

PRELIMINARY OFFICIAL STATEMENT

NEW ISSUE

MOODY'S INVESTORS SERVICE: ""

SERIAL BOND

See "BOND RATING" herein

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the District, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In addition, in the opinion of Bond Counsel to the District, under existing statutes, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York. See "TAX MATTERS" herein.

The Bonds will NOT be designated as "qualified tax-exempt obligations" under Section 265(b)(3) of the Code.

\$14,915,830*

**DOBBS FERRY UNION FREE SCHOOL DISTRICT
WESTCHESTER COUNTY, NEW YORK**

GENERAL OBLIGATIONS

\$14,915,830 School District Serial Bonds - 2023
(the "Bonds")

Dated: June 1, 2023

Due: June 1, 2024-2037

MATURITIES

Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP
2024	\$ 835,830	%	%		2029	\$ 1,000,000	%	%		2034	\$ 1,195,000**	%	%	
2025	870,000				2030	1,035,000				2035	1,235,000**			
2026	900,000				2031	1,075,000				2036	1,280,000**			
2027	930,000				2032	1,110,000**				2037	1,330,000**			
2028	965,000				2033	1,155,000**								

** The Bonds maturing in the years 2032-2037 are subject to redemption prior to maturity. See "DESCRIPTION OF THE BONDS - Optional Redemption" herein.

The Bonds are general obligations of the Dobbs Ferry Union Free School District, Westchester County, New York, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, without limitation as to rate or amount. See "NATURE OF OBLIGATION" herein.

The Bonds will be issued as registered bonds and, may be registered at the option of the purchaser in the name of the purchaser or in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, which, if so elected by the purchaser, will act as securities depository for the Bonds. If the Bonds are issued in book-entry-only form, individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof, except for a necessary odd denomination which is or includes \$5,830 maturing in 2024. Purchasers will not receive certificates representing their ownership interest in the Bonds.

Interest on the Bonds will be payable December 1, 2023 and semi-annually thereafter on June 1 and December 1 in each year until maturity commencing December 1, 2023. Principal and interest will be paid by the District to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein.

Proposals for the Bonds shall be for not less than \$14,915,830 and accrued interest, if any, on the total principal amount of the Bonds. Proposals must be accompanied by a good faith deposit in the form of a wire transfer or certified or cashier's check, payable to the order of the Dobbs Ferry Union Free School District, Westchester, New York, in the amount of \$150,000.

ELECTRONIC BIDS for the Bonds must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on May 18, 2023 until 11:00 A.M., Prevailing Time, pursuant to the Notice of Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the District, each bid will constitute an irrevocable offer to purchase the Bonds pursuant to the terms provided in the Notice of Sale.

THE DATE OF THIS PRELIMINARY OFFICIAL STATEMENT IS MAY 3, 2023.

The Bonds are offered subject to the final approving opinion of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel, and certain other conditions. It is expected that delivery of the Bonds in book-entry or registered form through the facilities of DTC located in Jersey City, New Jersey, or as otherwise agreed by the purchaser and the District, on or about June 1, 2023.

* Preliminary, subject to change

This Preliminary Offering Statement and the information contained herein are subject to completion or amendment without notice. Under no circumstances shall this Preliminary Offering Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

**DOBBS FERRY UNION FREE SCHOOL DISTRICT
WESTCHESTER COUNTY, NEW YORK**

SCHOOL DISTRICT OFFICIALS

2022-2023 BOARD OF EDUCATION

JEAN LUCASEY
President

BROOKE BASS
Vice President

MASSIMO BUFALINI
PENNY SULLIVAN-NUNES
DARREN WOOD
TRACY BARON
SHANNON STRINGER

* * * * *

ADMINISTRATION

KENNETH SLENTZ
Superintendent of Schools

DR. RON CLAMSER, JR.
Assistant Superintendent for Finance, Facilities, and Operations

DENIS BRAZIL
Director of Facilities

JASON BALBO
School Deputy District Clerk

SHAW, PERELSON, MAY & LAMBERT, LLP
School District Attorney



FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

Hawkins
DELAFIELD & WOOD LLP

HAWKINS DELAFIELD & WOOD
Bond Counsel

No person has been authorized by Dobbs Ferry Union Free School District to give any information or to make any representations not contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates, and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Dobbs Ferry Union Free School District.

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PREPARED WITH THE ASSISTANCE OF



Fiscal Advisors & Marketing, Inc.
250 South Clinton Street, Suite 502
Syracuse, New York 13202
(315) 752-0051
<http://www.fiscaladvisors.com>

OFFICIAL STATEMENT
of the
DOBBS FERRY UNION FREE SCHOOL DISTRICT
WESTCHESTER COUNTY, NEW YORK
Relating To
\$14,915,830* School District Serial Bonds – 2023

This Official Statement, which includes the cover page and appendices, has been prepared by the Dobbs Ferry Union Free School District, Westchester County, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of \$14,915,830* principal amount of School District Serial Bonds – 2023 (the "Bonds").

The factors affecting the District's financial condition and the Bonds are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the District tax base, revenues, and expenditures, this Official Statement should be read in its entirety, and no one factor should be considered more or less important than any other by reason of its relative position in this Official Statement.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the District contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof, and all references to the Bonds and the proceedings of the District relating thereto are qualified in their entirety by reference to the definitive forms of the Bonds and such proceedings.

Statements in this Official Statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the District management's beliefs as well as assumptions made by, and information currently available to, the District's management and staff. This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic has created prevailing economic conditions (at the global, national, State and local levels) that are highly uncertain, generally negative, and rapidly changing, and these conditions are expected to continue for an indefinite period of time. Accordingly, the District's overall economic situation and outlook (and all of the specific District-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide event, the effects of which are extremely difficult to predict and quantify.

THE BONDS

Description of the Bonds

The Bonds are general obligations of the District, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Bonds as required by the Constitution and laws of the State of New York (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the District is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, without limitation as to rate or amount. (See "NATURE OF OBLIGATION" and "TAX LEVY LIMIT LAW" herein.).

The Bonds will be dated June 1, 2023 and will mature in the principal amounts as set forth on the cover page. The Bonds are subject to redemption prior to maturity as described under the heading "THE BONDS – Optional Redemption." The "Record Date" of the Bonds will be the fifteenth day of the calendar month (whether or not a business day) preceding each such interest payment date.

Optional Redemption

The Bonds maturing on or before June 1, 2031 shall not be subject to redemption prior to maturity. The Bonds maturing on or after June 1, 2032 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the District on June 1, 2031 or on any date thereafter at par (100.0%), plus accrued interest to the date of redemption.

* Preliminary, subject to change

If less than all of the Bonds of any maturity are to be redeemed, the particular Bonds of such maturity to be redeemed shall be selected by the District by lot in any customary manner of selection as determined by the President of the Board of Education. Notice of such call for redemption shall be given by mailing such notice to the registered holders not more than sixty (60) days nor less than thirty (30) days prior to such date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable, together with interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

Purpose of Issue

The Bonds are issued pursuant to the Constitution and statutes of the State of New York, including the Education Law and the Local Finance Law, and a bond resolution duly adopted by the Board of Education on November 5, 2019 authorizing the issuance of \$18,277,378 serial bonds, and the use of \$1,700,000 capital reserve funds, for the purpose of construction of improvements to District buildings and sites (the "Project").

The proceeds of the Bonds along with \$215,000 available funds of the District will redeem \$15,130,830 bond anticipation notes that were issued on June 2, 2022 and are maturing on June 2, 2023 to finance the Project.

NATURE OF OBLIGATION

Each Bond when duly issued and paid for will constitute a contract between the District and the holder thereof. The Bonds are general obligations of the District and will contain a pledge of the faith and credit of the District for the payment of the principal thereof and the interest thereon. For the payment of such principal and interest the District has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the District without limitation as to rate or amount.

Under the Constitution of the State, the District is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds, and the State is specifically precluded from restricting the power of the District to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limit Law imposes a statutory limitation on the District's power to increase its annual tax levy. As a result, the power of the District to levy real estate taxes on all the taxable real property within the District is subject to statutory limitations set forth in Tax Levy Limit Law. In addition, the Tax Levy Limit Law expressly provides an exclusion from the annual tax levy limitation for any taxes levied to pay the local share of debt service on bonds or notes issued to finance voter approved capital expenditures, or the refinancing or refunding of such bonds or notes. As the Bonds are being issued to finance voter approved capital expenditures, the Bonds qualify for such exclusion to the annual tax levy limitation. The 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. (See "Tax Levy Limit Law" herein).

REMEDIES UPON DEFAULT

Neither the Bonds, nor the proceedings with respect thereto, specifically provide any remedies which would be available to owners of the Bonds should the District default in the payment of principal of or interest on the Bonds, nor do they contain any provisions for the appointment of a trustee to enforce the interests of the owners of the Bonds upon the occurrence of any such default. The Bonds are general obligation contracts between the District and the owners for which the faith and credit of the District are pledged and while remedies for enforcement of payment are not expressly included in the District's contract with such owners, any permanent repeal by statute or constitutional amendment of a bondholder's and/or noteholder's remedial right to judicial enforcement of the contract should, in the opinion of Bond Counsel, be held unconstitutional.

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

Upon default in the payment of principal of or interest on the Bonds at the suit of the owner, a Court has the power, in proper and appropriate proceedings, to render judgment against the District. The present statute limits interest on the amount adjudged due to contract creditors to nine per centum per annum from the date due to the date of payment. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment. A Court also has the power, in proper and appropriate proceedings, to order payment of a judgment on such bonds or notes from funds lawfully available therefor or, in the absence thereof, to order the District to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising its discretion as to whether to issue such an order, the Court may take into account all relevant factors, including the current operating needs of the District and the availability and adequacy of other remedies. Upon any default in the payment of the principal of or interest on the Bonds, the owners of such Bonds could, among other remedies, seek to obtain a writ of mandamus from a Court ordering the governing body of the District to assess, levy and collect an ad valorem tax, upon all taxable property of the District subject to taxation by the District sufficient to pay the principal of and interest on the Bonds as the same shall come due and payable (and interest from the due date to date of payment) and otherwise to observe the covenants contained in the Bonds and the proceedings with respect thereto all of which are included in the contract with the owners of the Bonds. The mandamus remedy, however, may be impracticable and difficult to enforce. Further, the right to enforce payment of the principal of or interest on the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws and equitable principles, which may limit the specific enforcement of certain remedies.

