

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

Financial Statements and
Supplementary Information

Year Ended June 30, 2021

Mamaroneck Union Free School District, New York

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Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Mamaroneck Union Free School District, New York ("School District") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District, as of June 30, 2021, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 2D in the notes to financial statements which disclose the effects of the School District's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 84, "*Fiduciary Activities*". Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit for the year ended June 30, 2021 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* for the year ended June 30, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2021 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 and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2021.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the School District as of and for the year ended June 30, 2020 (not presented herein), and have issued our report thereon dated September 16, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended June 30, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2020 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2020.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2021 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

August 31, 2021

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Mamaroneck Union Free School District, New York

Management's Discussion and Analysis (MD&A)
June 30, 2021

Introduction

Our discussion and analysis of the Mamaroneck Union Free School District, New York's ("School District") financial performance provides an overview of the School District's financial activities for the year ended June 30, 2021. To enhance your understanding of the School District's financial performance, it should be read in conjunction with the basic financial statements that immediately follow this section.

Financial Highlights

Key financial highlights for fiscal year 2020-2021 are as follows:

- At the close of the current fiscal year, the School District's governmental funds financial statement shows a combined ending fund balance of \$37,663,649, an increase of \$20,056,636 from the prior year. The increase was mostly due to the issuance of bonds for capital projects, the proceeds of which have not been expended, the requirement of a collateral deposit by the health benefits consortium, as well as a reduction in activities due to the pandemic.
- New York State Law limits the amount of unassigned fund balance that can be retained by the General Fund to 4% of the ensuing year's budget. At the end of the current fiscal year, this amount for the General Fund was \$8,039,808 or 5.55%. This is not within the 4% statutory limit. This is due to the decreased spending due to the pandemic and will be addressed in the 2021-2022 fiscal year.
- During the current fiscal year, the School District retired \$4,095,000 of serial bonds issued in previous years for various capital projects. The School District also retired \$329,908 of energy performance contract debt. During the 2018-2019 fiscal year, the School District received voter authorization to issue bonds for \$49,266,170. The School District issued bonds for \$18,491,520 (including bond premium) during the 2020-2021 fiscal year. The remaining bonds are expected to be issued during the next year as the projects progress.
- On the district-wide financial statements, the liabilities and deferred inflows of resources of the School District exceeded the assets and deferred outflows of resources at the close of its most recent fiscal year by \$285,304,122. This represented a decrease of \$31,431,911 for the year ended June 30, 2021, inclusive of an adjustment of \$628,718 for the cumulative effect of a change in accounting principle due to the implementation of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 84, "*Fiduciary Activities*". In accordance with GASB Statement No. 84, the School District determined that the extra classroom activity funds should be reported with governmental activities (and governmental funds) and not within fiduciary funds.
- The School District is committed to provide postemployment benefits to its employees in the form of pensions and healthcare. As a result, the School District has recognized substantial liabilities in the district-wide financial statements for these benefits. As of June 30, 2021, the School District had liabilities of \$481,329,512 for other postemployment benefits recorded in accordance with the provisions of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*" ("OPEB"). The School District also reported \$10,305,208 for its proportionate share of the net pension liabilities of the New York State and Local Employees' Retirement System ("ERS") and the New York State Teachers' Retirement System ("TRS") recorded in accordance with the provisions of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*". More detailed information about the School District's OPEB and pension reporting is presented in Note 3E in the notes to financial statements.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements, which are comprised of three components: (1) district-wide financial statements, (2) fund financial statements and (3) notes to financial statements. This report also contains combining and individual fund financial statements and schedules in addition to the basic financial statements.

District-Wide Financial Statements

- The *district-wide financial statements* are designed to provide readers with a broad overview of the School District's finances, in a manner similar to a private-sector business.
 - The *statement of net position* presents information on all of the School District's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.
 - The *statement of activities* presents information showing how the School District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned but unused vacation leave, OPEB and net pension liabilities).
 - The *governmental* activities of the School District include instruction, pupil transportation, community services, cost of food sales, other, interest and general administrative support.

The district-wide financial statements can be found on the pages immediately following this section, as the first two pages of the basic financial statements.

Fund Financial Statements

- A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the School District can be divided into two categories: governmental funds and fiduciary funds.
- *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the School District's near-term financing requirements.
- Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the School District's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.
- The School District maintains six individual governmental funds; General Fund, Special Aid Fund, School Lunch Fund, Special Purpose Fund, Debt Service Fund, and Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Special Aid and the Capital Projects

funds, which are considered to be major funds. Data for the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

- The School District adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the budget.
- The *Fiduciary Funds* are used to account for assets held by the School District on behalf of others. In accordance with the provisions of GASB Statement No. 84, the School District had no such activity to report in this fund category.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to financial statements can be found following the basic financial statements section of this report.

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information for the School District's other postemployment and pension benefit liabilities, the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

District-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the School District's financial position. In the case of the Mamaroneck Union Free School District, New York at the close of the current fiscal year, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$285,304,122.

	June 30,	
	2021	2020
Current Assets	\$ 50,128,208	\$ 38,764,676
Capital Assets, net	103,437,067	103,341,038
Total Assets	153,565,275	142,105,714
Deferred Outflows of Resources	128,314,691	103,740,948
Current Liabilities	12,705,997	12,362,603
Long-term Liabilities	536,574,378	473,502,488
Total Liabilities	549,280,375	485,865,091
Deferred Inflows of Resources	17,903,713	13,853,782
Net Position		
Net Investment in Capital Assets	73,822,699	74,604,525
Restricted		
Capital Projects	489,000	66,225
Debt Service	1,006,070	775,714
Tax Certiorari	8,301,827	6,509,815
Workers' Compensation Benefits	651,817	577,188
Unemployment	173,060	100,000
Retirement Contribution	1,009,525	1,007,118
Self-funded Health Insurance	1,002,390	1,000,000
Special Purposes	728,592	769,552
Unrestricted	(372,489,102)	(339,282,348)
Total Net Position	\$ (285,304,122)	\$ (253,872,211)

Current assets increased by \$11,363,532 from the prior year. Cash and equivalents and investments increased by \$18,762,116 primarily from the issuance of bonds to finance approved capital projects. The net pension asset for the TRS decreased by \$9,565,675 due to investment losses by the retirement system for its fiscal year ending June 30, 2020.

Long-term liabilities, which consist of general obligation bonds, energy performance contract debt, net pension and OPEB liabilities, increased by \$63,071,890 from the previous year. The OPEB liability increased by \$49,976,638 primarily due to a decline in the discount rate. The net pension liabilities to ERS and TRS also increased by a net of \$8,661,694 due to investment losses for TRS for its fiscal year ending June 30, 2020 partially offset by investment gains for ERS for its fiscal year ending March 31, 2021. The School District also issued new general obligation bonded debt of \$16,580,000 to finance its capital improvement program while retiring \$4,095,000 in previously issued bonded indebtedness.

A large component of the School District's net position (\$73,822,699) reflects its investment in capital assets, net of accumulated depreciation and less any related debt that is still outstanding that was used to acquire those assets. The School District uses these capital assets to provide services to students and consequently, these assets are not available for future spending. Although the School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Those assets subject to external restrictions listed above constitute \$13,362,281 of net position and are comprised of amounts restricted for specific purposes, i.e., payments of tax certiorari claims, capital projects, debt service, retirement contributions, etc. There is a negative balance of unrestricted net position of \$372,489,102 primarily a result of the recognition of the OPEB liabilities. Overall, net position decreased by \$31,431,911. Without the increase in OPEB liabilities, the net position would have increased by \$18,544,727.

Changes in Net Position

	June 30,	
	2021	2020
REVENUES		
Program Revenues		
Charges for Services	\$ 2,265,098	\$ 2,702,017
Operating Grants and Contributions	6,923,652	5,054,066
Capital Grants and Contributions	2,054	90,033
Total Program Revenues	9,190,804	7,846,116
General Revenues		
Real Property Taxes	124,945,173	121,933,737
Other Tax Items	3,826,925	4,476,866
Non-Property Taxes	2,433,846	2,156,498
Unrestricted Use of Money and Property	101,620	412,033
Sale of Property and Compensation for Loss	159,838	15,901
Unrestricted State Aid	6,428,382	6,804,455
Miscellaneous	928,986	784,660
Total General Revenues	138,824,770	136,584,150
Total Revenues	148,015,574	144,430,266
EXPENSES		
General Support	20,792,377	20,225,385
Instruction	152,337,317	146,677,075
Pupil Transportation	4,056,298	2,544,766
Community Services	339,250	253,502
Cost of Food Sales	1,189,961	1,135,946
Other	644,835	
Interest	716,165	587,671
Total Expenses	180,076,203	171,424,345
Change in Net Position	(32,060,629)	(26,994,079)
NET POSITION		
Beginning, as reported	(253,872,211)	(226,878,132)
Cumulative Effect of Change in Accounting Principle	628,718	-
Beginning, as restated	(253,243,493)	(226,878,132)
Ending	\$ (285,304,122)	\$ (253,872,211)

The following are the major changes in Net Position:

Revenues:

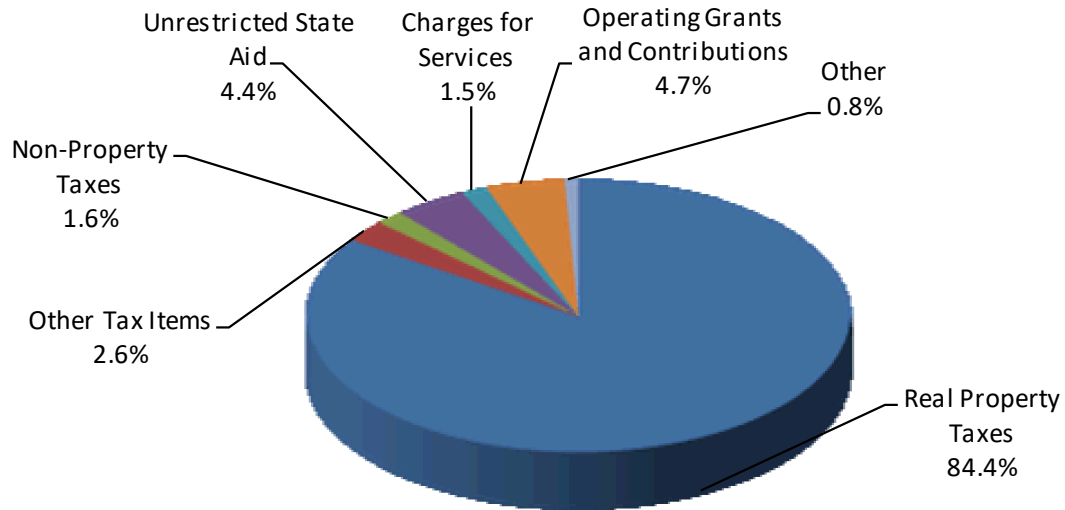
- Real property taxes increased by \$3,011,436 or 2.4%. The current property tax increase is attributed to projected increased expenses related to instruction, employee benefits and transportation. It is also a result of the continuing decrease in STAR (see below). The School District relies upon real property taxes as its primary source of revenue.
- Other tax items include revenues received for the School Tax Relief Reimbursement Program (“STAR”). The STAR Program provides tax relief to homeowners by decreasing the assessments taxable to the homeowner or by providing a refund of a portion of school taxes paid. As a result in changes to the NYS law, this revenue decreased by \$650,983 during the 2020-2021 fiscal year and has decreased by \$3,615,186, almost 50%, in the past five years shifting this burden from the state to the taxpayers.
- The receipt of sales tax revenue increased by \$277,348 or 12.8% due to an increase in Westchester County’s sales tax rate and internet collections.
- Revenue from rental of facilities remained much lower than typical as a result of limited access due to the pandemic.
- Interest income decreased by \$358,405 as a result of extremely low interest rates and temporary use of cash on hand for capital projects.

Expenses:

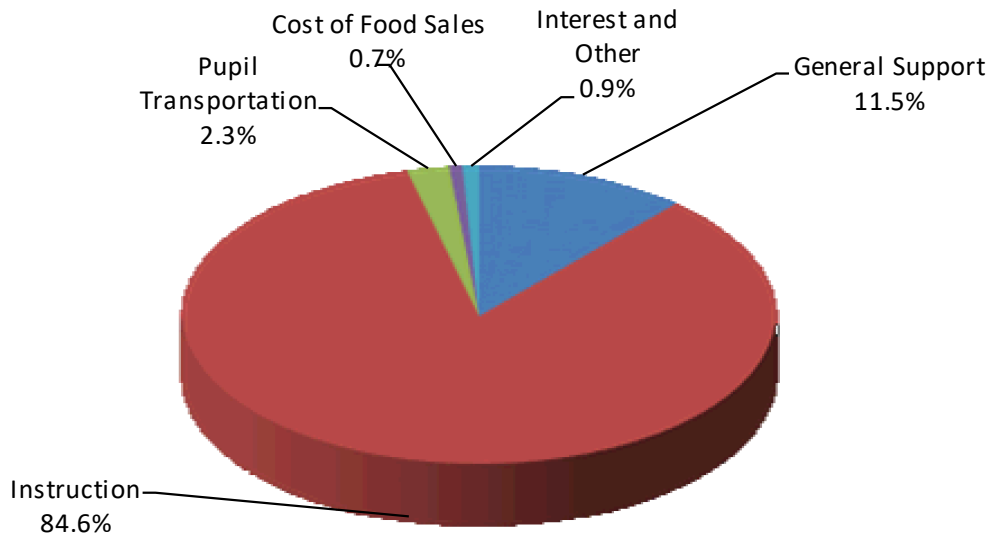
- Overall, General Support expenses increased slightly over the prior year. There was a decrease in tax certiorari payments (\$594,300) with an offsetting increase in facilities and technology projects (\$571,907).
- Instructional program expenses increased by \$5,660,242 or 3.9%, over the prior year. This is primarily the result of the increase in the OPEB and pension liabilities, partially offset by programs that did not run due to the pandemic.
- Pupil transportation expenditures increased by \$1,511,532 because, in the prior year, the School District paid for less than seven months of transportation as a result of school closures due to the pandemic.

