of Education.

Assigned fund balance, in the General Fund, represents amounts constrained either by the policies of the Board of Education for amounts assigned for balancing the subsequent year's budget or by delegated authority to the Assistant Superintendent for Business 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

F. Use of Estimates

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

G. 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 29, 2026.

Note 2 - Stewardship, Compliance and Accountability

A. Limitation on Fund Balance

The School District is limited to the amount of 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.

B. 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.

C. New Accounting Pronouncement

The School District has implemented GASB Statement No. 103, *"Financial Reporting Model Improvements"*, for the fiscal year ended June 30, 2026. This Statement improves key components of the financial reporting model to enhance the effectiveness of information provided for decision-making and assessing a government's accountability. As a result of implementing

Note 2 - Stewardship, Compliance and Accountability (Continued)

this Statement, the School District revised the presentation of certain financial statement information, including updates to the Management's Discussion and Analysis, budgetary presentations and other reporting elements, to conform with the new requirements.

Note 3 - Detailed Notes on All Funds

A. Interfund Receivables/Payables

The composition of due from/to other funds at June 30, 2026 were as follows:

Fund	Due From	Due To
General	$ 642,568	$ 101
Special Aid	8,246	630,568
Capital Projects	-	12,000
Non-Major Governmental	101	8,246
	$ 650,915	$ 650,915

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

B. Capital Assets

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

Class	Balance July 1, 2025	Additions	Deletions	Balance June 30, 2026
Capital Assets, not being depreciated:				
Land	$ 793,200	$ -	$ -	$ 793,200
Construction-in-Progress	-	142,331	-	142,331
Total Capital Assets, not being depreciated	$ 793,200	$ 142,331	$ -	$ 935,531
Capital Assets, being depreciated:				
Land Improvements	$ 5,334,698	$ 783,608	$ -	$ 6,118,306
Buildings and Improvements	88,572,569	450	-	88,573,019
Machinery and Equipment	1,602,509	270,820	25,192	1,848,137
Total Capital Assets, being depreciated	95,509,776	1,054,878	25,192	96,539,462
Less Accumulated Depreciation for:				
Land Improvements	5,110,462	28,859	-	5,139,321
Buildings and Improvements	44,167,895	1,894,474	25,192	46,037,177
Machinery and Equipment	1,154,848	83,394	-	1,238,242
Total Accumulated Depreciation	50,433,205	2,006,727	25,192	52,414,740
Total Capital Assets, being depreciated, net	$ 45,076,571	$ (951,849)	$ -	$ 44,124,722
Capital Assets, net	$ 45,869,771	$ (809,518)	$ -	$ 45,060,253

Note 3 - Detailed Notes on All Funds (Continued)

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

General Support	$ 46,213
Instruction	1,953,635
Transportation	6,879
Total Depreciation Expense	$ 2,006,727

C. Accrued Liabilities

Accrued liabilities at June 30, 2026 were as follows:

	General Fund	Non-Major Governmental Funds	Total
Other	$ -	$ 2,162	$ 2,162
Payroll and employee benefits	64,051	-	64,051
	$ 64,051	$ 2,162	$ 66,213

D. Long-Term Liabilities

The following table summarizes changes in the School District's long-term liabilities for the year ended June 30, 2026:

	Balance, July 1, 2025	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2026	Due Within One-Year
General Obligation Bonds Payable	$ 29,205,000	$ -	$ 2,700,000	$ 26,505,000	$ 2,795,000
Plus					
Unamortized premium on bonds	1,299,322	-	86,622	1,212,700	-
	30,504,322	-	2,786,622	27,717,700	2,795,000
Other Non-current Liabilities					
Claims: tax certiorari and worker's compensation	7,889,873	2,231,948	2,671,895	7,449,926	702,000
Net Pension Liability - ERS	2,668,152	-	1,832,772	835,380	-
Compensated Absences	6,578,637	273,468 *	-	6,852,105	685,000
Other Postemployment Benefit Liability	112,700,708	21,220,957	3,997,971	129,923,694	3,997,971
Total Other Non-Current Liabilities	129,837,370	23,726,373	8,502,638	145,061,105	5,384,971
Total Long-Term Liabilities	$ 160,341,692	$ 23,726,373	$ 11,289,260	$ 172,778,805	$ 8,179,971

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

The liabilities for general obligation bonds payable, claims, net pension liability, compensated absences and other postemployment benefit liability are liquidated by the General Fund.

Note 3 - Detailed Notes on All Funds (Continued)

General Obligation Bonds Payable

General obligation Bonds payable at June 30, 2026 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at June 30, 2026
Refunding bonds	2015	$ 24,590,000	April, 2032	2.750 - 3.000 %	$ 10,590,000
Serial Bonds	2015	4,600,000	May, 2030	2.125 - 3.000	1,385,000
Serial Bonds	2022	17,155,000	December, 2039	2.000 - 5.000	14,530,000
					$ 26,505,000

Interest expenditures of $850,957 were recorded in the fund financial statements in the General Fund. Interest expense of $748,062 was recorded in the district-wide financial statements.

Payments to Maturity

The annual requirements to amortize all outstanding bonded debt as of June 30, 2026 including interest payments of $3,751,150 are as follows:

Year Ending June 30,	General Obligation Bonds Payable	
	Principal	Interest
2027	$ 2,795,000	$ 756,300
2028	2,890,000	657,663
2029	2,995,000	554,437
2030	3,095,000	449,825
2031	2,820,000	342,000
2032-2036	7,230,000	801,425
2037-2040	4,680,000	189,500
	$ 26,505,000	$ 3,751,150

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 five year average full valuation of taxable real property.

Note 3 - Detailed Notes on All Funds (Continued)

Claims Payable

The School District was self-insured for workers' compensation claims from July 1, 2013 until June 30, 2019, at which time the School District purchased conventional insurance. The district-wide financial statements reflect workers' compensation benefit liabilities, which are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported ("IBNR's"). The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claim costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience. Claims payable reflects a liability of $429,575 for workers' compensation claims which were not due and payable at year end.

