

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

Financial Statements and  
Supplementary Information

Year Ended June 30, 2022



# Irvington Union Free School District, New York

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## **Independent Auditors' Report**

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

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

#### ***Opinions***

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Irvington Union Free School District, New York ("School District"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the School District, as of June 30, 2022, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

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

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

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

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

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

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual fund financial statements and schedules 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, 2022 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules 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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2022 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

October 3, 2022

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# Irvington Union Free School District, New York

Management's Discussion and Analysis ("MD&A")  
June 30, 2022

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## Introduction

Our discussion and analysis of the Irvington Union Free School District, New York's financial performance provides an overview of the School District's financial activities for the year ended June 30, 2022. It should be read in conjunction with the basic financial statements, which immediately follows this section, to enhance understanding of the School District's financial performance.

## Financial Highlights

Key financial highlights for fiscal year 2021-2022 are as follows:

- New York State Law limits the amount of committed, assigned and unassigned fund balance, exclusive of encumbrances and amounts designated for the subsequent year's budget that can be retained by the General Fund to 4% of the ensuing year's budget. At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$2,738,999. This is at the 4% limit for unassigned fund balance.
- As of the close of the current fiscal year, the School Districts governmental fund financial statements report a combined ending fund balance of \$23,143,885, an increase of \$16,048,241 from the prior year. This increase was the result of an increase in Capital Projects Fund of \$13.3 million and by the General Fund of \$2.5 million. The Capital funds are committed and will largely be spent by the fall of 2022.
- 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 \$116,791,357. This represented an improvement of \$8,291,555 for the year ended June 30, 2022, when compared to fiscal year 2021, leaving the District in a better net position year over year.
- For the year ended June 30, 2022, the School District's OPEB liability of \$109,741,210 is reflected on the district-wide Statement of Net Position and impacts the total net position calculation. This decrease of \$32,074,317 from the prior year was due to changes in the discount rate and actuarial assumptions as well as negotiated contract changes that benefit the future fiscal health of the District. More detailed information about the School District's OPEB obligations reported in accordance with the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*", is presented in Note 3E in the notes to the financial statements.
- The district-wide financial statements for the year ended June 30, 2022 are also significantly impacted by the provisions of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*." This pronouncement established accounting and financial reporting requirements associated with the School District's participation in the cost sharing multiple employer pension plans administered by the New York State and Local Employees' Retirement System ("ERS") and the New York State Teachers' Retirement System ("TRS"). Under this standard, cost-sharing employers are required to report in their district-wide financial statements a net pension liability

(asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all of the municipalities and school districts in the plan. At June 30, 2022, the School District reported in its Statement of Net Position an asset for its proportionate share of the ERS net pension asset of \$1,334,096 and an asset of \$25,412,264 for its proportionate share of the TRS net pension asset. More detailed information about the School District's pension plan reporting in accordance with the provisions of GASB Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in Note 3E in the notes to financial statements.

- School Lunch Fund ended with an increase to the fund balance in the amount of \$113,154. Meals were free to all students as the District participates in the National School Lunch Program during 2021-22. Fund balance will be used toward cafeteria kitchen equipment upgrades and various programs for the next school years. It is important to note that the General Fund does not supplement the School Lunch Fund. The District receives Federal and State Aid on meals served. Additionally, since all meals were free to all students during the entire 2021-2022 year, this resulted in an increase in Federal and State Aid when compared to previous years.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements 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 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 between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.
- The *statement of activities* presents information showing how the School District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.
- The *governmental* activities of the School District include instruction, pupil transportation, 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 government'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 five individual governmental funds; General Fund, Capital Projects Fund, Special Aid Fund, School Lunch Fund and Special Purpose 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 Fund and Capital Projects Fund, 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 financial statements for the governmental funds can be found in the basic financial statements section of this report.

#### *Notes to Financial Statements*

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

#### *Other Information*

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information for the School District's other postemployment and pension benefit 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 Irvington Union Free School District, New York, liabilities and deferred inflows of resources exceeded the assets and deferred outflows of resources by \$116,791,357 at the close of the current fiscal year, however the net position improved by \$8,291,444 during this fiscal year.

### Statement of Net Position

	June 30,	
	2022	2021
Current Assets	\$ 55,381,920	\$ 21,159,864
Capital Assets, net	40,760,511	37,177,936
Total Assets	96,142,431	58,337,800
Deferred Outflows of Resources	20,717,401	21,875,198
Current Liabilities	5,952,010	17,556,252
Long-term Liabilities	155,695,514	173,520,106
Total Liabilities	161,647,524	191,076,358
Deferred Inflows of Resources	72,003,665	14,219,552
Net Position		
Net Investment in Capital Assets	12,286,098	11,863,261
Restricted	3,113,421	6,195,465
Unrestricted	(132,190,876)	(143,141,638)
Total Net Position	\$ (116,791,357)	\$ (125,082,912)

A large component of the School District's net position, \$12,286,098, reflects its investment in capital assets, less any related debt that is still outstanding that was used to acquire those assets. The School District uses these capital assets to provide services to students and consequently, these assets are not available for future spending. Although the School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Those assets subject to external restrictions listed above constitute \$3,113,421 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 \$132,190,876 primarily a result of the recognition of the OPEB liabilities. Overall, net position increased positively by \$8,291,555 mostly as a result in the change in OPEB and pension assets and liabilities.

Current Assets increased by \$34,222,056 as a result of New York State pension activity. As per GASB 68, the District recognized a net pension asset of \$26,746,360, whereas in the previous year, the New York State pensions were recorded as a net pension liability. It is important to note that these funds are all controlled by New York State for retirement obligation and not controlled by the District.

### Changes in Net Position

	June 30,	
	2022	2021
<b>REVENUES</b>		
Program Revenues		
Charges for Services	\$ 1,201,461	\$ 621,150
Operating Grants and Contributions	2,446,258	2,001,574
Capital Grants and Contributions	820	79,985
	3,648,539	2,702,709
General Revenues		
Real Property Taxes	57,945,883	56,293,742
Other Tax Items	2,004,087	2,225,829
Non-Property Taxes	920,676	866,220
Unrestricted Use of Money and Property	22,489	319,554
Sale of Property and Compensation for Loss	4,080	-
Unrestricted State Aid	3,677,680	3,170,098
Miscellaneous	618,758	940,128
	65,193,653	63,815,571
Total General Revenues		
Total Revenues	68,842,192	66,518,280
<b>PROGRAM EXPENSES</b>		
General Support	5,474,796	9,889,013
Instruction	50,918,797	56,956,383
Pupil Transportation	2,585,589	2,426,413
Cost of Food Sales	723,883	326,748
Other	186,444	204,324
Interest	661,128	579,857
	60,550,637	70,382,738
Total Expenses		
Change in Net Position	8,291,555	(3,864,458)
<b>NET POSITION</b>		
Beginning, as reported	(125,082,912)	(121,516,229)
Cumulative Effect of Change in Accounting Principle	-	297,775
Net Position-Beginning, as restated	(125,082,912)	(121,218,454)
Ending	\$ (116,791,357)	\$ (125,082,912)

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

Revenues:

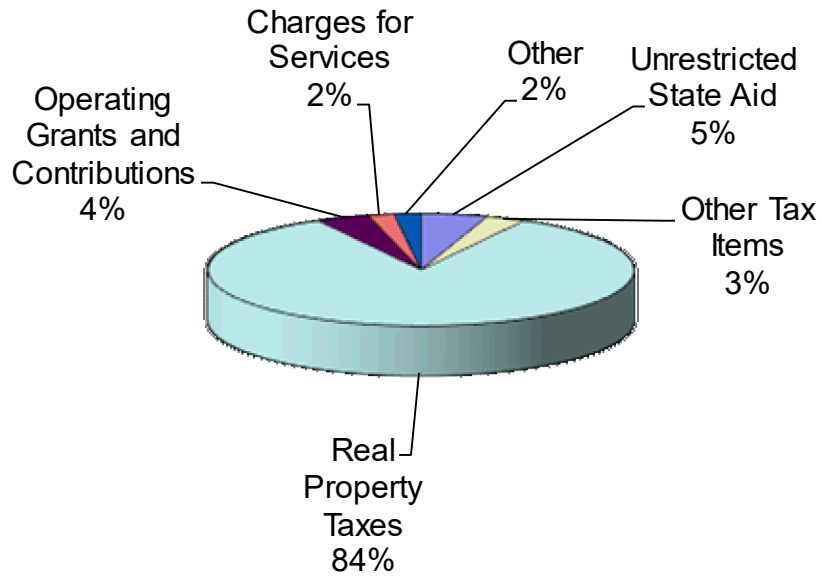
- Real Property Taxes increased by \$1,652,141 based on the adopted budget.
- Unrestricted State Aid increased by \$507,582 due to increased formula aid from NYS.
- Operating Grants and Contributions increased by \$444,684 due to increased State and Federal aid used to support District programs.
- Other tax items include reimbursements received under the School Tax Relief Reimbursement Program (“STAR”). The STAR program provides tax relief to homeowners through State reimbursement to the School District. Other tax items decreased by \$221,742 because new home owners are reimbursed by the State directly via check in lieu of a credit on tax bills.
- Charges for services increased by \$580,311 due to increases in food sales to students as breakfast and lunch were provided free to all students per the National School Lunch directive during 2021-2022. This resulted in an increase in Federal and State Aid when compared to previous years and leading to the requirement of a Single Audit.

Expenses:

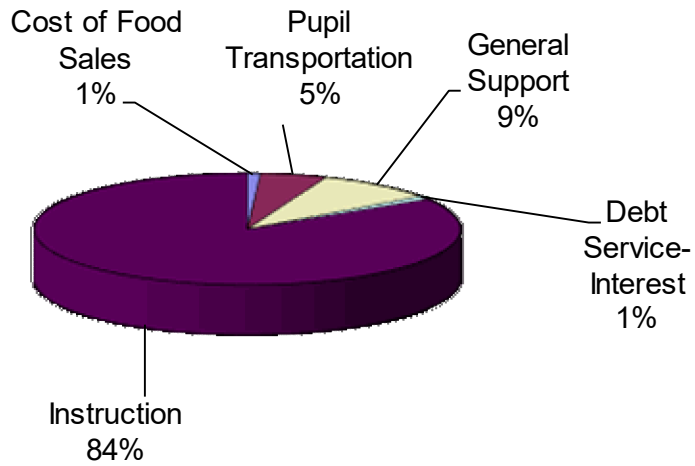
Overall expenses decreased by \$9,832,101 from the prior year. This decrease was primarily due to decreases in OPEB and pension expense, offset by increases in operating expenses in the District’s governmental funds. The decrease in OPEB expense is mainly the result of changes in the discount rate used in computing the liability. Additionally, lessening future retirement obligations through contract negotiations benefit the future fiscal health of the District and lowers the OPEB expense. The District is required to use the AA municipal bond rate for this purpose. The decrease in pension expense is mainly the result of investment gains achieved by ERS and TRS.