In 1976, the New York Court of Appeals, the State's highest court, held in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), that the New York State legislation purporting to postpone the payment of debt service on New York City obligations was an unconstitutional moratorium in violation of the New York State constitutional faith and credit mandate included in all municipal debt obligations. While that case can be viewed as a precedent for protecting the remedies of Noteholders, there can be no assurance as to what a Court may determine with respect to future events, including financial crises as they may occur in the State and in municipalities of the State, that require the exercise by the State of its emergency and police powers to assure the continuation of essential public services. (See also, *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 41 N.Y.2d 1088 (1977), where the Court of Appeals described the pledge as a direct Constitutional mandate.)

As a result of the Court of Appeals decision, the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the District.

Pursuant to Article VIII, Section 2 of the State Constitution, the District is required to provide an annual appropriation of monies for the payment of due and payable principal of and interest on indebtedness. Specifically this constitutional provision states: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness." This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. In *Quirk v. Municipal Assistance Corp.*, 41 N.Y.2d 644 (1977), the Court of Appeals described this as a "first lien" on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in the State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy, to pay debt service on such obligations, but that such pledge may or may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues. The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

While the courts in the State have historically been protective of the rights of holders of general obligation debt of political subdivisions, it is not possible to predict what a future court might hold.

In prior years, certain events and legislation affecting a holder's remedies upon default have resulted in litigation. While courts of final jurisdiction have generally upheld and sustained the rights of bondholders and/or noteholders, such courts might hold that future events, including a financial crisis as such may occur in the State or in political subdivisions of the State, may require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service.

SECTION 99-B OF THE STATE FINANCE LAW

Section 99-b of the State Finance Law (the "SFL") provides for a covenant between the State and the purchasers and the holders and owners from time to time of the bonds and notes issued by school districts in the State for school purposes that it will not repeal, revoke or rescind the provisions of Section 99-b of the SFL, or amend or modify the same so as to limit, impair or impede the rights and remedies granted thereby.

Said section provides that in the event a holder or owner of any bond or note issued by a school district for school purposes shall file with the State Comptroller, a verified statement describing such bond or note and alleging default in the payment thereof or the interest thereon or both, it shall be the duty of the State Comptroller to immediately investigate the circumstances of the alleged default and prepare and file in his office a certificate setting forth his determinations with respect thereto and to serve a copy thereof by registered mail upon the chief fiscal officer of the school district which issued the bond or note. Such investigation by the State Comptroller shall set forth a description of all such bonds and notes of the school district found to be in default and the amount of principal and interest thereon past due.

Upon the filing of such a certificate in the office of the State Comptroller, he shall thereafter deduct and withhold from the next succeeding allotment, apportionment or payment of such State aid or assistance due to such school district such amount thereof as may be required to pay (a) the school district's contribution to the State Teachers' Retirement System, and (b) the principal of and interest on such bonds and notes of such school district then in default. In the event such State aid or assistance initially so withheld shall be insufficient to pay said amounts in full, the State Comptroller shall similarly deduct and withhold from each succeeding allotment, apportionment or payment of such State aid or assistance due such school district such amount or amounts thereof as may be required to cure such default. Allotments, apportionments and payments of such State aid so deducted or withheld by the State Comptroller for the payment of principal and interest on the bonds and notes shall be forwarded promptly to the paying agent or agents for the bonds and notes in default of such school district for the sole purpose of the payment of defaulted principal of and interest on such bonds or notes. If any such successive allotments, apportionments or payment of such State aid so deducted or withheld shall be less than the amount of all principal and interest on the bonds and notes in default with respect to which the same was so deducted or withheld, then the State Comptroller shall promptly forward to each paying agent an amount in the proportion that the amount of such bonds and notes in default payable to such paying agent bears to the total amount of the principal and interest then in default on such bonds and notes of such school district. The State Comptroller shall promptly notify the chief fiscal officer of such school district of any payment or payments made to any paying agent or agents of defaulted bonds or notes pursuant to said section of the SFL.

NO PAST DUE DEBT

No principal or interest payment on District indebtedness is past due.

BANKRUPTCY

The Federal Bankruptcy Code (Chapter IX) allows public bodies, such as municipalities, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Title 6-A of the Local Finance Law specifically authorizes any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness. While this Local Finance Law provision does not apply to school districts, there can be no assurance that it will not become applicable in the future. As such, the undertakings of the District should be considered with reference, specifically, to Chapter IX, and, in general, to other bankruptcy laws affecting creditors' rights and municipalities. Bankruptcy proceedings by the District if authorized by the State in the future could have adverse effects on bondholders and/or noteholders including (a) delay in the enforcement of their remedies, (b) subordination of their claims to those supplying goods and services to the District after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings and (c) imposition without their consent of a reorganization plan reducing or delaying payment of the Bonds.

The above references to said Chapter IX are not to be construed as an indication that the State will consent in the future to the right of the District to file a petition with any United States district court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect for the composition or adjustment of municipal indebtedness or that the District is currently considering or expects to resort to the provisions of Chapter IX if authorized to do so in the future.

DESCRIPTION OF BOOK-ENTRY-ONLY-SYSTEM

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds, if so requested. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond certificate will be issued for each maturity of the Bonds and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond and Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond and Note documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

THE DISTRICT CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE DISTRICT WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE BONDS.

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE DISTRICT MAKES NO REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law, or the District may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of \$5,000 each or any integral multiple thereof, for any single maturity, except for a necessary odd denomination which is or includes \$5,830 maturing in 2024. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the District upon termination of the book-entry-only system. Interest on the Bonds will be payable on December 1, 2023 and semi-annually thereafter on June 1 and December 1 in each year until maturity. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the fifteenth day of the calendar month preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Certificate of Determination of the President of the Board of Education authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the fifteenth day of the calendar month preceding an interest payment date and such interest payment date.

THE SCHOOL DISTRICT

General Information

The Dobbs Ferry Union Free School District is located in the southwest portion of Westchester County, approximately 20 miles north of New York City. The District lies wholly within the Town of Greenburgh (the "Town") and includes within its boundaries most of the Village of Dobbs Ferry (the "Village") and a small portion of the Village of Irvington. The District has a land area of approximately two square miles and an estimated population for 2021 of 9,846.

Rail service is available by the Metro North Railroad. Highways serving the District include the Saw Mill Parkway, Sprain Brook Parkway, State Thruway and State Route 9A. The area is also covered by an extensive network of County and Town roads. In addition, public bus transportation is available in the area. Major airline service is available at the County Airport as well as the three metropolitan New York airports: Kennedy, LaGuardia, and Newark, all of which can be reached within one hour by car.

District Organization

The District is an independent entity governed by an elected board of education comprised of seven members. District operations are subject to the provisions of the State Education Law affecting school districts; other statutes applicable to the District include the General Municipal Law, the Local Finance Law and the Real Property Tax Law.

Members of the Board of Education are chosen on a rotating basis by qualified voters at the annual election of the District. The term of office for each board member is 3 years and the number of terms that may be served is unrestricted. A president is selected by the board from its members and also serves as the chief fiscal officer of the District. The Board of Education is vested with various powers and duties as set forth in the Education Law. Among these are the adoption of annual budgets (subject to voter approval at a referendum held on the third Tuesday each May), the levy of real property taxes for the support of education, the appointment of such employees as may be necessary, and other such duties reasonably required to fulfill the responsibilities provided by law.

The Board of Education appoints the Superintendent of Schools who serves at the pleasure of the Board. Such Superintendent is the chief executive officer of the District and the education system. It is the responsibility of the Superintendent to enforce all provisions of law and all rules and regulations relating to the management of the schools and other educational, social and recreational activities under the direction of the Board of Education. Also, certain of the financial functions of the District are the responsibility of the Superintendent of Schools, the Assistant Superintendent for Finance, Facilities, and Operations and the District Treasurer.

Financial Organization

Pursuant to the Local Finance Law, the President of the Board is the chief fiscal officer of the District; however, certain of the financial functions of the District are the responsibility of the Superintendent of Schools and the Assistant Superintendent for Finance, Facilities, and Operations.

Utilities

The residents of the District receive electricity and natural gas from the Consolidated Edison and NY Power Authority. Water is provided by municipal water departments in the Town.

Transportation

The District is served by a transportation network consisting of all major forms of transportation. Several primary State and U.S. highways including The Taconic State Parkway and the Saw Mill River Parkway run through or alongside the District. The Metropolitan Transportation Authority provides passenger rail service. Air transportation is provided by the Westchester County Airport, as well as the three major New York metropolitan airports (Kennedy, LaGuardia and Newark), and the Stewart International Airport in Newburgh.

Source: District officials.

Population

The current estimated population of the District is 9,846. (Source: 2021 U.S. Census Bureau estimate.)

Population Trends

	<u>2010</u>	<u>2021</u>	<u>% Change</u>
Dobbs Ferry Village	10,622	11,456	7.85%
Greenburgh Town	86,764	94,014	8.36%
Westchester County	923,459	999,607	8.25%
New York State	18,976,457	19,857,492	4.64%

Source: US Census Bureau and American Community Survey 5-year Estimates.