Claims payable also includes $7,020,351 for expected tax certiorari refunds, which were not due and payable at year-end. These amounts have been recorded as an expense in the district-wide financial statements.

Compensated Absences

Under the terms of the existing collective bargaining agreements, the School District is required to compensate retiring employees for various unpaid leave types. According to the Irvington Faculty Association bargaining agreement, Teachers and other professional employees retiring from the School District are to be compensated for accumulated sick time at $70 per day for unused leave. In addition, the School District is required to compensate teaching assistants retiring from the School District for accumulated sick time at $35 per day for unused leave. As per the terms of the Civil Service Employees Association, Inc., Local 1000 custodial agreement, employees will be compensated at a rate of 25% to 75% of daily wage per day, based on the number of vacation days accumulated for any accumulations up to 75 days. Under the terms of the Civil Service Employees Association, Inc., Local 1000 clerical unit agreement, retiring employees will be compensated at their daily wage per unused vacation days. Retiring employees under the terms of Irvington Administrators' Association agreement will be compensated at their daily wage per unused vacation days, up to 22 days. 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

Note 3 - Detailed Notes on All Funds (Continued)

official determined in a direct statewide election and serves a four-year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the ERS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The School District also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The ERS is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at www.osc.state.ny.us/retire/about_us/financial_statements_index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The School District also participates in the New York State Teachers' Retirement System ("TRS"). This is a cost-sharing, multiple-employer defined benefit pension plan. TRS provides retirement benefits as well as death and disability benefits. The TRS is governed by a ten member Board of Trustees, which sets policy and oversees operations consistent with its fiduciary obligations under applicable law. Obligations of employers and employees to contribute and benefits to employees are governed by the Education Law of the State of New York. Once a public employer elects to participate in the TRS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The TRS issues a stand-alone financial report which may be found at www.nystrs.org or obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395.

ERS and TRS are noncontributory for employees who joined the systems before July 27, 1976. Employees who joined the systems after July 27, 1976 and before January 1, 2010 contribute 3% of their salary for the first ten years of membership. Employees who joined the systems after January 1, 2010 generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS's fiscal year ending March 31. Pursuant to Article 11 of the Education Law of the State of New York, actuarially determined employer contributions are established annually for the TRS by its Board of Trustees. The employer contribution rates for the plans' year ending in 2026 are as follows:

	Tier/Plan	Rate
ERS	3 A14	19.6 %
	4 A15	19.6
	5 A15	16.6
	6 A15/41J100	12.8
	6 A15/41J165	12.9
TRS	1-6	9.59 %

Note 3 - Detailed Notes on All Funds (Continued)

At June 30, 2026, the School District reported the following for its proportionate share of the net pension liability (asset) for ERS and TRS:

	ERS	TRS
Measurement date	March 31, 2026	June 30, 2025
Net pension liability (asset)	$ 835,380	$ (8,855,047)
School District's proportion of the net pension liability (asset)	0.0148071 %	0.149552 %
Change in proportion since the prior measurement date	(0.0007591) %	0.003724 %

The net pension liability (asset) was measured as of March 31, 2026 for ERS and June 30, 2025 for TRS and the total pension liability used to calculate the net pension liability (asset) were determined by actuarial valuations as of those dates. The School District's proportion of the net pension liability (asset) for ERS was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. The School District's proportion of the net pension liability (asset) for TRS was based on the School District's contributions to the pension plan relative to the contributions of all participating members.

For the year ended June 30, 2026, the School District recognized its proportionate share of pension expense in the district-wide financial statements of $673,921 ($1,169,408 for ERS and $(495,487) for TRS). Pension expenditures for $1,036,288 for ERS and $2,735,236 for TRS were recorded in the fund financial statements and were charged to the General fund.

At June 30, 2026, 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	$ 478,054	$ -	$ 4,642,019	$ -
Changes of assumptions	143,398	-	3,505,438	95,472
Net difference between projected and actual earnings on pension plan investments	-	1,497,883	-	6,915,770
Changes in proportion and differences between School District contributions and proportionate share of contributions	419,994	109,933	78,188	210,621
School District contributions subsequent to the measurement date	271,755	-	3,010,174	-
	$ 1,313,201	$ 1,607,816	$ 11,235,819	$ 7,221,863

Note 3 - Detailed Notes on All Funds (Continued)

	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,120,073	$ -
Changes of assumptions	3,648,836	95,472
Net difference between projected and actual earnings on pension plan investments	-	8,413,653
Changes in proportion and differences between School District contributions and proportionate share of contributions	498,182	320,554
School District contributions subsequent to the measurement date	3,281,929	-
	$ 12,549,020	$ 8,829,679

$271,755 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, 2027. The $3,010,174 reported as deferred outflows of resources related to TRS will be recognized as an increase of the net pension asset in the plan's year ended June 30, 2026. 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, ERS	June 30, TRS
2026	$ -	$ 4,464,833
2027	432,717	(1,900,493)
2028	(454,455)	(2,013,913)
2029	(232,678)	(443,447)
2030	(311,954)	739,641
Thereafter	-	157,161
	$ (566,370)	$ 1,003,782

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, 2026	June 30, 2025
Actuarial valuation date	April 1, 2025	June 30, 2024
Investment rate of return	5.9% *	6.95% *
Salary scale	5.2%	2.04%-5.08%
Inflation rate	2.9%	2.5%
Cost of living adjustments	1.5%	1.4%

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

Note 3 - Detailed Notes on All Funds (Continued)

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, 2020 - March 31, 2025. The actuarial assumptions used in the TRS valuation were based on the results of an actuarial experience study for the period July 1, 2019 to June 30, 2024.

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.