The School District relies upon real property taxes as its primary revenue source. The School District’s instruction costs account for 84% of its expenses.

**Sources of Revenue for Fiscal Year End 2022  
Governmental Activities**



**Expenses for Fiscal Year End 2022  
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 School District's net resources available for spending at the end of the fiscal year. Additionally, as per New York State law, the District is able to utilize restricted fund balance for additional funds to help ensure the instructional programs are not impacted by key external events. Through long-range financial planning, the District establishes and incrementally funds these reserves to handle financial fluctuations.

As of the end of the current fiscal year, the School District's governmental funds reported combined fund balances of \$23,143,885, an increase of \$16,048,241 from the prior year. \$10,639,222 of this increase is remaining proceeds of a voter approved bond to support the District's ongoing capital project. This project is scheduled for completion by the end of 2022. The \$23,143,885 fund balance consists of the following:

Nonspendable -		
	Inventories	<u>\$ 9,061</u>
Restricted:		
	Workers compensation	916,737
	Tax Certiorari	4,713,182
	Employee Benefit Accrued Liability	622,128
	Retirement Contributions	751,293
	Future Capital Projects	1,117,300
	Capital Projects	10,639,222
	Special Purposes	<u>328,091</u>
Total Restricted		<u>19,087,953</u>
Assigned:		
Purchases On Order:		
	General Government Support	391,749
	Instruction	<u>77,480</u>
		469,229
Subsequent year's expenditures from-		
General Fund		<u>422,500</u>
School Lunch Fund		<u>416,143</u>
Total Assigned		<u>1,307,872</u>
Unassigned -		
	General Fund	<u>2,738,999</u>
	<b>Total Fund Balances</b>	<u><u>\$ 23,143,885</u></u>



The General Fund is the primary operating fund of the School District. Revenues and other financing sources were higher than the final budget by \$953,904, or 1.4% due to string sales tax revenue, additional tuition paying students, improved state aid and E-rate funds. Expenditures excluding other financing uses, inclusive of encumbrances, were \$2,839,134 lower than the final budget. This favorable variance was achieved by controlling expenditures and unanticipated delays in filling vacant positions including associated employee benefits and favorable variances in special education expenses and transportation expense.

### Capital Assets

At June 30, 2022, the School District had \$40,760,511 net of accumulated depreciation, invested in a broad range of capital assets, including land, buildings and improvements, machinery and equipment and construction-in-progress. The change in capital assets, net of accumulated depreciation, is reflected below.

Class	June 30,	
	2022	2021
Land	\$ 793,200	\$ 793,200
Buildings and Improvements	33,275,002	33,221,360
Land improvements	463,946	726,620
Machinery and Equipment	423,919	438,945
Construction-in-Progress	5,804,444	1,997,811
Total Capital Assets, net of accumulated depreciation	<u>\$ 40,760,511</u>	<u>\$ 37,177,936</u>

As noted previously, the District is currently in the middle of an \$18,867,640 voter approved capital project which is anticipated to be completed by the fall of 2022. More detailed information about the School District's capital assets is presented in note 3B in the notes to financial statements.

### Long-Term Debt

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

	June 30,	
	2022	2021
Bonds Payable	\$ 38,898,103	\$ 23,852,728
Claims	6,451,846	6,634,472
Compensated Absences	604,355	557,046
Net Pension Liability - ERS	-	16,125
Net Pension Liability - TRS	-	4,004,208
Other Post Employment Benefit Liability	109,741,210	141,815,527
Total	<u>\$ 155,695,514</u>	<u>\$ 176,880,106</u>

The District issued new a construction bond to fund the current capital project. More detailed information about the School District's long-term liabilities is presented in Note 3E in the notes to financial statements.

### **Future Considerations**

The School District and Board monitor its fiscal health through monthly financial reports and analyses and utilize various audit methods. These analyses and audits assist in identifying areas of potential financial stress, developing realistic budgets that serve the academic and emotional needs of students, as well as, in making timely decisions when faced with important financial decisions. There are four types of auditors that assist in the School District setting: claims auditor, internal auditor, external auditor, and State auditors. Each has a very important role in ensuring that the School District is financially solvent and that the School Board upholds its fiduciary responsibilities to its community. They each inform that the School District's financial operations are performing in accordance with state laws and/or existing School Board policies and administrative regulations. There have been no corrective action plans from any recent audits.

At the time the financial statements were prepared and audited, the School District is aware of several unsettled tax certiorari cases. While the School District has settled several significant tax certiorari cases in recent years, other cases continue to be brought forward. As noted with the inclusion of the tax certiorari exposure in our financial statements, the results of these tax certiorari cases could impact the district's financial health. However, the continued funding of the tax certiorari reserves serves to mitigate this risk.

Additionally, at the time the financial statements were prepared and audited, the district has settled contracts with all of its bargaining units, including a recent agreement between the School District and the Irvington Faculty Association ratified by the Board of Education on May 3, 2022 will run through June 2027. The agreement with the Irvington Administrator Association will end in June 2024. The CSEA Custodial Unit ends in June 2024 and CSEA Clerical/AIDE contract will end in June 2027.

In May 2019, voters approved a capital project borrowing of \$18,867,640 to improve building security, address infrastructure needs, add air conditioning to larger spaces, create energy efficiencies and modernize learning spaces. This project will be tax neutral, as the debt incurred for this project will replace expiring debt.

The District has applied for and received multiple federal grant opportunities due to COVID-19. The District was granted \$68,978 through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and \$206,845 for the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA). All those funds have been allocated and received. The District was also approved for the American Rescue Plan Act (ARP) in the amount of \$464,879. These funds are still available to the District. While this grant spans multiple years, the District has engaged and will continue to engage with all stakeholders to generate sound fiscal plans to address the pandemic to ensure a safe learning environment and address the social, emotional and academic toll the pandemic has on the District's students.

## **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:

Irvington Union Free School District  
Attention: Carol Stein  
Assistant Superintendent for Business  
40 North Broadway  
Irvington, New York 10533

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

Statement of Net Position  
June 30, 2022

	Governmental Activities
<b>ASSETS</b>	
Cash and equivalents	\$ 5,702,070
Investments	21,459,698
Receivables	
Accounts	72,093
State and Federal aid	469,755
Due from other governments	922,883
Inventories	9,061
Net pension asset - TRS	25,412,264
Net pension asset - ERS	1,334,096
Capital assets	
Not being depreciated	6,597,644
Being depreciated, net	34,162,867
	<hr/>
Total Assets	96,142,431
	<hr/>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related	17,139,973
OPEB related	3,577,428
	<hr/>
Total Deferred Outflows of Resources	20,717,401
	<hr/>
<b>LIABILITIES</b>	
Accounts payable	1,703,676
Accrued liabilities	299,147
Unearned revenues	63,095
Due to other governments	363,700
Due to retirement systems	3,059,445
Employee payroll deductions	2,612
Accrued interest payable	460,335
Non-current liabilities	
Due within one year	3,157,109
Due in more than one year	152,538,405
	<hr/>
Total Liabilities	161,647,524
	<hr/>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related	32,972,850
OPEB related	39,030,815
	<hr/>
Total Deferred Inflows of Resources	72,003,665
	<hr/>
<b>NET POSITION</b>	
Net investment in capital assets	12,286,098
Restricted	
Future capital projects	1,117,300
Workers compensation	916,737
Special purpose	328,091
Retirement contributions	751,293
Unrestricted	(132,190,876)
	<hr/>
Total Net Position	\$ (116,791,357)
	<hr/>

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

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

Statement of Activities  
Year Ended June 30, 2022

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	\$ 5,474,796	\$ 333,097	\$ 6,457	\$ -	\$ (5,135,242)
Instruction	50,918,797	673,622	1,534,081	-	(48,711,094)
Pupil transportation	2,585,589	-	36,181	-	(2,549,408)
Cost of food sales	723,883	194,742	642,295	-	113,154
Other	186,444	-	227,244	-	40,800
Interest	661,128	-	-	820	(660,308)
<b>Total Governmental Activities</b>	<b>\$ 60,550,637</b>	<b>\$ 1,201,461</b>	<b>\$ 2,446,258</b>	<b>\$ 820</b>	<b>(56,902,098)</b>
General revenues					
Real property taxes					57,945,883
Other tax items					
School tax relief reimbursement					2,004,087
Non-property taxes					
Non-property tax distribution from County					920,676
Unrestricted use of money and property					22,489
Sale of property and compensation for loss					4,080
Unrestricted State aid					3,677,680
Miscellaneous					618,758
<b>Total General Revenues</b>					<b>65,193,653</b>
Change in Net Position					8,291,555
Net Position - Beginning					(125,082,912)
Net Position - Ending					<b>\$ (116,791,357)</b>

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

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

Balance Sheet  
 Governmental Funds  
 June 30, 2022

	General	Capital Projects	Non-Major Governmental	Total Governmental Funds
<b>ASSETS</b>				
Cash and equivalents	\$ 2,413,839	\$ 2,595,697	\$ 692,534	\$ 5,702,070
Investments	13,459,668	8,000,030	-	21,459,698
Receivables				
Accounts	7,499	-	64,594	72,093
State and Federal aid	118,467	-	351,288	469,755
Due from other governments	922,883	-	-	922,883
Due from other funds	215,116	167,000	33,552	415,668
Inventories	-	-	9,061	9,061
 Total Assets	 <u>\$ 17,137,472</u>	 <u>\$ 10,762,727</u>	 <u>\$ 1,151,029</u>	 <u>\$ 29,051,228</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 1,495,423	\$ 123,505	\$ 84,748	\$ 1,703,676
Accrued liabilities	296,985	-	2,162	299,147
Unearned revenue	-	-	63,095	63,095
Due to other funds	167,939	-	247,729	415,668
Due to other governments	363,700	-	-	363,700
Due to retirement systems	3,059,445	-	-	3,059,445
Employee payroll deductions	2,612	-	-	2,612
 Total Liabilities	 <u>5,386,104</u>	 <u>123,505</u>	 <u>397,734</u>	 <u>5,907,343</u>
Fund balances				
Nonspendable	-	-	9,061	9,061
Restricted	8,120,640	10,639,222	328,091	19,087,953
Assigned	891,729	-	416,143	1,307,872
Unassigned	2,738,999	-	-	2,738,999
 Total Fund Balances	 <u>11,751,368</u>	 <u>10,639,222</u>	 <u>753,295</u>	 <u>23,143,885</u>
 Total Liabilities and Fund Balances	 <u>\$ 17,137,472</u>	 <u>\$ 10,762,727</u>	 <u>\$ 1,151,029</u>	 <u>\$ 29,051,228</u>

