

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

Financial Statements and
Supplementary Information

Year Ended June 30, 2022

Edgemont Union Free School District, New York

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Independent Auditors' Report

**The Board of Education of the
Edgemont 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 Edgemont 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 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 *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 for the year ended June 30, 2022 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 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 for the year ended June 30, 2022 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 for the year ended June 30, 2022 and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2022.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the basic financial statements of the School District as of and for the year ended June 30, 2021 (not presented herein), and have issued our report thereon dated October 1, 2021 which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended June 30, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2021 financial statements. The information was subjected to the audit procedures applied in the audit of the 2021 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2021.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 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 14, 2022

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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 Edgemont 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 Edgemont 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 14, 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been 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 14, 2022

Edgemont Union Free School District, New York

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

Introduction

Our discussion and analysis of the financial performance of the Edgemont Union Free School District, New York ("School District") provides an overview of the School District's financial activities for the year ended June 30, 2022 (fy 2022). To enhance understanding of the School District's financial performance, it should be read in conjunction with the basic financial statements, which immediately follow this section.

The 2021-2022 financial statements reflect the School District's continued commitment to strong financial and operational management. The Board of Education and the administration believe that maintaining a fund balance at the statutory limit and funding reserves when possible contributes to this strong financial position.

Financial Highlights

Key financial highlights for fiscal year 2022 are as follows:

- New York State Law limits the amount of committed, assigned and unassigned fund balance, exclusive of encumbrances and amounts assigned for the subsequent year's budget, which can be retained by the General Fund to 4% of the ensuing year's budget. At the end of the current fiscal year, this amount for the General Fund was \$2,681,041, or 4% of the 2022-2023 school district budget.
- The School District appropriated \$1,000,000 of the unassigned fund balance of the General Fund as a surplus contribution to reduce property taxes in the 2022-2023 fiscal year. An additional \$839,636 of the restricted fund balance for retirement contributions was appropriated toward offsetting the mandated contributions to the New York State and Local Employees' Retirement System ("ERS") (\$665,062) and the New York State Teacher's Retirement System ("TRS") (\$174,574) in 2022-2023. Accordingly, a total of \$1,839,636 of fund balance was utilized in balancing the School District's 2022-2023 spending plan. Lastly, the Board of Education approved four resolutions that permitted the School District to place \$834,712 of its 2021-2022 budget surplus in its restricted fund balances for tax certiorari obligations, \$1,250,000 to offset future ERS obligations, \$537,024 to offset future TRS obligations, and \$24,757 to offset future employee benefit accrued liabilities.
- The total fund balance (nonspendable, restricted, assigned and unassigned) of the General Fund increased by \$1,002,169 to \$16,379,170. The increase is predominantly attributable to expenditure savings as a result of decreases in staff development opportunities related to our pandemic response, staff turnover due to retirements and subsequent hirings.
- As of the end of the 2021-2022 fiscal year, the School District's governmental fund financial statements report a combined ending fund balance of \$16,707,461 a decrease of \$131,848 from the prior year.
- The fund balance in the Special Purpose Fund was \$301,757. This balance is the result of generous donations from the PTSA, the PTA, Edgemont Recreation, the Edgemont School Foundation, and members of the Edgemont community.
- 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 \$40,550,226 (deficit net position). This is primarily the result of the School District's

implementation of the provisions of the Governmental Accounting Standards Board (“GASB”) Statement No. 75, “*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (“OPEB”).*” This statement addresses accounting and financial reporting for OPEB by establishing standards for recognizing and measuring liabilities, deferred outflows/inflows of resources and expenses/expenditures. This statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to the periods of employee service. This statement supersedes the provisions of GASB Statement No. 45, “*Accounting and Financial Reporting By Employers for Postemployment Benefits Other Than Pensions*”. The primary distinction between the two standards is that since no mechanism exists under current New York State law for New York municipalities and school districts to pre-fund these obligations in an irrevocable trust, entities must now report their *total* OPEB liability as opposed to the *net* OPEB liability that has been reported under the prior standard. For the year ending June 30, 2022, the School District’s OPEB obligations of \$96,875,440 are reflected as a liability on the district-wide Statement of Net Position and, thus, negatively impacts the total net position calculation. More detailed information about the School District’s OPEB obligations reported in accordance with the provisions of GASB Statement No. 75 is presented in note 3D 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 ERS and the 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. On June 30, 2022, the School District reported in its Statement of Net Position an asset of \$1,235,053 for its proportionate share of the ERS net pension asset and an asset of \$27,414,125 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 3D in the notes to financial statements.
- The School District retired \$2,041,086 of previously issued bonded indebtedness and \$259,426 of energy performance contract debt.

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 financial statements and schedules in addition to the basic financial statements.

District-Wide Financial Statements

The *district-wide financial statements* are designed to provide readers with a broad overview of the School District's finances, in a manner similar to a private-sector business.

- The *statement of net position* presents information on all of the School District's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.
- The *statement of activities* presents information showing how the School District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.
- The *governmental* activities of the School District include instruction, pupil transportation, cost of food sales, interest, other 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 a comparison between *governmental funds* and *governmental activities*.
- The School District maintains six individual governmental funds: General Fund, Special Aid Fund, School Lunch Fund, Special Purpose Fund, Debt Service Fund and Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Special Aid Fund and the 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 and Debt Service Fund. A budgetary comparison statement has been provided within the basic financial statements for the General Fund (major fund) to demonstrate compliance with the respective budget.

- The *Fiduciary Funds* are used to account for assets held by the School District in an agency capacity on behalf of others. Fiduciary funds are not reflected in the district-wide financial statement because the resources of these funds are *not* available to support the School District's programs. In accordance with the provisions of GASB Statement No. 84, the School District had no such activity to report in this fund category.

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 obligations, 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. For the Edgemont Union Free School District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$40,550,226 for the year ending June 30, 2022.

Net Position

	June 30,	
	2022	2021
Current Assets	\$ 53,215,990	\$ 20,908,378
Capital Assets, net	41,535,574	40,267,131
Total Assets	94,751,564	61,175,509
Deferred Outflows of Resources	26,830,380	27,016,691
Current Liabilities	7,885,039	4,112,911
Long-term Liabilities	108,066,312	122,003,950
Total Liabilities	115,951,351	126,116,861
Deferred Inflows of Resources	46,180,819	6,900,755
Net Position		
Net Investment in Capital Assets	29,175,320	27,096,188
Restricted		
Capital Projects	83,502	508,515
Tax Certiorari	5,931,636	5,785,020
ERS Retirement Contributions	4,043,388	2,734,508
TRS Retirement Contributions	1,413,008	1,035,984
Special Purposes	301,757	412,152
Debt Service	553,399	537,537
Unrestricted	(82,052,236)	(82,935,320)
Total Net Position	\$ (40,550,226)	\$ (44,825,416)

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

Those assets subject to external restrictions listed above constitute \$12,326,690 of net position and are comprised of amounts restricted for specific purposes (i.e., payments of tax certiorari claims, debt service, etc.). There is a negative balance of unrestricted net position of \$82,052,236 primarily a result of the recognition of the OPEB liabilities. Overall, net position increased by \$4,275,190 predominantly from the recording of an decrease in the OPEB liability caused by the change in the mandated discount rates and valuation assumption methods. See Note 3D in the notes to financial statements for a more detailed discussion.

Changes in Net Position

	June 30,	
	2022	2021
REVENUES		
Program Revenues		
Charges for Services	\$ 1,367,348	\$ 708,373
Operating Grants and Contributions	1,322,008	1,268,417
Capital Grants and Contributions	41,808	304
	2,731,164	1,977,094
General Revenues		
Real Property Taxes	54,575,089	53,374,957
Other Tax Items	1,409,031	1,603,335
Non-Property Taxes	730,905	718,957
Unrestricted Use of Money and Property	32,687	38,460
Unrestricted State Aid	5,018,448	4,418,909
Miscellaneous	336,442	249,396
	62,102,602	60,404,014
Total General Revenues		
Total Revenues	64,833,766	62,381,108
PROGRAM EXPENSES		
General Support	9,043,761	8,394,169
Instruction	49,448,758	56,592,160
Pupil Transportation	849,406	657,924
Cost of Food Sales	495,535	45,299
Other	466,834	432,514
Interest	254,282	264,341
	60,558,576	66,386,407
Total Expenses		
Change in Net Position	4,275,190	(4,005,299)
NET POSITION		
Beginning, as reported	(44,825,416)	(40,881,724)
Cumulative Effect of Change in Accounting Principle	-	61,607
	(44,825,416)	(40,820,117)
Beginning, as restated		
Ending	\$ (40,550,226)	\$ (44,825,416)

The major changes are as follows:

Revenues:

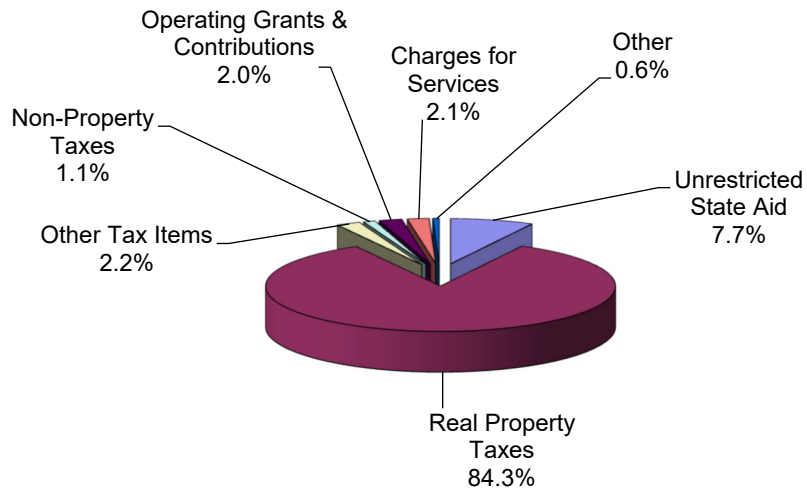
- Charges for Services increased by \$658,975. This was the result of an increase in the number of students enrolled via tuition in the 2021-2022 school year and significant increase in revenue received from cafeteria services post-pandemic response.
- Operating Grants and Contributions increased by \$53,591. Predominantly, this was due to an increase in services requiring parent contributions post-pandemic response.
- Revenue from real property taxes increased by \$1,200,132 as a result of a higher tax levy to support an increased budget while remaining under the maximum allowable tax-levy limit.
- Other tax items decreased by \$194,304. This amount represents reimbursements received from the School Tax Relief Reimbursement Program (“STAR”). The STAR Program provides tax relief to homeowners through State reimbursement to the School District. Homeowners earning between \$250,000 and \$500,000 a year, receive a check for their STAR rebates rather than receiving an upfront savings directly in their school tax bills. Therefore, the 2021-2022 STAR payment to the School District was reduced by the aggregate amount of payments NYS made directly to local homeowners.
- Non-property taxes representing sales tax distributions from the County to the School District increased by \$11,948 from the prior year.
- Unrestricted State Aid increased by 13.6%, or \$599,539.