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:

	ERS March 31, 2026		TRS June 30, 2025	
Asset Type	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	25 %	3.29 %	33 %	6.70 %
International Equity	14	5.85	15	7.40
Private Equity	15	7.00	9	9.80
Real Estate	12	5.20	11	6.50
Domestic Fixed Income Securities	-	-	16	2.60
Global Fixed Income Securities	-	-	2	2.40
High Yield Fixed Income Securities	-	-	1	4.70
Global Equities	-	-	4	7.00
Private Debt	-	-	2	6.10
Real Estate Debt	-	-	6	3.80
Opportunistic/ARS Portfolio	3	5.13	-	-
Credit	4	5.10	-	-
Real Assets	4	5.54	-	-
Fixed Income	22	1.75	-	-
Cash	1	0.25	1	0.60
	100 %		100 %	

Note 3 - Detailed Notes on All Funds (Continued)

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

	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)	$ 5,705,418	$ 835,380	$ (3,236,187)

	1% Decrease (5.95%)	Current Discount Rate (6.95%)	1% Increase (7.95%)
School District's proportionate share of the TRS net pension liability (asset)	$ 17,015,086	$ (8,855,047)	$ (30,623,418)

The components of the collective net pension liability (asset) as of the March 31, 2026 ERS measurement date and the June 30, 2025 TRS measurement date were as follows:

	ERS	TRS
Total pension liability	$ 253,773,040,000	$ 148,272,068,018
Fiduciary net position	248,131,290,000	154,193,125,241
Employers' net pension liability (asset)	$ 5,641,750,000	$ (5,921,057,223)
Fiduciary net position as a percentage of total pension liability	97.78%	103.99%

Note 3 - Detailed Notes on All Funds (Continued)

Employer contributions to ERS are paid annually and cover the period through the end of ERS's fiscal year, which is March 31st. Accrued retirement contributions as of June 30, 2026 represent the projected employer contribution for the period April 1, 2026 through June 30, 2026 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, 2026 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, 2026 represent employee and employer contributions for the fiscal year ended June 30, 2026 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, 2026 were $271,755 to ERS and $3,443,675 to TRS (including employee contribution of $433,501).

Voluntary Defined Contribution Plan

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

Other 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 July 1, 2025, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	294
Active employees	327
	621

The School District's total OPEB liability of $129,923,694 was measured as of June 30, 2026 and was determined by an actuarial valuation as of July 1, 2025.

Note 3 - Detailed Notes on All Funds (Continued)

The total OPEB liability in the July 1, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.4%, average, including inflation
Discount rate	4.67%
Healthcare cost trend rates	5.9% for pre-65 and 6.10% for post-65, decreasing to an ultimate trend rate of 3.8% in 2073. 14.9% for Medicare Part B, decreasing to an ultimate trend rate of 3.8% in 2090.
Retirees' share of benefit-related costs	0% - 25%, depending on employee class and date of retirement.

The discount rate was based on Bond Buyer General Obligation 20-Bond Municipal Index as of June 30, 2026.

Mortality rates were based on Pub T-2016 Headcount-Weighted Mortality Table for teaching position and Pub G-2016 Headcount-Weighted Mortality Table for non-teaching positions. Both were generationally projected using the MP-2021 Ultimate Scale, with employee rates before commencement and healthy annuitant rates after benefit commencement. This assumption includes a margin for future improvements in longevity.

The School District's change in the total OPEB liability for the year ended June 30, 2026 is as follows:

Total OPEB Liability - Beginning of Year	$ 112,700,708
Service cost	3,649,921
Interest	5,947,603
Differences between expected and actual experience	647,907
Changes in assumptions or other inputs	10,975,526
Benefit payments	(3,997,971)
Total OPEB Liability - End of Year	$ 129,923,694

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 (3.67%) or 1 percentage point higher (5.67%) than the current discount rate:

	1% Decrease (3.67%)	Current Discount Rate (4.67%)	1% Increase (5.67%)
Total OPEB Liability	$ 150,856,547	$ 129,923,694	$ 113,002,355

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

Note 3 - Detailed Notes on All Funds (Continued)

are 1 percentage point lower (4.9% decreasing to 2.8%) or 1 percentage point higher (6.9% decreasing to 4.8%) than the current healthcare cost trend rates:

	1% Decrease (4.9% decreasing to 2.8%)	Healthcare Cost Trend Rates (5.9% decreasing to 3.8%)	1% Increase (6.9% decreasing to 4.8%)
Total OPEB Liability	$ 110,275,705	$ 129,923,694	$ 154,923,389

For the year ended June 30, 2026 the School District recognized OPEB expense of $3,735,143 in the district-wide financial statements. At June 30, 2026, 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	$ 12,038,807	$ 24,961,674
Differences between expected and actual experience	2,943,835	4,313,177
	$ 14,982,642	$ 29,274,851

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,	
2027	$ (5,160,047)
2028	(5,704,334)
2029	(3,238,293)
2030	(1,150,189)
2031	(840,155)
Thereafter	1,800,809
	$ (14,292,209)

E. Revenues and Expenditures

Interfund Transfers

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

Note 3 - Detailed Notes on All Funds (Continued)

	Transfers In			
Transfers Out	General Fund	Capital Fund	Special Aid Fund	Total
General Fund	$ -	$ 3,950,000	$ 48,724	$ 3,998,724
Capital Projects Fund	12,000	-	-	12,000
	$ 12,000	$ 3,950,000	$ 48,724	$ 4,010,724

Transfers are used to 1) move amounts earmarked in the operating funds to fulfill commitments for Special Aid fund expenditures and 2) move debt service reserve funds in the Capital Projects fund to the General Fund as debt payments become due and 3) move funds from the General Fund to the Capital Projects Fund for voter approved projects.

F. Net Position

The components of net position are detailed below:

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

Restricted for Future Capital Projects - the component of net position that has been established pursuant to Section 6c of the General Municipal Law of the State of New York to set aside funds to be used for future capital projects.

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.

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

Restricted for Liability Claims - the component of net position that reports the amounts set aside to be used for liability claims in accordance with Education Law.

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

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

Note 3 - Detailed Notes on All Funds (Continued)

Restricted for Net Pension Asset - TRS - the component of net position that reports the amount of the TRS net pension asset in accordance with the provisions of GASB Statement No. 63 "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*".