Selected Wealth and Income Indicators

Per capita income statistics are not available for the District as such. The smallest areas for which such statistics are available, which include the District, are the Village, Town, and the County below. The figures set below with respect to said Village, Town, and County are included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the Village, Town, or the County are necessarily representative of the District, or vice versa.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2017-2021</u>	<u>2000</u>	<u>2006-2010</u>	<u>2017-2021</u>
Village of:						
Dobbs Ferry	\$ 35,090	\$ 47,732	\$ 64,532	\$ 93,127	\$132,360	\$161,875
Towns of:						
Greenburgh	43,778	54,963	75,316	99,198	128,902	172,881
County of:						
Westchester	36,726	57,953	61,830	79,881	100,863	134,974
State of:						
New York	23,389	30,948	43,208	51,691	67,405	92,731

Note: 2018-2022 American Community Survey estimates are not available as of the date of this Official Statement.

Source: 2000 U.S. Census Bureau, and 2006-2010 and 2017-2021 5-Year American Community Survey estimates.

Civilian Labor Force

	<u>2020</u>	<u>2021</u>	<u>2022</u>
Greenburgh Town	48,500	48,700	49,700
Westchester County	488,600	487,900	496,400
New York State	9,580,800	9,557,900	9,617,000

Source: New York State Department of Economic Development.

Larger Employers

The following is the list of the larger employers located within or in close proximity to the District.

<u>Name</u>	<u>Type</u>
Westchester Medical Center	Hospital and Healthcare Services
IBM	Computer Hardware and Software
White Plains Hospital	Hospital and Healthcare Services
Regeneron Pharmaceuticals Inc.	Pharmaceuticals
St. John's Riverside Hospital	Hospital and Healthcare Services
PepsiCo Inc.	Soft Drink Manufacturing
St. Joseph's Medical Center Hospital	Hospital and Healthcare Services
FDR VA Hospital	Hospital and Healthcare Services
Northern Westchester Hospital	Hospital and Healthcare Services
Montefiore New Rochelle	Hospital and Healthcare Services

Source: District officials.

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Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the School District) is the Town and County. The information set forth below with respect to the Town and County is included for informational purposes only. It should not be inferred from the inclusion of such data in this Official Statement that the Town or County is necessarily representative of the District, or vice versa.

	<u>Annual Averages</u>						
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Greenburgh Town	3.9%	4.0%	3.4%	3.2%	7.1%	4.0%	2.7%
Westchester County	4.4%	4.5%	3.9%	3.6%	8.0%	4.8%	3.1%
New York State	4.9%	4.6%	4.1%	3.8%	9.9%	7.0%	4.3%

	<u>2022-2023 Monthly Figures</u>											
	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>
Greenburgh Town	2.7%	3.0%	3.1%	2.6%	2.2%	2.3%	2.5%	3.1%	2.9%	N/A	N/A	N/A
Westchester County	3.1%	3.5%	3.6%	2.9%	2.3%	2.5%	2.7%	3.5%	3.3%	N/A	N/A	N/A
New York State	4.3%	4.8%	4.9%	3.9%	3.6%	3.8%	3.8%	4.6%	4.5%	N/A	N/A	N/A

Note: Unemployment rates for March, April, and May 2023 are not available as of the date of this Official Statement.

Source: Department of Labor, State of New York. (Note: Figures not seasonally adjusted).

Form of School Government

The Board of Education which is the policy-making body of the School District consists of seven members with three-year terms. Each Board member must be a qualified voter of the School District and no Board member may hold certain other School District offices or positions while serving on the Board of Education. The President and the Vice President are selected by the Board members.

The administrative officers of the School District, whose duty it is to implement the policies of the Board of Education and supervise the operation of the school system include: The Superintendent of Schools, the Assistant Superintendent for Finance, Facilities, and Operations, the School District Treasurer, and the School District Clerk.

Budgetary Procedures

Pursuant to the Education Law, the Board of Education annually prepares or causes to be prepared a tentative budget of the School District for the ensuing fiscal year. This tentative budget must be completed at least fourteen days before the annual District meeting at which it is to be presented. Copies are available upon request to taxpayers within the School District, fourteen days preceding such meeting and at each such meeting. The Board must also give notice that a copy of the tentative budget may be obtained at each schoolhouse within the School District.

The Board of Education causes a notice to be published stating the time, date, place and purpose of the annual district meeting. At least forty-five days must elapse between the first publication of such notice and the date specified for such meeting. The meeting must be held at the time and place specified but it may be adjourned to permit voting on the following day. If the qualified voters at the annual District meeting approve the tentative budget, the Board of Education, by resolution adopts the tentative budget as the budget of the School District for the ensuing year.

If by majority vote the budget is rejected, the Board of Education may make any change, alteration or revision to the budget and may hold a second public hearing and referendum. If no budget is approved, the Board of Education must, pursuant to law, adopt by resolution an austerity budget for the ensuing fiscal year. The Board of Education may then levy a tax for ordinary contingent expenses of the School District, which includes debt service.

Pursuant to Chapter 97 of the Laws of 2011 ("Chapter 97"), beginning with the 2012 – 2013 fiscal year, if the proposed budget requires a tax levy increase that does not exceed the lesser of 2% or the rate of inflation (the "School District Tax Cap"), then a majority vote is required for approval. If the proposed budget requires a tax levy that exceeds the School District Tax Cap, the budget proposition must include special language and a 60% vote is required for approval. Any separate proposition that would cause the School District to exceed the School District Tax Cap to be exceeded also must receive at least 60% voter approval.

If the proposed budget is not approved by the required margin, the Board of Education may resubmit the original budget or a revised budget to the voters on the third Tuesday in June, or adopt a contingency budget (which would provide for ordinary contingent expenses, including debt service) that levies a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy).

If the resubmitted and/or revised budget is not approved by the required margin, the Board of Education must adopt a budget that requires a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy). For a complete discussion of Chapter 97, see “TAX LEVY LIMIT LAW” herein.

Recent Budget Vote Results

The budget for the 2022-23 fiscal year was approved by qualified voters on May 17, 2022 by a vote of 1,113 yes to 229 no. The District’s adopted budget included a for the 2022-23 fiscal year will remain within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget calls for a total tax levy increase of 0.48%, which was within the District’s Tax Cap for the 2022-23 fiscal year.

The budget for the 2023-24 fiscal year will be voted on by the qualified voters on May 16, 2023. The District’s proposed budget for the 2023-24 fiscal year will remain within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget calls for a total tax levy increase of 5.02%, which is equal to the District tax levy limit of 5.02%.

Investment Policy

Pursuant to the statutes of the State of New York, the District is permitted to invest only in the following investments: (1) special time deposits or certificates of deposits in a bank or trust company located and authorized to do business in the State of New York; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State of New York; (5) with the approval of the New York State Comptroller, tax anticipation notes and revenue anticipation notes issued by any New York municipality or district corporation, other than the District; (6) obligations of a New York public corporation which are made lawful investment by the District pursuant to another provision of law; (7) certain certificates of participation issued on behalf of political subdivisions of the State of New York; and, (8) in the case of District monies held in certain reserve funds established pursuant to law, obligations issued by the District. These statutes further require that all bank deposits, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law.

Consistent with the above statutory limitations, the District has adopted its own policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The District is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. In the case of obligations of the United States Government, the District may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third-party custodian with regular valuation.

State Aid

The School District receives substantial financial assistance from the State. In its adopted budget for the 2022-2023 fiscal year approximately 13.53% of the revenues of the District are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner in any year, municipalities and school districts in the State, including the District, may be affected by a delay in the payment of State aid.

The State is not constitutionally obligated to maintain or continue State aid to the District. No assurance can be given that present State aid levels will be maintained in the future. State budgetary restrictions which could eliminate or substantially reduce State aid could have a material adverse effect upon the District, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures. (See “*MARKET AND RISK FACTORS*” herein.)

Federal Aid Received by the State

President Biden has signed into law the American Rescue Plan, a \$1.9 trillion COVID-19 relief package that includes \$350 billion to state, local and territorial governments to keep their frontline workers employed, distribute the vaccine, increase testing, reopen schools and maintain vital services. The American Rescue Plan also includes an additional \$1,400 payment to eligible individuals and families, enhanced unemployment aid, rental and utility assistance to low and moderate income households, an increase in food stamp benefits, additional funding for child care and an increase in child care tax credits.

The State receives a substantial amount of federal aid for other health care, education, transportation and other governmental purposes, as well as federal funding to respond to, and recover from, severe weather events and other disasters. Many of the policies that drive this federal aid may be subject to change under the federal administration and Congress. Current federal aid projections, and the assumptions on which they rely, are subject to revision in the future as a result of changes in federal policy, the general condition of the global and national economies and other circumstances, including the diversion of federal resources to address the current COVID-19 outbreak.

Reductions in Federal funding levels could have a materially adverse impact on the State budget. In addition to the potential fiscal impact of policies that may be proposed and adopted by the administration and Congress, the State budget may be adversely affected by other actions taken by the Federal government, including audits, disallowances, and changes to Federal participation rates or other Medicaid rules.

Building Aid

A portion of the District's State aid consists of building aid which is related to outstanding indebtedness for capital project purposes. In order to receive building aid, the District must have building plans and specifications approved by the Facilities Planning Unit of the State Education Department. A maximum construction and incidental cost allowance is computed for each building project that takes into account a pupil construction cost allowance and assigned pupil capacity. For each project financed with debt obligations, a bond percentage is computed. The bond percentage is derived from the ratio of total approved cost allowances to the total principal borrowed. Approved cost allowances are estimated until a project final cost report is completed.

Building Aid is paid over fifteen years for reconstruction work, twenty years for building additions, or thirty years for new building construction. Building Aid for a specific building project is eligible to begin eighteen months after State Commissioner of Education approval date, for that project, and is paid over the previously described timeframe, assuming all necessary building aid forms are filed with the State in a timely manner. The building aid received is equal to the assumed debt service for that project, which factors in the bond percent, times the building aid ratio that is assigned to the District, and amortized over the predefined timeframe. The building aid ratio is calculated based on a formula that involves the full valuation per pupil in the District compared to a State-wide average.

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2023-2024 preliminary building aid ratios, the District's State Building aid ratio is expected to be approximately 56.2% for debt service on State Education Department approved expenditures.