Expenses:

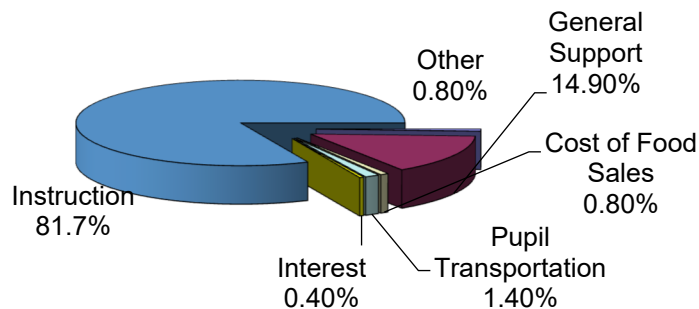
- Instructional program expenses decreased by \$7,143,402 from the prior year as a result of a decrease in staff development opportunities related to our pandemic response, staff turnover due to retirements and subsequent hirings, and the decrease in the long-term OPEB liabilities.
- Cost of food sales increased by \$450,236 with cafeteria service resuming on a full-time basis.
- Pupil Transportation expenses increased by \$191,482 as a result of an increase in ridership for our Edgemont-resident students attending private and parochial schools.

As indicated on the following graphs, unrestricted state aid provided only 7.7% of total revenue in 2021-2022. Real property taxes (excluding the STAR program reimbursement) are the School District's main source of revenue (84.2%). Instruction costs account for 81.7% of the School District's expenses.

Sources of Revenue for Fiscal Year 2022 Governmental Activities



Expenses for Fiscal year 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.

Fund Balance Reporting

GASB issued Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*" in February 2009. The requirements of Statement No. 54 became effective for financial statements for periods ending June 30, 2011. GASB Statement No. 54 abandoned the reserved and unreserved classifications of fund balance and replaced them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below.

Nonspendable – consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and principal of endowments.

Restricted – consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

Committed – consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint.

Note: According to the Office of the State Comptroller, school districts in New York will not have committed fund balance to report.

Assigned – consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

Unassigned – represents the residual classification for the government's General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

These changes were made to reflect spending constraints on resources, rather than availability for appropriations and to bring greater clarity and consistency to fund balance reporting. According to GASB, this pronouncement should result in an improvement in the usefulness of fund balance information.

Governmental Funds

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

As of the end of the current fiscal year, the School District's governmental funds reported combined fund balances of \$16,707,461 a decrease of \$131,848 from the prior year.

Of this amount, \$26,419 is in non-spendable form representing prepaid expenditures, while \$12,719,581 is restricted for various purposes (\$5,931,636 for tax certiorari obligations, \$5,630,970 for retirement system obligations (both ERS and TRS), \$553,399 for debt service purposes, \$301,819 for EBALR and \$301,757 for special purposes). Another \$1,971,646 of the total fund balance is assigned to fund purchases on order (\$833,216), school lunch fund purposes (\$138,440), and (\$1,000,000) for the subsequent year's budget as property tax relief. The remainder of the total fund balance of \$1,989,805 represents the unassigned fund balance. Of this amount, \$2,681,041 is in the General Fund and is available for use at the School District's discretion and \$(691,236) is in the Capital Projects Fund.

The General Fund is the primary operating fund of the School District. Revenues and Other Financing Sources were \$667,297 greater than the amount contained in the final budget. This is the result of a number of factors, including: increases in day school tuition enrollment; increased sales tax earnings; and an increase in revenue received through the rental of school property. Expenditures and other financing uses were \$4,548,990 less than the final budget. The savings occurred as a result of contractual obligations being lower than what was budgeted while under contract negotiations during budget development, savings in salary and salary-related obligations through employee retirements and subsequent hirings, and a reduction in high cost special education out-of-district placements.

Capital Assets

On June 30, 2022, the School District had \$41,535,574 net of accumulated depreciation invested in a broad range of capital assets, including land, construction-in-progress, buildings and improvements, and machinery and equipment. The change in capital assets, net of accumulated depreciation, is reflected below.

Class	June 30,	
	2022	2021
Land	\$ 447,447	\$ 447,447
Construction-in-Progress	1,524,738	2,285,921
Buildings and Improvements	38,945,730	37,279,853
Machinery and Equipment	617,659	253,910
Total Capital Assets, net of accumulated depreciation	\$ 41,535,574	\$ 40,267,131

The change in capital assets during the current fiscal year is the result of the ongoing costs associated with various district-wide improvement projects.

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

Long-Term Debt

On June 30, 2022, the School District had \$108,066,312 in general obligation and other long-term debt outstanding as follows:

	<u>2022</u>	<u>2021</u>
Bonds Payable, net	\$ 9,470,000	\$ 11,511,086
Energy Performance Contract Payable	1,419,054	1,678,480
Compensated Absences	301,818	337,297
Net Pension Liability	-	4,288,620
Other Post Employment Benefit Obligations	<u>96,875,440</u>	<u>104,188,467</u>
Total	<u>\$ 108,066,312</u>	<u>\$ 122,003,950</u>

The School District recorded no net pension liability to ERS and TRS as both retirement plans are reported as net pension assets for the year ended June 30, 2022. The School District's other postemployment benefit obligation was recorded in accordance with the provisions of GASB Statement No. 75. This liability will continue to grow as the School District is permitted at this time by New York State only to fund its pay-as-you-go obligations for health insurance.

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

Future Considerations

The Edgemont School District is committed to providing an excellent education in a fiscally responsible way by collaborating with the community. This is accomplished through both strategic and tactical planning.

The School District consistently receives community support in the annual school budget elections with the budgets exceeding 73% affirmative votes for each of the past eighteen years. Two years ago, the District passed two bond propositions totaling \$54,241,125 for the purpose of constructing additional classrooms, renovating cafeterias, providing increased air quality within buildings, and improving access to the three school campuses. The need was driven by a 6.9% increase in enrollment over a ten-year period, the potential construction of a multi-family housing project in the District, and the space needed for our current instructional programs. The Board and administration are committed to managing the stability of the tax-rate increases over time. As a district, we endeavor to maintain an unassigned fund balance close to or at the statutory limit of 4% to address unanticipated needs or expenditures.

Now that the Bond has been approved to address the significant instructional space needs and to upgrade antiquated building systems, Edgemont must meet the benchmarks and timelines regarding financing, pre-construction, construction, and final approvals. Work on these projects, from design to construction, is ongoing and will span a number of years. This will involve a reconsideration of business office personnel for support both based on the bond and upcoming retirements.

We increased our attention to safety and security through the inclusion of security monitors on the Edgemont Junior-Senior High School campus and vestibules at the elementary schools to provide a secondary layer of access. Additionally, the District has developed a partnership with a safety and security consultant firm to assist in the enhancement of safety protocols and to project the long-range budgetary impact associated with these enhancements.

The District updated its strategic goal with three components that meet these needs in compliance with new requirements from NYSED two years ago. These components include the goal of system-wide social emotional learning as part of our existing curriculum. This is aligned with the state and national attention to emotional resiliency within a culture of high academic standards especially during the pandemic.

DISTRICT GOAL:

As we prepare our students for life in a rapidly changing, interconnected world, we will design learning opportunities that engage students in deep understandings of themselves, others and the complex and evolving landscape around them.

COMPONENT ONE: UNDERSTANDING AND APPRECIATION OF SELF

In these times when we are preparing students for careers that may not yet exist, students must be able to collaborate effectively with others, understand different viewpoints, and persist in the face of challenges. The latest educational research shows that when schools actively work to cultivate these skills in students, there is a positive effect on academic achievement, social integration, and mental health. We will create and maintain an educational program that supports the development of social, emotional, and academic behaviors to promote learning and well-being for all students. Self-awareness, self-management, social awareness, relationship skills, and responsible decision-making are behaviors and skills our robust curricula support.

COMPONENT TWO: UNDERSTANDING AND APPRECIATION OF OTHERS

We will develop curricula, policies, and practices that value and support diversity, equity, and inclusion in education. Through purposeful exposure to multiple perspectives, cultures, and ideas in an inclusive environment, students can develop greater compassion, confidence, empathy and creativity. Developing a rich understanding of the importance of diversity and equity prepares students to be the leaders of the future and to make meaningful contributions to their communities.

COMPONENT THREE: CONNECTING LEARNING TO LIFE

When asked about what they are learning in the classroom or beyond the school setting, students will be able to meaningfully describe not just “what” but “why.” According to research in the area of growth mindset, students learn more deeply when the learning is relevant to their lives, connected to a broader purpose, and reflective of their own voice and agency. We will provide purposeful instruction to deepen student learning, regardless of the educational setting, across all content areas. Ultimately, students will not only understand the powerful connections of their learning to the world around them, but will embrace new opportunities, new questions, and new possibilities with courage and passion.

The challenge of providing a fiscally responsible budget will continue to require effective and efficient management of School District resources. The District Treasurer continues to monitor the fiscal health of the school district through analyses of monthly financial reports and the utilization of various audits in addition to thinking creatively about how to meet the needs of the students more effectively and efficiently. We continue using a web-based system for Board of Education policies and meetings and have moved to live-streamed Board of Education meetings. We will continue to maximize all recent system updates such as nVision and My Learning Plan for increased efficiency and effectiveness. The Edgemont Union Free School District is committed to educational excellence, collaboration, and fiscal discipline.