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

G. Fund Balances

	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable				
Inventories	$ -	$ -	$ 9,468	$ 9,468
Restricted				
Workers' compensation	389,664	-	-	389,664
Tax certiorari	5,105,060	-	-	5,105,060
Employee benefit accrued liability	1,076,002	-	-	1,076,002
Retirement contributions	2,056,957	-	-	2,056,957
Liability claims	1,574,120	-	-	1,574,120
Insurance	729,814	-	-	729,814
Future capital projects	2,139,973	-	-	2,139,973
Capital projects	-	3,221,312	-	3,221,312
Debt service	-	217,243	-	217,243
Special Purpose- extraclassroom activities	-	-	57,763	57,763
Special Purpose - other	-	-	330,496	330,496
Total Restricted	13,071,590	3,438,555	388,259	16,898,404
Assigned				
Purchases on order				
General government support	442,244	-	-	442,244
Instruction	131,951	-	-	131,951
	574,195	-	-	574,195
Subsequent year's expenditures				
General Fund	422,500	-	-	422,500
School Lunch Fund	-	-	218,174	218,174
	422,500	-	218,174	640,674
Total Assigned	996,695	-	218,174	1,214,869
Unassigned	3,298,878	-	-	3,298,878
Total Fund Balance	$ 17,367,163	$ 3,438,555	$ 615,901	$ 21,421,619

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.

Note 3 - Detailed Notes on All Funds (Continued)

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

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

Employee benefit accrued liability has been established pursuant to General Municipal Law 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.

Tax Certiorari has been established in accordance with New York State Education Law to provide funding for court ordered tax refunds which are currently in process.

Purchases on order 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, 2026, the Board has utilized the above amounts to be appropriated for the ensuing year's budget.

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

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The School District receives notices of claims for money damages arising from property or personal claims. The School District anticipates that insurance coverage will be sufficient to satisfy any resolution of the pending claims.

At June 30, 2026, the School District is involved in cases with the parents of students in which the parents are seeking tuition reimbursement for their unilateral placement of the student at the various schools. These cases are presently being defended. If the parents are successful, the School District could be obligated for the parents' attorney fees and tuition. No amounts have been accrued in these financial statements for this purpose as the ultimate outcome of these cases is presently undeterminable.

The School District is a defendant in two cases involving former students. The cases are still in the discovery phase. At this time it is not possible to determine the outcome of these matters.

B. Contingencies

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

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Note 4 - Summary Disclosure of Significant Contingencies (Continued)

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

C. Risk Management

The School District participates with a reciprocal insurance company, formed by subscriber school districts. This Company operates under an agreement effective July 1, 1989. The purpose of the Company is to provide general liability, auto liability, building and contents insurance, and automobile coverage. In addition, as part of the reciprocal program, excess insurance, school board legal liability, equipment floaters, boilers and machinery and crime and bond coverages are purchased from commercial carriers and available to the subscriber districts. The Company retains a management company which is responsible for the overall supervision and management of the reciprocal. The reciprocal is managed by a Board of Governors and an Attorney-in-fact, which is composed 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 liable for any financial shortfall of the Company and can be assessed their proportionate share by the State Insurance Department if the funds of the Company are less than what is required to satisfy its liabilities. The subscriber districts are required to pay premiums and an initial minimal capital contribution upon joining the reciprocal.

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 and automobile liability with coverage up to $1 million. The School District maintains liability coverage for school board members up to $1 million. The School District also maintains an umbrella policy with coverage up to $15 million. The School District maintains a reserve for claim liabilities that are either uninsured or in excess of insurance coverage in claims payable.

Note 5 - Recently Issued GASB Pronouncements

GASB Statement No. 105, *"Subsequent Events*", has been issued to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The requirements of this Statement are effective for reporting periods beginning after June 15, 2026.

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

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Irvington Union Free School District, New York

Required Supplementary Information
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2026

	Budgeted Amounts		Variance with Original Budget - over (under) Final Budget	Actual Amounts
	Original	Final		
REVENUES				
Real property taxes	$ 67,970,747	$ 66,695,472	$ (1,275,275)	$ 66,695,472
Other tax items	15,455	1,290,730	1,275,275	1,294,225
Non-property taxes	1,000,000	1,000,000	-	1,103,435
Charges for services	424,500	424,500	-	815,956
Use of money and property	1,230,127	1,230,127	-	1,531,128
Sale of property and compensation for loss	-	-	-	8,600
State aid	8,115,091	8,115,091	-	8,411,622
Miscellaneous	397,980	397,980	-	621,152
Total Revenues	79,153,900	79,153,900	-	80,481,590
EXPENDITURES				
Current				
General support				
Board of education	113,208	113,208	-	101,039
Central administration	421,655	421,655	-	409,975
Finance	887,402	885,402	(2,000)	759,617
Staff	764,630	724,880	(39,750)	457,474
Central services	6,989,795	7,259,479	269,684	6,319,257
Special items	824,616	3,288,460	2,463,844	3,262,887
Total General Support	10,001,306	12,693,084	2,691,778	11,310,249
Instruction				
Instruction, administration and improvement	2,690,718	2,664,727	(25,991)	2,592,292
Teaching - Regular school	21,324,146	21,579,198	255,052	21,167,644
Programs for students with disabilities	10,969,444	10,649,703	(319,741)	9,593,166
Occupational education	273,540	201,915	(71,625)	201,914
Instructional media	2,658,368	2,620,896	(37,472)	2,423,170
Pupil services	4,910,233	5,009,419	99,186	4,868,033
Total Instruction	42,826,449	42,725,858	(100,591)	40,846,219
Pupil transportation	3,999,225	3,983,382	(15,843)	3,590,934
Employee benefits	19,712,425	19,854,535	142,110	18,617,550
Debt service				
Principal	2,688,000	2,700,000	12,000	2,700,000
Interest	850,957	850,957	-	850,957
Total Expenditures	80,078,362	82,807,816	2,729,454	77,915,909
Excess (Deficiency) of Revenues Over Expenditures	(924,462)	(3,653,916)	(2,729,454)	2,565,681
OTHER FINANCING SOURCES (USES)				
Transfers in	-	12,000	12,000	12,000
Transfers out	(80,000)	(4,030,000)	(3,950,000)	(3,998,724)
Total Other Financing Uses	(80,000)	(4,018,000)	(3,938,000)	(3,986,724)
Net Change in Fund Balance	(1,004,462)	(7,671,916)	(6,667,454)	(1,421,043)
FUND BALANCE				
Beginning of Year	1,004,462	7,671,916	6,667,454	18,788,206
End of Year	$ -	$ -	$ -	$ 17,367,163

See independent auditors' report.