The following graphs depict where the School District revenues were derived and how monies were spent. As you can see, the School District relies upon real property taxes for 84.4% of its revenue, while the School District's largest expense, instructional costs, accounts for 84.6% of total expenses.

**Sources of Revenue for Fiscal Year 2021
Governmental Activities**



**Expenses for Fiscal Year 2021
Governmental Activities**



Financial Analysis of the School District's Funds

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

Governmental Funds

The focus of the School District's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the School District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported combined fund balances of \$37,663,649, an increase of \$20,685,354 from the prior year (inclusive of the cumulative effect of change in accounting principle). This increase is a result of the receipt of bond proceeds for capital projects not yet expended and reduced operating expenditures continuing to result from the pandemic. The non-spendable pre-paid expenditure represents a collateral deposit requirement of the health benefits consortium. The \$37,663,649 fund balance consists of the following:

Nonspendable:		
Prepaid Expenditures	\$	1,095,587
Inventories		<u>14,826</u>
Total Nonspendable		<u>1,110,413</u>
Restricted:		
Workers' Compensation		651,817
Unemployment Benefits		173,060
Tax Certiorari		8,301,827
TRS Retirement Contributions		1,009,525
Self-funded Health Insurance		1,002,390
Capital Projects		13,066,627
Debt Service		1,006,070
Special Purposes		<u>728,592</u>
Total Restricted		<u>25,939,908</u>
Assigned:		
Purchases On Order:		
General Government Support		1,282,129
Instruction		<u>806,953</u>
		2,089,082
School Lunch Fund		<u>484,438</u>
Total Assigned		<u>2,573,520</u>
Unassigned - General Fund		<u>8,039,808</u>
Total Fund Balances	\$	<u><u>37,663,649</u></u>

The General Fund is the primary operating fund of the School District. At the end of the current fiscal year, the total fund balance of the General Fund was \$22,363,096. This represents an increase of \$5,555,730 from the prior year. This is a result of a reduction in expenditures based on a projection of reduced state aid, sales tax, facilities use fees and interest income. The reduction in state aid and sales tax did not materialize creating a large surplus during 2020-2021. The surplus was allocated to various restricted components of fund balance, where appropriate, and the balance is in the unassigned fund balance. The amount of the unassigned fund balance is \$8,039,808 or 5.55% of the ensuing year's budget. This is greater than the 4% allowed by NYS Law. It is anticipated that the unassigned fund balance will be at or below 4% by June 30, 2022.

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

General Fund Budgetary Highlights – 2020-2021

The original, voter approved adopted budget of \$142,609,792 was increased by \$1,665,110 as a result of the rollover of prior year encumbrances for a total original budget of \$144,274,902. The budget was further revised during the 2020-2021 fiscal year by a total of \$2,600,000 from the appropriation of fund balance from the Reserve for Tax Certiorari, the Reserve for Worker's Compensation, and the Reserve for restricted fund balance to fund claims. As a result, the final budget totaled \$146,874,902.

Revenue Highlights include:

- Increase in taxes due to increased tax levy and decrease in STAR
- Decrease in STAR reimbursement revenue due to changes in NYS Law
- State aid exceeded the budgeted amount by \$552,237 due to significant collections from prior years
- Increase in sales tax revenue due to increase in Westchester County sales tax rate and internet collections
- Decrease in rental of facilities revenue as facilities were not available due to the pandemic
- Decrease in interest income due to extremely low interest rates and temporary use of cash on hand for capital projects

Expenditure Highlights include:

- Decrease in Instruction due to restricted activities due to the pandemic
- A decrease of \$594,300 in tax certiorari payments due to fewer court settlements as a result of the pandemic
- An increase in Central Services costs as a result of increased gas and electricity usage and rates, significant investments in computer supplies and performance of facilities projects
- Increase in pupil transportation as a result of returning to a full year of attendance

The net increase in fund balance in the General Fund was \$5,555,730 resulting in an ending balance of \$22,363,096 or 15.4% of the ensuing year's budget.

For the Future

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

Enrollment:

As the chart below shows, from 2010-11 to 2020-2021, with the exception of 2012-13 and 2018-2019, as well as 2020-2021 (due to the pandemic), there has been an increase in enrollment in all of the School District's facilities. While the increases have been small on an annual basis, the cumulative effect has required increased staffing at various levels in different years. Enrollment for the 2021-2022 school year is projected to exceed 5,433 students.

Mamaroneck School District's Changing Enrollment

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
K-5	2,385	2,415	2,384	2,417	2,463	2,549	2,626	2,686	2,615	2,606	2,499
6-8	1,068	1,126	1,137	1,156	1,187	1,194	1,194	1,302	1,264	1,281	1,227
9-12	1,452	1,451	1,467	1,459	1,470	1,510	1,510	1,627	1,603	1,630	1,613
Sp. Ed.	170	173	119	125	76	80	87	88	79	74	69
Total	5,075	5,165	5,107	5,157	5,196	5,333	5,417	5,703	5,561	5,591	5,408

Budget:

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

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

Capital Assets

As of June 30, 2021, the School District had \$103,437,067, net of accumulated depreciation invested in a broad range of capital assets, including land, buildings and improvements, as well as machinery and equipment and construction-in-progress. The change in capital assets, net of accumulated depreciation, is reflected below.

The change in capital assets during the current fiscal year results from the additional construction-in-progress and depreciation expense.

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

Class	June 30,	
	2021	2020
Land	\$ 333,435	\$ 333,435
Construction-in-Progress	7,018,325	1,762,025
Buildings and Improvements	95,280,035	100,235,872
Machinery and Equipment	805,272	1,009,706
Total Capital Assets, net of Accumulated depreciation	\$ 103,437,067	\$ 103,341,038

Long-Term Debt

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

	June 30,	
	<u>2021</u>	<u>2020</u>
Bonds Payable, net	\$ 40,391,995	\$ 26,298,063
Energy Performance Contract	2,537,330	2,867,238
Claims Payable	1,568,408	1,385,653
Compensated Absences	441,925	389,471
Net Pension Liability	10,305,208	11,209,189
Other Post Employment Benefit Liability	<u>481,329,512</u>	<u>431,352,874</u>
Total	<u>\$ 536,574,378</u>	<u>\$ 473,502,488</u>

During the 2020-2021 fiscal year, the School District issued the first tranche of the bonds authorized by the voters on February 5, 2019. The School District recorded its net pension liability to ERS and TRS as required by the provisions of GASB Statement No. 68. The School District's other postemployment benefit liability was recorded in accordance with the provisions of GASB Statement No. 75. As noted earlier, the sharp increase was due to a decrease in the discount rate compared to the previous year. This liability will continue to grow as at this time the School District is permitted by New York State only to fund its pay-as-you-go obligations for health insurance.

More detailed information about the School District's long-term liabilities is presented in Note 3E in the notes to financial statements.

Requests for Information

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

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

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Mamaroneck Union Free School District, New York

Statement of Net Position
June 30, 2021

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 31,037,688
Investments	14,892,827
Receivables	
Accounts	400,595
State and Federal aid	2,371,256
Due from other governments, net	315,429
Prepaid expenses	1,095,587
Inventories	14,826
Capital assets	
Not being depreciated	7,351,760
Being depreciated, net	<u>96,085,307</u>
Total Assets	<u>153,565,275</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding bonds	225,689
Pension related	43,640,035
OPEB related	<u>84,448,967</u>
Total Deferred Outflows of Resources	<u>128,314,691</u>
LIABILITIES	
Accounts payable	2,876,588
Accrued liabilities	1,173,327
Bond anticipation notes payable	407,054
Employee payroll deductions	1,036
Due to other governments	442,420
Due to retirement systems	7,262,550
Unearned revenues	301,584
Accrued interest payable	241,438
Non-current liabilities	
Due within one year	4,773,673
Due in more than one year	<u>531,800,705</u>
Total Liabilities	<u>549,280,375</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related	<u>17,903,713</u>
NET POSITION	
Net investment in capital assets	73,822,699
Restricted	
Capital projects	489,000
Debt service	1,006,070
Tax certiorari	8,301,827
Workers' compensation benefits	651,817
Unemployment	173,060
Retirement contribution	1,009,525
Self-funded health insurance	1,002,390
Special purposes	728,592
Unrestricted	<u>(372,489,102)</u>
Total Net Position	<u>\$ (285,304,122)</u>

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

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Mamaroneck Union Free School District, New York

Statement of Activities
Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General support	\$ 20,792,377	\$ 464,959	\$ 1,057	\$ -	\$ (20,326,361)
Instruction	152,337,317	1,800,015	4,329,611	-	(146,207,691)
Pupil transportation	4,056,298	-	262,974	-	(3,793,324)
Community services	339,250	-	431,589	-	92,339
Cost of food sales	1,189,961	124	1,529,715	-	339,878
Other	644,835	-	368,706	-	(276,129)
Interest	716,165	-	-	2,054	(714,111)
Total Governmental Activities	\$ 180,076,203	\$ 2,265,098	\$ 6,923,652	\$ 2,054	(170,885,399)
General revenues					
Real property taxes					124,945,173
Other tax items					
Payments in lieu of taxes					46,777
School tax relief reimbursement					3,780,148
Non-property taxes					
Non-property tax distribution from County					2,433,846
Unrestricted use of money and property					101,620
Sale of property and compensation for loss					159,838
Unrestricted State aid					6,428,382
Miscellaneous					928,986
Total General Revenues					138,824,770
Change in Net Position					(32,060,629)
Net Position - Beginning, as reported					(253,872,211)
Cumulative Effect of Change in Accounting Principle					628,718
Net Position - Beginning, as restated					(253,243,493)
Net Position - Ending					\$ (285,304,122)

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

Mamaroneck Union Free School District, New York

Balance Sheet
 Governmental Funds
 June 30, 2021

	General	Special Aid	Capital Projects
ASSETS			
Cash and equivalents	\$ 16,080,373	\$ -	\$ 13,644,974
Investments	14,134,836	-	-
Receivables			
Accounts	400,595	-	-
State and Federal aid	698,436	1,337,382	-
Due from other governments, net	315,429	-	-
Due from other funds	-	-	1,059,937
Prepaid expenditures	1,095,587	-	-
Inventories	-	-	-
Total Assets	<u>\$ 32,725,256</u>	<u>\$ 1,337,382</u>	<u>\$ 14,704,911</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 1,465,533	\$ 48,285	\$ 1,231,230
Accrued liabilities	1,173,327	-	-
Bond anticipation notes payable	-	-	407,054
Employee payroll deductions	1,036	-	-
Due to other funds	-	1,059,937	-
Due to other governments	266,835	175,585	-
Due to retirement systems	7,262,550	-	-
Unearned revenues	192,879	53,575	-
Total Liabilities	<u>10,362,160</u>	<u>1,337,382</u>	<u>1,638,284</u>
Fund balances			
Nonspendable	1,095,587	-	-
Restricted	11,138,619	-	13,066,627
Assigned	2,089,082	-	-
Unassigned	8,039,808	-	-
Total Fund Balances	<u>22,363,096</u>	<u>-</u>	<u>13,066,627</u>
Total Liabilities and Fund Balances	<u>\$ 32,725,256</u>	<u>\$ 1,337,382</u>	<u>\$ 14,704,911</u>

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

Non-Major Governmental	Total Governmental Funds
\$ 1,312,341	\$ 31,037,688
757,991	14,892,827
-	400,595
335,438	2,371,256
-	315,429
-	1,059,937
-	1,095,587
14,826	14,826
<u>\$ 2,420,596</u>	<u>\$ 51,188,145</u>

\$ 131,540	\$ 2,876,588
-	1,173,327
-	407,054
-	1,036
-	1,059,937
-	442,420
-	7,262,550
55,130	301,584
<u>186,670</u>	<u>13,524,496</u>

14,826	1,110,413
1,734,662	25,939,908
484,438	2,573,520
-	8,039,808
<u>2,233,926</u>	<u>37,663,649</u>
<u>\$ 2,420,596</u>	<u>\$ 51,188,145</u>

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Mamaroneck Union Free School District, New York

Reconciliation of Governmental Funds Balance Sheet to
the District-Wide Statement of Net Position
June 30, 2021

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

Total Fund Balances - Governmental Funds	\$ 37,663,649
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	7,351,760
Capital assets - depreciable	194,414,159
Accumulated depreciation	<u>(98,328,852)</u>
	<u>103,437,067</u>
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	43,640,035
Deferred outflows - OPEB related	84,448,967
Deferred inflows - pension related	<u>(17,903,713)</u>
	<u>110,185,289</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
General obligation bonds payable	(40,391,995)
Energy performance contract payable	(2,537,330)
Claims payable	(1,568,408)
Compensated absences	(441,925)
Net pension liability - ERS	(40,638)
Net pension liability - TRS	(10,264,570)
Total OPEB liability	(481,329,512)
Accrued interest payable	<u>(241,438)</u>
	<u>(536,815,816)</u>
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Deferred charge on refunding bonds	<u>225,689</u>
Net Position of Governmental Activities	<u>\$ (285,304,122)</u>