Requests for Information

This financial report is designed to provide a general overview of 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:

Edgemont Union Free School District
Attn: Bryan A. Paul
Assistant Superintendent for Administration & Business
300 White Oak Lane
Scarsdale, New York 10583

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Edgemont Union Free School District, New York

Statement of Net Position

June 30, 2022

	<u>Governmental Activities</u>
ASSETS	
Cash and equivalents	\$ 23,224,505
Receivables	
Accounts	98,908
State and Federal aid	1,034,254
Due from other governments	182,726
Prepaid expenses	26,419
Net pension asset - TRS	27,414,125
Net pension asset - ERS	1,235,053
Capital assets	
Not being depreciated	1,972,185
Being depreciated, net	<u>39,563,389</u>
Total Assets	<u>94,751,564</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	18,305,161
OPEB related	<u>8,525,219</u>
Total Deferred Outflows of Resources	<u>26,830,380</u>
LIABILITIES	
Accounts payable	395,117
Accrued liabilities	359,197
Due to other governments	116,366
Bond anticipation notes payable	3,800,000
Unearned revenues	64,451
Due to retirement systems	3,124,220
Accrued interest payable	25,688
Non-current liabilities	
Due within one year	2,321,923
Due in more than one year	<u>105,744,389</u>
Total Liabilities	<u>115,951,351</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related	35,144,469
OPEB related	<u>11,036,350</u>
Total Deferred Inflows of Resources	<u>46,180,819</u>
NET POSITION	
Net investment in capital assets	29,175,320
Restricted	
Capital projects	83,502
Tax certiorari	5,931,636
ERS retirement contributions	4,043,388
TRS retirement contributions	1,413,008
Special purposes	301,757
Debt service	553,399
Unrestricted	<u>(82,052,236)</u>
Total Net Position	<u>\$ (40,550,226)</u>

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

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Edgemont Union Free School District, New York

Statement of Activities
For the 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	\$ 9,043,761	\$ 138,048	\$ -	\$ -	\$ (8,905,713)
Instruction	49,448,758	739,533	960,496	15	(47,748,714)
Pupil transportation	849,406	-	-	-	(849,406)
Cost of food sales	495,535	489,767	5,073	-	(695)
Other	466,834	-	356,439	-	(110,395)
Interest	254,282	-	-	41,793	(212,489)
Total Governmental Activities	60,558,576	1,367,348	1,322,008	41,808	(57,827,412)
General revenues					
Real property taxes					54,575,089
Other tax items					
School tax relief reimbursement					1,409,031
Non-property taxes					
Non-property tax distribution from County					730,905
Unrestricted use of money and property					32,687
Unrestricted State aid					5,018,448
Miscellaneous					336,442
Total General Revenues					62,102,602
Change in Net Position					4,275,190
Net Position - Beginning					(44,825,416)
Net Position - Ending					\$ (40,550,226)

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

Edgemont Union Free School District, New York

Balance Sheet
 Governmental Funds
 June 30, 2022

	General	Special Aid	Capital Projects
ASSETS			
Cash and equivalents	\$ 18,296,271	\$ 819,499	\$ 3,128,557
Receivables			
Accounts	98,908	-	-
State and Federal aid	579,586	454,236	-
Due from other governments	182,726	-	-
Due from other funds	1,257,020	-	-
Prepaid expenditures	488	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 20,414,999</u>	<u>\$ 1,273,735</u>	<u>\$ 3,128,557</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 393,740	\$ -	\$ -
Accrued liabilities	342,937	16,260	-
Due to other funds	49,126	1,202,464	19,793
Due to other governments	116,366	-	-
Bond anticipation note payable	-	-	3,800,000
Unearned revenues	9,440	55,011	-
Due to retirement systems	3,124,220	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>4,035,829</u>	<u>1,273,735</u>	<u>3,819,793</u>
Fund balances			
Nonspendable	488	-	-
Restricted	11,864,425	-	-
Assigned	1,833,216	-	-
Unassigned	2,681,041	-	(691,236)
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>16,379,170</u>	<u>-</u>	<u>(691,236)</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 20,414,999</u>	<u>\$ 1,273,735</u>	<u>\$ 3,128,557</u>

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

<u>Non-Major Governmental</u>	<u>Total Governmental Funds</u>
\$ 980,178	\$ 23,224,505
-	98,908
432	1,034,254
-	182,726
49,664	1,306,684
25,931	26,419
<u>\$ 1,056,205</u>	<u>\$ 25,873,496</u>

\$ 1,377	\$ 395,117
-	359,197
35,301	1,306,684
-	116,366
-	3,800,000
-	64,451
-	3,124,220
<u>36,678</u>	<u>9,166,035</u>

25,931	26,419
855,156	12,719,581
138,440	1,971,656
-	1,989,805
<u>1,019,527</u>	<u>16,707,461</u>
<u>\$ 1,056,205</u>	<u>\$ 25,873,496</u>

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Edgemont Union Free School District, New York

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

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

Fund Balances - Total Governmental Funds	\$ 16,707,461
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	1,972,185
Capital assets - depreciable	63,919,165
Accumulated depreciation	<u>(24,355,776)</u>
	<u>41,535,574</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	18,305,161
Deferred outflows - OPEB related	8,525,219
Deferred inflows - pension related	(35,144,469)
Deferred inflows - OPEB related	<u>(11,036,350)</u>
	<u>(19,350,439)</u>
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	
Net pension assets - TRS	27,414,125
Net pension assets - ERS	<u>1,235,053</u>
	<u>28,649,178</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	(25,688)
General obligation bonds payable	(9,470,000)
Energy performance contract payable	(1,419,054)
Compensated absences	(301,818)
Total OPEB Liability	<u>(96,875,440)</u>
	<u>(108,092,000)</u>
Net Position of Governmental Activities	<u>\$ (40,550,226)</u>

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

Edgemont Union Free School District, New York

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

	General	Special Aid	Capital Projects
REVENUES			
Real property taxes	\$ 54,575,089	\$ -	\$ -
Other tax items	1,409,031	-	-
Non-property taxes	730,905	-	-
Charges for services	739,533	-	-
Use of money and property	170,735	-	-
State aid	5,163,311	144,961	-
Federal aid	-	623,088	-
Food sales	-	-	-
Miscellaneous	384,026	-	15
Total Revenues	<u>63,172,630</u>	<u>768,049</u>	<u>15</u>
EXPENDITURES			
Current			
General support	7,766,223	-	-
Instruction	35,581,759	804,289	-
Pupil transportation	848,404	-	-
Employee benefits	14,518,015	-	-
Cost of food sales	-	-	-
Other	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	1,930,641
Total Expenditures	<u>58,714,401</u>	<u>804,289</u>	<u>1,930,641</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>4,458,229</u>	<u>(36,240)</u>	<u>(1,930,626)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	19,125	36,240	750,000
Transfers out	<u>(3,475,185)</u>	<u>-</u>	<u>(19,125)</u>
Total Other Financing Sources (Uses)	<u>(3,456,060)</u>	<u>36,240</u>	<u>730,875</u>
Net Change in Fund Balances	1,002,169	-	(1,199,751)
FUND BALANCES			
Beginning of Year	<u>15,377,001</u>	<u>-</u>	<u>508,515</u>
End of Year	<u>\$ 16,379,170</u>	<u>\$ -</u>	<u>\$ (691,236)</u>

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

Non-Major Governmental	Total Governmental Funds
\$ -	\$ 54,575,089
-	1,409,031
-	730,905
-	739,533
41,926	212,661
-	5,308,272
2,634	625,722
489,767	489,767
358,745	742,786
893,072	64,833,766
-	7,766,223
-	36,386,048
-	848,404
-	14,518,015
495,124	495,124
466,834	466,834
2,239,426	2,239,426
314,899	314,899
-	1,930,641
3,516,283	64,965,614
(2,623,211)	(131,848)
2,688,945	3,494,310
-	(3,494,310)
2,688,945	-
65,734	(131,848)
953,793	16,839,309
\$ 1,019,527	\$ 16,707,461

Edgemont 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

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ (131,848)</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	2,885,964
Depreciation expense	<u>(1,617,521)</u>
	<u>1,268,443</u>
<p>Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>	
Principal paid on general obligation bonds	1,980,000
Principal paid on energy performance contract	<u>259,426</u>
	<u>2,239,426</u>
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Compensated absences	35,479
Changes in pension liabilities and related deferred outflows and inflows of resources	4,958,597
Changes in OPEB liabilities and related deferred outflows and inflows of resources	(4,155,524)
Accrued interest	18,154
Amortization of premium and loss on refunding bonds	<u>42,463</u>
	<u>899,169</u>
Change in Net Position of Governmental Activities	<u><u>\$ 4,275,190</u></u>

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

Edgemont 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
REVENUES				
Real property taxes	\$ 54,575,089	\$ 54,575,089	\$ 54,575,089	\$ -
Other tax items	1,409,031	1,409,031	1,409,031	-
Non-property taxes	650,000	650,000	730,905	80,905
Charges for services	592,500	592,500	739,533	147,033
Use of money and property	53,000	53,000	170,735	117,735
Interfund revenues	4,500	4,500	-	(4,500)
State aid	5,097,754	5,097,754	5,163,311	65,557
Miscellaneous	133,333	142,584	384,026	241,442
	<u>62,515,207</u>	<u>62,524,458</u>	<u>63,172,630</u>	<u>648,172</u>
EXPENDITURES				
Current				
General support	8,294,490	8,948,274	7,766,223	1,182,051
Instruction	38,128,246	37,861,048	35,581,759	2,279,289
Pupil transportation	922,200	932,950	848,404	84,546
Employee benefits	15,495,857	15,487,357	14,518,015	969,342
	<u>62,840,793</u>	<u>63,229,629</u>	<u>58,714,401</u>	<u>4,515,228</u>
Excess of Revenues Over Expenditures	(325,586)	(705,171)	4,458,229	5,163,400
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	19,125	19,125
Transfers out	(3,374,327)	(3,508,947)	(3,475,185)	33,762
	<u>(3,374,327)</u>	<u>(3,508,947)</u>	<u>(3,456,060)</u>	<u>52,887</u>
Total Other Financing Uses	<u>(3,374,327)</u>	<u>(3,508,947)</u>	<u>(3,456,060)</u>	<u>52,887</u>
Net Change in Fund Balance	(3,699,913)	(4,214,118)	1,002,169	5,216,287
FUND BALANCE				
Beginning of Year	<u>3,699,913</u>	<u>4,214,118</u>	<u>15,377,001</u>	<u>11,162,883</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,379,170</u>	<u>\$ 16,379,170</u>

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

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Note 1 - Summary of Significant Accounting Policies

The Edgemont Union Free School District, New York ("School District"), as presently constituted, was established in 1912 and operates in accordance with the provisions of the Education Law of the State of New York. The Board of Education is the legislative body responsible for overall operation of the School District and is elected by the voters of the School District. The Superintendent serves as the chief executive officer. The School District's primary function is to provide education for its pupils. Services such as transportation of pupils, administration, finance and plant maintenance support the primary function.

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

A. Financial Reporting Entity

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

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

The School District participates in the Southern Westchester Board of Cooperative Educational Services ("BOCES"), a jointly governed entity. BOCES is a voluntary cooperative association of school districts in a geographic area that share planning, services and programs which provide educational and support services. BOCES' governing board is elected based on the vote of members of the participating district's governing boards. BOCES' budget is comprised of separate budgets for administrative, program and capital costs. BOCES charges the districts for program costs based on participation and for administrative and capital costs. Each component school district's share of 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 primary government as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used.

The Statement of Net Position presents the financial position of the School District at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to

Note 1 - Summary of Significant Accounting Policies (Continued)

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

While separate district-wide and fund financial statements are presented, they are interrelated. Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Fund Financial Statements

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

Fund Categories

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

The following represents the School District's non-major governmental 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 activities.

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

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, net pension liabilities and other postemployment benefit liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt 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 the date of acquisition.

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the district-wide and fund financial statements. Prepaid expenses/expenditures consist of certain debt service costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and will benefit such periods. Reported

Note 1 - Summary of Significant Accounting Policies (Continued)

amounts are equally offset by nonspendable fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Inventories - There are no inventory values presented in the balance sheets of the respective funds of the School District. Purchases of inventoriable items are recorded as expenditures at the time of purchase and year-end balances are not material.