Encumbr-ances	Variance with Final Budget - over (under) Actual and Encumbrances
$	$ -
	3,495
	103,435
	391,456
	301,001
	8,600
	296,531
	223,172
	1,327,690
-	(12,169)
-	(11,680)
7,500	(118,285)
1,170	(266,236)
433,574	(506,648)
-	(25,573)
442,244	(940,591)
2,728	(69,707)
7,871	(403,683)
600	(1,055,937)
-	(1)
117,976	(79,750)
2,776	(138,610)
131,951	(1,747,688)
-	(392,448)
-	(1,236,985)
-	-
-	-
574,195	(4,317,712)
(574,195)	5,645,402
-	-
-	31,276
-	31,276
$ (574,195)	$ 5,676,678

1. Budgetary Basis and Control

The District annually adopts a legally authorized budget for the General Fund. The budget is approved by District voters in accordance with New York State Education Law and is prepared on a basis consistent with generally accepted accounting principles. If the proposed budget is not approved by the voters, the Board of Education may adopt a contingency budget or resubmit the original or a revised budget for voter approval. If a resubmitted budget is not approved, the Board is required to adopt a contingency budget in accordance with New York State Education Law.

The Board of Education establishes legal budgetary control at the function level. Transfers between functions and other budget amendments requiring modification at the legal level of control require Board approval.

Annual budgets are not adopted for the Special Aid, School Lunch or Special Purpose Funds because their activities are controlled through grant agreements, debt requirements or other legal or contractual restrictions. The Capital Projects Fund is budgeted on a project basis rather than through an annual budget.

General Fund appropriations lapse at year-end except for outstanding encumbrances, which are carried forward and included in the subsequent year's budget.

Encumbrance accounting is used in the General Fund to record purchase orders, contracts and other commitments against applicable appropriations. Outstanding encumbrances at year-end do not constitute expenditures or liabilities and are generally reported as assigned fund balance. For purposes of evaluating compliance with the legally adopted budget, outstanding encumbrances are considered together with actual expenditures.

2. General Fund Budgetary Highlights

Differences - Original Budget to Final Budget

	Variance with Original Budget - over (under) Final Budget	
REVENUES		
Real property taxes	$ (1,275,275)	Variance due to reclassification of STAR aid from Real Property Tax to Other Tax Items.
Other tax items	1,275,275	Variance due to reclassification of STAR aid from Real Property Tax to Other Tax Items.
EXPENDITURES		
General support - Special items	$ 2,463,844	Budget amendments were made for judgement and claims settlements and for tax certiorari payments. Both types of payments are made from their designated reserves.
OTHER FINANCING USES		
Transfers out	$ (3,950,000)	The voters approved the use of the capital reserve for various projects as presented to the voters in May 2025.

2. General Fund Budgetary Highlights *(Continued)*

Differences - Final Budget to Actual and Encumbrances

	Variance with Final Budget - over (under) Actual and Encumbrances	
EXPENDITURES		
General support -		
Central services	$ (506,648)	Variance due to furniture, security installations and maintenance projects not completed before year-end. Amounts were encumbered and rolled into next year's budget.
Instruction:		
Teaching - Regular schools	(403,683)	Salary savings pertaining to hourly employees for curriculum development, substitute teachers and monitors.
Programs for students with disabilities	(1,055,937)	Costs vary year to year based on student programming needs. The District also set up a new program during the year that allowed more students to be serviced within the district. Identified surplus was transferred to other budget codes.
Employee benefits	(1,236,985)	The District budgets for all new employees under the Family coverage plan along with an amount of changes throughout the year. The mix of single coverage to family coverage was favorable resulting in the variance.

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

	2026	2025	2024
Total OPEB Liability:			
Service cost	$ 3,649,921	$ 4,831,459	$ 4,716,000
Interest	5,947,603	5,204,673	4,451,930
Changes of benefit terms	-	-	-
Differences between expected and actual experience	647,907	-	4,010,012
Changes of assumptions or other inputs	10,975,526	(23,159,836)	562,578
Benefit payments	(3,997,971)	(3,523,132)	(3,266,044)
Net Change in Total OPEB Liability	17,222,986	(16,646,836)	10,474,476
Total OPEB Liability – Beginning of Year	112,700,708	129,347,544	118,873,068
Total OPEB Liability – End of Year	$ 129,923,694	$ 112,700,708	$ 129,347,544
School District's covered-employee payroll	$ 32,761,630	$ 31,210,208	$ 31,210,208
Discount Rate	4.67%	5.20%	3.93%
Total OPEB liability as a percentage of covered-employee payroll	396.57%	361.10%	414.44%

(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 this Statement to pay related benefits.
(3) Restated for the implementation of the provisions of GASB Statement No. 75.
(4) Result of demographic changes.

See independent auditors' report.

2023	2022	2021	2020	2019	2018
$ 4,275,075	$ 6,041,944	$ 6,108,299	$ 5,437,468	$ 5,850,337	$ 5,679,939
3,986,307	3,164,764	3,068,590	4,453,956	3,951,187	3,741,988
-	-	-	-	-	-
-	(12,744,752) (4)	-	(544,318)	-	(55,285)
3,712,652	(25,840,669)	1,277,855	4,271,918	(11,199,244)	-
(2,842,176)	(2,695,604)	(2,747,272)	(2,636,103)	(2,646,549)	(2,482,130)
9,131,858	(32,074,317)	7,707,472	10,982,921	(4,044,269)	6,884,512
109,741,210	141,815,527	134,108,055	123,125,134	127,169,403	120,284,891 (3)
$ 118,873,068	$ 109,741,210	$ 141,815,527	$ 134,108,055	$ 123,125,134	$ 127,169,403
$ 28,123,017	$ 28,123,017	$ 28,176,405	$ 28,176,405	$ 29,373,625	$ 29,373,625
3.65%	3.54%	2.16%	2.21%	3.50%	3.00%
422.69%	390.22%	503.31%	475.96%	419.17%	432.94%