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

## Irvington Union Free School District, New York

### Reconciliation of Governmental Funds Balance Sheet to the District-Wide Statement of Net Position June 30, 2022

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

Total Fund Balances - Governmental Funds	\$ 23,143,885
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	6,597,644
Capital assets - depreciable	79,041,568
Accumulated depreciation	<u>(44,878,701)</u>
	<u>40,760,511</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	17,139,973
Deferred outflows - OPEB related	3,577,428
Deferred inflows - pension related	(32,972,850)
Deferred inflows - OPEB related	<u>(39,030,815)</u>
	<u>(51,286,264)</u>
Other long-term assets that are not available to pay for current-period expenditures and, therefore, are either deferred or not reported in the funds.	
Net pension asset - TRS	25,412,264
Net pension asset - ERS	<u>1,334,096</u>
	<u>26,746,360</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(460,335)
General obligation bond payable	(37,080,000)
Claims payable	(6,451,846)
Compensated absences	(604,355)
Total OPEB liability	<u>(109,741,210)</u>
	<u>(154,337,746)</u>
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Premium on general obligation bonds	<u>(1,818,103)</u>
Net Position of Governmental Activities	<u>\$ (116,791,357)</u>

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



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

Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 Year Ended June 30, 2022

	General	Capital Projects	Non-Major Governmental	Total Governmental Funds
<b>REVENUES</b>				
Real property taxes	\$ 57,945,883	\$ -	\$ -	\$ 57,945,883
Other tax items	2,004,087	-	-	2,004,087
Non-property taxes	920,676	-	-	920,676
Charges for services	673,622	-	-	673,622
Use of money and property	362,043	820	57	362,920
Sale of property and compensation for loss	4,080	-	-	4,080
State aid	4,363,955	-	163,577	4,527,532
Federal aid	-	-	1,290,086	1,290,086
Food sales	-	-	194,742	194,742
Miscellaneous	618,758	-	299,806	918,564
<b>Total Revenues</b>	<b>66,893,104</b>	<b>820</b>	<b>1,948,268</b>	<b>68,842,192</b>
<b>EXPENDITURES</b>				
Current				
General support	8,430,724	-	-	8,430,724
Instruction	34,448,356	-	673,276	35,121,632
Pupil transportation	2,334,879	-	46,270	2,381,149
Employee benefits	14,942,659	-	-	14,942,659
Cost of food sales	-	-	723,883	723,883
Other	-	-	186,444	186,444
Debt service				
Principal	3,360,000	-	-	3,360,000
Interest	822,007	-	-	822,007
Capital outlay	-	5,626,263	-	5,626,263
<b>Total Expenditures</b>	<b>64,338,625</b>	<b>5,626,263</b>	<b>1,629,873</b>	<b>71,594,761</b>
Excess (Deficiency) of Revenues Over Expenditures	2,554,479	(5,625,443)	318,395	(2,752,569)
<b>OTHER FINANCING SOURCES (USES)</b>				
General obligation bonds issued	-	17,155,000	-	17,155,000
Issuance premium	-	1,645,810	-	1,645,810
Transfers in	232,312	167,000	67,871	467,183
Transfers out	(234,871)	-	(232,312)	(467,183)
<b>Total Other Financing Sources (Uses)</b>	<b>(2,559)</b>	<b>18,967,810</b>	<b>(164,441)</b>	<b>18,800,810</b>
<b>Net Change in Fund Balances</b>	<b>2,551,920</b>	<b>13,342,367</b>	<b>153,954</b>	<b>16,048,241</b>
<b>FUND BALANCES (DEFICITS)</b>				
Beginning of Year	9,199,448	(2,703,145)	599,341	7,095,644
End of Year	<u>\$ 11,751,368</u>	<u>\$ 10,639,222</u>	<u>\$ 753,295</u>	<u>\$ 23,143,885</u>

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

## Irvington Union Free School District, New York

Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended June 30, 2022

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 16,048,241</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	5,713,849
Depreciation expense	<u>(2,131,274)</u>
	<u>3,582,575</u>
<p>Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>	
General obligation bonds issued	(17,155,000)
Issuance Premium	(1,645,810)
Principal paid on general obligation bonds	<u>3,360,000</u>
	<u>(15,440,810)</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>	
Accrued interest	(328,303)
Compensated absences	(47,309)
Claims payable	182,626
Changes in pension liabilities and related deferred outflows and inflows of resources	4,319,579
Changes in OPEB and related deferred outflows and inflows of resources	(514,226)
Amortization of gain on refunding bonds and issuance premium	<u>489,182</u>
	<u>4,101,549</u>
Change in Net Position of Governmental Activities	<u><u>\$ 8,291,555</u></u>

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

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

Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 59,949,970	\$ 57,945,883	\$ 57,945,883	\$ -
Other tax items	-	2,004,087	2,004,087	-
Non-property taxes	780,000	780,000	920,676	140,676
Charges for services	445,557	445,557	673,622	228,065
Use of money and property	330,622	330,622	362,043	31,421
Sale of property and compensation for loss	-	-	4,080	4,080
State aid	4,065,096	4,065,096	4,363,955	298,859
Miscellaneous	367,955	367,955	618,758	250,803
<b>Total Revenues</b>	<b>65,939,200</b>	<b>65,939,200</b>	<b>66,893,104</b>	<b>953,904</b>
<b>EXPENDITURES</b>				
Current				
General support	7,800,345	9,119,064	8,430,724	688,340
Instruction	36,220,831	36,052,643	34,448,356	1,604,287
Pupil transportation	2,704,485	2,643,857	2,334,879	308,978
Employee benefits	15,486,387	15,649,417	14,942,659	706,758
Debt service				
Principal	3,360,000	3,360,000	3,360,000	-
Interest	833,957	822,007	822,007	-
<b>Total Expenditures</b>	<b>66,406,005</b>	<b>67,646,988</b>	<b>64,338,625</b>	<b>3,308,363</b>
Excess (Deficiency) of Revenues Over Expenditures	(466,805)	(1,707,788)	2,554,479	4,262,267
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	232,312	232,312	-
Transfers out	(170,000)	(237,000)	(234,871)	2,129
<b>Total Other Financing Sources (Uses)</b>	<b>(170,000)</b>	<b>(4,688)</b>	<b>(2,559)</b>	<b>2,129</b>
<b>Net Change in Fund Balances</b>	<b>(636,805)</b>	<b>(1,712,476)</b>	<b>2,551,920</b>	<b>4,264,396</b>
<b>FUND BALANCES</b>				
Beginning of Year	636,805	1,712,476	9,199,448	7,486,972
End of Year	\$ -	\$ -	\$ 11,751,368	\$ 11,751,368

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

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

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

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

**A. Financial Reporting Entity**

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

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

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

**B. District-Wide Financial Statements**

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

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

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

provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The School District does not allocate indirect expenses to functions in the Statement of Activities.

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

**C. Fund Financial Statements**

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

**Fund Categories**

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

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

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

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

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

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than capital projects.

Special Aid Fund - The Special Aid Fund is used to account for special projects or programs supported in whole or in part with Federal or State Funds.

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

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

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

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

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

The district-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the Fiduciary Fund. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

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

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

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

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

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

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

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

The School District participates in the New York Liquid Assets Fund ("NYLAF"), a cooperative investment pool, established pursuant to Articles 3A and 5G of General Municipal Law of the State of New York. The sponsoring agency of the pool is another governmental unit, which acting through the fiscal officer, is primarily responsible for executing the provisions of the cooperative agreement. NYLAF has designated PMA Financial Network, 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 in the amount of \$10,466,260 is equal to the value of the pool shares.



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

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.

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

The School District is also invested in Treasury bills through NYLAF in the amount of \$10,993,438. The Treasury bills were purchased in January 2022 and matured in July, 2022. The Treasury bills are priced using level 1 inputs.

**Risk Disclosure**

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

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. GASB Statement No. 40, "*Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*", directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the School District's name. The School District's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at June 30, 2022.

**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 September 1st and are levied and payable in September and January. The Town of Greenburgh, New York is responsible for the billing and collection of taxes. The Town guarantees the full payment of the School District warrant and assumes responsibility for uncollected taxes.

**Other Receivables** - Other receivables include amounts due from other governments and individuals for services provided by the School District. Receivables are recorded and revenues

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

recognized as earned or as specific program expenses/expenditures are incurred. Allowances are recorded when appropriate.

**Due From/To Other Funds** - During the course of its operations, the School District has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of June 30, 2022, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

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

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

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

<u>Class</u>	<u>Life in Years</u>
Land Improvements	20-30
Buildings and Improvements	7-50
Machinery and Equipment	5-20

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

**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 \$28,685 for State and Federal aid received in advance in the

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

Special Aid Fund and \$34,410 for student meal monies received in advance in the School Lunch Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

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

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

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

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

**Compensated Absences** - The various collective bargaining agreements provide for the payment of accumulated 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 Postemployment Benefit Liability ("OPEB")** - In addition to providing pension benefits, the School District provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of

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

GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions".

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

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

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

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

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

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

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

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

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

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

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

**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 October 3, 2022.

**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) Budget presentations are made to the Board during February through August and the Board of Education formally adopts the budget for voter approval in April via board resolution. At least seven days prior to the budget hearing, a copy of the budget is made available to the voters.
- b) At the budget hearing, the voters may raise questions concerning the items contained in the budget.
- c) The Board of Education establishes a date for the annual meeting, which by law will be held on the third Tuesday in May.
- d) The voters are permitted to vote upon the General Fund budget at the annual meeting.
- e) If the original proposed budget is not approved by the voters, the Board of Education has the option of either resubmitting the original or revising the budget for voter approval at a special meeting held at a later date; or the Board of Education may, at that point, adopt a contingency budget. If the Board of Education decides to submit either the original or a revised budget to the voters for a second time, and the voters do not approve the second budget submittal, the Board of Education must adopt a contingency budget and the tax levy cannot exceed the total tax levy of the prior year (0% levy growth). In addition, the administrative component of the contingency budget shall not comprise a greater percentage of the contingency budget exclusive of the capital component than the lesser of either 1) the percentage the administrative component had comprised in the prior year budget exclusive of the capital component; or 2) the percentage the administrative component had comprised in the last proposed defeated budget exclusive of the capital component.
- f) Formal budgetary integration is employed during the year as a management control device for the General Fund.
- g) The budget for the General Fund is 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 or Special Purpose funds since other means control the use of these resources (e.g., grant 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, are governed by Board policy. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- i) Appropriations in the General Fund lapse at the end of the fiscal year, except 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.