The State building aid ratio is calculated each year based upon a formula which reflects Resident Weighted Average Daily Attendance (RWADA) and the full value per pupil compared with the State average. Consequently, the estimated aid will vary over the life of each issue. State building aid is further dependent upon the continued apportionment of funds by the State Legislature.

State Aid History

State aid history

School district fiscal year (2018-2019): The State's 2018-2019 Enacted Budget provided for school aid of approximately \$26.7 billion, an increase of approximately \$1.0 billion in school aid spending from the 2017-2018 school year. The majority of the increases have been targeted to high need school districts. Expense-based aids to support school construction, pupil transportation, BOCES and special education were continued in full, as is the State's usual practice. Transportation aid increased by 5.2% and building aid increased by 4.7%. The State 2018-2019 Enacted Budget continued to link school aid increases for 2018-2019 and 2019-2020 to teacher and principal evaluation plans approved by September 1 of the current year in compliance with Education Law Section 3012-d.

School district fiscal year (2019-2020): The State's 2019-2020 Enacted Budget includes a total of \$27.69 billion for School Aid, a year-to-year funding increase of \$956 million or 3.6 percent and will provide additional funding for Foundation Aid of \$338.0 million and \$409.65 million in reimbursements for expense-based aids. In addition, the 2019-2020 Enacted Budget increases the Community Schools set-aside funding amount by \$49.99 million to a total of \$250.0 million. This increased funding is targeted to districts with failing schools and/or districts experiencing significant growth in English language learners. The 2019-2020 Enacted Budget increases the minimum community schools funding amount from \$75,000 to \$100,000. This ensures all high-need districts across the State can apply the funds to a wide-range of activities.

School district fiscal year (2020-2021): Due to significant State revenue loss as a result of the impact of the COVID-19 pandemic, State aid in the State's 2020-21 Enacted Budget was 3.7% lower than in the State's 2019-2020 Enacted Budget, which was approximately \$27.9 billion. However, the 2020-2021 State aid declines were offset, in part, by \$1.1 billion of increased federal funding through the Coronavirus Aid, Relief, and Economic Security Act (CARES). With these federal funds, State aid totaled \$27.9 billion in the State's 2020-2021 Enacted Budget, an annual increase of approximately \$100 million or 0.4 percent from the 2019-2020 Enacted Budget. The State's 2020-21 Enacted Budget also authorized the State's Budget Director to make periodic adjustments to State aid in the event that actual State revenues came in below 99% of estimates or if actual disbursements exceeded 101% of estimates. Pursuant to that provision, in October 2020, the State announced that, in the absence of Federal funding to offset such lost revenue, the State had begun to take steps to reduce spending, including but not limited to, temporarily holding back 20% of most aid payments to local governments and school districts. In December 2020, a second federal stimulus bill was enacted and provided additional funding for schools in the State. As of February 1, 2021, the State Education Department ("SED") advised school districts that the State Division of the Budget would, at some point, provide approval for SED to make the payments to school districts for State aid and other Pre-K-12 grant programs that had been subject to the above-referenced 20% withholding. Such approval was received, with the State releasing the withheld funds on or about June 30, 2021.

School district fiscal year (2021-2022): The State's 2021-22 Budget included \$29.5 billion in State aid to school districts, and significantly increased funding for schools and local governments, including a \$1.4 billion increase in Foundation Aid and a three-year phase-in of the full restoration to school districts of Foundation Aid that was initially promised in 2007. Additionally, the budget included the use of \$13 billion of federal funds for emergency relief, along with the Governor's Emergency Education Relief, which included, in part, the allocation of \$629 million to school districts as targeted grants in an effort to address learning loss as a result of the loss of enrichment and after-school activities. In addition, \$105 million of federal funds were allocated to expand full-day kindergarten programs. Under the budget, school districts were reimbursed for the cost of delivering school meals and instructional materials in connection with COVID-19-related school closures in spring 2020, along with the costs of keeping transportation employees and contractors on stand-by during the short-term school closures prior to the announcement of the closure of schools for the remainder of the 2019-20 year.

School district fiscal year (2022-2023): The State's 2022-23 Enacted Budget provides \$31.5 billion in State funding to school districts for the 2022-23 school year, the highest level of State aid ever. This represents an increase of \$2.1 billion or 7.2 percent compared to the 2021-22 school year, and includes a \$1.5 billion or 7.7 percent Foundation Aid increase. The State's 2022-23 Enacted Budget also programs \$14 billion of federal Elementary and Secondary School Emergency Relief and Governor's Emergency Education Relief funds to public schools. This funding, available for use over multiple years, is designed to assist public schools to reopen for in-person instruction, address learning loss, and respond to students' academic, social, and emotional needs due to the disruptions of the COVID-19 pandemic. The State's 2022-23 Enacted Budget allocates \$100 million over two years for a new State matching fund for school districts with the highest needs to support efforts to address student well-being and learning loss. In addition, the State's 2022-23 Enacted Budget increases federal funds by \$125 million to expand access to full-day prekindergarten programs for four-year-old children in school districts statewide in the 2022-23 school year.

School District Fiscal Year (2023-2024): On February 1, 2023, Governor Kathy Hochul delivered the Executive Budget to the New York State Legislature. The 2023-24 Executive Budget includes a \$3.1 billion or a 10% increase in school aid, the largest in State history, totaling \$34.5 billion in school aid. The foundation aid formula is expected to be fully funded for the first time in the program's history by way of a \$2.7 billion increase, including a dedication of \$250 million to establish high-impact tutoring programs. There is a \$392 million increase in all other school aid programs including expense-based aids, categorical aids, and competitive grants. A \$20 million in grant funding will establish new Early College High School and Pathways in Technology Early College High School Programs. An investment of \$10 million over two years in competitive funding for school districts, boards of cooperative educational services, and community colleges will be made to promote job readiness. An additional \$125 million will be used to expand high-quality full-day prekindergarten, resulting in universal prekindergarten to be phased into 95 percent of the State. In fiscal years 2022 and 2023, public school districts were awarded \$14 billion of federal elementary and secondary school emergency relief funds, available for use over multiple years. The 2023-24 Executive Budget is subject to approval by the State Legislature and then it must be signed into law by the Governor. There is no assurance that the 2023-24 Executive Budget will be adopted and no way to predict what changes the Governor and the Legislature may agree to.

In January 2001, the State Supreme Court issued a decision in *Campaign for Fiscal Equity v. New York* mandating that the system of apportionment of State aid to school districts within the State be restructured by the Governor and the State Legislature. On June 25, 2002, the Appellate Division of the State Supreme Court reversed that decision. On June 26, 2003, the State Court of Appeals, the highest court in the State, reversed the Appellate Division, holding that the State must, by July 30, 2004, ascertain the actual cost of providing a sound basic education, enact reforms to the system of school funding and ensure a system of accountability for such reforms. The Court of Appeals further modified the decision of the Appellate Division by deciding against a Statewide remedy and instead limited its ruling solely to the New York City school system.

After further litigation, on appeal in 2006, the Court of Appeals held that \$1.93 billion of additional funds for the New York City schools – as initially proposed by the Governor and presented to the Legislature as an amount sufficient to provide a sound basic education – was reasonably determined. State legislative reforms in the wake of The Campaign for Fiscal Equity decision included increased accountability for expenditure of State funds and collapsing over 30 categories of school aid for school districts in the State into one classroom operating formula referred to as foundation aid. The stated purpose of foundation aid is to prioritize funding distribution based upon student need. As a result of the Court of Appeals ruling schools were to receive \$5.5 billion increase in foundation aid over a four fiscal year phase-in covering 2007 to 2011. (See both “*School district fiscal year (2022-2023)*” and the following paragraphs herein.)

In school district fiscal year 2009-2010, foundation aid funding was frozen by the State Legislature to the prior fiscal year level, and in the fiscal year thereafter foundation aid funding was reduced through a “gap elimination adjustment” as described above, and other aid adjustments. The final phase-in of foundation aid as originally projected has not occurred as of this date. However, see the following paragraph regarding the anticipated phase-in.

A case related to the *Campaign for Fiscal Equity, Inc. v. State of New York* was heard on appeal on May 30, 2017 in *New Yorkers for Students’ Educational Rights v. State of New York* (“NYSER”) and a consolidated case on the right to a sound basic education. The NYSER lawsuit asserts that the State has failed to comply with the original decision in the Court of Appeals in the *Campaign for Fiscal Equity* case, and asks the Court of Appeals to require the State to develop new methodologies, formulas and mechanisms for determining State aid, to fully fund the foundation aid formula, to eliminate the supermajority requirement for voter approval of budgets which increase school district property tax levies above the property tax cap limitation, and related matters. On June 27, 2017, the Court of Appeals held that the plaintiffs’ causes of action were properly dismissed by the earlier Appellate Division decision except insofar as two causes of action regarding accountability mechanisms and sufficient State funding for a “sound basic education” as applicable solely to the school districts in New York City and Syracuse. The Court emphasized its previous ruling in the *Campaign for Fiscal Equity* case that absent “gross education inadequacies”, claims regarding state funding for a “sound basic education” must be made on a district-by-district basis based on the specific facts therein. On October 14, 2021 Governor Kathy Hochul announced that New York State has reached an agreement to settle and discontinue the *New Yorkers for Students’ Educational Rights v. New York State* case, following through on the State’s commitment to fully fund the current Foundation Aid formula to New York’s school districts over three years and ending the State’s prior opposition to providing this much-needed funding to our students. The litigation, which has been ongoing since 2014, sought to require New York State to fully fund the Foundation Aid formula that was put into place following the historic *Campaign for Fiscal Equity* cases, and had been previously opposed by the State. Foundation Aid was created in 2007, and takes school district wealth and student need into account to create an equitable distribution of state funding to schools. However, New York State has never fully funded Foundation Aid. The new settlement requires New York State to phase-in full funding of Foundation Aid by the FY 2024 budget. In the FY 2022 Enacted State Budget approved in April 2021, the Executive and Legislature agreed to fully fund Foundation Aid by the FY 2024 budget and enshrined this commitment into law. A breakdown of currently anticipated Foundation Aid funding is available below:

- FY 2022: \$19.8 billion, covering 30% of the existing shortfall
- FY 2023: Approximately \$21.3 billion, covering 50% of the anticipated shortfall
- FY 2024: Approximately \$23.2 billion, eliminating the anticipated shortfall, and funding the full amount of Foundation Aid for all school districts

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State Aid Revenues

The following table illustrates the percentage of total revenues of the District for the below fiscal years comprised of State aid.