Irvington Union Free School District, New York

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

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

	2026 (3)	2025 (3)	2024	2023 (2)
School District's proportion of the net pension liability (asset)	0.149552%	0.145828%	0.143847%	0.144527%
School District's proportionate share of the net pension liability (asset)	$ (8,855,047)	$ (4,350,941)	$ 1,645,011	$ 2,773,324
School District's covered payroll	$ 32,145,232	$ 30,647,485	$ 27,713,560	$ 26,601,533
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(27.55)%	(14.20)%	5.94%	10.43%
Plan fiduciary net position as a percentage of the total pension liability	103.99%	102.09%	99.17%	98.57%
Discount Rate	6.95%	6.95%	6.95%	6.95%

Schedule of Contributions

	2026	2025	2024	2023
Contractually required contribution	$ 3,010,174	$ 3,249,883	$ 2,991,195	$ 2,851,725
Contributions in relation to the contractually required contribution	(3,010,174)	(3,249,883)	(2,991,195)	(2,851,725)
Contribution excess	$ -	$ -	$ -	$ -
School District's covered payroll	$ 31,388,672	$ 32,145,232	$ 30,647,485	$ 27,713,560
Contributions as a percentage of covered payroll	9.59%	10.11%	9.76%	10.29%

(1) The amounts presented for each fiscal year were determined as of the June 30 measurement date of the prior fiscal year.
(2) Increase in the School District's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.
(3) Decrease in the School District's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

See independent auditors' report.

2022 (3)	2021 (2)	2020	2019	2018	2017
0.146646%	0.144908%	0.145480%	0.146342%	0.146114%	0.144890%
$ (25,412,264)	$ 4,004,200	$ (3,779,600)	$ (2,646,300)	$ (1,110,600)	$ 1,551,800
$ 26,185,497	$ 24,595,500	$ 24,282,900	$ 23,837,500	$ 23,154,400	$ 22,357,500
(97.05)%	16.28%	(15.56)%	(11.10)%	(4.80)%	6.94%
113.25%	97.80%	102.20%	101.53%	100.66%	99.01%
6.95%	7.10%	7.10%	7.25%	7.25%	7.50%

2022	2021	2020	2019	2018	2017
$ 2,606,950	$ 2,495,400	$ 2,179,200	$ 2,578,800	$ 2,336,100	$ 2,713,700
(2,606,950)	(2,495,400)	(2,179,200)	(2,578,800)	(2,336,100)	(2,713,700)
$ -	$ -	$ -	$ -	$ -	$ -
$ 26,601,533	$ 26,185,497	$ 24,595,500	$ 24,282,900	$ 23,837,500	$ 23,154,400
9.80%	9.53%	8.86%	10.62%	9.80%	11.72%

Irvington Union Free School District, New York

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

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

	2026 (3)	2025 (2)	2024 (3)	2023 (2)	2022 (3)
School District's proportion of the net pension liability (asset)	0.0148071%	0.0155662%	0.0147882%	0.0157634%	0.0163200%
School District's proportionate share of the net pension liability (asset)	$ 835,380	$ 2,668,152	$ 2,177,428	$ 3,380,317	$ (1,334,096)
School District's covered payroll	$ 7,488,607	$ 7,505,090	$ 6,958,478	$ 6,144,472	$ 6,023,711
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	11.16%	35.55%	31.29%	55.01%	(22.15)%
Plan fiduciary net position as a percentage of the total pension liability	97.78%	93.08%	93.88%	90.78%	103.65%
Discount Rate	5.90%	5.90%	5.90%	5.90%	5.90%

Schedule of Contributions

	2026	2025	2024	2023	2022
Contractually required contribution	$ 1,021,383	$ 916,070	$ 738,436	$ 666,373	$ 864,019
Contributions in relation to the contractually required contribution	(1,021,383)	(916,070)	(738,436)	(666,373)	(864,019)
Contribution excess	$ -	$ -	$ -	$ -	$ -
School District's covered payroll	$ 7,354,744	$ 7,628,786	$ 7,171,173	$ 6,550,356	$ 5,977,173
Contributions as a percentage of covered payroll	13.89%	12.01%	10.30%	10.17%	14.46%

(1) The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year
(2) Increase in the School District's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.
(3) Decrease in the School District's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

See independent auditors' report.

2021 (3)	2020 (2)	2019	2018	2017
0.0161940%	0.0166241%	0.0169818%	0.0180560%	0.017257%
$ 16,100	$ 4,402,000	$ 1,203,200	$ 582,700	$ 1,621,500
$ 5,607,557	$ 5,593,103	$ 5,411,307	$ 5,281,256	$ 5,226,082
0.29%	78.70%	22.23%	11.03%	31.03%
99.95%	86.39%	96.27%	98.24%	94.71%
5.90%	6.80%	7.00%	7.00%	7.00%

2021	2020	2019	2018	2017
$ 765,400	$ 723,200	$ 725,300	$ 751,200	$ 739,500
(765,400)	(723,200)	(725,300)	(751,200)	(739,500)
$ -	$ -	$ -	$ -	$ -
$ 5,793,440	$ 5,555,482	$ 5,470,641	$ 5,275,357	$ 5,200,113
13.21%	13.02%	13.26%	14.24%	14.22%

Irvington Union Free School District, New York

General Fund
Schedule of Revenues and Other Financing Sources Compared to Budget
Year Ended June 30, 2026