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

**B. Limitation on Fund Balance**

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

**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. New Accounting Pronouncement**

GASB Statement No. 87, "Leases", established a single model for lease accounting based on the concept that leases are a financing of a "right-to-use" underlying asset. This statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset and a lessor to recognize a lease receivable and a deferred inflow of resources. The requirements of GASB Statement No. 87 are effective for the School District's fiscal year ended June 30, 2022. The School District has completed its evaluation of the financial impact of GASB Statement No. 87 and determined that the implementation of this standard was not required as it did not have a material impact on its financial statements.

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

Notes to Financial Statements (Continued)  
June 30, 2022

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

**A. Interfund Receivables/Payables**

The composition of due from/to other funds at June 30, 2022 were as follows:

Fund	Due From	Due To
General	\$ 215,116	\$ 167,939
Capital Projects	167,000	-
Non-Major Governmental	33,552	247,729
	\$ 415,668	\$ 415,668

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

**B. Capital Assets**

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

Class	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Capital Assets, not being depreciated:				
Land	\$ 793,200	\$ -	\$ -	\$ 793,200
Construction-in-Progress	1,997,811	5,626,263	1,819,630	5,804,444
Total Capital Assets, not being depreciated	\$ 2,791,011	\$ 5,626,263	\$ 1,819,630	\$ 6,597,644
Capital Assets, being depreciated:				
Land Improvements	\$ 5,334,698	\$ -	\$ -	\$ 5,334,698
Buildings and Improvements	70,334,807	1,819,630	-	72,154,437
Machinery and Equipment	1,471,678	87,586	6,831	1,552,433
Total Capital Assets, being depreciated	77,141,183	1,907,216	6,831	79,041,568
Less Accumulated Depreciation for:				
Land Improvements	4,608,078	262,674	-	4,870,752
Buildings and Improvements	37,113,447	1,765,988	-	38,879,435
Machinery and Equipment	1,032,733	102,612	6,831	1,128,514
Total Accumulated Depreciation	42,754,258	2,131,274	6,831	44,878,701
Total Capital Assets, being depreciated, net	\$ 34,386,925	\$ (224,058)	\$ -	\$ 34,162,867
Capital Assets, net	\$ 37,177,936	\$ 5,402,205	\$ 1,819,630	\$ 40,760,511



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

Notes to Financial Statements (Continued)  
 June 30, 2022

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

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

General Support	\$ 25,974
Instruction	<u>2,105,300</u>
<b>Total Depreciation Expense</b>	<b><u><u>\$ 2,131,274</u></u></b>

**C. Accrued Liabilities**

Accrued liabilities at June 30, 2022 were as follows:

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
Other	\$ -	\$ 2,162	\$ 2,162
Payroll and employee benefits	<u>296,985</u>	<u>-</u>	<u>296,985</u>
	<b><u><u>\$ 296,985</u></u></b>	<b><u><u>\$ 2,162</u></u></b>	<b><u><u>\$ 299,147</u></u></b>

**D. Short-Term Capital Borrowings**

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

<u>Purpose</u>	<u>Year of Original Issue</u>	<u>Balance July 1, 2021</u>	<u>New Issues</u>	<u>Redemptions</u>	<u>Balance June 30, 2022</u>
Bond Anticipation Notes - District Building and Site Improvements	2021	<u>\$ 9,300,000</u>	<u>\$ -</u>	<u>\$ 9,300,000</u>	<u>\$ -</u>

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgments or settled claims are recorded in the fund paying the claim. Principal payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within seven years after the original issue date. However, bond anticipation notes issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made. The Bond Anticipation Note was redeemed through \$67,000 of transfers from the General Fund and \$9,233,000 through issuance of Serial Bonds described in Note E below.

Interest expenditures of \$ 48,050 were recorded in the fund financial statements in the General Fund and in the district-wide financial statements.

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

Notes to Financial Statements (Continued)

June 30, 2022

**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, 2022:

	Balance, July 1, 2021	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2022	Due Within One-Year
General Obligation Bonds Payable	\$ 23,285,000	\$ 17,155,000	\$ 3,360,000	\$ 37,080,000	\$ 2,650,000
Plus					
Unamortized premium on bonds	567,728	1,645,810	395,435	1,818,103	-
	<u>23,852,728</u>	<u>18,800,810</u>	<u>3,755,435</u>	<u>38,898,103</u>	<u>2,650,000</u>
Other Non-current Liabilities					
Claims	6,634,472	436,736	619,362	6,451,846	447,109
Net Pension Liability - TRS	4,004,208	-	4,004,208	-	-
Net Pension Liability - ERS	16,125	-	16,125	-	-
Compensated Absences	557,046	103,309	56,000	604,355	60,000
Other Postemployment Benefit Liability	141,815,527	(29,378,713)	2,695,604	109,741,210	-
Total Other Non-Current Liabilities	<u>153,027,378</u>	<u>(28,838,668)</u>	<u>7,391,299</u>	<u>116,797,411</u>	<u>507,109</u>
Total Long-Term Liabilities	<u>\$ 176,880,106</u>	<u>\$ (10,037,858)</u>	<u>\$ 11,146,734</u>	<u>\$ 155,695,514</u>	<u>\$ 3,157,109</u>

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

**General Obligation Bonds Payable**

General obligation Bonds payable at June 30, 2022 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at June 30, 2022
Refunding bonds	2015	\$ 24,590,000	April, 2032	2.75 - 5.00 %	\$ 16,595,000
Serial Bonds	2015	4,600,000	May, 2030	2.00 - 3.00	2,635,000
Serial Bonds	2008	4,175,000	December, 2022	4.00	380,000
Serial Bonds	2008	1,700,000	October, 2023	5.00	315,000
Serial Bonds	2022	17,155,000	December, 2039	2.00 - 5.00	17,155,000
					<u>\$ 37,080,000</u>

Interest expenditures of \$773,957 were recorded in the fund financial statements in the General Fund. Interest expense of \$613,078 was recorded in the district-wide financial statements.

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

Notes to Financial Statements (Continued)  
June 30, 2022

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

**Payments to Maturity**

The annual requirements to amortize all outstanding bonded debt as of June 30, 2022 including interest payments of \$8,088,677 are as follows:

Year Ending June 30,	General Obligation Bonds Payable	
	Principal	Interest
2023	\$ 2,650,000	\$ 1,453,783
2024	2,635,000	1,076,182
2025	2,590,000	956,606
2026	2,700,000	850,956
2027	2,795,000	756,300
2028-2032	14,705,000	2,255,800
2033-2037	5,460,000	631,800
2038-2040	3,545,000	107,250
	<u>\$ 37,080,000</u>	<u>\$ 8,088,677</u>

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

**Legal Debt Margin**

The School District is subject to legal limitations on the amount of debt that it may issue. The School District's legal debt margin is 10% of the five year average full valuation of taxable real property.

**Claims Payable**

Claims payable reflects a liability of \$6,451,846 for expected tax certiorari refunds, which were not due and payable at year-end. These amounts have been recorded as an expense in the district-wide financial statements.

**Compensated Absences**

Under the terms of the existing collective bargaining agreements, the School District is required to compensate teachers and occupational therapists retiring from the School District for accumulated sick time at \$50 per day for unused leave. In addition, pursuant to existing collective bargaining agreements, the School District is required to compensate teaching assistants retiring from the School District for accumulated sick time at \$25 per day for unused leave. As per the terms of the Civil Service Employees Association, Inc., Local 1000 custodial agreement, employees will be compensated at a rate of 25% to 75% of daily wage per day, based on the number of vacation days accumulated for any accumulations up to 75 days. The value of the 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](http://www.osc.state.ny.us/retire/about_us/financial_statements_index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

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

ERS and TRS are noncontributory for employees who joined the systems before July 27, 1976. Employees who joined the systems after July 27, 1976 and before January 1, 2010 contribute 3% of their salary for the first ten years of membership. Employees who joined the systems after January 1, 2010 generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially 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 2022 are as follows:

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

Notes to Financial Statements (Continued)

June 30, 2022

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

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14	18.3 %
	4 A15	18.3
	5 A15	15.3
	6 A15	10.7 – 10.8
TRS	1-6	9.8 %

At June 30, 2022, the School District reported the following for its proportionate share of the net pension asset for ERS and TRS:

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2022	June 30, 2021
Net pension asset	\$ (1,334,096)	\$ (25,412,264)
School Districts' proportion of the net pension asset	0.0163200 %	0.146646 %
Change in proportion since the prior measurement date	0.0001260 %	0.001738 %

The net pension asset was measured as of March 31, 2022 for ERS and June 30, 2021 for TRS and the total pension liability used to calculate the net pension asset were determined by actuarial valuations as of those dates. The School District's proportion of the net pension asset for ERS was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. The School District's proportion of the net pension asset for TRS was based on the School District's contributions to the pension plan relative to the contributions of all participating members.

For the year ended June 30, 2022, the School District recognized its proportionate share of pension expense in the district-wide financial statements of (\$1,059,515) (\$120,857 for ERS and \$1,180,372 for TRS). Pension expenditures for \$779,010 for ERS was recorded in the fund financial statements and was charged to the General fund. Pension expenditures for TRS of \$2,473,778 and \$7,276 were recorded in the fund financial statements and were charged to the General and Special Aid funds, respectively.