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

Mamaroneck Union Free School District, New York

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year Ended June 30, 2021

	General	Special Aid	Capital Projects
REVENUES			
Real property taxes	\$ 124,945,173	\$ -	\$ -
Other tax items	3,826,925	-	-
Non-property taxes	2,433,846	-	-
Charges for services	1,800,015	-	-
Use of money and property	567,636	-	-
Sale of property and compensation for loss	159,838	-	-
State aid	7,806,538	617,813	-
Federal aid	493,120	1,731,691	-
Food sales	-	-	-
Miscellaneous	928,986	371,805	-
Total Revenues	142,962,077	2,721,309	-
EXPENDITURES			
Current			
General support	14,615,742	-	-
Instruction	76,222,112	2,809,778	-
Pupil transportation	4,008,383	-	-
Community services	-	-	-
Employee benefits	36,064,114	-	-
Cost of food sales	-	-	-
Other	-	-	-
Debt service			
Principal	329,908	-	-
Interest	65,175	-	-
Capital outlay	-	-	5,256,297
Total Expenditures	131,305,434	2,809,778	5,256,297
Excess (Deficiency) of Revenues Over Expenditures	11,656,643	(88,469)	(5,256,297)
OTHER FINANCING SOURCES (USES)			
General obligation bonds issued	-	-	16,580,000
Issuance premium	-	-	1,911,520
Transfers in	-	88,469	1,593,431
Transfers out	(6,100,913)	-	(228,304)
Total Other Financing Sources (Uses)	(6,100,913)	88,469	19,856,647
Net Change in Fund Balances	5,555,730	-	14,600,350
FUND BALANCES (DEFICITS)			
Beginning of Year, as restated	16,807,366	-	(1,533,723)
End of Year	<u>\$ 22,363,096</u>	<u>\$ -</u>	<u>\$ 13,066,627</u>

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

Non-Major Governmental	Total Governmental Funds
\$ -	\$ 124,945,173
-	3,826,925
-	2,433,846
-	1,800,015
2,077	569,713
-	159,838
45,509	8,469,860
1,469,284	3,694,095
124	124
815,194	2,115,985
<u>2,332,188</u>	<u>148,015,574</u>
-	14,615,742
-	79,031,890
-	4,008,383
336,138	336,138
-	36,064,114
1,189,961	1,189,961
644,835	644,835
4,095,000	4,424,908
813,015	878,190
-	5,256,297
<u>7,078,949</u>	<u>146,450,458</u>
<u>(4,746,761)</u>	<u>1,565,116</u>
-	16,580,000
-	1,911,520
5,136,317	6,818,217
<u>(489,000)</u>	<u>(6,818,217)</u>
<u>4,647,317</u>	<u>18,491,520</u>
(99,444)	20,056,636
<u>2,333,370</u>	<u>17,607,013</u>
<u>\$ 2,233,926</u>	<u>\$ 37,663,649</u>

Mamaroneck Union Free School District, New York

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2021

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 20,056,636</u>
<p>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.</p>	
Capital outlay expenditures	5,337,463
Depreciation expense	<u>(5,241,434)</u>
	<u>96,029</u>
<p>Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas, these amounts are deferred and amortized on the statement of activities.</p>	
General obligation bonds issued	(16,580,000)
Issuance premium	(1,911,520)
Principal paid on general obligation bonds	4,095,000
Principal paid on energy performance contract	<u>329,908</u>
	<u>(14,066,612)</u>
<p>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.</p>	
Compensated absences	(52,454)
Changes in pension liabilities and related deferred outflows and inflows of resources	(6,957,543)
Claims payable	(182,755)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	(31,115,955)
Accrued interest	(99,541)
Amortization of premium and loss on refunding bonds	<u>261,566</u>
	<u>(38,146,682)</u>
Change in Net Position of Governmental Activities	<u><u>\$ (32,060,629)</u></u>

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

Mamaroneck Union Free School District, New York

Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 124,968,932	\$ 124,968,932	\$ 124,945,173	\$ (23,759)
Other tax items	3,827,483	3,827,483	3,826,925	(558)
Non-property taxes	2,220,494	2,220,494	2,433,846	213,352
Charges for services	1,607,000	1,607,000	1,800,015	193,015
Use of money and property	1,101,000	1,101,000	567,636	(533,364)
Sale of property and compensation for loss	-	-	159,838	159,838
State aid	7,254,301	7,254,301	7,806,538	552,237
Federal aid	650,582	650,582	493,120	(157,462)
Miscellaneous	580,000	580,000	928,986	348,986
Total Revenues	142,209,792	142,209,792	142,962,077	752,285
EXPENDITURES				
Current				
General support	15,145,974	18,306,625	14,615,742	3,690,883
Instruction	80,853,899	80,328,945	76,222,112	4,106,833
Pupil transportation	4,197,449	4,216,730	4,008,383	208,347
Employee benefits	37,734,801	37,363,626	36,064,114	1,299,512
Debt service				
Principal	329,908	329,908	329,908	-
Interest	65,175	65,175	65,175	-
Total Expenditures	138,327,206	140,611,009	131,305,434	9,305,575
Excess of Revenues Over Expenditures	3,882,586	1,598,783	11,656,643	10,057,860
OTHER FINANCING USES				
Transfers out	(5,947,696)	(6,263,893)	(6,100,913)	162,980
Net Change in Fund Balance	(2,065,110)	(4,665,110)	5,555,730	10,220,840
FUND BALANCE				
Beginning of Year	2,065,110	4,665,110	16,807,366	12,142,256
End of Year	\$ -	\$ -	\$ 22,363,096	\$ 22,363,096

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

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Note 1 - Summary of Significant Accounting Policies

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

The 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.

B. District-Wide Financial Statements

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

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

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

C. Fund Financial Statements

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

Fund Categories

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

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

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

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

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

Special Revenue Funds:

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

- b. Fiduciary Fund (Not Included in District-Wide Financial Statements) - 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 revenues when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain claims, compensated absences, net pension liabilities and other post employment benefit liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Cash and Equivalents, Investments and Risk Disclosure

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

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

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

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

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

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

The School District participates in the Cooperative Liquid Assets Securities System ("CLASS"), a cooperative investment pool, established pursuant to Articles 3A and 5G of General Municipal Law of the State of New York. CLASS has designated Public Trust Advisors, LLC as its registered investment advisor. Public Trust Advisors, LLC is registered with the Securities and Exchange Commission ("SEC"), and is subject to all of the rules and regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of CLASS.

Note 1 - Summary of Significant Accounting Policies (Continued)

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations of the State of New York and repurchase agreements. These investments are reported at fair value. CLASS issues separately available audited financial statements with a year end of June 30th.

The School District's position in the pool is equal to the value of the pool shares. The maximum maturity for any specific investment in the portfolio is 397 days.

Additional information concerning the cooperative is presented in the annual report of CLASS, which may be obtained from Public Trust Advisors, LLC, 717 17th Street, Suite 1850, Denver, CO 80202.

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

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

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

CLASS and NYLAF are rated AAAM by Standard and Poor's Rating Service. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. CLASS and NYLAF invest in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

Risk Disclosure

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

by securities held by the pledging financial institution's trust department but not in the School District's name. The School District's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at June 30, 2021.

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

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

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

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the School District. Receivables are recorded and revenues recognized as earned or as specific program expenditures are incurred. Allowances are recorded when appropriate.

Due From/To Other Funds - During the course of its operations, the School District has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of June 30, 2021, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheet.

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

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The School District has reported unearned revenues of \$192,879 for fees received in advance in the General Fund, \$53,575 for State and Federal aid received in advance in the Special Aid Fund, and \$55,130 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 position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

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

The School District also reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit liabilities in the district-wide financial statements. These amounts are detailed in the discussion of the School District's pension and other postemployment benefit liabilities in Note 3E.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

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

Restricted net position consists of restricted assets 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 capital projects, debt service, tax certiorari,

Note 1 - Summary of Significant Accounting Policies (Continued)

workers' compensation benefits, unemployment, retirement contribution, self-funded health insurance and special purposes.

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

Fund Balance - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

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

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in the General Municipal Law or the Education Law of the State of New York.

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

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

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive unassigned fund balance. For all governmental funds other than the General Fund, any deficit fund balance is reported as unassigned.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

G. Use of Estimates

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

H. Subsequent 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 August 31, 2021.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

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

Note 2 - Stewardship, Compliance and Accountability (Continued)

- d) The voters are permitted to vote upon the General Fund budget at the annual meeting.
- e) If the original proposed budget is not approved by the voters, the Board of Education has the option of either resubmitting the original or revising the budget for voter approval at a special meeting held at a later date; or the Board of Education may, at that point, adopt a contingency budget. If the Board of Education decides to submit either the original or a revised budget to the voters for a second time, and the voters do not approve the second budget submittal, the Board of Education must adopt a contingency budget and the tax levy cannot exceed the total tax levy of the prior year (0% levy growth). In addition, the administrative component of the contingency budget shall not comprise a greater percentage of the contingency budget exclusive of the capital component than the lesser of either 1) the percentage the administrative component had comprised in the prior year budget exclusive of the capital component; or 2) the percentage the administrative component had comprised in the last proposed defeated budget exclusive of the capital component.
- f) Formal budgetary integration is employed during the year as a management control device for General and Debt Service funds.
- g) Budgets for General and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. The Board of Education does not adopt an annual budget for the Special Aid, School Lunch and Special Purpose funds since other means control the use of these resources (e.g., grants awards) and sometimes span a period of more than one fiscal year.
- h) The Board of Education has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Education. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- i) Appropriations in General and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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

B. Limitation on Fund Balance

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

Note 2 - Stewardship, Compliance and Accountability (Continued)

C. Property Tax Limitation

Chapter 97 of the Laws of 2011, as amended (“Tax Levy Limitation Law”), modified previous law by imposing a limit on the amount of real property taxes that a school district may levy. Prior to its enactment, there was no statutory limitation on the amount of real property taxes that a school district could levy if its budget had been approved by a simple majority of its voters. In the event the budget had been defeated by the voters, the school district was required to adopt a contingency budget. Under a contingency budget, school budget increases were limited to the lesser of 4% of the prior year’s budget or 120% of the consumer price index (“CPI”).

Under the Tax Levy Limitation Law, there is now a limitation on the amount of tax levy growth from one fiscal year to the next. Such limitation is the lesser of (i) 2% or (ii) the annual percentage increase in the CPI subject to certain exclusions. A budget with a tax levy that does not exceed such limit will require approval by at least 50% of the voters. Approval by at least 60% of the voters will be required for a budget with a tax levy in excess of the limit. In the event the voters reject the budget, the tax levy for the school district’s budget for the ensuing fiscal year may not exceed the amount of the tax levy for the prior fiscal year. School districts will be permitted to carry forward a certain portion of their unused tax levy limitation from a prior year.

The Tax Levy Limitation Law permits certain significant exclusions to the tax levy limit for school districts. These include taxes to pay the local share of debt service on bonds or notes issued to finance voter approved capital expenditures and the refinancing or refunding of such bonds or notes, certain pension cost increases, and other items enumerated in the Tax Levy Limitation Law. However, such exclusion does not apply to taxes to pay debt service on tax anticipation notes, revenue anticipation notes, budget notes and deficiency notes; and any obligations issued to finance deficits and certain judgments, including tax certiorari refund payments.

D. Adoption of Accounting Standard

For the year ended June 30, 2021, the School District implemented the provisions of GASB Statement No. 84, “*Fiduciary Activities*”. The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on 1) whether a government is controlling the assets of the fiduciary activity and 2) the beneficiaries with whom a fiduciary relationship exists. As a result of the adoption of this standard, certain transactions previously reported in the Fiduciary Fund are now reflected within governmental funds.

E. Reclassification of Prior Year Presentation

Certain prior year amounts have been reclassified to conform with the current year presentation with respect to the implementation of the provisions of GASB Statement No. 84.

F. Cumulative Effect of Change in Accounting Principle

The School District implemented the provisions of GASB Statement No.84, “*Fiduciary Activities*”, for the year ended June 30, 2021. Certain amounts previously reported in the School District’s Fiduciary Fund are now being reported within the Special Purpose Fund and/or the General Fund. As a result, the School District has reported a cumulative effect of change in accounting principle of \$431,756 to the July 1, 2019 fund balance of the Special Purpose Fund (the earliest year

Mamaroneck Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2021

Note 2 - Stewardship, Compliance and Accountability (Continued)

presented). The School District also reported on its Statement of Activities a cumulative effect of change in accounting principle of \$628,718 to the July 1, 2020 net position of governmental activities for this same reason.