<u>Fiscal Year</u>	<u>Total Revenues</u> ⁽¹⁾	<u>Total State Aid</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2017-18	\$43,729,902	\$4,471,261	10.22%
2018-19	44,316,659	4,606,182	10.39
2019-20	46,604,021	5,449,562	11.69
2020-21	47,812,920	5,156,473	10.78
2021-22	49,529,160	5,741,945	11.59
2022-23 (Budgeted)	50,408,951	6,819,707	13.53
2023-24 (Proposed)	54,527,030	8,279,264	15.18

⁽¹⁾ General fund only.

Source: District officials. Audited Financial Statements for the 2017-18 through 2021-22 fiscal years, adopted budget for the 2022-23 fiscal year, and the proposed budget for the 2023-24 fiscal year. This table is not audited.

District Facilities

<u>Name</u>	<u>Grades</u>	<u>Capacity</u>	<u>Years Built</u>
Springhurst School	K-5	700	1960
Dobbs Ferry Middle School	6-8	360	1974
Dobbs Ferry High School	9-12	435	1934

Note: A recent demographic study estimates that the District may experience an increase in enrollment of approximately 140 students by the 2025-2026 fiscal year. To date, the projections of the study have not materialized. However, if such an increase were to occur, the District anticipates an inability to accommodate said enrollment increase with its current facilities, particularly at the elementary school level.

Source: District officials.

Enrollment Trends

<u>School Year</u>	<u>Actual Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2018-19	1,493	2023-24	1,538
2019-20	1,516	2024-25	1,558
2020-21	1,493	2025-26	1,578
2021-22	1,512	2026-27	1,598
2022-23	1,516	2027-28	1,598

Source: District officials.

Employees

The School District employs approximately 295 employees, of which 282 are represented by the following units of units of organized labor.

<u>Employees Represented</u>	<u>Union Representation</u>	<u>Expiration Date</u>
185	Dobbs Ferry United Teachers	June 30, 2024
10	Dobbs Ferry Administrators' Association	June 30, 2023 ⁽¹⁾
75	Dobbs Ferry Office Personnel Association	June 30, 2023 ⁽¹⁾
12	CSEA - Custodial	June 30, 2023 ⁽¹⁾

⁽¹⁾ Currently Under Negotiations

Source: District officials.

Status and Financing of Employee Pension Benefits

Substantially all employees of the District are members of either the New York State and Local Employees' Retirement System ("ERS") (for non-teaching and non-certified administrative employees) or the New York State Teachers' Retirement System ("TRS") (for teachers and certified administrators). (Both Systems are referred to together hereinafter as the "Retirement Systems" where appropriate.) These Retirement Systems are cost-sharing multiple public employer retirement systems. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement and Social Security Law (the "Retirement System Law"). The Retirement Systems offer a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after ten years of credited service. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems. The Retirement Systems are non-contributory with respect to members hired prior to July 27, 1976. All members working less than ten years must contribute 3% (ERS) or 3.5% (TRS) of gross annual salary towards the cost of retirement programs.

On December 12, 2009, a new Tier V was signed into law. The legislation created a new Tier V pension level, the most significant reform of the State's pension system in more than a quarter-century. Key components of Tier V include:

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62.
- Requiring ERS employees to continue contributing 3% of their salaries and TRS employees to continue contributing 3.5% toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw a pension from 5 years to 10 years.
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at \$15,000 per year, and for police and firefighters at 15% of non-overtime wages.

On March 16, 2012, the Governor signed into law the new Tier VI pension program, effective for new ERS and TRS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6% and contributions at such rates continue so long as such employee continues to accumulate pension credits, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for the final average salary calculation from 3 years to 5 years. Tier VI employees will vest in the system after ten years of employment and will continue to make employee contribution throughout employment.

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five years, budgeted figures for the 2022-23 fiscal year, and proposed figures for 2023-24 fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2017-2018	\$382,366	\$2,055,785
2018-2019	377,014	2,345,938
2019-2020	379,705	2,044,384
2020-2021	397,485	2,211,253
2021-2022	399,028	2,371,975
2022-2023 (Budgeted)	412,983	2,623,882
2023-2024 (Proposed)	445,787	2,608,608

Source: District officials.

The annual required pension contribution is due February 1 annually with the ability to pre-pay on December 15 at a discount. The District pre-pays this cost annually.

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. The District is not currently offering any early retirement incentives, and does not plan to in the foreseeable future.

Historical Trends and Contribution Rates. Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the Retirement System in the 1990s, the locally required annual contribution declined to zero. However, with the subsequent decline in the equity markets, the pension system became underfunded. As a result, required contributions increased substantially to 15% to 20% of payroll for the employees' and the police and fire retirement systems, respectively. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments.

A chart of average ERS and TRS rates as a percent of payroll (2019 to 2024) is shown below:

<u>Year</u>	<u>ERS</u>	<u>TRS</u>
2018-19	14.9%	10.62%
2019-20	14.6	8.86
2020-21	14.6	9.53
2021-22	16.2	9.80
2022-23	11.6	10.29
2023-24	13.1	9.76*

* Estimated. Final contribution rate to be adopted at the July 26, 2023 TRS retirement board meeting.

In 2003, Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and the Local Finance Law. The amendments empowered the State Comptroller to implement a comprehensive structural reform program for ERS. The reform program established a minimum contribution for any local governmental employer equal to 4.5% of pensionable salaries for bills which were due December 15, 2003 and for all fiscal years thereafter, as a minimum annual contribution where the actual rate would otherwise be 4.5% or less due to the investment performance of the fund. In addition, the reform program instituted a billing system to match the budget cycle of municipalities and school districts that will advise such employers over one year in advance concerning actual pension contribution rates for the next annual billing cycle. Under the previous method, the requisite ERS contributions for a fiscal year could not be determined until after the local budget adoption process was complete. Under the new system, a contribution for a given fiscal year is based on the valuation of the pension fund on the prior April 1 of the calendar year preceding the contribution due date instead of the following April 1 in the year of contribution so that the exact amount may now be included in a budget.

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating employers, if they so elect, to amortize an eligible portion of their annual required contributions to ERS when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a “graded” rate by the State Comptroller in accordance with formulas provided in Chapter 57. Amortized contributions are to be paid in equal annual installments over a ten-year period, but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by the State Comptroller, which approximates a market rate of return on taxable fixed rate securities of a comparable duration issued by comparable issuers. The interest rate is established annually for that year’s amortized amount and then applies to the entire ten years of the amortization cycle of that amount. When in any fiscal year, the participating employer’s graded payment eliminates all balances owed on prior amortized amounts, any remaining graded payments are to be paid into an employer contribution reserve fund established by the State Comptroller for the employer, to the extent that amortizing employer has no currently unpaid prior amortized amounts, for future such use.

The District is not amortizing any pension payments, nor does it intend to do so in the foreseeable future.

Stable Rate Pension Contribution Option. The 2013-14 State Budget included a provision that provides local governments and school districts, including the District, with the option to “lock-in” long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS and TRS. The stable rates would be 12% for ERS and 14% for TRS. The pension contribution rates under this program would reduce near-term payments for employers, but will require higher than normal contributions in later years.

The District did not participate in the Stable Rate Pension Contribution Option, nor does it intend to do so in the foreseeable future.

The investment of monies, and assumptions underlying same, of the Retirement Systems covering the District’s employees is not subject to the direction of the District. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of the Retirement Systems (“UAALs”). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the District which could affect other budgetary matters. Concerned investors should contact the Retirement Systems administrative staff for further information on the latest actuarial valuations of the Retirement Systems.

The State's 2019-2020 Enacted Budget, which was signed into law as Chapter 59 of the Laws of 2019, includes a provision that will allow school districts in the State to establish a reserve fund for the purpose of funding the cost of TRS contributions, as a sub-fund of retirement contribution reserve funds presently authorized for amounts payable to the ERS by a school district. School districts will be permitted to pay into such reserve fund during any particular fiscal year, an amount not to exceed two percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year; provided that the balance of such fund may not exceed ten percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year. The District has established such a fund.

Uncertainty regarding the short, medium and long-term effects of the COVID-19 pandemic has caused extreme volatility across all financial markets, including those markets in which the Retirement System funds are invested. While State Comptroller DiNapoli has made recent comments that the Common Retirement Fund is well-positioned to withstand current market disruption, the impacts of such volatility on future contribution rates, if any, cannot be known at this time. See "COVID-19" herein for further detail.

Other Post-Employment Health Benefits

Healthcare Benefits. It should also be noted that the District provides employment healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. There is now an accounting rule that requires governmental entities, such as the District, to account for employment healthcare benefits as it accounts for vested pension benefits.

School districts and Boards of Cooperative Educational Services, unlike other municipal units of government in the State, have been prohibited from reducing health benefits received by or increasing health care contributions paid by retirees below the level of benefits or contributions afforded to or required from active employees since the implementation of Chapter 729 of the Laws of 1994. Legislative attempts to provide similar protection to retirees of other local units of government in the State have not succeeded as of this date. Nevertheless, many such retirees of all varieties of municipal units in the State do presently receive such benefits.

OPEB. OPEB refers to "other post-employment benefits," meaning other than pension benefits, disability benefits and OPEB consist primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Until now, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements.

GASB 75. In 2015, the Governmental Accounting Standards Board ("GASB") released new accounting standards for public Other Post-Employment Benefits ("OPEB") plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. The implementation of this statement requires school districts to report OPEB liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required the District to calculate and report a net OPEB obligation. However, under GASB 45, school districts could amortize the OPEB liability over a period of years, whereas GASB 75 requires districts to report the entire OPEB liability on the statement of net position.