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

Notes to Financial Statements (Continued)

June 30, 2022

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

At June 30, 2022, 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	\$ 101,033	\$ 131,045	\$ 3,502,811	\$ 132,028
Changes of assumptions	2,226,457	37,569	8,358,625	1,480,189
Net difference between projected and actual earnings on pension plan investments	-	4,368,606	-	26,596,563
Changes in proportion and differences between School District contributions and proportionate share of contributions	215,790	49,682	59,784	177,168
School District contributions subsequent to the measurement date	193,549	-	2,481,924	-
	<u>\$ 2,736,829</u>	<u>\$ 4,586,902</u>	<u>\$ 14,403,144</u>	<u>\$ 28,385,948</u>
	Total			
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 3,603,844	\$ 263,073		
Changes of assumptions	10,585,082	1,517,758		
Net difference between projected and actual earnings on pension plan investments	-	30,965,169		
Changes in proportion and differences between School District contributions and proportionate share of contributions	275,574	226,850		
School District contributions subsequent to the measurement date	2,675,473	-		
	<u>\$ 17,139,973</u>	<u>\$ 32,972,850</u>		

\$193,549 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 an increase of the net pension asset in the plan's year ended March 31, 2023. The \$2,481,924 reported as deferred outflows of resources related to TRS will be recognized as an increase of the net pension asset in the plan's year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and TRS will be recognized in pension expense as follows:

Year Ended	March 31, ERS	June 30, TRS
2022	\$ -	\$ (3,344,938)
2023	(288,926)	(3,893,071)
2024	(445,132)	(4,865,052)
2025	(1,099,329)	(6,402,561)
2026	(210,235)	1,201,205
Thereafter	-	839,689
	<u>\$ (2,043,622)</u>	<u>\$ (16,464,728)</u>

## Irvington Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2022

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### **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, 2022	June 30, 2021
Actuarial valuation date	April 1, 2021	June 30, 2020
Investment rate of return	5.9% *	6.95% *
Salary scale	4.4%	1.95%-5.18%
Inflation rate	2.7%	2.4%
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-2020, applied on a generational basis. Active member mortality rates are based on plan member experience.

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

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

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

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

Notes to Financial Statements (Continued)

June 30, 2022

**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, 2022		TRS June 30, 2021	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32 %	3.30 %	33 %	6.8 %
International Equity	15	5.85	16	7.6
Private Equity	10	6.50	8	10.0
Real Estate	9	5.00	11	6.5
Domestic Fixed Income Securities	-	-	16	1.3
Global Bonds	-	-	2	0.8
High Yield Bonds	-	-	1	3.8
Global Equities	-	-	4	7.1
Private Debt	-	-	1	5.9
Real Estate Debt	-	-	7	3.3
Opportunistic/ARS Portfolio	3	4.10	-	-
Credit	4	3.78	-	-
Real Assets	3	5.80	-	-
Fixed Income	23	-	1	-
Cash	1	(1.00)	-	(0.2)
	<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 2.4% for TRS.

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

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



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

Notes to Financial Statements (Continued)

June 30, 2022

**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>\$ 3,433,949</u>	<u>\$ (1,334,096)</u>	<u>\$ (5,322,336)</u>
	1% Decrease (5.95%)	Current Discount Rate (6.95%)	1% Increase (7.95%)
School District's proportionate share of the TRS net pension asset	<u>\$ (2,666,647)</u>	<u>\$ (25,412,264)</u>	<u>\$ (44,528,305)</u>

The components of the collective net pension liability as of the March 31, 2022 ERS measurement date and the June 30, 2021 TRS measurement date were as follows:

	<u>ERS</u>	<u>TRS</u>
Total pension liability	\$ 223,874,888,000	\$ 130,819,415,417
Fiduciary net position	<u>232,049,473,000</u>	<u>148,148,457,363</u>
Employers' net pension asset	<u>\$ (8,174,585,000)</u>	<u>\$ (17,329,041,946)</u>
Fiduciary net position as a percentage of total pension liability	<u>103.65%</u>	<u>113.25%</u>

Employer contributions to ERS are paid annually and cover the period through the end of ERS's fiscal year, which is March 31<sup>st</sup>. Accrued retirement contributions as of June 30, 2022 represent the projected employer contribution for the period April 1, 2022 through June 30, 2022 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, 2022 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, 2022 represent employee and employer contributions for the fiscal year ended June 30, 2022 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, 2022 were \$193,549 to ERS and \$2,865,896 to TRS (including employee contribution of \$258,946).

*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 Postemployment Benefit Liability (“OPEB”)**

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

At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	259
Active employees	<u>292</u>
	<u><u>551</u></u>

The School District's total OPEB liability of \$109,741,210 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021.

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

Salary increases	2.6%, average, including inflation
Discount rate	3.54%
Healthcare cost trend rates	5.1% for 2023, 5.0% for 2024 to 2033, 5.1% for 2033 to 2042, 5.2% for 2042 to 2044, decreasing 0.1% every few years to an ultimate rate of 4.1% for 2074 and later years
Retirees' share of benefit-related costs	0% - 23%, depending on employee class and date of retirement.

The discount rate was based on Bond Buyer General Obligation 20-Bond Municipal Index as of June 30, 2022.

Mortality rates were based on the sex-distinct and job category specific headcount weighted Pub-2010 Public Retirement Plans Mortality Tables for teaching and non-teaching position. Both were generationally projected using the MP-2021 Ultimate Scale, with employee rates before commencement and healthy annuitant rates after benefit commencement. This assumption includes a margin for future improvements in longevity.

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

Notes to Financial Statements (Continued)

June 30, 2022

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

The School District's change in the total OPEB liability for the year ended June 30, 2022 is as follows:

Total OPEB Liability - Beginning of Year	\$ 141,815,527
Service cost	6,041,944
Interest	3,164,764
Differences between expected and actual experience	(12,744,752)
Changes in assumptions or other inputs	(25,840,669)
Benefit payments	<u>(2,695,604)</u>
Total OPEB Liability - End of Year	<u>\$ 109,741,210</u>

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.54%) or 1 percentage point higher (4.54%) than the current discount rate:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	<u>\$ 129,840,140</u>	<u>\$ 109,741,210</u>	<u>\$ 93,747,510</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 (4.1% decreasing to 3.1%) or 1 percentage point higher (6.1% decreasing to 5.1%) than the current healthcare cost trend rates:

	1% Decrease (4.1% decreasing to 3.1%)	Healthcare Cost Trend Rates (5.1% decreasing to 4.1%)	1% Increase (6.1% decreasing to 5.1%)
Total OPEB Liability	<u>\$ 93,284,194</u>	<u>\$ 109,741,210</u>	<u>\$ 131,284,941</u>

For the year ended June 30, 2022 the School District recognized OPEB expense of \$3,209,830 in the district-wide financial statements. At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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

Notes to Financial Statements (Continued)  
 June 30, 2022

**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	\$ 3,577,428	\$ 27,621,558
Differences between expected and actual experience	<u>-</u>	<u>11,409,257</u>
	<u>\$ 3,577,428</u>	<u>\$ 39,030,815</u>

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

<u>Year Ended June 30,</u>	
2023	\$ (5,996,878)
2024	(5,996,878)
2025	(5,996,878)
2026	(5,250,258)
2027	(4,547,924)
Thereafter	<u>(7,664,571)</u>
	<u>\$ (35,453,387)</u>

**F. Revenues and Expenditures**

**Interfund Transfers**

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

	<u>Transfers In</u>			<u>Total</u>
	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Special Aid Fund</u>	
<u>Transfers Out</u>				
General Fund	\$ -	\$ 167,000	\$ 67,871	\$ 234,871
Non-major Governmental Funds	<u>232,312</u>	<u>-</u>	<u>-</u>	<u>232,312</u>
	<u>\$ 232,312</u>	<u>\$ 167,000</u>	<u>\$ 67,871</u>	<u>\$ 467,183</u>

Transfers are used to move amounts earmarked in the operating funds to (1) fulfill commitments for Special Aid and Capital projects funds expenditures and (2) to transfer federal grant funds from Special Aid fund to the General 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 are directly attributable to the acquisition, construction or improvement of those assets.

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

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

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

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

Irvington Union Free School District, New York

Notes to Financial Statements (Continued)  
 June 30, 2022

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

**H. Fund Balances**

	2022			Total
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	
Nonspendable				
Inventories	\$ -	\$ -	\$ 9,061	\$ 9,061
Restricted				
Workers compensation	916,737			916,737
Tax certiorari	4,713,182	-	-	4,713,182
Employee benefit accrued liability	622,128	-	-	622,128
Retirement contributions	751,293	-	-	751,293
Future capital projects	1,117,300	-	-	1,117,300
Capital projects	-	10,639,222	-	10,639,222
Special Purpose	-	-	328,091	328,091
Total Restricted	<u>8,120,640</u>	<u>10,639,222</u>	<u>328,091</u>	<u>19,087,953</u>
Assigned				
Purchases on order				
General government support	391,749	-	-	391,749
Instruction	77,480	-	-	77,480
	<u>469,229</u>	<u>-</u>	<u>-</u>	<u>469,229</u>
Subsequent year's expenditures				
General Fund	422,500	-	-	422,500
School Lunch Fund	-	-	416,143	416,143
	<u>422,500</u>	<u>-</u>	<u>416,143</u>	<u>838,643</u>
Total Assigned	<u>891,729</u>	<u>-</u>	<u>416,143</u>	<u>1,307,872</u>
Unassigned	<u>2,738,999</u>	<u>-</u>	<u>-</u>	<u>2,738,999</u>
Total Fund Balance	<u>\$ 11,751,368</u>	<u>\$ 10,639,222</u>	<u>\$ 753,295</u>	<u>\$ 23,143,885</u>

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

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

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

Employee benefit accrued liability has been established pursuant to General Municipal Law to provide funds for the payment of unused sick time and other forms of payment for accrued leave time granted upon termination or separation from service.

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

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

Subsequent year's expenditures represent that at June 30, 2022, the Board has utilized the above amounts to be appropriated for the ensuing year's budget.

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

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

**A. Litigation**

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

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

**B. Contingencies**

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

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 purchases various insurance coverages from the Company to reduce its exposure to loss. The School District maintains a general liability insurance policy and automobile liability with coverage up to \$1 million. The School District maintains liability coverage for school board members up to \$1 million. The School District also maintains an umbrella policy with coverage up to \$25 million. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**Note 5 - Recently Issued GASB Pronouncements**

GASB Statement No. 96, "*Subscription-Based Information Technology Arrangements*" provides guidance on the accounting and financial reporting for subscription-based information technology arrangements ("SBITAs") for government end users. This Statement defines a SBITA and establishes that a SBITA results in a right-to-use subscription asset (intangible asset) and a corresponding liability. The Statement also provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, as well as detailing the requirements for note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

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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**Irvington 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)

	2022	2021	2020	2019	2018
Total OPEB Liability:					
Service cost	\$ 6,041,944	\$ 6,108,299	\$ 5,437,468	\$ 5,850,337	\$ 5,679,939
Interest	3,164,764	3,068,590	4,453,956	3,951,187	3,741,988
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(12,744,752) (4)	-	(544,318)	-	(55,285)
Changes of assumptions or other inputs	(25,840,669)	1,277,855	4,271,918	(11,199,244)	-
Benefit payments	(2,695,604)	(2,747,272)	(2,636,103)	(2,646,549)	(2,482,130)
Net Change in Total OPEB Liability	(32,074,317)	7,707,472	10,982,921	(4,044,269)	6,884,512
Total OPEB Liability – Beginning of Year	141,815,527	134,108,055	123,125,134	127,169,403	120,284,891 (3)
Total OPEB Liability – End of Year	<u>\$ 109,741,210</u>	<u>\$ 141,815,527</u>	<u>\$ 134,108,055</u>	<u>\$ 123,125,134</u>	<u>\$ 127,169,403</u>
School District's covered-employee payroll	<u>\$ 28,123,017</u>	<u>\$ 28,176,405</u>	<u>\$ 28,176,405</u>	<u>\$ 29,373,625</u>	<u>\$ 29,373,625</u>
Discount Rate	<u>3.54%</u>	<u>2.16%</u>	<u>2.21%</u>	<u>3.50%</u>	<u>3.00%</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>390.22%</u>	<u>503.31%</u>	<u>475.96%</u>	<u>419.17%</u>	<u>432.94%</u>

Notes to Schedule:

- (1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".
- (2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.
- (3) Restated for the implementation of the provisions of GASB Statement No. 75.
- (4) Result of demographic changes.