Note 3 - Detailed Notes on All Funds

A. Interfund Receivables/Payables

The composition of due from/to other funds at June 30, 2021 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
Special Aid	\$ -	\$ 1,059,937
Capital Projects	1,059,937	-
	<u>\$ 1,059,937</u>	<u>\$ 1,059,937</u>

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

B. Capital Assets

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

<u>Class</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2021</u>
Capital Assets, not being depreciated:				
Land	\$ 333,435	\$ -	\$ -	\$ 333,435
Construction-in-progress	1,762,025	5,256,300	-	7,018,325
Total Capital Assets, not being depreciated	<u>\$ 2,095,460</u>	<u>\$ 5,256,300</u>	<u>\$ -</u>	<u>\$ 7,351,760</u>
Capital Assets, being depreciated:				
Buildings and Improvements	\$ 191,185,284	\$ -	\$ -	\$ 191,185,284
Machinery and Equipment	3,190,405	81,163	42,693	3,228,875
Total Capital Assets, being depreciated	<u>194,375,689</u>	<u>81,163</u>	<u>42,693</u>	<u>194,414,159</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	90,949,412	4,955,837	-	95,905,249
Machinery and Equipment	2,180,699	285,597	42,693	2,423,603
Total Accumulated Depreciation	<u>93,130,111</u>	<u>5,241,434</u>	<u>42,693</u>	<u>98,328,852</u>
Total Capital Assets, being depreciated, net	<u>\$ 101,245,578</u>	<u>\$ (5,160,271)</u>	<u>\$ -</u>	<u>\$ 96,085,307</u>
Capital Assets, net	<u>\$ 103,341,038</u>	<u>\$ 96,029</u>	<u>\$ -</u>	<u>\$ 103,437,067</u>

Mamaroneck Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

General support	\$ 137,055
Instruction	5,099,390
Pupil transportation	<u>4,989</u>
Total Depreciation Expense	<u>\$ 5,241,434</u>

C. Health Claim Liabilities

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

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

	<u>2020-21</u>	<u>2019-20</u>
Balance - Beginning of Year	\$ 2,528,972	\$ 2,266,886
Incurred Claims and Claims Adjustment Expenses	20,172,349	14,670,628
Claims and Claims Adjustment Expenses Paid	<u>(21,880,965)</u>	<u>(14,408,542)</u>
Balance - End of Year	<u>\$ 820,356</u>	<u>\$ 2,528,972</u>

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

D. Accrued Liabilities

Accrued liabilities at June 30, 2021 were as follows:

	<u>General Fund</u>
Payroll and Employee Benefits	\$ 315,475
Health Insurance	820,356
Other	<u>37,496</u>
	<u>\$ 1,173,327</u>

Mamaroneck Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

E. Long-Term Liabilities

The following table summarizes changes in the School District's long-term liabilities for the year ended June 30, 2021:

	Balance July 1, 2020	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2021	Due Within One-Year
General Obligation Bonds Payable	\$ 25,045,000	\$ 16,580,000	\$ 4,095,000	\$ 37,530,000	\$ 4,235,000
Plus - Unamortized Premium on Bonds	1,253,063	1,911,520	302,588	2,861,995	-
	<u>26,298,063</u>	<u>18,491,520</u>	<u>4,397,588</u>	<u>40,391,995</u>	<u>4,235,000</u>
Energy Performance Contract Payable	2,867,238	-	329,908	2,537,330	337,673
Other Non-current Liabilities:					
Claims Payable	1,385,653	853,888	671,133	1,568,408	157,000
Compensated Absences	389,471	91,454	39,000	441,925	44,000
Net Pension Liability - ERS	11,209,189	-	11,168,551	40,638	-
Net Pension Liability (Asset) - TRS	(9,565,675)	19,830,245	-	10,264,570	-
Other Post Employment Benefit Liability	431,352,874	59,434,086	9,457,448	481,329,512	-
Total Other Non- current Liabilities	<u>434,771,512</u>	<u>80,209,673</u>	<u>21,336,132</u>	<u>493,645,053</u>	<u>201,000</u>
Total Long-Term Liabilities	<u>\$ 463,936,813</u>	<u>\$ 98,701,193</u>	<u>\$ 26,063,628</u>	<u>\$ 536,574,378</u>	<u>\$ 4,773,673</u>

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

General Obligation Bonds Payable

General obligation bonds payable at June 30, 2021 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rate	Amount Outstanding at June 30, 2021
District-Wide Reconstruction	2012	\$ 3,505,000	June, 2025	2.00 %	\$ 1,190,000
District-Wide Reconstruction	2014	5,000,000	August, 2028	2.50 - 3.30	2,970,000
District-Wide Reconstruction	2015	4,455,000	July, 2029	2.00 - 3.00	2,900,000
Refunding Bonds	2015	8,745,000	November, 2021	3.00	1,550,000
District-Wide Reconstruction	2018	9,340,000	June, 2032	3.00	7,190,000
Refunding Bonds	2020	7,595,000	June, 2025	5.00	5,150,000
District-Wide Reconstruction	2021	16,580,000	April 2038	2.00 - 5.00	16,580,000
					<u>\$ 37,530,000</u>

Interest expenditures of \$813,015 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$654,528 was recorded in the district-wide financial statements.

Mamaroneck Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Energy Performance Contract Payable

The School District, in a prior fiscal year, entered into a \$4,891,632 contractual agreement to install energy savings equipment and/or to upgrade existing facilities to enhance performance. The agreement provides for annual payments of \$395,083 payable semi-annually, including interest at 2.34% through January 2028. The contract further provides that the savings in energy costs resulting from this modernization will equal or exceed the payment terms. Interest expenditures of \$65,175 were recorded in the fund financial statements in the General Fund. Interest expense of \$61,637 was recorded in the district-wide financial statements. The balance due at June 30, 2021 was \$2,537,330.

Payments to Maturity

The annual requirements to amortize all outstanding bonded and energy performance contract debt as of June 30, 2021 including interest payments of \$7,651,060 are as follows:

Year Ending June 30,	General Obligation Bonds			Energy Performance Contract		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 4,235,000	\$ 1,246,471	\$ 5,481,471	\$ 337,673	\$ 57,409	\$ 395,082
2023	4,380,000	1,125,490	5,505,490	345,621	49,462	395,083
2024	3,600,000	943,424	4,543,424	353,757	41,327	395,084
2025	3,725,000	800,796	4,525,796	362,082	33,000	395,082
2026	2,175,000	652,003	2,827,003	370,605	24,478	395,083
2027-2031	10,790,000	1,991,168	12,781,168	767,592	22,582	790,174
2032-2036	6,285,000	593,250	6,878,250	-	-	-
2037-2038	2,340,000	70,200	2,410,200	-	-	-
	<u>\$ 37,530,000</u>	<u>\$ 7,422,802</u>	<u>\$ 44,952,802</u>	<u>\$ 2,537,330</u>	<u>\$ 228,258</u>	<u>\$ 2,765,588</u>

Year Ending June 30,	Total		
	Principal	Interest	Total
2022	\$ 4,572,673	\$ 1,303,880	\$ 5,876,553
2023	4,725,621	1,174,952	5,900,573
2024	3,953,757	984,751	4,938,508
2025	4,087,082	833,796	4,920,878
2026	2,545,605	676,481	3,222,086
2027-2031	11,557,592	2,013,750	13,571,342
2032-2036	6,285,000	593,250	6,878,250
2037-2038	2,340,000	70,200	2,410,200
	<u>\$ 40,067,330</u>	<u>\$ 7,651,060</u>	<u>\$ 47,718,390</u>

The above general obligation bonds and energy performance contract debt 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.

Note 3 - Detailed Notes on All Funds (Continued)

Legal Debt Margin

The School District is subject to legal limitations on the amount of debt that it may issue. The School District's legal debt margin is 10% of the most recent full valuation of taxable real property. At June 30, 2021, that amount was \$9,372,392,665. As of June 30, 2021, the total outstanding debt applicable to the limit was \$37,937,054, which is .4% of the total debt limit.

Claims Payable

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

An analysis of unpaid claim liabilities is as follows:

	<u>2020-21</u>	<u>2019-20</u>
Unpaid Claims - Beginning of Year	\$ 1,385,653	\$ 1,504,236
Incurred Claims including IBNR's	853,888	631,466
Claims Paid	<u>(671,133)</u>	<u>(750,049)</u>
Unpaid Claims - End of Year	<u>\$ 1,568,408</u>	<u>\$ 1,385,653</u>
Due Within One Year	<u>\$ 157,000</u>	<u>\$ 139,000</u>

Compensated Absences

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

Note 3 - Detailed Notes on All Funds (Continued)

Pension Plans

New York State and Local Retirement System and Teachers' Retirement System

The School District participates in the New York State and Local Employees' Retirement System ("ERS"). This is a cost-sharing, multiple-employer defined benefit pension plan. ERS provides retirement benefits as well as death and disability benefits. The net position of the ERS is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all assets and record changes in fiduciary net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the ERS. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the ERS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The School District also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The ERS is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at www.osc.state.ny.us/retire/about_us/financial_statements_index.php 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 2021 are as follows:

Mamaroneck Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A15	16.2 %
	4 A15	16.2
	5 A15	13.5
	6 A15	9.7
TRS	1-6	9.53 %

At June 30, 2021, the School District reported the following for its proportionate share of the net pension liability for ERS and TRS:

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2021	June 30, 2020
Net pension liability	\$ 40,638	\$ 10,264,570
School Districts' proportion of the net pension liability	0.0408117 %	0.371465 %
Change in proportion since the prior measurement date	(0.0015181) %	0.003272 %

The net pension liability was measured as of March 31, 2021 for ERS and June 30, 2020 for TRS and the total pension liability used to calculate the net pension liability were determined by actuarial valuations as of those dates. The School District's proportion of the net pension liability for ERS was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. The School District's proportion of the net pension liability for TRS was based on the School District's contributions to the pension plan relative to the contributions of all participating members.

For the year ended June 30, 2021, the School District recognized its proportionate share of pension expense in the district-wide financial statements of \$14,589,186 (\$852,195 for ERS and \$13,736,991 for TRS). Pension expenditures for ERS of \$1,699,677 and \$2,595 were recorded in the fund financial statements and were charged to the General and School Lunch funds, respectively. Pension expenditures for TRS of \$5,811,458 and \$117,913 were reported in the fund financial statements and were charged to the General and Special Aid funds, respectively.

Mamaroneck Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

At June 30, 2021, 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	\$ 496,298	\$ -	\$ 8,993,817	\$ 526,039
Changes of assumptions	7,471,990	140,924	12,982,292	4,627,509
Net difference between projected and actual earnings on pension plan investments	-	11,673,585	6,703,664	-
Changes in proportion and differences between School District contributions and proportionate share of contributions	45,847	201,950	396,324	733,706
School District contributions subsequent to the measurement date	541,431	-	6,008,372	-
	<u>\$ 8,555,566</u>	<u>\$ 12,016,459</u>	<u>\$ 35,084,469</u>	<u>\$ 5,887,254</u>
	Total			
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 9,490,115	\$ 526,039		
Changes of assumptions	20,454,282	4,768,433		
Net difference between projected and actual earnings on pension plan investments	6,703,664	11,673,585		
Changes in proportion and differences between School District contributions and proportionate share of contributions	442,171	935,656		
School District contributions subsequent to the measurement date	6,549,803	-		
	<u>\$ 43,640,035</u>	<u>\$ 17,903,713</u>		

\$541,431 reported as deferred outflows of resources related to ERS resulting from the School District's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2022. The \$6,008,372 reported as deferred outflows of resources related to TRS will be recognized as a decrease of the net pension liability in the plan's year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and TRS will be recognized in pension expense as follows:

Year Ended	March 31,	June 30,
	ERS	TRS
2021	\$ -	\$ 3,927,321
2022	(756,017)	8,000,557
2023	(288,768)	6,636,733
2024	(675,039)	4,066,935
2025	(2,282,500)	115,169
Thereafter	-	442,128
	<u>\$ (4,002,324)</u>	<u>\$ 23,188,843</u>

Mamaroneck Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

	<u>ERS</u>	<u>TRS</u>
Measurement Date	March 31, 2021	June 30, 2020
Actuarial valuation date	April 1, 2020	June 30, 2019
Investment rate of return	5.9% *	7.1% *
Salary scale	4.4%	1.90%-4.72%
Inflation rate	2.7%	2.2%
Cost of living adjustments	1.4%	1.3%

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

For ERS, annuitant mortality rates are based on the ERS's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2020. For TRS, annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2019, applied on a generational basis. Active member mortality rates are based on plan member experience.

The actuarial assumptions used in the ERS valuation were based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020. The actuarial assumptions used in the TRS valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2014.

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

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.

Mamaroneck Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

Asset Type	ERS March 31, 2021		TRS June 30, 2020	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32 %	4.05 %	33 %	7.1 %
International Equity	15	6.30	16	7.7
Private Equity	10	6.75	8	10.4
Real Estate	9	4.95	11	6.8
Domestic Fixed Income Securities	-	-	16	1.8
Global Fixed Income Securities	-	-	2	1.0
High Yield Fixed Income Securities	-	-	1	3.9
Global Equities	-	-	4	7.4
Private Debt	-	-	1	5.2
Real Estate Debt	-	-	7	3.6
Opportunistic/ARS Portfolio	3	4.50	-	-
Credit	4	3.63	-	-
Real Assets	3	5.95	-	-
Fixed Income	23	0.00	-	-
Cash	1	0.50	1	0.70
	<u>100 %</u>		<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.7% for ERS and 2.2% for TRS.