The District contracted with an actuarial firm to calculate its actuarial valuation under GASB 75. The following outlines the changes to the Total OPEB Liability during the below fiscal years, by source.

Balance beginning at July 1:	2020	2021
	\$ 76,221,257	\$ 81,298,048
<u>Changes for the year:</u>		
Service cost	4,205,541	4,208,389
Interest on total OPEB liability	1,759,820	1,829,737
Changes in Benefit Terms	-	-
Differences between expected and actual experience	-	(4,610,903)
Changes in Assumptions or other inputs	713,990	(15,608,255)
Benefit payments	(1,602,560)	(1,601,344)
Net Changes	\$ 5,076,791	\$ (15,782,376)
 Balance ending at June 30:	 2021	 2022
	\$ 81,298,048	\$ 65,515,672

Note: The above table is not audited. For additional information see "APPENDIX – D" attached hereto.

The aforementioned liability and ARC were recognized and disclosed in accordance with GASB 45 standards in the District's past audited financial statements.

There is no authority in current State law to establish a trust account or reserve fund for this liability. The District has reserved \$0 towards its OPEB liability. The District funds this liability on a pay-as-you-go basis.

The District's unfunded actuarial accrued OPEB liability could have a material adverse impact upon the District's finances and could force the District to reduce services, raise taxes or both.

Actuarial valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are fewer than 200 members.

Other Information

The statutory authority for the power to spend money for the object or purpose, or to accomplish the object or purpose, for which the Bonds are to be issued is the Education Law and the Local Finance Law.

The District is in compliance with the procedure for the publication of the estoppel notice with respect to the Bonds as provided in Title 6 of Article 2 of the Local Finance Law.

No principal or interest upon any obligation of the District is past due.

The fiscal year of the District is July 1 to June 30.

Except for as shown under "STATUS OF INDEBTEDNESS – Estimated Overlapping Indebtedness", this Official Statement does not include the financial data of any political subdivision having power to levy taxes within the District.

Financial Statements

The District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2022 and is attached hereto as "APPENDIX – D". Certain financial information of the District can be found attached as appendices to the Official Statement.

The District complies with the Uniform System of Accounts as prescribed for school districts in New York State by the State. This system differs from generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units", and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board (GASB).

Beginning with the fiscal year ending June 30, 2003, the District issues its financial statements in accordance with GASB Statement No. 34. This statement includes reporting of all assets including infrastructure and depreciation in the Government Wide Statement of Activities, as well as the Management's Discussion and Analysis.

PKF O'Connor Davies, LLP, the independent auditor for the District, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. PKF O'Connor Davies, LLP also has not performed any procedures relating to this Official Statement.

New York State Comptroller Report of Examination

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the District has complied with the requirements of various State and Federal statutes. These audits can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website.

On April 11, 2023 the State Comptroller began an audit of the District. The focus of the audit has not been determined as of this Official Statement.

There are no other recent State Comptroller's audits of the District, nor are there any that are currently in progress or pending release.

Source: Website of the Office of the New York State Comptroller.

Note: Reference to website implies no warranty of accuracy of information therein, and the website is not included herein by reference.

The State Comptroller's Fiscal Stress Monitoring System

The New York State Comptroller has reported that New York State's school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller has developed a Fiscal Stress Monitoring System ("FSMS") to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State's school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district's ST-3 report filed with the State Education Department annually, and each municipality's annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in "significant fiscal stress", in "moderate fiscal stress," as "susceptible to fiscal stress" or "no designation". Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of "no designation." This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity's financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The classification of the District for the three most recent available fiscal years are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2021	No Designation	6.7
2020	No Designation	6.7
2019	No Designation	21.7

Source: Website of the Office of the New York State Comptroller.

Note: Reference to website implies no warranty of accuracy of information therein, and the website is not included herein by reference.

TAX INFORMATION

Taxable Assessed Valuations

<u>Fiscal Year Ending June 30:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Town of Greenburgh	\$ 1,758,582,993	\$ 1,793,835,643	\$ 1,804,384,964	\$ 1,948,709,383	\$ 2,047,869,116
State Equalization Rates	100.00%	100.00%	100.00%	100.00%	100.00%
Total Taxable Full Valuation	<u>\$ 1,758,582,993</u>	<u>\$ 1,793,835,643</u>	<u>\$ 1,804,384,964</u>	<u>\$ 1,948,709,383</u>	<u>\$ 2,047,869,116</u>

Tax Rates Per \$1,000 (Assessed)

<u>Fiscal Year Ending June 30:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Town of Greenburgh	\$ 22.02	\$ 21.79	\$ 22.19	\$ 22.68	\$ 21.67

Tax Collection Procedure

District taxes are collected by the Town Receiver of Taxes. The first half is due and payable without penalty during the month of September, subject to a 2% penalty if paid during October, 5% if paid during November, 7% if paid during December or January, 10% if paid during February or March and 12% thereafter to the date of sale of tax liens for unpaid taxes. The second half is due and payable without penalty during the month of January, subject to a 10% penalty if paid during February or March and 12% thereafter to the date of sale of tax liens. In the County, taxes are collected by towns which are obligated to pay the full amount of the tax levy to the school districts by April 1.

Tax Levy and Tax Collection Record

<u>Fiscal Year Ending June 30:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total Tax Levy	\$ 37,276,560	\$ 38,313,110	\$ 39,804,331	\$ 40,943,897	\$ 41,139,244
Amount Uncollected ⁽¹⁾	-	-	-	-	-
% Uncollected	0.00%	0.00%	0.00%	0.00%	0.00%

⁽¹⁾ See "Tax Collection Procedures".

Real Property Taxes & Tax Items

The following table illustrates the percentage of total revenues of the District for the below fiscal years comprised of Real Property Taxes.

<u>Fiscal Year</u>	<u>Total Revenues ⁽¹⁾</u>	<u>Total Property Taxes & Tax Items</u>	<u>Percentage of Total Revenues Consisting of Real Property Tax</u>
2017-18	\$43,729,902	\$36,970,419	84.54%
2018-19	44,316,659	37,315,581	84.20
2019-20	46,604,021	38,379,202	82.35
2020-21	47,812,920	39,835,043	83.31
2021-22	49,529,160	40,995,425	82.77
2022-23 (Budgeted)	50,408,951	41,139,244	81.61
2023-24 (Proposed)	54,527,030	43,206,443	79.24

⁽¹⁾ General fund only.

Source: District officials.

Note: Audited Financial Statements for the 2017-18 through 2021-22 fiscal years, and adopted budgets for the 2021-22 and 2022-23 fiscal years. This table is not audited.

Ten Largest Taxpayers – 2022 Assessment Roll for 2022-23 School District Tax Roll

<u>Name</u>	<u>Type</u>	<u>Taxable Full Valuation</u>
Consolidated Edison Co.	Utility	\$ 45,632,600
200 Beacon Hill Drive	Real Estate	36,292,000
AFP Twenty Nine Corp.	Real Estate	21,655,183
Kosov Properties Company ⁽¹⁾	Real Estate	15,983,500
Suez Water Westchester ⁽¹⁾	Utility	12,461,900
300 Broadway LLC	Real Estate	11,833,200
Beacon Hill Apartments ⁽¹⁾	Apartments	11,509,100
110-150 Draper Owners Corp. ⁽¹⁾	Real Estate	10,360,896
Livingston Hose Rec Co Inc.	Real Estate	9,315,100
Dobbs, Ferry Apt. Court Inc. ⁽¹⁾	Apartments	9,310,300

⁽¹⁾ Has a tax certiorari outstanding. Apart from as noted above, the District currently does not have any other pending or outstanding tax certioraris that are known or believed could have a material impact on the finances of the District.

The larger taxpayers listed above have a total taxable assessed valuation of \$184,353,779, which represents approximately 9.00% of the tax base of the School District for the 2022-23 fiscal year.

Source: District Tax Rolls.

STAR – School Tax Exemption

The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. School districts are reimbursed by the State for real property taxes exempted pursuant to the STAR Program.

The STAR program provides State-funded exemptions from school property taxes to homeowners for their primary residences. Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities (“STAR Adjusted Gross Income”) of \$90,550 or less in 2021-22 and \$92,000 or less in 2022-2023, increased annually according to a cost of living adjustment, are eligible for a “full value” exemption of the first \$70,700 for the 2021-22 school year and \$74,900 for the 2022-23 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of \$250,000 (\$500,000 in the case of a STAR credit, as discussed below) are eligible for a \$30,000 “full value” exemption on their primary residence.

The 2022-23 Enacted State Budget provides \$2.2 billion in State funding for a new property tax relief credit, the Homeowner Tax Rebate Credit, for eligible low- and middle-income households, as well as eligible senior households. Under this program, basic STAR exemption and credit beneficiaries with incomes below \$250,000 and Enhanced STAR recipients are eligible for the property tax rebate where the benefit is a percentage of the homeowners’ existing STAR benefit.

The below table lists the basic and enhanced exemption amounts for the municipalities applicable to the District:

<u>Municipality</u>	<u>Enhanced Exemption</u>	<u>Basic Exemption</u>	<u>Date Certified</u>
Greenburgh	\$217,750	\$ 80,250	10/13/2022

\$1,870,329 of the District’s \$40,943,897 school tax levy for the 2021-2022 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2022.

\$1,717,997 of the District’s \$41,139,244 school tax levy for the 2022-23 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State by January 2023.

Additional Tax Information

Real property located in the School District is assessed by the Town.

Senior citizens' exemptions are offered to those who qualify.

The estimated total annual property tax bill of a \$895,900 market value residential property located in the District is approximately \$19,423 including State, County, Town, School District and Fire District Taxes.

TAX LEVY LIMIT LAW

Chapter 97 of the Laws of 2011, as amended (herein referred to as the “Tax Levy Limit Law” or “Law”) modified previous law by imposing a limit on the amount of real property taxes that a school district may levy.