	Original Budget	Final Budget	Actual	Variance with Final Budget - Over (Under) Actual
REAL PROPERTY TAXES	$ 67,970,747	$ 66,695,472	$ 66,695,472	$ -
OTHER TAX ITEMS				
Payment in lieu of taxes	15,455	15,455	18,950	3,495
School tax relief reimbursement	-	1,275,275	1,275,275	-
	15,455	1,290,730	1,294,225	3,495
NON-PROPERTY TAXES				
Non-property tax distribution from County	1,000,000	1,000,000	1,103,435	103,435
CHARGES FOR SERVICES				
Day school tuition	351,000	351,000	658,126	307,126
Other student fees and charges	1,000	1,000	310	(690)
Health services for other districts	72,500	72,500	52,947	(19,553)
Tuition	-	-	104,573	104,573
	424,500	424,500	815,956	391,456
USE OF MONEY AND PROPERTY				
Earnings on investments	865,455	865,455	1,135,037	269,582
Rental on real property	364,672	364,672	396,091	31,419
	1,230,127	1,230,127	1,531,128	301,001
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sale of equipment	-	-	8,600	8,600
STATE AID				
Basic formula	7,067,483	7,067,483	7,293,772	226,289
BOCES aid	890,000	890,000	941,722	51,722
Textbook aid	-	-	108,229	108,229
Computer software aid	-	-	38,188	38,188
Library materials aid	-	-	11,143	11,143
Other	157,608	157,608	18,568	(139,040)
	8,115,091	8,115,091	8,411,622	296,531
MISCELLANEOUS				
Refund of prior year's expenditures	56,000	56,000	210,701	154,701
Refund of prior year's BOCES expenditures	81,980	81,980	203,255	121,275
Unclassified	260,000	260,000	207,196	(52,804)
	397,980	397,980	621,152	223,172
TOTAL REVENUES	79,153,900	79,153,900	80,481,590	1,327,690
OTHER FINANCING SOURCES				
Transfers in				
Capital Projects Fund	-	12,000	12,000	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	$ 79,153,900	$ 79,165,900	$ 80,493,590	$ 1,327,690

See independent auditors' report.

Irvington Union Free School District, New York

General Fund
Schedule of Expenditures and Other Financing Uses Compared to Budget
Year Ended June 30, 2026

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget - Over (Under) Actual and Encumbrances
GENERAL SUPPORT					
BOARD OF EDUCATION					
Board of education	$ 65,933	$ 64,433	$ 56,820	$ -	$ (7,613)
District clerk	22,775	21,775	18,020	-	(3,755)
District meeting	24,500	27,000	26,199	-	(801)
Total Board of Education	113,208	113,208	101,039	-	(12,169)
CENTRAL ADMINISTRATION					
Chief school administrator	421,655	421,655	409,975	-	(11,680)
FINANCE					
Business administration	661,677	659,677	592,088	-	(67,589)
Auditing	71,000	71,000	42,060	7,500	(21,440)
Treasurer	154,725	154,725	125,469	-	(29,256)
Total Finance	887,402	885,402	759,617	7,500	(118,285)
STAFF					
Legal	419,865	380,565	197,227	1,000	(182,338)
Personnel	188,530	188,530	173,660	170	(14,700)
Public information and services	156,235	155,785	86,587	-	(69,198)
Total Staff	764,630	724,880	457,474	1,170	(266,236)
CENTRAL SERVICES					
Operation and maintenance of plant	6,004,403	6,177,370	5,316,308	424,139	(436,923)
Printing and Mailing	53,000	51,490	35,028	-	(16,462)
Data Processing	932,392	1,030,619	967,921	9,435	(53,263)
Total Central Services	6,989,795	7,259,479	6,319,257	433,574	(506,648)
SPECIAL ITEMS					
Unallocated insurance	387,000	377,100	361,980	-	(15,120)
Judgments and claims	-	800,000	800,000	-	-
Assessments on school property	60,000	50,200	39,747	-	(10,453)
Refunds of real property taxes	50,000	1,733,544	1,733,544	-	-
Administrative charges - BOCES	327,616	327,616	327,616	-	-
Total Special Items	824,616	3,288,460	3,262,887	-	(25,573)
Total General Support	10,001,306	12,693,084	11,310,249	442,244	(940,591)
INSTRUCTION					
INSTRUCTION, ADMINISTRATION AND IMPROVEMENT					
Curriculum development and supervision	740,525	726,215	683,072	1,500	(41,643)
Supervision - Regular school	1,950,193	1,938,512	1,909,220	1,228	(28,064)
Total Instruction, Administration and Improvement	2,690,718	2,664,727	2,592,292	2,728	(69,707)
TEACHING - REGULAR SCHOOL	21,324,146	21,579,198	21,167,644	7,871	(403,683)

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General Fund
Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
Year Ended June 30, 2026