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 School District are depreciated using the straight line method over the following estimated useful lives.

<u>Class</u>	<u>Life in Years</u>
Buildings and Improvements	20-50
Machinery and Equipment	10-20

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 \$9,440 for miscellaneous amounts received in advance in the General Fund and \$55,011 for grants received in advance in the Special Aid Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

Compensated Absences - The 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, as appropriate. 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 GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other than Pensions"*.

Note 1 - Summary of Significant Accounting Policies (Continued)

Net Position - Net position represents the difference between assets, deferred outflows of resources, 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 and regulations of governments. Restricted net position for the School District includes, restricted for capital projects, tax certiorari, ERS retirement contributions, TRS retirement contributions, special purposes and debt service.

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

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

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

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

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The 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 Board of Education 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 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 amount in 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 14, 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) 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 General and Debt Service funds.
- g) Budgets for General and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. The Board of Education does not adopt an annual budget for the Special Aid, School Lunch 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, require approval by the Board of Education. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- i) Appropriations in the General and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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

Note 2 - Stewardship, Compliance and Accountability (Continued)

B. Limitation on Fund Balance

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

C. Property Tax Limitation

Chapter 97 of the Laws of 2011, as amended ("Tax Levy Limitation Law"), modified previous law by imposing a 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.

E. Capital Projects Fund Project Deficits

The deficit in the Capital Projects Fund of \$691,236 arises because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2022

Note 2 - Stewardship, Compliance and Accountability (Continued)

"other financing source". Liabilities for bond anticipation notes payable are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced and eliminated as the bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing.

Note 3 - Detailed Notes on All Funds

A. Interfund Receivable/Payables

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

Fund	Due From	Due To
General	\$ 1,257,020	\$ 49,126
Special Aid	-	1,202,464
Capital Projects	-	19,793
Non-Major Governmental	49,664	35,301
	<u>\$ 1,306,684</u>	<u>\$ 1,306,684</u>

The outstanding balances between funds results 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	\$ 447,447	\$ -	\$ -	\$ 447,447
Construction-in-progress	2,285,921	1,524,738	2,285,921	1,524,738
Total Capital Assets, not being depreciated	<u>\$ 2,733,368</u>	<u>\$ 1,524,738</u>	<u>\$ 2,285,921</u>	<u>\$ 1,972,185</u>
Capital assets, being depreciated:				
Buildings and Improvements	\$ 59,306,244	\$ 3,190,572	\$ -	\$ 62,496,816
Machinery and Equipment	965,774	456,575	-	1,422,349
Total Capital Assets, being depreciated	<u>60,272,018</u>	<u>3,647,147</u>	<u>-</u>	<u>63,919,165</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	22,026,391	1,524,695	-	23,551,086
Machinery and Equipment	711,864	92,826	-	804,690
Total Accumulated Depreciation	<u>22,738,255</u>	<u>1,617,521</u>	<u>-</u>	<u>24,355,776</u>
Total Capital Assets, being Depreciated, net	<u>\$ 37,533,763</u>	<u>\$ 2,029,626</u>	<u>\$ -</u>	<u>\$ 39,563,389</u>
Capital Assets, net	<u>\$ 40,267,131</u>	<u>\$ 3,554,364</u>	<u>\$ 2,285,921</u>	<u>\$ 41,535,574</u>

Edgemont 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	\$ 22,449
Instruction	1,577,922
Pupil Transportation	16,739
Cost of Sales	<u>411</u>
Total Depreciation Expense	<u>\$ 1,617,521</u>

C. Accrued Liabilities

Accrued liabilities at June 30, 2022 were as follows:

	Fund		Total
	General	Special Aid	
Payroll and Employee Benefits	<u>\$ 342,937</u>	<u>\$ 16,260</u>	<u>\$ 359,197</u>

Short-Term Capital Borrowings

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

Purpose	Year of Original Issue	Interest Rate	Balance July 1, 2021	New Issues	Redemptions	Balance June 30, 2022
District-Wide Improvements	2021	1.25%	<u>\$ -</u>	<u>\$ 3,800,000</u>	<u>\$ -</u>	<u>\$ 3,800,000</u>

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

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

D. 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	\$ 11,450,000	\$ -	\$ 1,980,000	\$ 9,470,000	\$ 2,015,000
Plus - Unamortized Premium on Bonds	61,086	-	61,086	-	-
	<u>11,511,086</u>	<u>-</u>	<u>2,041,086</u>	<u>9,470,000</u>	<u>2,015,000</u>
Energy Performance Contract Payable	1,678,480	-	259,426	1,419,054	276,923
Other Non-current Liabilities:					
Compensated Absences	337,297	-	35,479	301,818	30,000
Net Pension Liability - ERS	14,509	-	14,509	-	-
Net Pension Liability - TRS	4,274,111	-	4,274,111	-	-
Other Postemployment Benefit Liability	104,188,467	-	7,313,027	96,875,440	-
Total Other Non-current Liabilities	<u>108,814,384</u>	<u>-</u>	<u>11,637,126</u>	<u>97,177,258</u>	<u>30,000</u>
Total Long-Term Liabilities	<u>\$ 122,003,950</u>	<u>\$ -</u>	<u>\$ 13,937,638</u>	<u>\$ 108,066,312</u>	<u>\$ 2,321,923</u>

Each governmental fund's liability for energy performance contract, compensated absences, net pension liability and other postemployment benefit liability is liquidated by the General Fund. The School District's indebtedness for general obligation bonds and energy performance contract debt is satisfied by the Debt Service Fund, which is primarily funded 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 Rate	Amount Outstanding at June 30, 2022
Refunding Bonds	2012	\$ 9,400,000	August, 2022	4.0 %	\$ 1,185,000
District-wide Improvements	2016	10,000,000	December, 2030	2.0 - 3.0	6,535,000
District-wide Improvements	2017	2,800,000	June, 2031	2.0	1,750,000
					<u>\$ 9,470,000</u>

Interest expenditures of \$270,563 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$209,946 was recorded in the district-wide financial statements.

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

Energy Performance Contract Payable

The School District, in December 2011, entered into a \$3,408,453 contractual agreement to install energy savings equipment and/or to upgrade existing facilities to enhance performance. The agreement provides for remaining annual payments ranging from \$294,160 to \$326,395 payable in monthly installments, including interest at 2.84%, through March 2027. The contract further provides that the savings in energy costs resulting from this modernization will equal or exceed the payment terms. Interest expenditures/expenses of \$44,336 were recorded in the fund financial statements in the Debt Service Fund and in the district-wide financial statements. The balance due at June 30, 2022 was \$1,419,054.

Payments to Maturity

The annual requirements to amortize all outstanding bonded and energy performance contract debt as of June 30, 2022 including interest payments of \$1,086,602 are as follows:

Year Ending June 30,	General Obligations Bonds		Energy Performance Contract		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 2,015,000	\$ 207,113	\$ 276,923	\$ 36,743	\$ 2,291,923	\$ 243,856
2024	855,000	166,613	295,224	28,642	1,150,224	195,255
2025	875,000	149,312	306,365	20,030	1,181,365	169,342
2026	900,000	131,168	301,930	11,473	1,201,930	142,641
2027	920,000	111,669	238,612	2,833	1,158,612	114,502
2028-3031	3,905,000	221,006	-	-	3,905,000	221,006
	<u>\$ 9,470,000</u>	<u>\$ 986,881</u>	<u>\$ 1,419,054</u>	<u>\$ 99,721</u>	<u>\$ 10,889,054</u>	<u>\$ 1,086,602</u>

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

Legal Debt Margin

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

Compensated Absences

Pursuant to collective bargaining agreements, certain employees may accumulate sick leave. Clerical and custodial employees, upon separation of service or retirement, will be compensated for accumulated sick leave, based upon the terms of their respective agreement. Vacation time must be taken in the year subsequent to the year earned. 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 or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

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

ERS and TRS are noncontributory for employees who joined the systems before July 27, 1976. Employees who joined the systems after July 27, 1976 and before January 1, 2010 contribute 3% of their salary for the first ten years of membership. Employees who joined the systems after January 1, 2010 generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS's fiscal year ending March 31. Pursuant to Article 11 of the Education Law of the State of New York, actuarially determined employer contributions are established annually for the TRS by its Board of Trustees. The employer contribution rates for the plans' year ending in 2022 are as follows:

Edgemont 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	2 75I	23.1 %
	3 A15	18.3
	4 A15	18.3
	5 A15	15.3
	6 A15	10.7
TRS	1-6	9.8 %

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

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2022	June 30, 2021
Net pension asset	\$ (1,235,053)	\$ (27,414,125)
School Districts' proportion of the net pension asset	0.0151084 %	0.158198 %
Change in proportion since the prior measurement date	0.0005378 %	0.003522 %

The net pension asset was measured as of March 31, 2022 for ERS and June 30, 2021 for TRS and the total pension asset 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 pension expense in the district-wide financial statements of (\$1,436,238), (\$249,243 for ERS and (\$1,685,481) for TRS). Pension expenditures of \$866,296 for ERS and \$2,656,063 for TRS were recorded in the fund financial statements and were charged to the General Fund.

At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>ERS</u>		<u>TRS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 93,532	\$ 121,317	\$ 3,778,746	\$ 142,428
Changes of assumptions	2,061,165	34,780	9,017,079	1,596,792
Net difference between projected and actual earnings on pension plan investments	-	4,044,281	-	28,691,719
Changes in proportion and differences between School District contributions and proportionate share of contributions	513,245	93,323	12,154	419,829
School District contributions subsequent to the measurement date	166,266	-	2,662,974	-
	<u>\$ 2,834,208</u>	<u>\$ 4,293,701</u>	<u>\$ 15,470,953</u>	<u>\$ 30,850,768</u>

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,872,278	\$ 263,745
Changes of assumptions	11,078,244	1,631,572
Net difference between projected and actual earnings on pension plan investments	-	32,736,000
Changes in proportion and differences between School District contributions and proportionate share of contributions	525,399	513,152
School District contributions subsequent to the measurement date	2,829,240	-
	<u>\$ 18,305,161</u>	<u>\$ 35,144,469</u>

\$166,266 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 \$2,662,974 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	\$ -
2023	(159,584)	(4,250,713)
2024	(342,842)	(5,321,547)
2025	(962,776)	(6,986,859)
2026	(160,557)	1,263,601
Thereafter	-	897,082
	<u>\$ (1,625,759)</u>	<u>\$ (18,042,789)</u>

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

	ERS	TRS
Measurement Date	March 31, 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.

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

For ERS, annuitant mortality rates are based on the ERS’s experience with adjustments for mortality improvements based on Society of Actuaries’ Scale MP-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.