Prior to the enactment of the Law, 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 four percent (4%) of the prior year’s budget or one hundred twenty percent (120%) of the consumer price index (“CPI”). Under the Tax Levy Limit 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 consumer price index, subject to certain exclusions as mentioned below and as described in the Law. 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 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 notes or notes issued to finance voter approved capital expenditures, such as the Bonds, and the refinancing or refunding of such notes or notes, certain pension cost increases, and other items enumerated in the 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. (See “THE BONDS - Nature of the Obligation” herein).

STATUS OF INDEBTEDNESS

Constitutional and Statutory Requirements

The New York State Constitution and Local Finance Law limit the power of the District (and other municipalities and school districts of the State) to issue obligations and to contract indebtedness. Such constitutional and statutory limitations include the following, in summary form, and are generally applicable to the District and the Bonds:

Purpose and Pledge The District shall not give or loan any money or property to or in aid of any individual, or private corporation or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation.

The District may contract indebtedness only for a District purpose and shall pledge its faith and credit for the payment of principal of and interest thereon.

Payment and Maturity Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid in one of the two fiscal years immediately succeeding the fiscal year in which such indebtedness was contracted, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been initially contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose determined by statute; no installment may be more than fifty per centum in excess of the smallest prior installment, unless the District has authorized the issuance of indebtedness having substantially level or declining annual debt service. The District is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds, bond anticipation notes and capital notes.

General The District is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such power; however, the State Legislature is prohibited by a specific constitutional provision from restricting the power of the District to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. There is no constitutional limitation on the amount that may be raised by the District by tax on real estate in any fiscal year to pay principal of and interest on all indebtedness. However, the Tax Levy Limit Law imposes a statutory limitation on the power of the District to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in such law. (See “TAX LEVY LIMIT LAW,” herein).

Statutory Procedure

In general, the State Legislature has, by the enactment of the Local Finance Law, authorized the powers and procedure for the District to borrow and incur indebtedness subject, of course, to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including the Education Law.

The District is generally required by such laws to submit propositions for the expenditure of money for capital purposes to the qualified electors of the District. Upon approval thereby, the Board of Education may adopt a bond resolution authorizing the issuance of bonds and notes in the anticipation of the bonds. No down payment is required in connection with the issuance of District obligations. With respect to certain school building construction projects, the District is not permitted to spend in excess of \$100,000 for construction costs until the plans and specifications for such project have been approved by the commissioner of Education of the State.

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution, or summary thereof, together with a statutory form of notice which, in effect, estops legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. The District has complied with such procedure with respect to the Bonds.

The Board of Education, as the finance board of the District, also has the power to authorize the sale and issuance of bonds and notes, including the Bonds. However, such finance board may delegate the power to sell the Bonds to the President of the Board of Education, the chief fiscal officer of the District, pursuant to the Local Finance Law.

Debt Limit. Pursuant to the Local Finance Law, the District has the power to contract indebtedness for any District purpose authorized by the Legislature of the State of New York, provided the aggregate principal amount thereof shall not exceed ten per centum of the full valuation of the taxable real estate of the District and subject to certain enumerated deductions such as State aid for building purposes. The constitutional and statutory method for determining full valuation consists of taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the ratio (equalization rate) which such assessed valuation bears to the full valuation; such ratio is determined by the State Board of Real Property Services. The Legislature also is required to prescribe the manner by which such ratio shall be determined by such authority.

Debt Outstanding End of Fiscal Year

<u>Fiscal Years Ending June 30th:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Bonds	\$ 17,099,145	\$ 15,499,145	\$ 13,635,000	\$ 11,745,000	\$ 10,800,000
Bond Anticipation Notes	<u>0</u>	<u>0</u>	<u>0</u>	<u>13,500,000</u>	<u>15,130,830</u>
Total Debt Outstanding	<u>\$ 17,099,145</u>	<u>\$ 15,499,145</u>	<u>\$ 13,635,000</u>	<u>\$ 25,245,000</u>	<u>\$ 25,930,830</u>

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District as of May 3, 2023.

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2023-2032	\$ 9,840,000
<u>Bond Anticipation Notes</u>	June 2, 2023	<u>15,130,830</u> ⁽¹⁾
	Total Debt Outstanding	<u>\$ 24,970,830</u>

⁽¹⁾ To be redeemed with the proceeds of the Bonds and \$215,000 available District funds at maturity.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of May 3, 2023:

Full Valuation of Taxable Real Property	\$2,047,869,116
Debt Limit – 10% thereof	204,786,912

Inclusions:

Bonds.....	\$ 9,840,000	
Bond Anticipation Notes	<u>15,138,830</u>	
Total Inclusions		<u>\$ 24,970,830</u>

Exclusions:

Building Aid ⁽¹⁾	\$ <u>0</u>	
Total Exclusions		<u>\$ 0</u>

Total Net Indebtedness	<u>\$ 24,970,830</u>
Net Debt-Contracting Margin	<u>\$ 179,816,082</u>
The percent of debt contracting power exhausted is	12.19%

⁽¹⁾ Based on 2023-2024 preliminary building aid estimates, the District anticipates State Building aid of 56.2% for debt service on State Education Department approved expenditures from July 1, 2004 to the present. The District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the District will receive in relation to the outstanding bonds.

Note: The State Constitution does not provide for the inclusion of tax anticipation or revenue anticipation notes in the computation of the statutory debt limit of the School District.

Bonded Debt Service

A schedule of bonded debt service may be found in “APPENDIX – B” to this Official Statement.

Cash Flow Borrowings

The District has not issued revenue anticipation notes and/or tax anticipation notes in the recent past, and does not anticipate issuing such notes in the foreseeable future.

Other Obligations

The District entered into a 5-year lease on June 1, 2020 with the Southern Westchester BOCES for the purpose of computer server upgrades. The lease is in the amount of \$268,000, with an interest rate of 4.500%. Payments are due monthly.

Capital Project Plans

On October 22, 2019, the District approved construction improvements to District buildings and/or sites at an estimated cost of \$19,977,378 and authorizing bonds in the amount of \$18,277,378, along with the use of an estimated \$1,700,000 capital reserve funds. On June 4, 2021, the District issued \$13,500,000 bond anticipation notes pursuant to this authorization. A \$13,500,000 portion of the proceeds of these Notes, were used to redeem and renew a \$13,500,000 bond anticipation notes of the District that was issued on June 4, 2021 and matured June 3, 2022. The remaining \$1,630,830 of the bond anticipation notes provided additional original financing for the Project. The proceeds of the Bonds along with \$215,000 available funds of the District will permanently finance \$15,130,830 bond anticipation notes that were issued on June 2, 2022 and are maturing on June 2, 2023 for the aforementioned purpose.

The District is contemplating a Phase II project utilizing the remaining \$5M of unspent authorization from the 2019 voter referendum. The District is also considering an Energy Performance Contract project.

There are no other significant capital projects authorized or contemplated at this time.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue obligations and to levy taxes or cause taxes to be levied on taxable real property in the District. Estimated bonds and bond anticipation notes are listed as of the close of the respective fiscal years of the below municipalities.

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> ⁽¹⁾	<u>Exclusions</u> ⁽²⁾	<u>Net Indebtedness</u>	<u>District Share</u>	<u>Applicable Indebtedness</u>
County of:						
Westchester	12/31/2021	\$ 1,513,739,932	\$ 582,192,426	\$ 931,547,506	0.98%	\$ 9,129,166
Town of:						
Greenburgh	12/31/2021	95,575,000	5,169,330	90,405,670	8.58%	7,756,806
Village of:						
Dobbs Ferry	5/31/2022	11,315,000	1,945,000	9,370,000	100.00%	9,370,000
					Total:	<u>\$ 26,255,972</u>

⁽¹⁾ Bonds and bond anticipation notes are as of close of the respective fiscal years and are not adjusted to include subsequent bond or note sales, if any.

⁽²⁾ Water and sewer debt and appropriations. Pursuant to the Local Finance Law, this indebtedness is excluded from the constitutional debt limit.

Source: Comptroller’s Special Report on Municipal Affairs for Local Finance Years Ended in 2021 and 2022.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of May 3, 2023:

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness ^(c)	\$ 24,970,830	\$ 2,536.14	1.22%
Net Indebtedness Plus Net Overlapping Indebtedness ^(d)	51,226,802	5,202.80	2.50

(a) The 2021 estimated population of the District is 9,846. (See "THE SCHOOL DISTRICT - Population" herein.)

(b) The District's full value of taxable real estate for the 2022-2023 fiscal year is \$2,047,869,116. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)

(c) See "Debt Statement Summary" herein for the calculation of Net Indebtedness.

(d) The District's applicable share of Net Overlapping Indebtedness is estimated to be \$26,255,972. (See "Estimated Overlapping Indebtedness" herein.)

Note: The above ratios do not take into account State building aid the District will receive for past and current construction building projects.

MARKET MATTERS AFFECTING FINANCINGS OF THE MUNICIPALITIES OF THE STATE

There are various forms of risk associated with investing in the Bonds. The following is a discussion of certain events that could affect the risk of investing in the Bonds. In addition to the events cited herein, there are other potential risk factors that an investor must consider. In order to make an informed investment decision, an investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential risk.

The District's credit rating could be affected by circumstances beyond the District's control. Economic conditions such as the rate of unemployment and inflation, termination of commercial operations by corporate taxpayers and employers, as well as natural catastrophes, could adversely affect the assessed valuation of District property and its ability to maintain fund balances and other statistical indices commensurate with its current credit rating. As a consequence, a decline in the District's credit rating could adversely affect the market value of the Bonds.

There can be no assurance that adverse events including, for example, the seeking by another municipality in the State or elsewhere of remedies pursuant to the Federal Bankruptcy Act or otherwise, will not occur which might affect the market price of and the market for the Bonds. In particular, if a significant default or other financial crisis should occur in the affairs of the State or any of its municipalities, public authorities or other political subdivisions thereby possibly further impairing the acceptability of obligations issued by those entities, both the ability of the District to arrange for additional borrowing(s) as well as the market for and market value of outstanding debt obligations, including the Bonds, could be adversely affected.