See independent auditors' report.

**Irvington 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 (4)	2021 (3)	2020	2019	2018	2017	2016	2015
School District's proportion of the net pension liability (asset)	0.146646%	0.144908%	0.145480%	0.146342%	0.146114%	0.144890%	0.141509%	0.136039%
School District's proportionate share of the net pension liability (asset)	\$ (25,412,264)	\$ 4,004,200	\$ (3,779,600)	\$ (2,646,300)	\$ (1,110,600)	\$ 1,551,800	\$ (14,698,300)	\$ (15,153,900)
School District's covered payroll	\$ 26,185,497	\$ 24,595,500	\$ 24,282,900	\$ 23,837,500	\$ 23,154,400	\$ 22,357,500	\$ 21,256,600	\$ 20,095,100
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(97.05)%	0.16	(15.56)%	(11.10)%	(4.80)%	6.94%	(69.15)%	(75.41)%
Plan fiduciary net position as a percentage of the total pension liability	113.25%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%
Discount Rate	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%	8.00%

Schedule of Contributions

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 2,606,950	\$ 2,495,400	\$ 2,179,200	\$ 2,578,800	\$ 2,336,100	\$ 2,713,700	\$ 2,964,600	\$ 3,726,300
Contributions in relation to the contractually required contribution	(2,606,950)	(2,495,400)	(2,179,200)	(2,578,800)	(2,336,100)	(2,713,700)	(2,964,600)	(3,726,300)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 26,601,533	\$ 26,185,497	\$ 24,595,500	\$ 24,282,900	\$ 23,837,500	\$ 23,154,400	\$ 22,357,500	\$ 21,256,600
Contributions as a percentage of covered payroll	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%

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

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

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

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

See independent auditors' report.

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

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

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

	2022 (5)	2021 (4)	2020 (3)	2019	2018	2017	2016	2015
School District's proportion of the net pension liability (asset)	0.0163200%	0.0161940%	0.0166241%	0.0169818%	0.0180560%	0.017257%	0.017713%	0.017374%
School District's proportionate share of the net pension liability (asset)	\$ (1,334,096)	\$ 16,100	\$ 4,402,000	\$ 1,203,200	\$ 582,700	\$ 1,621,500	\$ 2,843,000	\$ 586,900
School District's covered payroll	\$ 6,023,711	\$ 5,607,557	\$ 5,593,103	\$ 5,411,307	\$ 5,281,256	\$ 5,226,082	\$ 4,880,321	\$ 4,349,718
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(22.15)%	0.29%	78.70%	22.23%	11.03%	31.03%	58.25%	13.49%
Plan fiduciary net position as a percentage of the total pension liability	103.65%	99.95%	86.39%	96.27%	98.24%	94.71%	90.68%	97.95%
Discount Rate	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%

Schedule of Contributions

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 864,019	\$ 765,400	\$ 723,200	\$ 725,300	\$ 751,200	\$ 739,500	\$ 807,500	\$ 815,800
Contributions in relation to the contractually required contribution	(864,019)	(765,400)	(723,200)	(725,300)	(751,200)	(739,500)	(807,500)	(815,800)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 5,977,173	\$ 5,793,440	\$ 5,555,482	\$ 5,470,641	\$ 5,275,357	\$ 5,200,113	\$ 4,904,442	\$ 4,745,689
Contributions as a percentage of covered payroll	14.46%	13.21%	13.02%	13.26%	14.24%	14.22%	16.46%	17.19%

(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 with the current fiscal year

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

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

See independent auditors' report.

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# Irvington Union Free School District, New York

General Fund  
Balance Sheet  
June 30, 2022

	<u>2022</u>
<b>ASSETS</b>	
Cash and equivalents	\$ 2,413,839
Investments	<u>13,459,668</u>
Receivables	
Accounts	7,499
State and Federal aid	118,467
Due from other governments	922,883
Due from other funds	<u>215,116</u>
	<u>1,263,965</u>
Total Assets	<u><u>\$ 17,137,472</u></u>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities	
Accounts payable	\$ 1,495,423
Accrued liabilities	296,985
Due to other funds	167,939
Due to other governments	363,700
Due to retirement systems	3,059,445
Employee payroll deductions	<u>2,612</u>
Total Liabilities	<u>5,386,104</u>
Fund balance	
Restricted	8,120,640
Assigned	891,729
Unassigned	<u>2,738,999</u>
Total Fund Balance	<u>11,751,368</u>
Total Liabilities and Fund Balance	<u><u>\$ 17,137,472</u></u>

See independent auditors' report.

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

General Fund  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual  
 Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
<b>REVENUES</b>					
Real property taxes	\$ 59,949,970	\$ 57,945,883	\$ 57,945,883	\$	\$ -
Other tax items	-	2,004,087	2,004,087		-
Non-property taxes	780,000	780,000	920,676		140,676
Charges for services	445,557	445,557	673,622		228,065
Use of money and property	330,622	330,622	362,043		31,421
Sale of property and compensation for loss	-	-	4,080		4,080
State aid	4,065,096	4,065,096	4,363,955		298,859
Miscellaneous	367,955	367,955	618,758		250,803
<b>Total Revenues</b>	<b>65,939,200</b>	<b>65,939,200</b>	<b>66,893,104</b>		<b>953,904</b>
<b>EXPENDITURES</b>					
Current					
General support					
Board of education	146,366	165,134	115,766	30,173	19,195
Central administration	379,736	380,943	380,943	-	-
Finance	683,772	713,677	688,310	8,060	17,307
Staff	564,422	536,160	460,424	-	75,736
Central services	5,385,771	5,691,101	5,157,325	353,516	180,260
Special items	640,278	1,632,049	1,627,956	-	4,093
<b>Total General Support</b>	<b>7,800,345</b>	<b>9,119,064</b>	<b>8,430,724</b>	<b>391,749</b>	<b>296,591</b>
Instruction					
Instruction, administration and improvement	2,131,157	2,071,302	1,869,517	-	201,785
Teaching - Regular school	18,864,644	18,676,086	18,207,979	62,108	405,999
Programs for students with disabilities	9,375,109	9,286,328	8,568,935	-	717,393
Occupational education	103,358	167,065	167,063	-	2
Instructional media	1,994,043	2,108,440	2,064,091	6,527	37,822
Pupil services	3,752,520	3,743,422	3,570,771	8,845	163,806
<b>Total Instruction</b>	<b>36,220,831</b>	<b>36,052,643</b>	<b>34,448,356</b>	<b>77,480</b>	<b>1,526,807</b>
Pupil transportation	2,704,485	2,643,857	2,334,879	-	308,978
Employee benefits	15,486,387	15,649,417	14,942,659	-	706,758
Debt service					
Principal	3,360,000	3,360,000	3,360,000	-	-
Interest	833,957	822,007	822,007	-	-
<b>Total Expenditures</b>	<b>66,406,005</b>	<b>67,646,988</b>	<b>64,338,625</b>	<b>469,229</b>	<b>2,839,134</b>
Excess (Deficiency) of Revenues Over Expenditures	(466,805)	(1,707,788)	2,554,479	(469,229)	3,793,038
<b>OTHER FINANCING (USES)</b>					
Transfers in	-	232,312	232,312	-	-
Transfers out	(170,000)	(237,000)	(234,871)	-	2,129
<b>Total Other Financing Uses</b>	<b>(170,000)</b>	<b>(4,688)</b>	<b>(2,559)</b>	<b>-</b>	<b>2,129</b>
<b>Net Change in Fund Balance</b>	<b>(636,805)</b>	<b>(1,712,476)</b>	<b>2,551,920</b>	<b>\$ (469,229)</b>	<b>\$ 3,795,167</b>
<b>FUND BALANCE</b>					
Beginning of Year	636,805	1,712,476	9,199,448		
End of Year	\$ -	\$ -	\$ 11,751,368		

See independent auditors' report.

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

General Fund  
 Schedule of Revenues and Other Financing Sources Compared to Budget  
 Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REAL PROPERTY TAXES</b>	\$ 59,949,970	\$ 57,945,883	\$ 57,945,883	\$ -
<b>OTHER TAX ITEMS</b>				
School tax relief reimbursement	-	2,004,087	2,004,087	-
<b>NON-PROPERTY TAXES</b>				
Non-property tax distribution from County	780,000	780,000	920,676	140,676
<b>CHARGES FOR SERVICES</b>				
Day school tuition	322,457	322,457	556,007	233,550
Other student fees and charges	1,000	1,000	887	(113)
Health services for other districts	72,000	72,000	58,334	(13,666)
Tuition	50,100	50,100	58,394	8,294
	445,557	445,557	673,622	228,065
<b>USE OF MONEY AND PROPERTY</b>				
Earnings on investments	13,000	13,000	28,946	15,946
Rental on real property	317,622	317,622	333,097	15,475
	330,622	330,622	362,043	31,421
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>				
Insurance recoveries	-	-	4,080	4,080



**STATE AID**

Basic formula	3,356,287	3,356,287	3,073,808	(282,479)
BOCES aid	473,403	473,403	603,872	130,469
Textbook aid	153,536	153,536	108,811	(44,725)
Computer software aid	-	-	32,430	32,430
Library materials aid	-	-	11,287	11,287
Tuition aid for students with disabilities	-	-	125,484	125,484
Transportation for students with disabilities	-	-	408,263	408,263
Other	81,870	81,870	-	(81,870)

	<u>4,065,096</u>	<u>4,065,096</u>	<u>4,363,955</u>	<u>298,859</u>
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**MISCELLANEOUS**

Refund of prior year's expenditures	45,000	45,000	58,419	13,419
Refund of prior year's BOCES expenditures	70,000	70,000	144,349	74,349
Unclassified	252,955	252,955	415,990	163,035

	<u>367,955</u>	<u>367,955</u>	<u>618,758</u>	<u>250,803</u>
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**TOTAL REVENUES**

	65,939,200	65,939,200	66,893,104	953,904
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**OTHER FINANCING SOURCES**

Transfers in				
Special Aid Fund	-	232,312	232,312	-

**TOTAL OTHER FINANCING SOURCES**

	<u>-</u>	<u>232,312</u>	<u>232,312</u>	<u>-</u>
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**TOTAL REVENUES AND OTHER  
FINANCING SOURCES**

	<u>\$ 65,939,200</u>	<u>\$ 66,171,512</u>	<u>\$ 67,125,416</u>	<u>\$ 953,904</u>
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See independent auditors' report.