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 Fixed Income Securities	-	-	2	0.8
High Yield Fixed Income Securities	-	-	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	-	-	-
Cash	1	(1.00)	1	(0.2)
	<u>100 %</u>		<u>100 %</u>	

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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:

	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>\$ 3,179,013</u>	<u>\$ (1,235,053)</u>	<u>\$ (4,927,206)</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>\$ (2,876,713)</u>	<u>\$ (27,414,125)</u>	<u>\$ (48,036,040)</u>

The components of the collective net pension liability (asset) 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 liability	<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 31st. 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.

Note 3 - Detailed Notes on All Funds (Continued)

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 \$166,266 to ERS and \$2,957,954 to TRS (including employee contributions of \$294,980).

Voluntary Defined Contribution Plan

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

Other Postemployment Benefit Liability ("OPEB")

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

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

Inactive employees currently receiving benefit payments	182
Active employees	<u>271</u>
	<u><u>453</u></u>

The School District's total OPEB liability of \$96,875,440 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021.

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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	3.0%, average, including inflation
Discount rate	3.77%
Healthcare cost trend rates	7.0% for 2023, decreasing 0.25% per year to an ultimate rate of 4.5% for 2033 and later years
Retirees' share of benefit-related costs	Varies depending on applicable retirement year and bargaining unit

The discount rate was based on an average of three 20-year bond indices (e.g., Bond Buyer-20 Bond GO, S&P Municipal Bond 20 Year High Grade Rate Index, Fidelity GA AA 20 Years) as of June 30, 2022.

Mortality rates were based on the Society of Actuaries Pub-2010 Public Retirement Plans Healthy Male and Female Total Dataset Headcount – weighted mortality tables for both pre and post retirement, projected with mortality improvements using the most current Society of Actuaries Mortality Improvement Scale MP-2021.

The actuarial assumptions used in the July 1, 2021 valuation were based on the most recent decrement tables for turnover, disability and retirement for ERS and TRS. ERS and TRS tables were based on a version released in 2020 and 2021.

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	\$ 104,188,467
Service cost	2,469,762
Interest	3,875,434
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(10,874,590)
Benefit payments	<u>(2,783,633)</u>
 Total OPEB Liability - End of Year	 <u><u>\$ 96,875,440</u></u>

The following presents the total OPEB liability of the School District, as well as what the School District’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.77%) or 1 percentage point higher (4.77%) than the current discount rate:

	1% Decrease (2.77%)	Current Discount Rate (3.77%)	1% Increase (4.77%)
	<u> </u>	<u> </u>	<u> </u>
Total OPEB Liability	<u>\$ 115,750,813</u>	<u>\$ 96,875,440</u>	<u>\$ 82,301,290</u>

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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 (6.0% decreasing to 3.5%) or 1 percentage point higher (8.0% decreasing to 5.5%) than the current healthcare cost trend rates:

	1% Decrease (6.0% decreasing to 3.5%)	Current Healthcare Cost Trend Rates (7.0% decreasing to 4.5%)	1% Increase (8.0% decreasing to 5.5%)
Total OPEB Liability	<u>\$ 80,837,540</u>	<u>\$ 96,875,440</u>	<u>\$ 118,219,447</u>

For the year ended June 30, 2022, the School District recognized OPEB expense of \$6,939,157 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions or other inputs	\$ 8,525,219	\$ 11,036,350
Differences between expected and actual experience	<u>-</u>	<u>-</u>
	<u>\$ 8,525,219</u>	<u>\$ 11,036,350</u>

Amount reports as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2023	\$ 593,961
2024	593,958
2025	(64,052)
2026	442,972
2027	(1,359,324)
Thereafter	<u>(2,718,646)</u>
	<u>\$ (2,511,131)</u>

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

E. Revenues and Expenditures

Interfund Transfers

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

Transfers Out	Transfers In				Total
	General Fund	Special Aid	Capital Projects	Non-Major Governmental	
General Fund	\$ -	\$ 36,240	\$ 750,000	\$ 2,688,945	\$ 3,475,185
Capital Projects Fund	19,125	-	-	-	19,125
	<u>\$ 19,125</u>	<u>\$ 36,240</u>	<u>\$ 750,000</u>	<u>\$ 2,688,945</u>	<u>\$ 3,494,310</u>

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

F. Net Position

The components of net position are detailed below:

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

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

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

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

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

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

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

Restricted for 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.

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

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

G. Fund Balances

	2022				2021			
	General Fund	Capital Projects Fund	Non-Major Governmental	Total	General Fund	Capital Projects Fund	Non-Major Governmental	Total
Nonspendable -								
Prepaid expenditures	\$ 488	\$ -	\$ 25,931	\$ 26,419	\$ 703	\$ -	\$ 25,109	\$ 25,812
Restricted:								
Tax certiorari	5,931,636	-	-	5,931,636	5,785,020	-	-	5,785,020
Employee benefit accrued liability	301,819	-	-	301,819	277,000	-	-	277,000
ERS retirement contributions	3,378,326	-	-	3,378,326	2,128,326	-	-	2,128,326
ERS retirement contributions - for subsequent year's expenditures	665,062	-	-	665,062	606,182	-	-	606,182
TRS retirement contributions	1,413,008	-	-	1,413,008	875,984	-	-	875,984
TRS retirement contributions - for subsequent year's expenditures	174,574	-	-	174,574	160,000	-	-	160,000
Debt service	-	-	553,399	553,399	-	-	512,428	512,428
Capital projects	-	-	-	-	-	508,515	-	508,515
Special purposes - extraclassroom activities	-	-	60,788	60,788	-	-	58,653	58,653
Special purposes - other	-	-	240,969	240,969	-	-	353,499	353,499
Total Restricted	11,864,425	-	855,156	12,719,581	9,832,512	508,515	924,580	11,265,607
Assigned:								
Purchases on order:								
General government support	546,475	-	-	546,475	892,799	-	-	892,799
Instruction	286,741	-	-	286,741	70,932	-	-	70,932
	833,216	-	-	833,216	963,731	-	-	963,731
Subsequent year's expenditures from -								
General Fund	1,000,000	-	-	1,000,000	1,970,000	-	-	1,970,000
School Lunch Fund	-	-	138,440	138,440	-	-	4,104	4,104
Total Assigned	1,833,216	-	138,440	1,971,656	2,933,731	-	4,104	2,937,835
Unassigned	2,681,041	(691,236)	-	1,989,805	2,610,055	-	-	2,610,055
Total Fund Balances	\$ 16,379,170	\$ (691,236)	\$ 1,019,527	\$ 16,707,461	\$ 15,377,001	\$ 508,515	\$ 953,793	\$ 16,839,309

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

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

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

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

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

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

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

The School District is a defendant in a case involving a former student. The case is currently under a stay due to the bankruptcy of a related entity. At this time it is not possible to determine the outcome of this matter.

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.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

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

C. Risk Management

The School District purchases various insurance coverages to reduce its exposure to loss. The School District maintains general liability insurance and liability coverage for school board members with policy limits of \$1 million per occurrence and \$3 million in the aggregate. The School District also maintains an umbrella policy with coverage of \$15 million. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

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

The School District and neighboring school districts in Southern Westchester County participate in the State-Wide Schools Cooperative Health Plan. This Plan operates under an agreement, as amended, dated December 12, 1985. The purposes of the Plan are to effect cost savings in members' expenses for health coverage; to provide for centralized administration, funding and disbursements for health coverage; and to provide for such risk management services as may be appropriate to reduce future expense and liability for health coverage. The governance of the Plan shall be in all respects in the hands of the Board of Trustees. The Board of Trustees shall consist of seven trustees elected by the general membership of the Plan. No action may be taken by the Board of Trustees except by a vote of a majority of the total number of trustees. Billings to participants are based upon coverage provided to each participants' employees. The School District has transferred all related risk to the Plan.

Note 5 - Subsequent Event

The School District, on September 1, 2022, issued bond anticipation notes in the amount of \$3,800,000 for voter approved capital projects. The bond anticipation notes are due on May 1, 2023 with interest at 3.5%.

Note 6 - 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.

Edgemont Union Free School District, New York

Notes to Financial Statements (Concluded)

June 30, 2022

Note 6 - Recently Issued GASB Pronouncements (Continued)

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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Edgemont 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	\$ 2,469,762	\$ 1,422,963	\$ 1,275,847	\$ 1,500,787	\$ 1,401,520
Interest	3,875,434	1,944,877	2,315,088	3,121,746	3,051,391
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	-	-	-	-
Changes of assumptions or other inputs	(10,874,590)	10,813,786	(3,042,171)	3,948,093	-
Benefit payments	<u>(2,783,633)</u>	<u>(1,750,556)</u>	<u>(1,750,760)</u>	<u>(1,711,779)</u>	<u>(1,644,794)</u>
Net Change in Total OPEB Liability	(7,313,027)	12,431,070	(1,201,996)	6,858,847	2,808,117
Total OPEB Liability – Beginning of Year	<u>104,188,467</u>	<u>91,757,397</u>	<u>92,959,393</u>	<u>86,100,546</u>	<u>83,292,429 (3)</u>
Total OPEB Liability – End of Year	<u>\$ 96,875,440</u>	<u>\$ 104,188,467</u>	<u>\$ 91,757,397</u>	<u>\$ 92,959,393</u>	<u>\$ 86,100,546</u>
School District's covered-employee payroll	<u>\$ 30,099,145</u>	<u>\$ 29,367,623</u>	<u>\$ 29,367,623</u>	<u>\$ 27,779,455</u>	<u>\$ 27,779,455</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>321.85%</u>	<u>354.77%</u>	<u>312.44%</u>	<u>334.63%</u>	<u>309.94%</u>
*Discount Rate	<u>3.77%</u>	<u>2.09%</u>	<u>2.44%</u>	<u>3.50%</u>	<u>3.50%</u>

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

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

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

Edgemont 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)

	2022 (4)	2021 (3)	2020	2019	2018 (4)	2017 (3)	2016	2015
School District's proportion of the net pension liability (asset)	0.158198%	0.154676%	0.153046%	0.148822%	0.148091%	0.146981%	0.145276%	0.146638%
School District's proportionate share of the net pension liability (asset)	\$ (27,414,125)	\$ 4,274,111	\$ (3,976,135)	\$ (2,691,101)	\$ (1,125,640)	\$ 1,574,226	\$ (15,089,534)	\$ (16,334,540)
School District's covered payroll	\$ 26,851,202	\$ 26,346,502	\$ 25,711,638	\$ 24,230,778	\$ 23,662,766	\$ 22,913,418	\$ 21,822,407	\$ 21,806,295
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(102.10)%	16.22%	(15.46)%	(11.11)%	(4.76)%	6.87%	(69.15)%	(74.91)%
Plan fiduciary net position as a percentage of the total pension liability	113.20%	97.76%	102.17%	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	\$ 2,662,974	\$ 2,558,920	\$ 2,334,477	\$ 2,730,576	\$ 2,374,616	\$ 2,773,276	\$ 3,038,328	\$ 3,825,468
Contributions in relation to the contractually required contribution	(2,662,974)	(2,558,920)	(2,334,477)	(2,730,576)	(2,374,616)	(2,773,276)	(3,038,328)	(3,825,468)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 27,045,538	\$ 26,851,202	\$ 26,346,502	\$ 25,711,638	\$ 24,230,778	\$ 23,662,766	\$ 22,913,418	\$ 21,822,407
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 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 net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