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget - Over (Under) Actual and Encumbrances
PROGRAMS FOR STUDENTS WITH DISABILITIES					
Programs for students with disabilities	$ 10,969,444	$ 10,649,703	$ 9,593,166	$ 600	$ (1,055,937)
OCCUPATIONAL EDUCATION	273,540	201,915	201,914	-	(1)
INSTRUCTIONAL MEDIA					
School library and audiovisual	716,296	716,245	711,444	-	(4,801)
Computer assisted instruction	1,942,072	1,904,651	1,711,726	117,976	(74,949)
Total Instructional Media	2,658,368	2,620,896	2,423,170	117,976	(79,750)
PUPIL SERVICES					
Guidance - Regular school	1,177,099	1,194,556	1,171,109	-	(23,447)
Health services - Regular school	694,981	781,481	776,546	67	(4,868)
Psychological services - Regular school	798,351	800,446	800,310	-	(136)
Social work services - Regular school	223,434	223,600	219,290	-	(4,310)
Pupil personnel services - Special schools	370,652	384,412	384,390	-	(22)
Co-curricular activities - Regular school	304,475	321,634	319,168	-	(2,466)
Interscholastic activities - Regular school	1,341,241	1,303,290	1,197,220	2,709	(103,361)
Total Pupil Services	4,910,233	5,009,419	4,868,033	2,776	(138,610)
Total Instruction	42,826,449	42,725,858	40,846,219	131,951	(1,747,688)
PUPIL TRANSPORTATION					
District transportation services	208,000	218,115	206,851	-	(11,264)
Contract transportation	3,791,225	3,765,267	3,384,083	-	(381,184)
Total Pupil Transportation	3,999,225	3,983,382	3,590,934	-	(392,448)
EMPLOYEE BENEFITS					
State retirement	1,103,758	1,182,126	1,036,288	-	(145,838)
Teachers' retirement	2,897,140	2,897,140	2,735,236	-	(161,904)
Social security	2,919,621	2,838,621	2,837,846	-	(775)
Workers' compensation benefits	245,000	283,132	220,421	-	(62,711)
Life insurance	40,200	38,363	27,651	-	(10,712)
Unemployment benefits	36,000	52,637	52,637	-	-
Disability insurance	65,200	65,200	50,608	-	(14,592)
Hospital, medical and dental insurance	11,829,106	11,764,506	10,951,391	-	(813,115)
Union welfare benefits	570,400	562,900	545,890	-	(17,010)
Incentive and sick time payout	-	163,910	155,598	-	(8,312)
Flex administrative fees	6,000	6,000	3,984	-	(2,016)
Total Employee Benefits	19,712,425	19,854,535	18,617,550	-	(1,236,985)
DEBT SERVICE					
Serial bonds					
Principal	2,688,000	2,700,000	2,700,000	-	-
Interest	850,957	850,957	850,957	-	-
Total Debt Service	3,538,957	3,550,957	3,550,957	-	-
TOTAL EXPENDITURES	80,078,362	82,807,816	77,915,909	574,195	(4,317,712)
OTHER FINANCING USES					
Transfers out					
Special Aid Fund	80,000	80,000	48,724	-	(31,276)
Capital Projects Fund	-	3,950,000	3,950,000	-	-
TOTAL OTHER FINANCING USES	80,000	4,030,000	3,998,724	-	(31,276)
TOTAL EXPENDITURES AND OTHER FINANCING USES	$ 80,158,362	$ 86,837,816	$ 81,914,633	$ 574,195	$ (4,348,988)

See independent auditors' report.

Irvington Union Free School District, New York

Capital Projects Fund
Project-Length Schedule
Inception of Project Through June 30, 2026

PROJECT	Project Budget	Expenditures and Transfers To Date		
		Prior Years	Current Year	Totals
Other Capital Projects	$ 114,712	$ -	$ -	$ -
District-Wide Improvements	19,217,810	19,093,826	35,566	19,129,392
Capital Reserve Project	3,950,000	-	931,818	931,818
Totals	$ 23,282,522	$ 19,093,826	$ 967,384	$ 20,061,210

See independent auditors' report.

Unexpended Balance	Methods of Financing				Fund Balance at June 30, 2026
	Interfund Transfers	Proceeds of Obligations	Other	Total	
$ 114,712	$ -	$ -	$ 114,712	$ 114,712	$ 114,712
88,418	200,000	18,867,810	150,000	19,217,810	88,418
3,018,182	3,950,000	-	-	3,950,000	3,018,182
$ 3,221,312	$ 4,150,000	$ 18,867,810	$ 264,712	$ 23,282,522	$ 3,221,312

Irvington Union Free School District, New York

Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2026

	School Lunch	Special Purpose	Total Non-Major Governmental Funds
ASSETS			
Cash and equivalents	$ 192,219	$ 400,416	$ 592,635
Receivables			
State and Federal aid	84,872	-	84,872
Due from other funds	-	101	101
	84,872	101	84,973
Inventories	9,468	-	9,468
Total Assets	$ 286,559	$ 400,517	$ 687,076
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 12,440	$ 1,850	$ 14,290
Accrued Liabilities	-	2,162	2,162
Unearned revenue	46,477	-	46,477
Due to other funds	-	8,246	8,246
Total Liabilities	58,917	12,258	71,175
Fund balances			
Nonspendable	9,468	-	9,468
Restricted	-	388,259	388,259
Assigned	218,174	-	218,174
Total Fund Balances	227,642	388,259	615,901
Total Liabilities and Fund Balances	$ 286,559	$ 400,517	$ 687,076

See independent auditors' report.

Irvington Union Free School District, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended June 30, 2026

	School Lunch	Special Purpose	Total Non-Major Governmental Funds
REVENUES			
Use of money and property	$ 4,044	$ 5,565	$ 9,609
State aid	435,845	-	435,845
Federal aid	123,754	-	123,754
Food sales	282,834	-	282,834
Miscellaneous	180	485,749	485,929
Total Revenues	846,657	491,314	1,337,971
EXPENDITURES			
Current			
Cost of food sales	865,723	-	865,723
Other	-	473,970	473,970
Total Expenditures	865,723	473,970	1,339,693
Excess (Deficiency) of Revenues Over Expenditures	(19,066)	17,344	(1,722)
FUND BALANCES			
Beginning of Year	246,708	370,915	617,623
End of Year	$ 227,642	$ 388,259	$ 615,901

See independent auditors' report.

Irvington Union Free School District, New York

General Fund
Analysis of Change from Adopted Budget to Final Budget
Year Ended June 30, 2026

Adopted Budget		$ 79,576,400
Encumbrances		581,962
Original Budget		80,158,362
Budget Amendments		6,679,454
Final Budget		$ 86,837,816

General Fund
Section 1318 of Real Property Tax Law Limit Calculation

2026-2027 Expenditure Budget		$ 82,471,960
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		
Unrestricted fund balance		
Assigned fund balance	$ 996,695	
Unassigned fund balance	3,298,878	
Total Unrestricted Fund Balance	4,295,573	
Less		
Appropriated for subsequent year's budget	422,500	
Encumbrances	574,195	
Total Adjustments	996,695	
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		$ 3,298,878
Actual Percentage		4.00%

See independent auditors' report.

Irvington Union Free School District, New York

Schedule of Net Investment in Capital Assets
Year Ended June 30, 2026

Capital Assets, net		$ 45,060,253
Less		
Bonds Payable	$ 26,505,000	
Unamortized Portion of Premium on Bonds	1,212,700	(27,717,700)
Net Investment in Capital Assets		$ 17,342,553

See independent auditors' report.

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PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

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
Irvington 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 Irvington Union Free School District, New York ("School District"), as of and for the year ended June 30, 2026, 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 29, 2026.

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.

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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 29, 2026