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

General Fund  
 Schedule of Expenditures and Other Financing Uses Compared to Budget  
 Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance with Final Budget</u>
<b>GENERAL SUPPORT</b>					
<b>BOARD OF EDUCATION</b>					
Board of education	\$ 56,660	\$ 77,660	\$ 48,491	\$ 24,838	\$ 4,331
District clerk	60,000	59,866	53,985	5,335	546
District meeting	29,706	27,608	13,290	-	14,318
Total Board of Education	<u>146,366</u>	<u>165,134</u>	<u>115,766</u>	<u>30,173</u>	<u>19,195</u>
<b>CENTRAL ADMINISTRATION</b>					
Chief school administrator	<u>379,736</u>	<u>380,943</u>	<u>380,943</u>	<u>-</u>	<u>-</u>
<b>FINANCE</b>					
Business administration	493,947	519,637	511,564	8,060	13
Auditing	84,200	73,700	56,600	-	17,100
Treasurer	105,625	120,340	120,146	-	194
Total Finance	<u>683,772</u>	<u>713,677</u>	<u>688,310</u>	<u>8,060</u>	<u>17,307</u>
<b>STAFF</b>					
Legal	357,500	337,710	270,194	-	67,516
Personnel	126,472	111,920	105,829	-	6,091
Public information and services	80,450	86,530	84,401	-	2,129
Total Staff	<u>564,422</u>	<u>536,160</u>	<u>460,424</u>	<u>-</u>	<u>75,736</u>
<b>CENTRAL SERVICES</b>					
Operation and maintenance of plant	4,694,563	4,876,647	4,446,126	263,265	167,256
Printing and Mailing	44,360	44,360	34,791	-	9,569
Data Processing	646,848	770,094	676,408	90,251	3,435
Total Central Services	<u>5,385,771</u>	<u>5,691,101</u>	<u>5,157,325</u>	<u>353,516</u>	<u>180,260</u>

**SPECIAL ITEMS**

Unallocated insurance	205,000	234,500	234,489	-	11
Assessments on school property	60,000	30,800	26,718	-	4,082
Refunds of real property taxes	75,000	1,066,471	1,066,471	-	-
Administrative charges - BOCES	300,278	300,278	300,278	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Special Items	640,278	1,632,049	1,627,956	-	4,093
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total General Support	7,800,345	9,119,064	8,430,724	391,749	296,591
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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

Curriculum development and supervision	622,246	581,291	477,631	-	103,660
Supervision - Regular school	1,508,911	1,490,011	1,391,886	-	98,125
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Instruction, Administration and Improvement	2,131,157	2,071,302	1,869,517	-	201,785
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**TEACHING - REGULAR SCHOOL**

	18,864,644	18,676,086	18,207,979	62,108	405,999
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**PROGRAMS FOR STUDENTS WITH DISABILITIES**

Programs for students with disabilities	9,375,109	9,286,328	8,568,935	-	717,393
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**OCCUPATIONAL EDUCATION**

	103,358	167,065	167,063	-	2
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**INSTRUCTIONAL MEDIA**

School library and audiovisual	641,685	641,685	628,749	3,729	9,207
Computer assisted instruction	1,352,358	1,466,755	1,435,342	2,798	28,615
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Instructional Media	1,994,043	2,108,440	2,064,091	6,527	37,822
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

(Continued)

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

General Fund

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

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
<b>PUPIL SERVICES</b>					
Guidance - Regular school	\$ 921,087	\$ 963,398	\$ 958,049	\$ -	\$ 5,349
Health services - Regular school	529,151	533,632	516,693	-	16,939
Psychological services - Regular school	587,446	588,646	585,935	-	2,711
Social work services - Regular school	253,710	196,619	170,684	-	25,935
Pupil personnel services - Special schools	314,234	314,234	273,637	-	40,597
Co-curricular activities - Regular school	201,020	201,021	178,001	-	23,020
Interscholastic activities - Regular school	945,872	945,872	887,772	8,845	49,255
Total Pupil Services	<u>3,752,520</u>	<u>3,743,422</u>	<u>3,570,771</u>	<u>8,845</u>	<u>163,806</u>
Total Instruction	<u>36,220,831</u>	<u>36,052,643</u>	<u>34,448,356</u>	<u>77,480</u>	<u>1,526,807</u>
<b>PUPIL TRANSPORTATION</b>					
District transportation services	168,485	168,485	159,700	-	8,785
Contract transportation	2,536,000	2,475,372	2,175,179	-	300,193
Total Pupil Transportation	<u>2,704,485</u>	<u>2,643,857</u>	<u>2,334,879</u>	<u>-</u>	<u>308,978</u>
<b>EMPLOYEE BENEFITS</b>					
State retirement	817,160	817,160	779,010	-	38,150
Teachers' retirement	2,546,975	2,546,975	2,473,778	-	73,197
Social security	2,515,619	2,515,619	2,430,216	-	85,403
Workers' compensation benefits	458,000	542,200	518,505	-	23,695
Life insurance	37,200	37,200	29,390	-	7,810
Unemployment benefits	50,000	50,000	545	-	49,455
Disability insurance	56,400	56,400	52,213	-	4,187
Hospital, medical and dental insurance	8,534,433	8,479,383	8,077,531	-	401,852
Union welfare benefits	465,100	508,699	487,427	-	21,272
Incentive and sick time payout	-	90,281	90,281	-	-
Flex administrative fees	5,500	5,500	3,763	-	1,737
Total Employee Benefits	<u>15,486,387</u>	<u>15,649,417</u>	<u>14,942,659</u>	<u>-</u>	<u>706,758</u>

**DEBT SERVICE**

## Principal

Serial bonds	3,360,000	3,360,000	3,360,000	-	-
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## Interest

Serial bonds	773,957	773,957	773,957	-	-
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Bond anticipation notes	60,000	48,050	48,050	-	-
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	<u>833,957</u>	<u>822,007</u>	<u>822,007</u>	<u>-</u>	<u>-</u>
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Total Debt Service	<u>4,193,957</u>	<u>4,182,007</u>	<u>4,182,007</u>	<u>-</u>	<u>-</u>
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<b>TOTAL EXPENDITURES</b>	<u>66,406,005</u>	<u>67,646,988</u>	<u>64,338,625</u>	<u>469,229</u>	<u>2,839,134</u>
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**OTHER FINANCING USES**

## Transfers out

Special Aid Fund	70,000	70,000	67,871	-	2,129
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Capital Projects Fund	100,000	167,000	167,000	-	-
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<b>TOTAL OTHER FINANCING USES</b>	<u>170,000</u>	<u>237,000</u>	<u>234,871</u>	<u>-</u>	<u>2,129</u>
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<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 66,576,005</u>	<u>\$ 67,883,988</u>	<u>\$ 64,573,496</u>	<u>\$ 469,229</u>	<u>\$ 2,841,263</u>
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See independent auditors' report.

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

Capital Projects Fund  
Balance Sheet  
June 30, 2022

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**ASSETS**

Cash and equivalents	\$ 2,595,697
Investments	8,000,030
Due from other funds	<u>167,000</u>
Total Assets	<u><u>\$ 10,762,727</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 123,505
Fund balance	
Restricted	<u>10,639,222</u>
Total Liabilities and Fund Balance	<u><u>\$ 10,762,727</u></u>

See independent auditors' report.

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

Capital Projects Fund  
Statement of Revenues, Expenditures and Changes  
in Fund Balance  
Year Ended June 30, 2022

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**REVENUES**

Use of money and property \$ 820

**EXPENDITURES**

Capital outlay 5,626,263

Deficiency of Revenues Over Expenditures (5,625,443)

**OTHER FINANCING SOURCES**

General obligation bonds issued 17,155,000

Issuance premium 1,645,810

Transfers in 167,000

Total Other Financing Sources 18,967,810

Net Change in Fund Balance 13,342,367

**FUND BALANCE (DEFICIT)**

Beginning of Year (2,703,145)

End of Year \$ 10,639,222

See independent auditors' report.

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

Capital Projects Fund  
Project-Length Schedule

Inception of Project Through June 30, 2022

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PROJECT	Project Budget	Expenditures and Transfers To Date			Unexpended Balance
		Prior Years	Current Year	Totals	
Other Capital Projects	\$ 107,224	\$ -	\$ -	\$ -	\$ 107,224
District-Wide Improvements	18,975,128	2,817,857	5,626,263	8,444,120	10,531,008
Totals	<u>\$ 19,082,352</u>	<u>\$ 2,817,857</u>	<u>\$ 5,626,263</u>	<u>\$ 8,444,120</u>	<u>\$ 10,638,232</u>

See independent auditors' report.