The discount rate used to calculate the total pension liability was 5.9% for ERS and 7.1% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the School District's proportionate share of the net pension liability (asset) calculated using the discount rate of 5.9% for ERS and 7.1% for TRS, as well as what the School District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.9% for ERS and 6.1% for TRS) or 1 percentage point higher (6.9% for ERS and 8.1% for TRS) than the current rate:

Mamaroneck Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
School District's proportionate share of the ERS net pension liability (asset)	<u>\$ 11,279,491</u>	<u>\$ 40,638</u>	<u>\$ (10,324,215)</u>
	1% Decrease (6.1%)	Current Discount Rate (7.1%)	1% Increase (8.1%)
School District's proportionate share of the TRS net pension liability (asset)	<u>\$ 64,837,751</u>	<u>\$ 10,264,570</u>	<u>\$ (35,536,159)</u>

The components of the collective net pension liability (asset) as of the March 31, 2021 ERS measurement date and the June 30, 2020 TRS measurement date were as follows:

	<u>ERS</u>	<u>TRS</u>
Total pension liability	\$ 220,680,157,000	\$ 123,242,776,215
Fiduciary net position	<u>220,580,583,000</u>	<u>120,479,505,380</u>
Employers' net pension liability (asset)	<u>\$ 99,574,000</u>	<u>\$ 2,763,270,835</u>
Fiduciary net position as a percentage of total pension liability	<u>99.95%</u>	<u>97.76%</u>

Employer contributions to ERS are paid annually and cover the period through the end of ERS's fiscal year, which is March 31st. Accrued retirement contributions as of June 30, 2021 represent the projected employer contribution for the period April 1, 2021 through June 30, 2021 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, 2021 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, 2021 represent employee and employer contributions for the fiscal year ended June 30, 2021 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, 2021 were \$541,431 to ERS and \$6,721,119 to TRS (including employee contributions of \$712,747).

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

Note 3 - Detailed Notes on All Funds (Continued)

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

Other Post Employment 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 post employment health care benefits is shared between the School District and the retired employee as noted below. Substantially all of the School District’s employees may become eligible for those benefits if they reach normal retirement age while working for the School District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other than Pensions”, so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

At June 30, 2021, the following employees were covered by the benefit terms:

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

The School District’s total OPEB liability of \$481,329,512 was measured as of June 30, 2021, and was determined by an actuarial valuation as of July 1, 2019.

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

Salary increases	3.0%, average, including inflation
Discount rate	2.09%
Healthcare cost trend rates	6.75% for 2022, decreasing 0.25% per year to an ultimate rate of 4.5% for 2031 and later years
Retirees' share of benefit-related costs	Varies from 7.0% to 18.0%, depending on applicable retirement year and bargaining unit

The discount rate was based on an average of three 20-year bond indices (e.g., Bond Buyer – 20 Bond GO, S&P Municipal Bond 20 Year High Grade Rate Index, Fidelity GO AA 20 Years) as of June 30, 2021.

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

Mamaroneck Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

The School District's change in the total OPEB liability for the year ended June 30, 2021 is as follows:

Total OPEB Liability - Beginning of Year	\$ 431,352,874
Service cost	14,062,500
Interest	8,916,445
Changes in assumptions or other inputs	36,455,141
Benefit payments	<u>(9,457,448)</u>
 Total OPEB Liability - End of Year	 <u><u>\$ 481,329,512</u></u>

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.09%) or 1 percentage point higher (3.09%) than the current discount rate:

	1% Decrease (1.09%)	Current Discount Rate (2.09%)	1% Increase (3.09%)
Total OPEB Liability	<u>\$ 612,341,374</u>	<u>\$ 481,329,512</u>	<u>\$ 386,754,303</u>

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.75% decreasing to 3.5%) or 1 percentage point higher (7.75% decreasing to 5.5%) than the current healthcare cost trend rates:

	1% Decrease (5.75% decreasing to 3.5%)	Current Healthcare Cost Trend Rates (6.75% decreasing to 4.5%)	1% Increase (7.75% decreasing to 5.5%)
Total OPEB Liability	<u>\$ 373,433,420</u>	<u>\$ 481,329,512</u>	<u>\$ 634,309,971</u>

For the year ended June 30, 2021, the School District recognized OPEB expense of \$40,573,403 in the district-wide financial statements. At June 30, 2021, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Mamaroneck Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions or other inputs	<u>\$ 84,448,967</u>	<u>\$ -</u>

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

<u>Year Ended June 30,</u>	
2022	\$ 17,594,458
2023	17,594,458
2024	17,594,458
2025	17,594,458
2026	11,370,752
Thereafter	<u>2,700,383</u>
	<u>\$ 84,448,967</u>

F. Revenues and Expenditures

Interfund Transfers

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

<u>Transfers Out</u>	<u>Transfers In</u>			<u>Total</u>
	<u>Special Aid Fund</u>	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	
General Fund	\$ 88,469	\$ 1,104,431	\$ 4,908,013	\$ 6,100,913
Capital Projects Fund	-	-	228,304	228,304
Non-Major Governmental Funds	-	489,000	-	489,000
	<u>\$ 88,469</u>	<u>\$ 1,593,431</u>	<u>\$ 5,136,317</u>	<u>\$ 6,818,217</u>

Transfers are used to 1) move funds from the operating funds to the Debt Service Fund and Capital Projects Fund as debt service principal and interest payments become due and 2) move amounts earmarked in the operating funds to fulfill commitments for Special Aid Fund expenditures and 3) move donated amounts in the operating funds to the Capital Projects Fund.

Note 3 - Detailed Notes on All Funds (Continued)

G. Net Position

The components of net position are detailed below:

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

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

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

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

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

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

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

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

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

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

Mamaroneck Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

H. Fund Balances

	2021				2020			
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable -								
Prepaid expenditures	\$ 1,095,587	\$ -	\$ -	\$ 1,095,587	\$ -	\$ -	\$ -	\$ -
Inventories	-	-	14,826	14,826	-	-	19,929	19,929
Total Nonspendable	1,095,587	-	14,826	1,110,413	-	-	19,929	19,929
Restricted:								
Workers' compensation	651,817	-	-	651,817	577,188	-	-	577,188
Unemployment benefits	173,060	-	-	173,060	100,000	-	-	100,000
Tax certiorari	8,301,827	-	-	8,301,827	6,509,815	-	-	6,509,815
TRS retirement contributions	1,009,525	-	-	1,009,525	1,007,118	-	-	1,007,118
Self-funded health insurance	1,002,390	-	-	1,002,390	1,000,000	-	-	1,000,000
Capital projects	-	13,066,627	-	13,066,627	-	-	-	-
Debt service	-	-	1,006,070	1,006,070	-	-	775,714	775,714
Special purposes (1)	-	-	728,592	728,592	-	-	1,398,270	1,398,270
Total Restricted	11,138,619	13,066,627	1,734,662	25,939,908	9,194,121	-	2,173,984	11,368,105
Assigned:								
Purchases on order:								
General government support	1,282,129	-	-	1,282,129	1,315,945	-	-	1,315,945
Instruction	806,953	-	-	806,953	349,165	-	-	349,165
	2,089,082	-	-	2,089,082	1,665,110	-	-	1,665,110
For subsequent year's expenditures -								
General Fund	-	-	-	-	400,000	-	-	400,000
School Lunch Fund	-	-	484,438	484,438	-	-	139,457	139,457
Total Assigned	2,089,082	-	484,438	2,573,520	2,065,110	-	139,457	2,204,567
Unassigned	8,039,808	-	-	8,039,808	5,548,135	(1,533,723)	-	4,014,412
Total Fund Balances (Deficits)	\$ 22,363,096	\$ 13,066,627	\$ 2,233,926	\$ 37,663,649	\$ 16,807,366	\$ (1,533,723)	\$ 2,333,370	\$ 17,607,013

(1) Balance at June 30, 2020 restated for the implementation of the provisions of GASB Statement No. 84, "Fiduciary Activities".

Note 3 - Detailed Notes on All Funds (Continued)

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

Prepaid Expenditures has been established to account for health insurance payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

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

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

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

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

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

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

B. Contingencies

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

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

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

C. Risk Management

The School District and other school districts have formed a reciprocal insurance company to be owned by these districts. This Company operates under an agreement effective July 1, 1989. The purpose of the Company is to provide general liability, auto liability, all risk building and contents and auto physical damage coverage. In addition, as part of the reciprocal program, excess insurance, school board legal liability, equipment floaters, boilers and machinery and crime and bond coverages will be purchased from commercial carriers and be available to the subscriber districts. The Company retains a management company which is responsible for the overall supervision and management of the reciprocal. The reciprocal is managed by a Board of Governors and an Attorney-in-fact, which is comprised of employees of the subscriber districts. The subscribers have elected those who sit on the board and each subscriber has a single vote. The Company is an "assessable" insurance company, in that, the subscribers are severally liable for any financial shortfall of the Company and can be assessed their proportionate share by the State Insurance Department if the funds of the Company are less than what is required to satisfy its liabilities. The subscriber districts are required to pay premiums as well as a minimal capital contribution.

The School District purchases various insurance coverages from the Company to reduce its exposure to loss. The School District maintains a general liability insurance policy with coverage up to \$1 million. The School District also maintains liability coverage for school board members up to \$1 million and an umbrella policy with coverage up to \$10 million.

The School District and neighboring school districts in Southern Westchester County, participate in the Southern Westchester Schools Cooperative Self-Insurance Plan for Workers' Compensation. The purpose of the Plan is to provide efficient and economical evaluation, processing, administration, defense and payment of claims against plan members for workers' compensation and to provide for risk management to reduce future liability for workers' compensation and employers' liability payments. The Plan is managed and governed by a Board of Trustees comprised of a representative from each district. Billings are based upon participants' experience rating. The School District has transferred all related risk to the Plan, except tail claims.

Prior to July 1, 2020, the School District was self-insured for health insurance benefits with stop-loss coverage of \$250,000 per claim. Effective July 1, 2020, the School District joined the Municipal Employee's Benefit Consortium ("MEBCO"). MEBCO is a public entity risk pool currently operating as a common risk management and health insurance program for its members. MEBCO was formed in April 1988 pursuant to an act of the Board of Legislators of the County. This act provided cities, towns, villages and school districts throughout the County with an opportunity to participate in a cooperative program for providing health benefits to municipal and school district employees by entering into an intermunicipal agreement pursuant to Article 5-G of the General Municipal Law of the State of New York. The purpose of the pool is to stabilize the cost of medical benefits provided to employees. MEBCO functions primarily as a claims service whereby each participating municipality retains its own risk. MEBCO does not transfer risk since charges to each municipality are ultimately determined by their individual claims/loss experience. Under this plan, the School District is responsible for claims up to \$75,000 per year for each member. Claims between \$75,000 and \$500,000 per year are covered by the captive layer. Stop-loss coverage is provided on claims in excess of \$500,000.

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

Note 5 - Recently Issued GASB Pronouncements

GASB Statement No. 87, "*Leases*", as amended by GASB Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance*", establishes a single model for lease accounting based on the concept that leases are a financing of a "right-to-use" underlying asset. As such, this Statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset. A lessor will be required to recognize a lease receivable and a deferred inflow of resources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

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

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Mamaroneck Union Free School District, New York

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

	2021	2020	2019	2018
Total OPEB Liability:				
Service cost	\$ 14,062,500	\$ 12,098,703	\$ 4,314,842	\$ 4,189,167
Interest	8,916,445	8,248,619	11,566,335	11,285,803
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	-	-	-
Changes of assumptions or other inputs	36,455,141 (5)	77,556,949 (4)	-	-
Benefit payments	<u>(9,457,448)</u>	<u>(9,219,084)</u>	<u>(7,360,425)</u>	<u>(7,559,073)</u>
Net Change in Total OPEB Liability	49,976,638	88,685,187	8,520,752	7,915,897
Total OPEB Liability – Beginning of Year	<u>431,352,874</u>	<u>342,667,687</u>	<u>334,146,935</u>	<u>326,231,038 (3)</u>
Total OPEB Liability – End of Year	<u>\$ 481,329,512</u>	<u>\$ 431,352,874</u>	<u>\$ 342,667,687</u>	<u>\$ 334,146,935</u>
School District's covered-employee payroll	<u>\$ 78,719,738</u>	<u>\$ 71,630,485</u>	<u>\$ 67,912,337</u>	<u>\$ 63,040,312</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>611.45%</u>	<u>602.19%</u>	<u>504.57%</u>	<u>530.05%</u>

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

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

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

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

(5) Discount rate decreased from 2.44% in 2020 to 2.09% in 2021.

Mamaroneck Union Free School District, New York

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

Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset) (2)

	2021 (6)	2020 (5)	2019	2018 (4)	2017 (3)	2016	2015
School District's proportion of the net pension liability (asset)	0.371465%	0.368193%	0.364203%	0.367915%	0.375450%	0.363018%	0.354728%
School District's proportionate share of the net pension liability (asset)	\$ 10,264,570	\$ (9,565,675)	\$ (6,585,757)	\$ (2,796,518)	\$ 4,021,230	\$ (37,705,977)	\$ (39,514,493)
School District's covered payroll	\$ 63,848,109	\$ 61,904,444	\$ 59,831,563	\$ 58,752,441	\$ 58,402,173	\$ 55,015,659	\$ 52,983,998
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	16.08%	(15.45)%	(11.01)%	(4.76)%	6.89%	(68.54)%	(74.58)%
Plan fiduciary net position as a percentage of the total pension liability	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%	111.48%

Schedule of Contributions

	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 6,008,372	\$ 5,656,942	\$ 6,574,252	\$ 5,863,493	\$ 6,885,786	\$ 7,744,128	\$ 9,644,245
Contributions in relation to the contractually required contribution	(6,008,372)	(5,656,942)	(6,574,252)	(5,863,493)	(6,885,786)	(7,744,128)	(9,644,245)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 63,046,929	\$ 63,848,109	\$ 61,904,444	\$ 59,831,563	\$ 58,752,441	\$ 58,402,173	\$ 55,015,659
Contributions as a percentage of covered payroll	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%

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

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

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

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

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

(6) 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.