Edgemont 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)	<u>0.0151084%</u>	<u>0.0145706%</u>	<u>0.0153341%</u>	<u>0.0170137%</u>	<u>0.0163977%</u>	<u>0.0160599%</u>	<u>0.0166573%</u>	<u>0.0169164%</u>
School District's proportionate share of the net pension liability (asset)	<u>\$ (1,235,053)</u>	<u>\$ 14,509</u>	<u>\$ 4,060,546</u>	<u>\$ 1,205,474</u>	<u>\$ 529,226</u>	<u>\$ 1,509,028</u>	<u>\$ 2,673,536</u>	<u>\$ 571,476</u>
School District's covered payroll	<u>\$ 5,794,342</u>	<u>\$ 5,683,652</u>	<u>\$ 5,715,999</u>	<u>\$ 5,627,506</u>	<u>\$ 5,584,936</u>	<u>\$ 5,383,807</u>	<u>\$ 5,103,772</u>	<u>\$ 5,015,002</u>
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	<u>(21.31)%</u>	<u>0.26%</u>	<u>71.04%</u>	<u>21.42%</u>	<u>9.48%</u>	<u>28.03%</u>	<u>52.38%</u>	<u>11.40%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>103.65%</u>	<u>99.95%</u>	<u>86.39%</u>	<u>96.27%</u>	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>	<u>97.90%</u>
Discount Rate	<u>5.9%</u>	<u>5.9%</u>	<u>6.8%</u>	<u>7.0%</u>	<u>7.0%</u>	<u>7.0%</u>	<u>7.0%</u>	<u>7.5%</u>

Schedule of Contributions

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	<u>\$ 930,118</u>	<u>\$ 837,010</u>	<u>\$ 822,505</u>	<u>\$ 827,184</u>	<u>\$ 813,490</u>	<u>\$ 804,070</u>	<u>\$ 857,136</u>	<u>\$ 1,043,197</u>
Contributions in relation to the contractually required contribution	<u>(930,118)</u>	<u>(837,010)</u>	<u>(822,505)</u>	<u>(827,184)</u>	<u>(813,490)</u>	<u>(804,070)</u>	<u>(857,136)</u>	<u>(1,043,197)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	<u>\$ 5,802,936</u>	<u>\$ 5,707,542</u>	<u>\$ 5,752,675</u>	<u>\$ 5,606,754</u>	<u>\$ 5,631,406</u>	<u>\$ 5,085,715</u>	<u>\$ 5,139,096</u>	<u>\$ 5,021,349</u>
Contributions as a percentage of covered payroll	<u>16.03%</u>	<u>14.66%</u>	<u>14.30%</u>	<u>14.75%</u>	<u>14.45%</u>	<u>15.81%</u>	<u>16.68%</u>	<u>20.78%</u>

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

(2) The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

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

(4)(5) Decrease in the School District's proportionate 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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Edgemont Union Free School District, New York

General Fund
Comparative Balance Sheet
June 30,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 18,296,271	\$ 17,349,321
Receivables		
Accounts	98,908	107,176
State and Federal aid	579,586	515,850
Due from other governments	182,726	180,000
Due from other funds	<u>1,257,020</u>	<u>1,251,896</u>
	<u>2,118,240</u>	<u>2,054,922</u>
Prepaid expenditures	<u>488</u>	<u>703</u>
Total Assets	<u>\$ 20,414,999</u>	<u>\$ 19,404,946</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 393,740	\$ 499,528
Accrued liabilities	342,937	303,058
Due to other governments	116,366	183,049
Due to other funds	49,126	-
Unearned revenues	9,440	17,901
Due to retirement systems	<u>3,124,220</u>	<u>3,024,409</u>
Total Liabilities	<u>4,035,829</u>	<u>4,027,945</u>
Fund balance		
Nonspendable	488	703
Restricted	11,864,425	9,832,512
Assigned	1,833,216	2,933,731
Unassigned	<u>2,681,041</u>	<u>2,610,055</u>
Total Fund Balance	<u>16,379,170</u>	<u>15,377,001</u>
Total Liabilities and Fund Balance	<u>\$ 20,414,999</u>	<u>\$ 19,404,946</u>

See independent auditors' report.

Edgemont Union Free School District, New York

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

	2022				
	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
REVENUES					
Real property taxes	\$ 54,575,089	\$ 54,575,089	\$ 54,575,089	\$	\$ -
Other tax items	1,409,031	1,409,031	1,409,031		-
Non-property taxes	650,000	650,000	730,905		80,905
Charges for services	592,500	592,500	739,533		147,033
Use of money and property	53,000	53,000	170,735		117,735
Interfund revenues	4,500	4,500	-		(4,500)
State aid	5,097,754	5,097,754	5,163,311		65,557
Federal aid	-	-	-		-
Miscellaneous	133,333	142,584	384,026		241,442
Total Revenues	62,515,207	62,524,458	63,172,630		648,172
EXPENDITURES					
Current					
General support					
Board of education	68,005	118,265	91,309	224	26,732
Central administration	460,448	511,317	494,635	186	16,496
Finance	1,206,997	1,162,266	1,022,870	61,363	78,033
Staff	256,738	276,538	266,485	5,571	4,482
Central services	5,416,210	5,479,591	4,776,704	479,131	223,756
Special items	886,092	1,400,297	1,114,220	-	286,077
Total General Support	8,294,490	8,948,274	7,766,223	546,475	635,576
Instruction					
Instruction, administration and improvement	2,234,509	2,297,686	2,189,925	2,657	105,104
Teaching - Regular school	20,053,729	19,984,907	18,910,886	238,571	835,450
Programs for students with disabilities	9,900,740	9,567,908	8,943,512	10,141	614,255
Instructional media	2,288,912	2,271,161	2,085,093	4,357	181,711
Pupil services	3,650,356	3,739,386	3,452,343	31,015	256,028
Total Instruction	38,128,246	37,861,048	35,581,759	286,741	1,992,548
Pupil transportation	922,200	932,950	848,404	-	84,546
Employee benefits	15,495,857	15,487,357	14,518,015	-	969,342
Total Expenditures	62,840,793	63,229,629	58,714,401	833,216	3,682,012
Excess (Deficiency) of Revenues Over Expenditures	(325,586)	(705,171)	4,458,229	(833,216)	4,330,184
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	19,125	-	19,125
Transfers out	(3,374,327)	(3,508,947)	(3,475,185)	-	33,762
Total Other Financing Uses	(3,374,327)	(3,508,947)	(3,456,060)	-	52,887
Net Change in Fund Balance	(3,699,913)	(4,214,118)	1,002,169	\$ (833,216)	\$ 4,383,071
FUND BALANCE					
Beginning of Year	3,699,913	4,214,118	15,377,001		
End of Year	\$ -	\$ -	\$ 16,379,170		

See independent auditors' report.

2021

Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
\$ 53,374,957	\$ 53,374,957	\$ 53,374,957	\$	\$ -
1,603,335	1,603,335	1,603,335		-
500,000	500,000	718,957		218,957
835,000	835,000	671,956		(163,044)
218,500	218,500	47,265		(171,235)
4,500	4,500	-		(4,500)
4,629,340	4,629,340	4,563,118		(66,222)
66,116	66,116	66,122		6
160,333	183,438	310,892		127,454
<u>61,392,081</u>	<u>61,415,186</u>	<u>61,356,602</u>		<u>(58,584)</u>
70,629	70,629	46,442	210	23,977
461,107	553,552	512,321	555	40,676
1,089,636	1,128,574	1,029,751	54,702	44,121
436,458	432,458	375,925	6,398	50,135
5,247,000	5,325,819	4,317,482	830,934	177,403
821,445	837,021	559,516	-	277,505
<u>8,126,275</u>	<u>8,348,053</u>	<u>6,841,437</u>	<u>892,799</u>	<u>613,817</u>
2,179,243	2,194,426	2,118,916	1,304	74,206
19,510,280	19,410,892	18,962,723	52,071	396,098
9,473,469	9,654,747	9,228,092	112	426,543
2,264,066	2,195,969	2,027,308	9,786	158,875
3,576,013	3,589,165	3,095,445	7,659	486,061
<u>37,003,071</u>	<u>37,045,199</u>	<u>35,432,484</u>	<u>70,932</u>	<u>1,541,783</u>
1,341,043	1,118,268	693,044	-	425,224
15,034,830	15,032,380	13,931,216	-	1,101,164
<u>61,505,219</u>	<u>61,543,900</u>	<u>56,898,181</u>	<u>963,731</u>	<u>3,681,988</u>
(113,138)	(128,714)	4,458,421	(963,731)	3,623,404
-	-	-	-	-
<u>(3,256,424)</u>	<u>(3,256,424)</u>	<u>(3,228,034)</u>	<u>-</u>	<u>28,390</u>
<u>(3,256,424)</u>	<u>(3,256,424)</u>	<u>(3,228,034)</u>	<u>-</u>	<u>28,390</u>
<u>(3,369,562)</u>	<u>(3,385,138)</u>	<u>1,230,387</u>	<u>\$ (963,731)</u>	<u>\$ 3,651,794</u>
<u>3,369,562</u>	<u>3,385,138</u>	<u>14,146,614</u>		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,377,001</u>		

Edgemont 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
REAL PROPERTY TAXES	\$ 54,575,089	\$ 54,575,089	\$ 54,575,089	\$ -
OTHER TAX ITEMS				
School tax relief reimbursement	1,409,031	1,409,031	1,409,031	-
NON-PROPERTY TAXES				
Non-property tax distribution from County	650,000	650,000	730,905	80,905
CHARGES FOR SERVICES				
Day school tuition from individuals	250,000	250,000	262,360	12,360
Day school tuition - Other districts	250,000	250,000	397,754	147,754
Other services for other districts and other governments	92,500	92,500	79,419	(13,081)
	592,500	592,500	739,533	147,033
USE OF MONEY AND PROPERTY				
Earnings on investments	45,000	45,000	32,687	(12,313)
Rental of real property - Individuals	8,000	8,000	138,048	130,048
	53,000	53,000	170,735	117,735
INTERFUND REVENUES	4,500	4,500	-	(4,500)
STATE AID				
Basic formula	3,438,486	3,438,486	3,353,915	(84,571)
Lottery aid	805,607	805,607	853,460	47,853
BOCES aid	708,427	708,427	811,073	102,646
Textbook aid	118,947	118,947	88,144	(30,803)
Computer software aid	13,556	13,556	44,007	30,451
Library loan program	12,731	12,731	12,712	(19)
	5,097,754	5,097,754	5,163,311	65,557

MISCELLANEOUS

Refund for BOCES aided services	35,000	35,000	93,438	58,438
Refund of prior year's expenditures	45,000	45,000	227,057	182,057
Gifts and donations	38,333	47,584	47,584	-
Other	15,000	15,000	15,947	947
	<u>133,333</u>	<u>142,584</u>	<u>384,026</u>	<u>241,442</u>
TOTAL REVENUES	<u>62,515,207</u>	<u>62,524,458</u>	<u>63,172,630</u>	<u>648,172</u>
OTHER FINANCING SOURCES				
Transfers in				
Capital Projects Fund	<u>-</u>	<u>-</u>	<u>19,125</u>	<u>19,125</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 62,515,207</u>	<u>\$ 62,524,458</u>	<u>\$ 63,191,755</u>	<u>\$ 667,297</u>

See independent auditors' report.