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Methods of Financing					Fund Balance at June 30, 2022
Interfund Transfers	Proceeds of Obligations	State and Federal Aid	Other	Total	
\$ -	\$ -	\$ -	\$ 107,224	\$ 107,224	\$ 107,224
100,000	18,867,810	7,488	820	18,976,118	10,531,998
<u>\$ 100,000</u>	<u>\$ 18,867,810</u>	<u>\$ 7,488</u>	<u>\$ 108,044</u>	<u>\$ 19,083,342</u>	<u>\$ 10,639,222</u>

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

Combining Balance Sheet  
 Non-Major Governmental Funds  
 June 30, 2022

	School Lunch	Special Aid	Special Purpose	Total Non-Major Governmental Funds
<b>ASSETS</b>				
Cash and equivalents	\$ 349,768	\$ 14,227	\$ 328,539	\$ 692,534
Receivables				
Accounts	-	64,594	-	64,594
State and Federal aid	101,906	249,382	-	351,288
Due from other funds	-	31,838	1,714	33,552
	<u>101,906</u>	<u>345,814</u>	<u>1,714</u>	<u>449,434</u>
Inventories	<u>9,061</u>	<u>-</u>	<u>-</u>	<u>9,061</u>
Total Assets	<u>\$ 460,735</u>	<u>\$ 360,041</u>	<u>\$ 330,253</u>	<u>\$ 1,151,029</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 66	\$ 84,682	\$ -	\$ 84,748
Accrued Liabilities	-	-	2,162	2,162
Unearned revenue	34,410	28,685	-	63,095
Due to other funds	1,055	246,674	-	247,729
Total Liabilities	<u>35,531</u>	<u>360,041</u>	<u>2,162</u>	<u>397,734</u>
Fund balances				
Nonspendable	9,061	-	-	9,061
Restricted	-	-	328,091	328,091
Assigned	416,143	-	-	416,143
Total Fund Balances	<u>425,204</u>	<u>-</u>	<u>328,091</u>	<u>753,295</u>
Total Liabilities and Fund Balances	<u>\$ 460,735</u>	<u>\$ 360,041</u>	<u>\$ 330,253</u>	<u>\$ 1,151,029</u>

See independent auditors' report.

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

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Non-Major Governmental Funds  
Year Ended June 30, 2022

	School Lunch	Special Aid	Special Purpose	Total Non-Major Governmental Funds
<b>REVENUES</b>				
Use of money and property	\$ 44	\$ -	\$ 13	\$ 57
State aid	9,741	153,836	-	163,577
Federal aid	632,504	657,582	-	1,290,086
Food sales	194,742	-	-	194,742
Miscellaneous	6	72,569	227,231	299,806
	<u>837,037</u>	<u>883,987</u>	<u>227,244</u>	<u>1,948,268</u>
<b>EXPENDITURES</b>				
Current				
Instruction	-	673,276	-	673,276
Transportation	-	46,270	-	46,270
Cost of food sales	723,883	-	-	723,883
Other	-	-	186,444	186,444
	<u>723,883</u>	<u>719,546</u>	<u>186,444</u>	<u>1,629,873</u>
Excess of Revenues Over Expenditures	<u>113,154</u>	<u>164,441</u>	<u>40,800</u>	<u>318,395</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	67,871	-	67,871
Transfers out	-	(232,312)	-	(232,312)
	<u>-</u>	<u>(164,441)</u>	<u>-</u>	<u>(164,441)</u>
Net Change in Fund Balances	113,154	-	40,800	153,954
<b>FUND BALANCES</b>				
Beginning of Year	<u>312,050</u>	<u>-</u>	<u>287,291</u>	<u>599,341</u>
End of Year	<u>\$ 425,204</u>	<u>\$ -</u>	<u>\$ 328,091</u>	<u>\$ 753,295</u>

See independent auditors' report.

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

School Lunch Fund  
Balance Sheet  
June 30, 2022

---

**ASSETS**

Cash and equivalents	\$	349,768
State and Federal aid receivable		101,906
Inventories		<u>9,061</u>
Total Assets	\$	<u><u>460,735</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities

Accounts payable	\$	66
Unearned revenue		34,410
Due to other funds		<u>1,055</u>

Total Liabilities 35,531

Fund balance

Nonspendable		9,061
Assigned		<u>416,143</u>

Total Fund Balance 425,204

Total Liabilities and Fund Balance \$ 460,735

See independent auditors' report.

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

School Lunch Fund  
Statement of Revenues, Expenditures and Changes  
in Fund Balance  
Year Ended June 30, 2022

---

**REVENUES**

Use of money and property	\$	44
State aid		9,741
Federal aid		632,504
Food sales		194,742
Miscellaneous		<u>6</u>

Total Revenues 837,037

**EXPENDITURES**

Current		
Cost of food sales		<u>723,883</u>

Excess of Revenues Over Expenditures 113,154

**FUND BALANCE**

Beginning of Year 312,050

End of Year \$ 425,204

See independent auditors' report.

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

Special Aid Fund  
Balance Sheet  
June 30, 2022

---

**ASSETS**

Cash and equivalents	\$	14,227
Accounts receivable		64,594
State and Federal aid receivable		249,382
Due from other funds		<u>31,838</u>
Total Assets	\$	<u><u>360,041</u></u>

**LIABILITIES AND FUND BALANCE**

Accounts payable	\$	84,682
Unearned revenue		28,685
Due to other funds		<u>246,674</u>
Total Liabilities	\$	<u><u>360,041</u></u>

See independent auditors' report.

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

Special Aid Fund  
Statement of Revenues, Expenditures and Changes  
in Fund Balance  
Year Ended June 30, 2022

---

**REVENUES**

State aid	\$	153,836
Federal aid		657,582
Miscellaneous		<u>72,569</u>
Total Revenues		<u>883,987</u>

**EXPENDITURES**

Current		
Instruction		673,276
Transportation		<u>46,270</u>
Total Expenditures		<u>719,546</u>

Excess of Revenues Over Expenditures		164,441
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**OTHER FINANCING SOURCES (USES)**

Transfers in		67,871
Transfers out		<u>(232,312)</u>
Total Other Financing Uses		<u>(164,441)</u>

Net Change in Fund Balance		-
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**FUND BALANCE**

Beginning of Year		<u>-</u>
End of Year	\$	<u><u>-</u></u>

See independent auditors' report.

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

Special Purpose Fund  
Balance Sheet  
June 30, 2022

---

**ASSETS**

Cash and equivalents	\$ 328,539
Due from other funds	<u>1,714</u>
Total Assets	<u><u>\$ 330,253</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accrued Liabilities	\$ 2,162
Fund balance	
Restricted	<u>328,091</u>
Total Liabilities and Fund Balance	<u><u>\$ 330,253</u></u>

See independent auditors' report.



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

Special Purpose Fund  
Statement of Revenues, Expenditures and Changes  
in Fund Balance  
Year Ended June 30, 2022

---

**REVENUES**

Use of money and property	\$	13
Miscellaneous		<u>227,231</u>
Total Revenues		<u>227,244</u>

**EXPENDITURES**

Current		
Other		<u>186,444</u>
Excess of Revenues Over Expenditures		40,800

**FUND BALANCE**

Beginning of Year		<u>287,291</u>
End of Year	\$	<u><u>328,091</u></u>

See independent auditors' report.

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

General Fund  
Analysis of Change from Adopted Budget to Final Budget  
Year Ended June 30, 2022

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Adopted Budget	\$ 66,361,700
Encumbrances	<u>214,305</u>
Original Budget	66,576,005
Budget Amendments	<u>1,307,983</u>
Final Budget	<u><u>\$ 67,883,988</u></u>

General Fund  
Section 1318 of Real Property Tax Law Limit Calculation

---

2022-23 Expenditure Budget	\$ <u>68,475,000</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	
Unrestricted fund balance	
Assigned fund balance	891,729
Unassigned fund balance	<u>2,738,999</u>
Total Unrestricted Fund Balance	<u>3,630,728</u>
Less	
Appropriated for subsequent year's budget	422,500
Encumbrances	<u>469,229</u>
Total Adjustments	<u>891,729</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 2,738,999</u></u>
Actual Percentage	<u><u>4.00%</u></u>

See independent auditors' report.

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

Schedule of Net Investment in Capital Assets  
Year Ended June 30, 2022

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Capital Assets, net		\$ 40,760,511
Less		
Bonds Payable	\$ 37,080,000	
Unamortized Portion of Premium on Bonds	<u>1,818,103</u>	(38,898,103)
Plus		
Unexpended Bond Proceeds		<u>10,423,690</u>
Net Investment in Capital Assets		<u>\$ 12,286,098</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  
Irvington Union Free School District, New York**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Irvington Union Free School District, New York ("School District") as of and for the year ended June 30, 2022, 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 October 3, 2022.

**Report on Internal Control Over Financial Reporting**

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

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

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

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

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

### **Purpose of This Report**

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

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

October 3, 2022



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

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

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

We have audited the Irvington Union Free School District, New York's ("School District") compliance with the types of compliance requirements identified as subject to audit 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, 2022. 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.

In our opinion, the School District complied, in all material respects, with the 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, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); 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"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

## ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the School District's federal programs.

## ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Governmental Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error; as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on 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 a 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

October 3, 2022

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

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

<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	\$ -	\$ 62,122
National School Lunch Program - Commodities	10.555	N/A	-	26,376
National School Lunch Program - Cash	10.555	N/A	-	542,203
Subtotal Child Nutrition Cluster			-	630,701
State Pandemic EBT Administrative Costs Grants	10.649	N/A	-	1,803
Total U.S. Department of Agriculture			-	632,504
<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	032-22-1053	-	275,485
Special Education - Preschool Grants	84.173	033-22-1053	-	8,460
Subtotal Special Education Cluster			-	283,945
Title I Grants to Local Educational Agencies	84.010	021-22-3640	-	62,230
Supporting Effective Instruction State Grants	84.367	147-22-3640	-	32,339
Student Support and Academic Enrichment Program	84.424	204-22-3640	-	9,529
Elementary and Secondary School Emergency Relief (ESSER) Fund (CRRSA)	84.425D	5891-21-3640	-	206,845
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	84.425U	5880-21-3640	-	37,227
			-	244,072
Total U.S. Department of Education			-	632,115
<u>U.S. Department of Homeland Security</u>				
Indirect Programs - Passed through New York State Division of Homeland Security and Emergency Services				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	DR-4480-NY	-	25,467
Total Expenditures of Federal Awards			\$ -	\$ 1,290,086

N/A - Information not available

The accompanying notes are an integral part of this schedule.

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

Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

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

The accompanying schedule of expenditures of federal awards ("Schedule") includes the federal award activity of the Irvington Union Free School District, New York ("School District") under programs of the federal government for the year ended June 30, 2022. 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 entity 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.

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

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2022

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

**Financial Statements**

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

Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to financial statements  
noted?

\_\_\_ Yes    X No

**Federal Awards**

Internal control over major federal programs:

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

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

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

Unmodified

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

\_\_\_ Yes    X No

Identification of major federal programs:

Assistance

Listing Number(s)

Name of Federal Program or Cluster

10.555  
10.555  
10.553

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

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

\$750,000

Auditee qualified as low-risk auditee?

\_\_\_ Yes    X No

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

Schedule of Findings and Questioned Costs (Concluded)  
Year Ended June 30, 2022

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**Section II - Financial Statement Findings**

None

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

None

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

Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2022

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None