See independent auditors' report.

Mamaroneck Union Free School District, New York

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

Schedule of the School District's Proportionate Share of the Net Pension Liability (2)

	2021 (6)	2020 (4)(5)	2019	2018	2017	2016 (3)	2015
School District's proportion of the net pension liability	0.0408117%	0.0423298%	0.0431391%	0.0436370%	0.0452827%	0.0459791%	0.0463053%
School District's proportionate share of the net pension liability	\$ 40,638	\$ 11,209,189	\$ 3,056,540	\$ 1,408,361	\$ 4,254,860	\$ 7,379,766	\$ 1,564,306
School District's covered payroll	\$ 11,790,208	\$ 12,033,664	\$ 12,018,718	\$ 11,805,973	\$ 11,447,501	\$ 11,904,797	\$ 11,477,370
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.34%	93.15%	25.43%	11.93%	37.17%	61.99%	13.63%
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

Schedule of Contributions

	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 1,681,134	\$ 1,690,459	\$ 1,698,956	\$ 1,693,888	\$ 1,801,998	\$ 2,068,343	\$ 2,184,695
Contributions in relation to the contractually required contribution	(1,681,134)	(1,690,459)	(1,698,956)	(1,693,888)	(1,801,998)	(2,068,343)	(2,184,695)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 11,750,712	\$ 12,276,772	\$ 12,079,245	\$ 11,924,230	\$ 11,469,592	\$ 11,802,248	\$ 11,459,252
Contributions as a percentage of covered payroll	14.31%	13.77%	14.07%	14.21%	15.71%	17.52%	19.06%

- (1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".
 (2) The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.
 (3) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.
 (4) The discount rate used to calculate the total pension liability was decreased from 7.0% to 6.8% effective with the March 31, 2020 measurement date.
 (5) 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.
 (6) 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, partially offset by a decrease in the discount rate from 6.8% to 5.9% effective with the March 31, 2021 measurement date.

See independent auditors' report.

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Mamaroneck Union Free School District, New York

General Fund
 Comparative Balance Sheet
 June 30,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 16,080,373	\$ 15,824,949
Investments	14,134,836	9,638,252
Receivables		
Accounts	400,595	213,468
State and Federal aid	698,436	279,504
Due from other governments, net of allowance for uncollectible amounts of \$684,424 in 2021 and \$481,532 in 2020	315,429	405,267
Due from other funds	-	2,389,751
	<u>1,414,460</u>	<u>3,287,990</u>
Prepaid expenditures	1,095,587	-
Total Assets	<u>\$ 32,725,256</u>	<u>\$ 28,751,191</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,465,533	\$ 1,659,529
Accrued liabilities	1,173,327	2,649,605
Employee payroll deductions	1,036	-
Due to other funds	-	285,649
Due to other governments	266,835	293,779
Due to retirement systems	7,262,550	6,828,213
Unearned revenues	192,879	227,050
Total Liabilities	<u>10,362,160</u>	<u>11,943,825</u>
Fund balance		
Nonspendable	1,095,587	-
Restricted	11,138,619	9,194,121
Assigned	2,089,082	2,065,110
Unassigned	8,039,808	5,548,135
Total Fund Balance	<u>22,363,096</u>	<u>16,807,366</u>
Total Liabilities and Fund Balance	<u>\$ 32,725,256</u>	<u>\$ 28,751,191</u>

See independent auditors' report.

Mamaroneck Union Free School District, New York

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

	2021				
	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
REVENUES					
Real property taxes	\$ 124,968,932	\$ 124,968,932	\$ 124,945,173	\$	\$ (23,759)
Other tax items	3,827,483	3,827,483	3,826,925		(558)
Non-property taxes	2,220,494	2,220,494	2,433,846		213,352
Charges for services	1,607,000	1,607,000	1,800,015		193,015
Use of money and property	1,101,000	1,101,000	567,636		(533,364)
Sale of property and compensation for loss	-	-	159,838		159,838
State aid	7,254,301	7,254,301	7,806,538		552,237
Federal aid	650,582	650,582	493,120		(157,462)
Miscellaneous	580,000	580,000	928,986		348,986
Total Revenues	142,209,792	142,209,792	142,962,077		752,285
EXPENDITURES					
Current					
General support					
Board of education	99,109	94,107	75,185	2,699	16,223
Central administration	435,365	435,433	419,036	9,222	7,175
Finance	1,166,866	1,139,634	1,052,063	10,424	77,147
Staff	1,120,016	1,237,940	1,114,199	22,004	101,737
Central services	11,174,310	12,146,105	10,309,335	1,237,780	598,990
Special items	1,150,308	3,253,406	1,645,924	-	1,607,482
Total General Support	15,145,974	18,306,625	14,615,742	1,282,129	2,408,754
Instruction					
Instruction, administration and improvement	6,130,833	6,053,494	5,670,651	98,681	284,162
Teaching - Regular school	46,327,895	46,268,088	44,783,916	412,038	1,072,134
Programs for students with disabilities	17,840,511	17,848,395	16,268,131	194,151	1,386,113
Occupational education	51,672	70,242	68,892	-	1,350
Teaching - Special schools	284,500	253,069	179,104	11,600	62,365
Instructional media	2,067,456	2,096,207	2,002,587	40,566	53,054
Pupil services	8,151,032	7,739,450	7,248,831	49,917	440,702
Total Instruction	80,853,899	80,328,945	76,222,112	806,953	3,299,880
Pupil transportation	4,197,449	4,216,730	4,008,383	-	208,347
Employee benefits	37,734,801	37,363,626	36,064,114	-	1,299,512
Debt service					
Principal	329,908	329,908	329,908	-	-
Interest	65,175	65,175	65,175	-	-
Total Expenditures	138,327,206	140,611,009	131,305,434	2,089,082	7,216,493
Excess of Revenues Over Expenditures	3,882,586	1,598,783	11,656,643	(2,089,082)	7,968,778
OTHER FINANCING USES					
Transfers out	(5,947,696)	(6,263,893)	(6,100,913)	-	162,980
Net Change in Fund Balance	(2,065,110)	(4,665,110)	5,555,730	\$ (2,089,082)	\$ 8,131,758
FUND BALANCE					
Beginning of Year	2,065,110	4,665,110	16,807,366		
End of Year	\$ -	\$ -	\$ 22,363,096		

See independent auditors' report.

2020				
Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
\$ 122,092,266	\$ 122,092,266	\$ 121,933,737	\$	\$ (158,529)
4,476,360	4,476,360	4,476,866		506
1,620,000	1,620,000	2,156,498		536,498
1,580,601	1,580,601	1,744,716		164,115
1,078,400	1,078,400	907,824		(170,576)
-	-	15,901		15,901
7,803,894	7,803,894	7,592,354		(211,540)
175,000	175,000	412,967		237,967
648,709	648,709	784,660		135,951
<u>139,475,230</u>	<u>139,475,230</u>	<u>140,025,523</u>		<u>550,293</u>
97,109	102,981	76,352	-	26,629
413,504	438,002	420,313	16,200	1,489
1,152,998	1,059,150	1,028,607	11,051	19,492
1,129,442	1,215,928	1,100,011	70	115,847
10,657,101	11,714,170	9,737,428	1,288,624	688,118
1,110,304	3,349,250	2,290,519	-	1,058,731
<u>14,560,458</u>	<u>17,879,481</u>	<u>14,653,230</u>	<u>1,315,945</u>	<u>1,910,306</u>
5,510,742	6,057,830	5,840,276	5,374	212,180
46,891,188	45,645,353	45,343,354	196,045	105,954
17,066,990	17,005,227	16,760,618	630	243,979
50,322	50,557	50,512	-	45
282,000	279,500	270,487	-	9,013
2,226,528	2,361,987	2,201,626	133,854	26,507
7,991,804	8,274,796	7,814,226	13,262	447,308
<u>80,019,574</u>	<u>79,675,250</u>	<u>78,281,099</u>	<u>349,165</u>	<u>1,044,986</u>
3,915,664	2,692,588	2,511,252	-	181,336
35,611,104	36,399,927	34,471,351	-	1,928,576
322,322	322,322	322,322	-	-
72,761	72,761	72,761	-	-
<u>134,501,883</u>	<u>137,042,329</u>	<u>130,312,015</u>	<u>1,665,110</u>	<u>5,065,204</u>
4,973,347	2,432,901	9,713,508	(1,665,110)	5,615,497
(6,157,677)	(6,126,677)	(6,104,618)	-	22,059
(1,184,330)	(3,693,776)	3,608,890	<u>\$ (1,665,110)</u>	<u>\$ 5,637,556</u>
<u>1,184,330</u>	<u>3,693,776</u>	<u>13,198,476</u>		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,807,366</u>		

Mamaroneck Union Free School District, New York

General Fund
 Schedule of Revenues Compared to Budget
 Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REAL PROPERTY TAXES	\$ 124,968,932	\$ 124,968,932	\$ 124,945,173	\$ (23,759)
OTHER TAX ITEMS				
Payments in lieu of taxes	47,335	47,335	46,777	(558)
School tax relief reimbursement	3,780,148	3,780,148	3,780,148	-
	<u>3,827,483</u>	<u>3,827,483</u>	<u>3,826,925</u>	<u>(558)</u>
NON-PROPERTY TAXES				
Non-property tax distribution from County	2,220,494	2,220,494	2,433,846	213,352
CHARGES FOR SERVICES				
Day school tuition - Individuals	25,000	25,000	40,225	15,225
Day school tuition - Other districts	400,000	400,000	506,082	106,082
Health services for other districts	925,000	925,000	968,519	43,519
Transportation - Other districts	7,000	7,000	-	(7,000)
Other services for other districts and other governments	250,000	250,000	285,189	35,189
	<u>1,607,000</u>	<u>1,607,000</u>	<u>1,800,015</u>	<u>193,015</u>
USE OF MONEY AND PROPERTY				
Earnings on investments	480,000	480,000	102,677	(377,323)
Rental of real property	621,000	621,000	464,959	(156,041)
	<u>1,101,000</u>	<u>1,101,000</u>	<u>567,636</u>	<u>(533,364)</u>
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Insurance recoveries	-	-	158,642	158,642
Minor sales	-	-	1,196	1,196
	<u>-</u>	<u>-</u>	<u>159,838</u>	<u>159,838</u>

STATE AID

Basic formula	6,198,067	6,198,067	6,428,382	230,315
Tuition for students with disabilities	432,393	432,393	90,270	(342,123)
Transportation for students with disabilities	-	-	262,974	262,974
Textbooks	523,841	372,138	278,660	(93,478)
Computer software	-	107,941	107,941	-
Library	-	43,762	43,762	-
Other	100,000	100,000	594,549	494,549
	<u>7,254,301</u>	<u>7,254,301</u>	<u>7,806,538</u>	<u>552,237</u>

FEDERAL AID

Elementary and Secondary School Emergency Relief Fund (CARES)	342,529	342,529	342,529	-
Governor's Emergency Education Relief Fund (CARES)	58,053	58,053	58,053	-
Medicaid assistance	250,000	250,000	92,538	(157,462)
	<u>650,582</u>	<u>650,582</u>	<u>493,120</u>	<u>(157,462)</u>

MISCELLANEOUS

Refund of prior year's expenditures	205,000	205,000	613,000	408,000
Reimbursement of Medicare Part D expenditures	300,000	300,000	274,156	(25,844)
Other	75,000	75,000	41,830	(33,170)
	<u>580,000</u>	<u>580,000</u>	<u>928,986</u>	<u>348,986</u>

TOTAL REVENUES

	<u>\$ 142,209,792</u>	<u>\$ 142,209,792</u>	<u>\$ 142,962,077</u>	<u>\$ 752,285</u>
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See independent auditors' report.