Edgemont Union Free School District, New York

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

	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
GENERAL SUPPORT					
BOARD OF EDUCATION					
Board of education	\$ 44,295	\$ 94,555	\$ 80,368	\$ -	\$ 14,187
District meeting	23,710	23,710	10,941	224	12,545
Total Board of Education	68,005	118,265	91,309	224	26,732
CENTRAL ADMINISTRATION					
Chief school administrator	460,448	511,317	494,635	186	16,496
FINANCE					
Business administration	953,152	926,221	876,726	10,463	39,032
Auditing	156,665	156,665	79,570	50,900	26,195
Treasurer	55,080	47,080	46,959	-	121
Fiscal agent fees	42,100	32,300	19,615	-	12,685
Total Finance	1,206,997	1,162,266	1,022,870	61,363	78,033
STAFF					
Legal	220,340	240,140	237,015	-	3,125
Public information and services	36,398	36,398	29,470	5,571	1,357
Total Staff	256,738	276,538	266,485	5,571	4,482
CENTRAL SERVICES					
Operation and maintenance of plant	5,402,210	5,455,091	4,755,384	479,131	220,576
Central printing and mailing	14,000	24,500	21,320	-	3,180
Total Central Services	5,416,210	5,479,591	4,776,704	479,131	223,756

SPECIAL ITEMS

Unallocated insurance	240,000	240,000	218,062	-	21,938
Assessments on school property	58,000	58,000	43,861	-	14,139
Refunds of real property taxes	250,000	764,205	514,205	-	250,000
Administrative charge - BOCES	338,092	338,092	338,092	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Special Items	886,092	1,400,297	1,114,220	-	286,077
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total General Support	8,294,490	8,948,274	7,766,223	546,475	635,576
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

INSTRUCTION**INSTRUCTION, ADMINISTRATION
AND IMPROVEMENT**

Curriculum development and supervision	373,622	385,097	347,005	-	38,092
Supervision - Regular school	1,832,507	1,884,209	1,837,210	2,657	44,342
In-service training and instruction	28,380	28,380	5,710	-	22,670
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Instruction, Administration and Improvement	2,234,509	2,297,686	2,189,925	2,657	105,104
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

TEACHING - REGULAR SCHOOL

	20,053,729	19,984,907	18,910,886	238,571	835,450
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**PROGRAMS FOR STUDENTS
WITH DISABILITIES**

	9,900,740	9,567,908	8,943,512	10,141	614,255
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

INSTRUCTIONAL MEDIA

School library and audiovisual	730,132	709,463	571,746	4,339	133,378
Computer assisted instruction	1,558,780	1,561,698	1,513,347	18	48,333
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Instructional Media	2,288,912	2,271,161	2,085,093	4,357	181,711
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

PUPIL SERVICES

Attendance - Regular school	79,373	79,373	77,583	-	1,790
Guidance - Regular school	870,808	894,363	867,769	-	26,594
Health services - Regular school	386,179	391,939	357,787	-	34,152
Psychological services - Regular school	866,424	877,441	874,980	-	2,461
Co-curricular activities - Regular school	426,436	426,436	289,239	-	137,197
Interscholastic athletics - Regular school	1,021,136	1,069,834	984,985	31,015	53,834
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Pupil Services	3,650,356	3,739,386	3,452,343	31,015	256,028
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Total Instruction	38,128,246	37,861,048	35,581,759	286,741	1,992,548
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

(Continued)

Edgemont 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
PUPIL TRANSPORTATION					
District transportation services	\$ 42,000	\$ 145,705	\$ 122,018	\$ -	\$ 23,687
Contract transportation	840,200	755,495	694,906	-	60,589
Transportation from BOCES	40,000	31,750	31,480	-	270
Total Pupil Transportation	<u>922,200</u>	<u>932,950</u>	<u>848,404</u>	<u>-</u>	<u>84,546</u>
EMPLOYEE BENEFITS					
State retirement	961,767	961,767	866,296	-	95,471
Teachers' retirement	2,864,234	2,864,234	2,656,063	-	208,171
Social security	2,751,535	2,751,535	2,528,494	-	223,041
Life insurance	12,351	12,242	11,257	-	985
Hospital, medical and dental insurance	7,805,115	7,805,115	7,550,218	-	254,897
Workers' compensation benefits	221,719	222,219	214,304	-	7,915
Unemployment benefits	60,000	60,000	8,431	-	51,569
Disability insurance	9,558	9,558	3,104	-	6,454
Union welfare benefits	809,578	800,687	679,848	-	120,839
Total Employee Benefits	<u>15,495,857</u>	<u>15,487,357</u>	<u>14,518,015</u>	<u>-</u>	<u>969,342</u>
TOTAL EXPENDITURES	<u>62,840,793</u>	<u>63,229,629</u>	<u>58,714,401</u>	<u>833,216</u>	<u>3,682,012</u>
OTHER FINANCING USES					
Transfers out					
Special Aid Fund	70,000	70,000	36,240	-	33,760
Capital Projects Fund	750,000	750,000	750,000	-	-
Debt Service Fund	2,554,327	2,554,327	2,554,325	-	2
School Lunch Fund	-	134,620	134,620	-	-
TOTAL OTHER FINANCING USES	<u>3,374,327</u>	<u>3,508,947</u>	<u>3,475,185</u>	<u>-</u>	<u>33,762</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 66,215,120</u>	<u>\$ 66,738,576</u>	<u>\$ 62,189,586</u>	<u>\$ 833,216</u>	<u>\$ 3,715,774</u>

See independent auditors' report.

Edgemont Union Free School District, New York

Special Aid Fund
Comparative Balance Sheet
June 30,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 819,499	\$ 738,327
State and Federal aid receivable	<u>454,236</u>	<u>503,900</u>
Total Assets	<u>\$ 1,273,735</u>	<u>\$ 1,242,227</u>
LIABILITIES		
Accounts payable	\$ -	\$ 4,427
Accrued liabilities	16,260	15,557
Due to other funds	1,202,464	1,222,243
Unearned revenues	<u>55,011</u>	<u>-</u>
Total Liabilities	<u>\$ 1,273,735</u>	<u>\$ 1,242,227</u>

See independent auditors' report.

Edgemont Union Free School District, New York

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

	<u>2022</u>	<u>2021</u>
REVENUES		
State aid	\$ 144,961	\$ 166,450
Federal aid	<u>623,088</u>	<u>495,100</u>
Total Revenues	768,049	661,550
EXPENDITURES		
Current		
Instruction	<u>804,289</u>	<u>703,162</u>
Deficiency of Revenues Over Expenditures	(36,240)	(41,612)
OTHER FINANCING SOURCES		
Transfers in	<u>36,240</u>	<u>41,612</u>
Net Change in Fund Balance	-	-
FUND BALANCE		
Beginning of Year	<u>-</u>	<u>-</u>
End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See independent auditors' report.

Edgemont Union Free School District, New York

Capital Projects Fund
Comparative Balance Sheet
June 30,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	<u>\$ 3,128,557</u>	<u>\$ 516,409</u>
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities		
Accounts payable	\$ -	\$ 7,850
Due to other funds	19,793	44
Bond anticipation note payable	<u>3,800,000</u>	<u>-</u>
Total Liabilities	3,819,793	7,894
Fund balance (deficit)		
Restricted	-	508,515
Unassigned	<u>(691,236)</u>	<u>-</u>
Total Fund Balance (Deficit)	<u>(691,236)</u>	<u>508,515</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 3,128,557</u>	<u>\$ 516,409</u>

See independent auditors' report.

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Edgemont Union Free School District, New York

Capital Projects Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended June 30,

	<u>2022</u>	<u>2021</u>
REVENUES		
Miscellaneous	\$ 15	\$ -
EXPENDITURES		
Capital outlay	<u>1,930,641</u>	<u>991,541</u>
Deficiency of Revenues Over Expenditures	(1,930,626)	(991,541)
OTHER FINANCING SOURCES		
Transfers in	750,000	650,000
Transfers out	<u>(19,125)</u>	<u>-</u>
	730,875	650,000
Net Change in Fund Balance	(1,199,751)	(341,541)
FUND BALANCE (DEFICIT)		
Beginning of Year	<u>508,515</u>	<u>850,056</u>
End of Year	<u><u>\$ (691,236)</u></u>	<u><u>\$ 508,515</u></u>

See independent auditors' report.

Edgemont Union Free School District, New York

Capital Projects Fund

Project Length Schedule

Inception of Project Through June 30, 2022

Project	Authorization	Expenditures and Transfers to Date		
		Prior Year	Current Year	Total
Various District Wide Improvements	\$ 1,240,773	\$ 1,082,661	\$ -	\$ 1,082,661
Greenville School General Construction and Fire Alarm	700,000	197,489	425,028	622,517
Seely Place Lavatories Phase II	703,046	703,046	-	703,046
Preconstruction Surveys and Reports District Wide	136,000	-	8,056	8,056
EHS Bldg A Addition & Site Work A&E	977,500	-	749,955	749,955
EHS Admin Café Reno and AC A&E	172,500	-	170,697	170,697
Greenville Cafeteria Renovation	905,000	-	59,312	59,312
Greenville Additions & Site A&E	400,000	-	260,655	260,655
Steely Place HVAC Phase I	456,000	-	69,350	69,350
Steely Place Cafeteria Renovation	518,000	-	-	-
Seely HVAC Phase II and Site work A&E (F&D Refiguring)	235,000	-	153,175	153,175
EHS Bathroom Project-Building Admin	125,000	-	8,927	8,927
EHS Bathroom Project-Building C	250,000	-	17,842	17,842
EHS Bathroom Project-Building D	250,000	-	17,842	17,842
EHS Bathroom Project-Arts Building	125,000	-	8,927	8,927
	<u>\$ 7,193,819</u>	<u>\$ 1,983,196</u>	<u>\$ 1,949,766</u>	<u>\$ 3,932,962</u>

See independent auditors' report.