Mamaroneck Union Free School District, New York

General Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget
 Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
GENERAL SUPPORT					
BOARD OF EDUCATION					
Board of education	\$ 32,704	\$ 32,827	\$ 29,378	\$ 2,699	\$ 750
District clerk	25,280	20,155	19,518	-	637
District meeting	41,125	41,125	26,289	-	14,836
Total Board of Education	<u>99,109</u>	<u>94,107</u>	<u>75,185</u>	<u>2,699</u>	<u>16,223</u>
CENTRAL ADMINISTRATION					
Chief school administrator	<u>435,365</u>	<u>435,433</u>	<u>419,036</u>	<u>9,222</u>	<u>7,175</u>
FINANCE					
Business administration	852,937	823,517	777,142	928	45,447
Auditing	143,200	143,200	113,187	5,780	24,233
Treasurer	19,581	19,581	11,225	900	7,456
Purchasing	148,648	150,836	148,009	2,816	11
Fiscal agent fees	2,500	2,500	2,500	-	-
Total Finance	<u>1,166,866</u>	<u>1,139,634</u>	<u>1,052,063</u>	<u>10,424</u>	<u>77,147</u>
STAFF					
Legal	291,000	402,262	352,364	-	49,898
Personnel	672,791	678,292	609,132	17,700	51,460
Public information and services	156,225	157,386	152,703	4,304	379
Total Staff	<u>1,120,016</u>	<u>1,237,940</u>	<u>1,114,199</u>	<u>22,004</u>	<u>101,737</u>

CENTRAL SERVICES

Operation and maintenance of plant	9,809,634	9,965,685	8,960,676	465,109	539,900
Central printing and mailing	37,500	37,500	27,476	-	10,024
Central data processing	1,327,176	2,142,920	1,321,183	772,671	49,066

Total Central Services	11,174,310	12,146,105	10,309,335	1,237,780	598,990
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SPECIAL ITEMS

Unallocated insurance	573,194	573,058	525,176	-	47,882
Judgments and claims	100,000	2,138,234	639,288	-	1,498,946
Taxes on school property	350,774	350,774	318,397	-	32,377
Administrative charge - BOCES	126,340	191,340	163,063	-	28,277

Total Special Items	1,150,308	3,253,406	1,645,924	-	1,607,482
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Total General Support	15,145,974	18,306,625	14,615,742	1,282,129	2,408,754
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INSTRUCTION**INSTRUCTION, ADMINISTRATION
AND IMPROVEMENT**

Curriculum development and supervision	491,718	500,466	497,432	-	3,034
Building administration	4,029,741	4,065,115	3,785,632	41,282	238,201
Research, planning and evaluation	646,763	659,052	600,300	36,279	22,473
Professional development	19,000	9,000	2,850	-	6,150
In-service training - Instruction	943,611	819,861	784,437	21,120	14,304

Total Instruction, Administration and Improvement	6,130,833	6,053,494	5,670,651	98,681	284,162
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TEACHING - REGULAR SCHOOL	46,327,895	46,268,088	44,783,916	412,038	1,072,134
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PROGRAMS FOR STUDENTS WITH DISABILITIES	17,840,511	17,848,395	16,268,131	194,151	1,386,113
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OCCUPATIONAL EDUCATION	51,672	70,242	68,892	-	1,350
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TEACHING - SPECIAL SCHOOLS	284,500	253,069	179,104	11,600	62,365
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(Continued)

Mamaroneck Union Free School District, New York

General Fund

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

Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
INSTRUCTION (Continued)					
INSTRUCTIONAL MEDIA					
School library and audiovisual	\$ 1,100,632	\$ 1,085,444	\$ 1,074,116	\$ 204	\$ 11,124
Computer assisted instruction	966,824	1,010,763	928,471	40,362	41,930
Total Instructional Media	2,067,456	2,096,207	2,002,587	40,566	53,054
PUPIL SERVICES					
Guidance - Regular school	2,555,337	2,392,395	2,367,471	3,857	21,067
Health services - Regular school	1,348,103	1,568,174	1,427,427	-	140,747
Psychological services - Regular school	1,806,232	1,741,248	1,710,224	-	31,024
Social work services - Regular school	714,861	621,536	586,169	-	35,367
Co-curricular activities - Regular school	392,801	220,649	149,043	2,590	69,016
Interscholastic athletics - Regular school	1,333,698	1,195,448	1,008,497	43,470	143,481
Total Pupil Services	8,151,032	7,739,450	7,248,831	49,917	440,702
Total Instruction	80,853,899	80,328,945	76,222,112	806,953	3,299,880
PUPIL TRANSPORTATION					
District transportation services	106,797	106,797	93,168	-	13,629
Contract transportation	4,075,552	4,094,523	3,901,400	-	193,123
Building	15,100	15,410	13,815	-	1,595
Total Pupil Transportation	4,197,449	4,216,730	4,008,383	-	208,347

EMPLOYEE BENEFITS

State retirement	1,751,528	1,703,867	1,699,677	-	4,190
Teachers' retirement	6,274,300	5,832,997	5,811,458	-	21,539
Social security	5,782,523	5,973,694	5,476,935	-	496,759
Life insurance	97,851	97,851	81,417	-	16,434
Hospital, medical and dental insurance	23,092,361	22,446,961	22,139,796	-	307,165
Workers' compensation	544,538	1,044,538	671,133	-	373,405
Unemployment benefits	54,000	154,000	81,179	-	72,821
Disability insurance	20,200	20,200	20,181	-	19
Other	117,500	89,518	82,338	-	7,180
	<u>37,734,801</u>	<u>37,363,626</u>	<u>36,064,114</u>	<u>-</u>	<u>1,299,512</u>

DEBT SERVICE

Energy performance contract					
Principal	329,908	329,908	329,908	-	-
Interest	65,175	65,175	65,175	-	-
	<u>395,083</u>	<u>395,083</u>	<u>395,083</u>	<u>-</u>	<u>-</u>

TOTAL EXPENDITURES

<u>138,327,206</u>	<u>140,611,009</u>	<u>131,305,434</u>	<u>2,089,082</u>	<u>7,216,493</u>
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OTHER FINANCING USES

Transfers out					
Capital Projects Fund	-	1,104,431	1,104,431	-	-
Special Aid Fund	225,000	186,766	88,469	-	98,297
Debt Service Fund	5,722,696	4,972,696	4,908,013	-	64,683
	<u>5,947,696</u>	<u>6,263,893</u>	<u>6,100,913</u>	<u>-</u>	<u>162,980</u>

TOTAL EXPENDITURES AND OTHER FINANCING USES

<u>\$ 144,274,902</u>	<u>\$ 146,874,902</u>	<u>\$ 137,406,347</u>	<u>\$ 2,089,082</u>	<u>\$ 7,379,473</u>
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See independent auditors' report.

Mamaroneck Union Free School District, New York

Special Aid Fund
Comparative Balance Sheet
June 30,

	<u>2021</u>	<u>2020</u>
ASSETS		
Receivables		
State and Federal aid	\$ 1,337,382	\$ 994,606
Due from other funds	<u>-</u>	<u>285,649</u>
Total Assets	<u>\$ 1,337,382</u>	<u>\$ 1,280,255</u>
LIABILITIES		
Accounts payable	\$ 48,285	\$ 39,979
Due to other funds	1,059,937	1,138,656
Due to other governments	175,585	87,646
Unearned revenues	<u>53,575</u>	<u>13,974</u>
Total Liabilities	<u>\$ 1,337,382</u>	<u>\$ 1,280,255</u>

See independent auditors' report.

Mamaroneck Union Free School District, New York

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

	<u>2021</u>	<u>2020</u>
REVENUES		
State aid	\$ 617,813	\$ 1,113,172
Federal aid	1,731,691	1,890,166
Miscellaneous	<u>371,805</u>	<u>2,857</u>
Total Revenues	2,721,309	3,006,195
EXPENDITURES		
Current		
Instruction	<u>2,809,778</u>	<u>3,238,934</u>
Deficiency of Revenues Over Expenditures	(88,469)	(232,739)
OTHER FINANCING SOURCES		
Transfers in	<u>88,469</u>	<u>232,739</u>
Net Change in Fund Balance	-	-
FUND BALANCE		
Beginning of Year	<u>-</u>	<u>-</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

Mamaroneck Union Free School District, New York

Capital Projects Fund
Comparative Balance Sheet
June 30,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 13,644,974	\$ -
Due from other funds	<u>1,059,937</u>	<u>-</u>
Total Assets	<u><u>\$ 14,704,911</u></u>	<u><u>\$ -</u></u>
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities		
Accounts payable	\$ 1,231,230	\$ 286,450
Bond anticipation notes payable	407,054	-
Due to other funds	<u>-</u>	<u>1,247,273</u>
Total Liabilities	<u>1,638,284</u>	<u>1,533,723</u>
Fund balance (deficit)		
Restricted	13,066,627	-
Unassigned	<u>-</u>	<u>(1,533,723)</u>
Total Fund Balance (Deficit)	<u>13,066,627</u>	<u>(1,533,723)</u>
Total Liabilities and Fund Balance (Deficit)	<u><u>\$ 14,704,911</u></u>	<u><u>\$ -</u></u>

See independent auditors' report.

Mamaroneck Union Free School District, New YorkCapital Projects Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended June 30,

	<u>2021</u>	<u>2020</u>
REVENUES		
State aid	\$ -	\$ 79,169
EXPENDITURES		
Capital outlay	<u>5,256,297</u>	<u>1,957,980</u>
Deficiency of Revenues Over Expenditures	(5,256,297)	(1,878,811)
OTHER FINANCING SOURCES (USES)		
General obligation bonds issued	16,580,000	-
Issuance premium	1,911,520	-
Transfers in	1,593,431	-
Transfers out	<u>(228,304)</u>	<u>-</u>
Total Other Financing Sources	<u>19,856,647</u>	<u>-</u>
Net Change in Fund Balance	14,600,350	(1,878,811)
FUND BALANCE (DEFICIT)		
Beginning of Year	<u>(1,533,723)</u>	<u>345,088</u>
End of Year	<u>\$ 13,066,627</u>	<u>\$ (1,533,723)</u>

See independent auditors' report.

Mamaroneck Union Free School District, New York

Capital Projects Fund
 Project-Length Schedule
 Inception of Project Through June 30, 2021

PROJECT	Authorization	Expenditures and Transfers to Date			Unexpended Balance
		Prior Years	Current Year	Total	
2019 Bond Projects					
High School Fire Alarm	\$ 3,157,162	\$ 373,136	\$ 1,360,082	\$ 1,733,218	\$ 1,423,944
High School Renovations	13,039,793	119,644	524,151	643,795	12,395,998
Central School Renovations	4,321,741	45,178	143,921	189,099	4,132,642
Mamaroneck Avenue School Renovations	7,866,945	403,030	625,337	1,028,367	6,838,578
Chatsworth Avenue School Renovations	8,144,993	377,176	2,347,278	2,724,454	5,420,539
Murray Avenue School Electric Upgrade	544,525	74,572	113,178	187,750	356,775
Murray Avenue School Renovations	6,383,883	268,868	7,636	276,504	6,107,379
Transportation Garage	565,133	29,054	2,319	31,373	533,760
Hommocks Middle School Renovations	5,730,995	71,369	132,395	203,764	5,527,231
Total 2019 Bond Projects	49,755,170	1,762,027	5,256,297	7,018,324	42,736,846
District-wide Improvements	9,621,608	9,508,707	112,563	9,621,270	338
High School PE Locker Room	7,088,094	6,975,545	108,244	7,083,789	4,305
High School Renovations	1,431,565	1,425,282	6,283	1,431,565	-
Chatsworth Avenue School Renovations	652,935	651,721	1,214	652,935	-
Totals	<u>\$ 68,549,372</u>	<u>\$ 20,323,282</u>	<u>\$ 5,484,601</u>	<u>\$ 25,807,883</u>	<u>\$ 42,741,489</u>

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Proceeds of Obligations	Methods of Financing			Fund Balance (Deficit) at June 30, 2021	Bond Anticipation Notes June 30, 2021
	Transfers In	State Aid	Total		
\$ 2,129,400	\$ -	\$ -	\$ 2,129,400	\$ 396,182	\$ -
1,104,431	-	-	1,104,431	460,636	407,054
1,472,365	-	-	1,472,365	1,283,266	-
6,862,147	-	-	6,862,147	5,833,780	-
7,655,993	489,000	-	8,144,993	5,420,539	-
371,615	-	-	371,615	183,865	-
-	-	-	-	(276,504)	-
-	-	-	-	(31,373)	-
-	-	-	-	(203,764)	-
19,595,951	489,000	-	20,084,951	13,066,627	407,054
9,455,000	-	166,270	9,621,270	-	-
7,083,789	-	-	7,083,789	-	-
1,431,565	-	-	1,431,565	-	-
652,935	-	-	652,935	-	-
<u>\$ 38,219,240</u>	<u>\$ 978,000</u>	<u>\$ 166,270</u>	<u>\$ 38,874,510</u>	<u>\$ 13,066,627</u>	<u>\$ 407,054</u>

Mamaroneck Union Free School District, New York

Combining Balance Sheet
 Non-Major Governmental Funds
 June 30, 2021
 (With Comparative Totals for 2020)

	School Lunch	Special Purpose	Debt Service
ASSETS			
Cash and equivalents	\$ 314,753	\$ 742,114	\$ 255,474
Investments	-	7,395	750,596
State and Federal aid receivable	335,438	-	-
Inventories	14,826	-	-
Total Assets	<u>\$ 665,017</u>	<u>\$ 749,509</u>	<u>\$ 1,006,070</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 110,623	\$ 20,917	\$ -
Due to other funds	-	-	-
Unearned revenues	55,130	-	-
Total Liabilities	<u>165,753</u>	<u>20,917</u>	<u>-</u>
Fund balances			
Nonspendable	14,826	-	-
Restricted	-	728,592	1,006,070
Assigned	484,438	-	-
Total Fund Balances	<u>499,264</u>	<u>728,592</u>	<u>1,006,070</u>
Total Liabilities and Fund Balances	<u>\$ 665,017</u>	<u>\$ 749,509</u>	<u>\$ 1,006,070</u>

See independent auditors' report.

Non-Major
Governmental Funds

2021	2020
\$ 1,312,341	\$ 1,574,666
757,991	759,250
335,438	117,828
14,826	19,929
<u>\$ 2,420,596</u>	<u>\$ 2,471,673</u>
\$ 131,540	\$ 69,101
-	3,822
55,130	65,380
<u>186,670</u>	<u>138,303</u>
14,826	19,929
1,734,662	2,173,984
484,438	139,457
<u>2,233,926</u>	<u>2,333,370</u>
<u>\$ 2,420,596</u>	<u>\$ 2,471,673</u>

Mamaroneck Union Free School District, New York

Combining Statement of Revenues, Expenditures and
 Changes in Fund Balances
 Non-Major Governmental Funds
 Year Ended June 30, 2021
 (With Comparative Totals for 2020)

	School Lunch	Special Purpose	Debt Service
REVENUES			
Use of money and property	\$ 14	\$ 9	\$ 2,054
State aid	45,509	-	-
Federal aid	1,469,284	-	-
Food sales	124	-	-
Miscellaneous	14,908	800,286	-
	<u>1,529,839</u>	<u>800,295</u>	<u>2,054</u>
EXPENDITURES			
Current			
Community services	-	336,138	-
Cost of food sales	1,189,961	-	-
Other	-	644,835	-
Debt service			
Principal	-	-	4,095,000
Interest	-	-	813,015
Refunding bond issuance costs	-	-	-
	<u>1,189,961</u>	<u>980,973</u>	<u>4,908,015</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>339,878</u>	<u>(180,678)</u>	<u>(4,905,961)</u>
OTHER FINANCING SOURCES (USES)			
Refunding bonds issued	-	-	-
Issuance premium	-	-	-
Payment to refunded bond escrow agent	-	-	-
Transfers in	-	-	5,136,317
Transfers out	-	(489,000)	-
	<u>-</u>	<u>(489,000)</u>	<u>5,136,317</u>
Net Change in Fund Balances	<u>339,878</u>	<u>(669,678)</u>	<u>230,356</u>
FUND BALANCES			
Beginning of Year, as reported	159,386	1,398,270	775,714
Cumulative Effect of Change in Accounting Principle	-	-	-
Beginning of Year, as restated	<u>159,386</u>	<u>1,398,270</u>	<u>775,714</u>
End of Year	<u>\$ 499,264</u>	<u>\$ 728,592</u>	<u>\$ 1,006,070</u>

See independent auditors' report.

Non-Major Governmental Funds	
2021	2020
\$ 2,077	\$ 11,213
45,509	15,983
1,469,284	510,508
124	510,580
815,194	1,013,044
<u>2,332,188</u>	<u>2,061,328</u>
336,138	249,444
1,189,961	1,135,946
644,835	544,987
4,095,000	5,115,000
813,015	756,879
-	68,145
<u>7,078,949</u>	<u>7,870,401</u>
<u>(4,746,761)</u>	<u>(5,809,073)</u>
-	7,595,000
-	778,591
-	(8,284,936)
5,136,317	5,871,879
(489,000)	-
<u>4,647,317</u>	<u>5,960,534</u>
<u>(99,444)</u>	<u>151,461</u>
2,333,370	1,750,153
-	431,756
<u>2,333,370</u>	<u>2,181,909</u>
<u>\$ 2,233,926</u>	<u>\$ 2,333,370</u>

Mamaroneck Union Free School District, New York

School Lunch Fund
Comparative Balance Sheet
June 30,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 314,753	\$ 138,158
State and Federal aid receivable	335,438	117,828
Inventories	<u>14,826</u>	<u>19,929</u>
Total Assets	<u><u>\$ 665,017</u></u>	<u><u>\$ 275,915</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 110,623	\$ 47,327
Due to other funds	-	3,822
Unearned revenues	<u>55,130</u>	<u>65,380</u>
Total Liabilities	<u>165,753</u>	<u>116,529</u>
Fund balance		
Nonspendable	14,826	19,929
Assigned	<u>484,438</u>	<u>139,457</u>
Total Fund Balance	<u>499,264</u>	<u>159,386</u>
Total Liabilities and Fund Balance	<u><u>\$ 665,017</u></u>	<u><u>\$ 275,915</u></u>

See independent auditors' report.

Mamaroneck Union Free School District, New York

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

	<u>2021</u>	<u>2020</u>
REVENUES		
Use of money and property	\$ 14	\$ 219
State aid	45,509	15,983
Federal aid	1,469,284	510,508
Food sales	124	510,580
Miscellaneous	<u>14,908</u>	<u>1,274</u>
 Total Revenues	 1,529,839	 1,038,564
 EXPENDITURES		
Current		
Cost of food sales	<u>1,189,961</u>	<u>1,135,946</u>
 Excess (Deficiency) of Revenues Over Expenditures	 339,878	 (97,382)
 FUND BALANCE		
Beginning of Year	<u>159,386</u>	<u>256,768</u>
 End of Year	 <u>\$ 499,264</u>	 <u>\$ 159,386</u>

See independent auditors' report.

Mamaroneck Union Free School District, New York

Special Purpose Fund
Comparative Balance Sheet
June 30,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 742,114	\$ 1,411,155
Investments	<u>7,395</u>	<u>8,889</u>
Total Assets	<u>\$ 749,509</u>	<u>\$ 1,420,044</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 20,917	\$ 21,774
Fund balance		
Restricted	<u>728,592</u>	<u>1,398,270</u>
Total Liabilities and Fund Balance	<u>\$ 749,509</u>	<u>\$ 1,420,044</u>

See independent auditors' report.

Mamaroneck Union Free School District, New YorkSpecial Purpose Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended June 30,

	<u>2021</u>	<u>2020</u>
REVENUES		
Use of money and property	\$ 9	\$ 130
Miscellaneous	<u>800,286</u>	<u>1,011,770</u>
Total Revenues	<u>800,295</u>	<u>1,011,900</u>
EXPENDITURES		
Current		
Community services	336,138	249,444
Other	<u>644,835</u>	<u>544,987</u>
Total Expenditures	<u>980,973</u>	<u>794,431</u>
Excess of Revenues Over Expenditures	(180,678)	217,469
OTHER FINANCING USES		
Transfers out	<u>(489,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>(669,678)</u>	<u>217,469</u>
FUND BALANCE		
Beginning of Year, as reported	1,398,270	749,045
Cumulative Effect of Change in Accounting Principle	<u>-</u>	<u>431,756</u>
Beginning of Year, as restated	<u>1,398,270</u>	<u>1,180,801</u>
End of Year	<u>\$ 728,592</u>	<u>\$ 1,398,270</u>

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Mamaroneck Union Free School District, New York

Debt Service Fund
Comparative Balance Sheet
June 30,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 255,474	\$ 25,353
Investments	<u>750,596</u>	<u>750,361</u>
Total Assets	<u>\$ 1,006,070</u>	<u>\$ 775,714</u>
FUND BALANCE		
Restricted	<u>\$ 1,006,070</u>	<u>\$ 775,714</u>

See independent auditors' report.

Mamaroneck Union Free School District, New York

Debt Service Fund
 Comparative Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 Years Ended June 30,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Use of money and property	\$ -	\$ -	\$ 2,054	\$ 2,054
EXPENDITURES				
Debt service				
Serial bonds				
Principal	4,095,000	4,095,000	4,095,000	-
Interest	813,015	813,015	813,015	-
	4,908,015	4,908,015	4,908,015	-
Refunding bond issuance costs	-	-	-	-
Total Expenditures	4,908,015	4,908,015	4,908,015	-
Deficiency of Revenues Over Expenditures	(4,908,015)	(4,908,015)	(4,905,961)	2,054
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	-	-	-
Issuance premium	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	4,908,015	4,908,015	5,136,317	228,302
Total Other Financing Sources	4,908,015	4,908,015	5,136,317	228,302
Net Change in Fund Balance	-	-	230,356	230,356
FUND BALANCE				
Beginning of Year	-	-	775,714	775,714
End of Year	\$ -	\$ -	\$ 1,006,070	\$ 1,006,070

See independent auditors' report.

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ 10,864	\$ 10,864
5,115,000	5,115,000	5,115,000	-
756,879	756,879	756,879	-
5,871,879	5,871,879	5,871,879	-
-	88,655	68,145	20,510
5,871,879	5,960,534	5,940,024	20,510
(5,871,879)	(5,960,534)	(5,929,160)	31,374
-	7,595,000	7,595,000	-
-	778,591	778,591	-
-	(8,284,936)	(8,284,936)	-
5,871,879	5,871,879	5,871,879	-
5,871,879	5,960,534	5,960,534	-
-	-	31,374	31,374
-	-	744,340	744,340
\$ -	\$ -	\$ 775,714	\$ 775,714

Mamaroneck Union Free School District, New York

General Fund
Analysis of Change from Adopted Budget to Final Budget
Year Ended June 30, 2021

Adopted Budget	\$ 142,609,792
Additions - Encumbrances	<u>1,665,110</u>
Original Budget	144,274,902
Budget Amendments	<u>2,600,000</u>
Final Budget	<u><u>\$ 146,874,902</u></u>

General Fund
Section 1318 of Real Property Tax Law Limit Calculation

2021-22 Expenditure Budget	\$ <u>144,941,319</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	
Unrestricted fund balance	
Assigned fund balance	\$ 2,089,082
Unassigned fund balance	<u>8,039,808</u>
Total Unrestricted Fund Balance	<u>10,128,890</u>
Less	
Appropriated for subsequent year's budget	-
Encumbrances	<u>2,089,082</u>
Total Adjustments	<u>2,089,082</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 8,039,808</u></u>
Actual Percentage	<u><u>5.55%</u></u>

See independent auditors' report.

Mamaroneck Union Free School District, New York

Schedule of Net Investment in Capital Assets
Year Ended June 30, 2021

Capital Assets, net		\$ 103,437,067
Less		
General obligation bonds payable - Capital construction	\$ (37,530,000)	
Energy performance contract payable	(2,537,330)	
Bond anticipation notes payable	(407,054)	
Unamortized portion of issuance premium on bonds	<u>(2,861,995)</u>	(43,336,379)
Plus		
Unexpended bond proceeds	13,496,322	
Unamortized portion of loss on refunding bonds	<u>225,689</u>	<u>13,722,011</u>
Net Investment in Capital Assets		<u>\$ 73,822,699</u>

See independent auditors' report.

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**Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in Accordance
With Government Auditing Standards**

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Mamaroneck Union Free School District, New York ("School District") as of and for the year ended June 30, 2021, 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 August 31, 2021.

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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

August 31, 2021



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

Independent Auditors' Report

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

Report on Compliance for Each Major Federal Program

We have audited the Mamaroneck Union Free School District, New York's ("School District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2021. The School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

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

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

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

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

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

August 31, 2021

Mamaroneck Union Free School District, New York

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Provided to Sub- Recipients</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>				
Indirect Programs - Passed through New York State Department of Education				
<i>Child Nutrition Cluster</i>				
School Breakfast Program	10.553	N/A	\$ -	\$ 674
National School Lunch Program - Commodities	10.555	N/A	-	92,569
National School Lunch Program - Cash	10.555	N/A	-	1,180
Summer Food Service Program for Children	10.559	N/A	-	1,374,861
			<hr/>	<hr/>
Total U.S. Department of Agriculture			-	1,469,284
<u>U.S. Department of Education</u>				
Indirect Programs - Passed through New York State Department of Education				
<i>Special Education Cluster (IDEA)</i>				
Special Education - Grants to States	84.027	032-21-1067	-	1,310,319
Special Education - Preschool Grants	84.173	033-21-1067	-	50,343
			<hr/>	<hr/>
Subtotal Special Education Cluster			-	1,360,662
Title I Grants to Local Educational Agencies	84.010	021-21-3700	-	218,234
English Language Acquisition State Grants	84.365	293-21-3700	-	53,633
Supporting Effective Instruction State Grants	84.367	147-21-3700	-	82,859
Student Support and Academic Enrichment Program	84.424	204-21-3700	-	1,369
Title IIA - Immigration Grant	84.365A	149-21-3700	-	11,973
Title IIA - Immigration Grant	84.365A	149-20-3700	-	2,961
			<hr/>	<hr/>
			-	14,934
Governor's Emergency Education Relief (GEER) Fund (CARES)	84.425C	5895-21-3700	-	58,053
Elementary and Secondary School Emergency Relief (ESSER) Fund (CARES)	84.425D	5890-21-3700	-	342,529
			<hr/>	<hr/>
			-	400,582
Total U.S. Department of Education			-	2,132,273
Total Expenditures of Federal Awards			<hr/> <hr/>	<hr/> <hr/>
			\$ -	\$ 3,601,557

N/A - Information not available

The accompanying notes are an integral part of this schedule.

Mamaroneck Union Free School District, New York

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards ("Schedule") includes the federal award activity of the Mamaroneck Union Free School District, New York ("School District") under programs of the federal government for the year ended June 30, 2021. Federal awards received directly from the Federal agencies as well as Federal awards passed through other government agencies are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the School District.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

Note 3 - Indirect Cost Rate

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

Mamaroneck Union Free School District, New York

Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Section I - Summary of Auditors' Results

Financial Statements

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

Unmodified

Internal control over financial reporting:

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

___ Yes X No
___ Yes X None reported

Noncompliance material to financial statements noted?

___ Yes X No

Federal Awards

Internal control over major federal programs:

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

___ Yes X No
___ Yes X None reported

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

Unmodified

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

___ Yes X No

Identification of major federal programs:

Assistance

Listing Number(s)

Name of Federal Program or Cluster

84.027
84.173

Special Education Cluster (IDEA):
Special Education – Grants to States
Special Education – Preschool Grants

84.425C

Governor's Emergency Education Relief (GEER) Fund (CARES)

84.425D

Elementary and Secondary School Emergency Relief (ESSER) Fund (CARES)

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

X Yes ___ No

Mamaroneck Union Free School District, New York

Schedule of Findings and Questioned Costs (Concluded)
Year Ended June 30, 2021

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Mamaroneck Union Free School District, New York

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2021

None