Unexpended Balance	Method of Financing	Fund Balance (Deficit) at June 30, 2022	Bond Anticipation Note Outstanding at June 30, 2022
	Transfers In		
\$ 158,112	\$ 1,101,801	\$ 19,140	\$ -
77,483	686,879	64,362	-
-	703,046	-	-
127,944	-	(8,056)	136,000
227,545	-	(749,955)	977,500
1,803	-	(170,697)	172,500
845,688	-	(59,312)	905,000
139,345	-	(260,655)	400,000
386,650	-	(69,350)	456,000
518,000	-	-	518,000
81,825	-	(153,175)	235,000
116,073	125,000	116,073	-
232,158	250,000	232,158	-
232,158	250,000	232,158	-
116,073	125,000	116,073	-
<u>\$ 3,260,857</u>	<u>\$ 3,241,726</u>	<u>\$ (691,236)</u>	<u>\$ 3,800,000</u>

Edgemont Union Free School District, New York

Combining Balance Sheet
 Non-Major Governmental Funds
 June 30, 2022
 (With Comparative Totals for 2021)

	School Lunch	Special Purpose	Debt Service
ASSETS			
Cash and equivalents	\$ 98,424	\$ 302,965	\$ 578,789
Receivables			
State and Federal aid	432	-	-
Due from other funds	49,126	-	538
	<u>49,558</u>	<u>-</u>	<u>538</u>
Prepaid expenditures	<u>-</u>	<u>-</u>	<u>25,931</u>
Total Assets	<u>\$ 147,982</u>	<u>\$ 302,965</u>	<u>\$ 605,258</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 169	\$ 1,208	\$ -
Due to other funds	9,373	-	25,928
Total Liabilities	<u>9,542</u>	<u>1,208</u>	<u>25,928</u>
Fund balances			
Nonspendable	-	-	25,931
Restricted	-	301,757	553,399
Assigned	138,440	-	-
Total Fund Balances	<u>138,440</u>	<u>301,757</u>	<u>579,330</u>
Total Liabilities and Fund Balances	<u>\$ 147,982</u>	<u>\$ 302,965</u>	<u>\$ 605,258</u>

See independent auditors' report.

Total Non-Major Governmental Funds	
2022	2021
\$ 980,178	\$ 971,583
432	-
49,664	-
50,096	-
25,931	25,109
<u>\$ 1,056,205</u>	<u>\$ 996,692</u>
\$ 1,377	\$ 13,290
35,301	29,609
36,678	42,899
25,931	25,109
855,156	924,580
138,440	4,104
1,019,527	953,793
<u>\$ 1,056,205</u>	<u>\$ 996,692</u>

Edgemont 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
(With Comparative Totals for 2021)

	School Lunch	Special Purpose	Debt Service
REVENUES			
Use of money and property	\$ 31	\$ 102	\$ 41,793
Federal aid	2,634	-	-
Food sales	489,767	-	-
Miscellaneous	2,408	356,337	-
	<u>494,840</u>	<u>356,439</u>	<u>41,793</u>
EXPENDITURES			
Current			
Cost of food sales	495,124	-	-
Other	-	466,834	-
Debt service			
Principal	-	-	2,239,426
Interest	-	-	314,899
	<u>495,124</u>	<u>466,834</u>	<u>2,554,325</u>
Total Expenditures	<u>495,124</u>	<u>466,834</u>	<u>2,554,325</u>
Deficiency of Revenues Over Expenditures	(284)	(110,395)	(2,512,532)
OTHER FINANCING SOURCES			
Transfers in	134,620	-	2,554,325
	<u>134,620</u>	<u>-</u>	<u>2,554,325</u>
Net Change in Fund Balances	134,336	(110,395)	41,793
FUND BALANCES			
Beginning of Year	4,104	412,152	537,537
	<u>4,104</u>	<u>412,152</u>	<u>537,537</u>
End of Year	<u>\$ 138,440</u>	<u>\$ 301,757</u>	<u>\$ 579,330</u>

See independent auditors' report.

Total Non-Major
Governmental Funds

2022	2021
\$ 41,926	\$ 499
2,634	-
489,767	27,612
358,745	334,845
893,072	362,956
495,124	44,888
466,834	432,514
2,239,426	2,152,714
314,899	383,708
3,516,283	3,013,824
(2,623,211)	(2,650,868)
2,688,945	2,536,422
65,734	(114,446)
953,793	1,068,239
\$ 1,019,527	\$ 953,793

Edgemont Union Free School District, New York

School Lunch Fund
Comparative Balance Sheet
June 30,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 98,424	\$ 20,684
State and federal aid receivable	432	-
Due from other funds	<u>49,126</u>	<u>-</u>
Total Assets	<u>\$ 147,982</u>	<u>\$ 20,684</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 169	\$ 12,080
Due to other funds	<u>9,373</u>	<u>4,500</u>
Total Liabilities	<u>9,542</u>	<u>16,580</u>
Fund balance		
Assigned	<u>138,440</u>	<u>4,104</u>
Total Liabilities and Fund Balance	<u>\$ 147,982</u>	<u>\$ 20,684</u>

See independent auditors' report.

Edgemont Union Free School District, New YorkSchool Lunch Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended June 30,

	<u>2022</u>	<u>2021</u>
REVENUES		
Use of money and property	\$ 31	\$ 8
Federal aid	2,634	-
Food sales	489,767	27,612
Miscellaneous	<u>2,408</u>	<u>93</u>
Total Revenues	494,840	27,713
EXPENDITURES		
Current		
Cost of food sales	<u>495,124</u>	<u>44,888</u>
Deficiency of Revenues Over Expenditures	(284)	(17,175)
OTHER FINANCING SOURCES		
Transfers in	<u>134,620</u>	<u>-</u>
Net Change in Fund Balances	134,336	(17,175)
FUND BALANCE		
Beginning of Year	<u>4,104</u>	<u>21,279</u>
End of Year	<u><u>\$ 138,440</u></u>	<u><u>\$ 4,104</u></u>

See independent auditors' report.

Edgemont Union Free School District, New York

Special Purpose Fund
Comparative Balance Sheet
June 30,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	<u>\$ 302,965</u>	<u>\$ 413,362</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,208	\$ 1,210
Fund balance		
Restricted	<u>301,757</u>	<u>412,152</u>
Total Liabilities and Fund Balance	<u>\$ 302,965</u>	<u>\$ 413,362</u>

See independent auditors' report.

Edgemont Union Free School District, New York

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

	<u>2022</u>	<u>2021</u>
REVENUES		
Use of money and property	\$ 102	\$ 187
Miscellaneous	<u>356,337</u>	<u>334,752</u>
Total Revenues	356,439	334,939
EXPENDITURES		
Current		
Other	<u>466,834</u>	<u>432,514</u>
Deficiency of Revenues Over Expenditures	(110,395)	(97,575)
FUND BALANCE		
Beginning of Year	<u>412,152</u>	<u>509,727</u>
End of Year	<u><u>\$ 301,757</u></u>	<u><u>\$ 412,152</u></u>

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Edgemont Union Free School District, New York

Debt Service Fund
Comparative Balance Sheet
June 30,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 578,789	\$ 537,537
Due from other funds	538	-
Prepaid expenditures	<u>25,931</u>	<u>25,109</u>
 Total Assets	 <u><u>\$ 605,258</u></u>	 <u><u>\$ 562,646</u></u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Due to other funds	<u>\$ 25,928</u>	<u>\$ 25,109</u>
 Fund balance		
Nonspendable	25,931	25,109
Restricted	<u>553,399</u>	<u>512,428</u>
 Total Fund Balance	 <u>579,330</u>	 <u>537,537</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 605,258</u></u>	 <u><u>\$ 562,646</u></u>

See independent auditors' report.

Edgemont Union Free School District, New York

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

	2022			Variance with Final Budget
	Original Budget	Final Budget	Actual	
REVENUES				
Use of money and property	\$ -	\$ -	\$ 41,793	\$ 41,793
EXPENDITURES				
Debt service				
Principal				
Serial bonds	1,980,000	1,980,000	1,980,000	-
Energy performance contract	259,427	259,427	259,426	1
	<u>2,239,427</u>	<u>2,239,427</u>	<u>2,239,426</u>	<u>1</u>
Interest				
Serial bonds	270,563	270,563	270,563	-
Energy performance contract	44,337	44,337	44,336	1
	<u>314,900</u>	<u>314,900</u>	<u>314,899</u>	<u>1</u>
Total Expenditures	<u>2,554,327</u>	<u>2,554,327</u>	<u>2,554,325</u>	<u>2</u>
Deficiency of Revenues Over Expenditures	(2,554,327)	(2,554,327)	(2,512,532)	41,795
OTHER FINANCING SOURCES				
Transfers in	<u>2,554,327</u>	<u>2,554,327</u>	<u>2,554,325</u>	<u>(2)</u>
Net Change in Fund Balance	-	-	41,793	41,793
FUND BALANCE				
Beginning of Year	-	-	537,537	537,537
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 579,330</u>	<u>\$ 579,330</u>

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2021			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ 304	\$ 304
1,910,000	1,910,000	1,910,000	-
242,715	242,715	242,714	1
2,152,715	2,152,715	2,152,714	1
332,263	332,263	332,263	-
51,446	51,446	51,445	1
383,709	383,709	383,708	1
2,536,424	2,536,424	2,536,422	2
(2,536,424)	(2,536,424)	(2,536,118)	306
2,536,424	2,536,424	2,536,422	(2)
-	-	304	304
-	-	537,233	537,233
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 537,537</u>	<u>\$ 537,537</u>

Edgemont Union Free School District, New York

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

Adopted Budget		\$ 65,251,389
Additions - Encumbrances		<u>963,731</u>
Original Budget		66,215,120
Additions - Budget revisions		<u>523,456</u>
Final Budget		<u><u>\$ 66,738,576</u></u>

General Fund
 Section 1318 of Real Property Tax Law Limit Calculation

2022-23 Expenditure Budget		<u>\$ 67,026,024</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		
Unrestricted fund balance		
Assigned fund balance	\$ 1,833,216	
Unassigned fund balance	<u>2,681,041</u>	
Total Unrestricted Fund Balance		<u>4,514,257</u>
Less		
Appropriated for subsequent year's budget	1,000,000	
Encumbrances	<u>833,216</u>	
Total Adjustments		<u>1,833,216</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		<u><u>\$ 2,681,041</u></u>
Actual Percentage		<u><u>4.00%</u></u>

See independent auditors' report.

Edgemont Union Free School District, New York

Schedule of Net Investment in Capital Assets

Year Ended June 30, 2022

Capital Assets, net		\$ 41,535,574
Less		
General obligation bonds payable	\$ (9,470,000)	
Energy performance contract payable	(1,419,054)	
Bond anticipation notes payable	<u>(3,800,000)</u>	(14,689,054)
Plus		
Unexpended debt proceeds		<u>2,328,800</u>
Net Investment in Capital Assets		<u>\$ 29,175,320</u>

See independent auditors' report.