The District relies in part on State aid to fund its operations. There can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget, the impact to the State's economy and financial condition due to the COVID-19 outbreak and other circumstances, including State fiscal stress. In any event, State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. (See "State Aid" herein). Should the District fail to receive State aid expected from the State in the amounts or at the times expected, occasioned by a delay in the payment of such monies or by a reduction in State aid, the District is authorized by the Local Finance Law to provide operating funds by borrowing on account of the uncollected State aid.

Future amendments to applicable statutes whether enacted by the State or the United States of America affecting the treatment of interest paid on municipal obligations, including the Bonds, for income taxation purposes could have an adverse effect on the market value of the Bonds (see "Tax Matters" herein).

The enactment of the Tax Levy Limit Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the District, without providing exclusion for debt service on obligations issued by municipalities and fire districts, may affect the market price and/or marketability for the Bonds. (See "TAX LEVY LIMIT LAW" herein.)

Federal or State legislation imposing new or increased mandatory expenditures by municipalities, school districts and fire districts in the State, including the District could impair the financial condition of such entities, including the District and the ability of such entities, including the District to pay debt service on the Bonds.

Cybersecurity

The District, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the District will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attacks could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant. As of the date on this Official Statement, the District currently has no cybersecurity attacks.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the District, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”) and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. The Tax Certificate of the District (the “Tax Certificate”), which will be delivered concurrently with the delivery of the Bonds will contain provisions and procedures relating to compliance with applicable requirements of the Code. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the District in connection with the Bonds, and Bond Counsel has assumed compliance by the District with certain ongoing provisions and procedures set forth in the Tax Certificate relating to compliance with applicable requirements of the Code to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code.

In addition, in the opinion of Bond Counsel to the District, under existing statutes, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

Bond Counsel expresses no opinion as to any federal, state or local tax consequences arising with respect to the Bonds, or the ownership or disposition thereof, except as stated above. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement this opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Bonds.

Certain Ongoing Federal Tax Requirements and Certifications

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The District, in executing the Tax Certificate, will certify to the effect that the District will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds.

Prospective owners of the Bonds should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Discount

“Original issue discount” (“OID”) is the excess of the sum of all amounts payable at the stated maturity of a Bond (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the “issue price” of a maturity (a bond with the same maturity date, interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the Bonds. In general, the issue price for each maturity of Bonds is expected to be the initial public offering price set forth in this Official Statement. Bond Counsel further is of the opinion that, for any Bonds having OID (a “Discount Bond”), OID that has accrued and is properly allocable to the owners of the Discount Bonds under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the Bonds.

In general, under Section 1288 of the Code, OID on a Discount Bond accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Bond. An owner’s adjusted basis in a Discount Bond is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Bond. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Bond even though there will not be a corresponding cash payment.

Owners of Discount Bonds should consult their own tax advisors with respect to the treatment of original issue discount for federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Discount Bonds.

Bond Premium

In general, if an owner acquires a Bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the Bond after the acquisition date (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates), that premium constitutes “bond premium” on that Bond (a “Premium Bond”). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner’s yield over the remaining term of the Premium Bond determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner’s regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner’s original acquisition cost. Owners of any Premium Bonds should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Bond.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, “Request for Taxpayer Identification Number and Certification,” or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to “backup withholding,” which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a “payor” generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under federal or state law or otherwise prevent beneficial owners of the Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Bonds.

Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the District will enter into an Undertaking to Provide Notice of Material Events Certificate, the form, substantially of which, is attached hereto as "APPENDIX-C – FORM OF UNDERTAKING TO PROVIDE NOTICES OF EVENTS".

LITIGATION

The District is subject to a number of lawsuits in the ordinary conduct of its affairs. The District does not believe, however, that such suits, individually or in the aggregate, are likely to have a material adverse effect on the financial condition of the District.

The School District is also involved in the following litigation. State court revival action under the New York Child Victims Act by a former student alleging sexual abuse by a former teacher and coach during the approximate period 1984-1987. The School District is vigorously defending this litigation.

In another action, the State court revival action under the New York Child Victims Act, a former student is alleging sexual abuse by a Boy Scout Leader, during the approximate period from 1961-1965. The plaintiff alleges that the School District owned the charter and controlled the hiring of the Boy Scout leaders. The District is vigorously defending this litigation.

Except as noted above, there is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the District, threatened against or affecting the District to restrain or enjoin the issuance, sale or delivery of the Bonds or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Bonds or any proceedings or authority of the District taken with respect to the authorization, issuance or sale of the Bonds or contesting the corporate existence or boundaries of the District.

MUNICIPAL ADVISOR

Fiscal Advisors & Marketing, Inc. (the "Municipal Advisor"), is a municipal advisor, registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent municipal advisor to the District on matters relating to debt management. The Municipal Advisor is a municipal advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Bonds. The advice on the plan of financing and the structuring of the Bonds was based on materials provided by the District and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the District or the information set forth in this Official Statement or any other information available to the District with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the District to the Municipal Advisor are partially contingent on the successful closing of the Bonds.

CUSIP IDENTIFICATION NUMBERS

It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Notes. All expenses in relation to the printing of CUSIP numbers on the Bonds will be paid for by the District; provided, however, the District assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

BOND RATING

Moody's Investors Service ("Moody's") assigned its bond rating of "" to the Bonds. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. A rating reflects only the view of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Any desired explanation of the significance of such rating should be obtained from Moody's Investors Service, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, Phone: (212) 553-0038, Fax: (212) 553-1390.

Generally, rating agencies base their ratings on the information and materials furnished to it and on investigations, studies and assumptions by the respective rating agency. There is no assurance that a particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant. Any downward revision or withdrawal of the rating of the outstanding bonds may have an adverse effect on the market price of the outstanding bonds.

ADDITIONAL INFORMATION

So far as any statements made in this Official Statement involve matters of opinion or estimates whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of the Bonds.

Statements in this Official Statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the District management's beliefs as well as assumptions made by, and information currently available to, the District's management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the District's files with the repositories. When used in District documents or oral presentation, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Bonds.

References herein to the Constitution of the State and various State and federal laws are only brief outlines of certain provisions thereof and do not purport to summarize or describe all of such provisions.

Concurrently with the delivery of the Bonds, the District will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to a limitation as to information in the Official Statement obtained from sources other than the District.

The Official Statement is submitted only in connection with the sale of the Bonds by the District and may not be reproduced or used in whole or in part for any other purpose.

The District hereby disclaims any obligation to update developments of the various risk factors or to announce publicly any revision to any of the forward-looking statements contained herein or to make corrections to reflect future events or developments except to the extent required by Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Fiscal Advisors & Marketing, Inc. may place a copy of this Official Statement on its website at www.fiscaladvisors.com. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Fiscal Advisors & Marketing, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the District nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the District disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Fiscal Advisors & Marketing, Inc. and the District also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

This Official Statement is in a form "deemed final" by the District for the purpose of Securities and Exchange Commission Rule 15c2-12. (See UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE" herein.)

The District will act as paying agent for the Bonds. The District's contact information is as follows: Ron Clamser, Assistant Superintendent for Finance, Facilities and Operations, Dobbs Ferry Union Free School District, 505 Broadway, Dobbs Ferry, New York 10522, Phone: (914) 693-1500, Fax: (914) 693-1787, Email: clamser@dfsd.org.

Additional copies of the Notice of Sale and the Official Statement may be obtained upon request from the offices of Fiscal Advisors & Marketing, Inc., Phone: (315) 752-0051, or at www.fiscaladvisors.com.

DOBBS FERRY UNION FREE SCHOOL DISTRICT

Dated: May __, 2023

**PRESIDENT OF THE BOARD OF EDUCATION AND
CHIEF FISCAL OFFICER**

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ 9,488,494	\$ 6,000,103	\$ 5,238,303	\$ 5,057,777	\$ 6,544,930
Investments	40,541	4,344,827	4,428,405	5,642,013	5,651,042
Accounts Receivable	58,265	86,175	40,257	47,611	40,904
State and Federal Receivable	473,178	560,357	812,715	477,107	558,561
Due from Other Governments	262,696	230,101	418,963	503,730	575,642
Due from Other Funds	2,921,366	666,973	1,062,231	1,808,013	781,411
Other Receivables	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u><u>\$ 13,244,540</u></u>	<u><u>\$ 11,888,536</u></u>	<u><u>\$ 12,000,874</u></u>	<u><u>\$ 13,536,251</u></u>	<u><u>\$ 14,152,490</u></u>
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable	\$ 462,118	\$ 628,333	\$ 403,612	\$ 448,802	\$ 514,275
Accrued Liabilities	122,131	181,060	26,017	103,827	37,254
Due to Other Funds	195,306	220,614	1,837,207	1,848,194	2,420,032
Due to Other Governments	40,020	-	35,651	35,651	28,669
Due to Retirement Systems	2,336,058	2,604,484	2,320,208	2,544,670	2,752,144
Unearned Revenues	9,651	-	-	-	-
	<u>9,651</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u><u>\$ 3,165,284</u></u>	<u><u>\$ 3,634,491</u></u>	<u><u>\$ 4,622,695</u></u>	<u><u>\$ 4,981,144</u></u>	<u><u>\$ 5,752,374</u></u>
<u>FUND EQUITY</u>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted:	7,401,976	7,179,836	5,321,794	6,466,098	5,445,822
Assigned	905,364	94,215	46,635	127,839	1,124,125
Unassigned	1,771,916	979,994	2,009,750	1,961,170	1,830,169
	<u>1,771,916</u>	<u>979,994</u>	<u>2,009,750</u>	<u>1,961,170</u>	<u>1,830,169</u>
TOTAL FUND EQUITY	<u><u>10,079,256</u></u>	<u><u>8,254,045</u></u>	<u><u>7,378,179</u></u>	<u><u>8,555,107</u></u>	<u><u>8,400,116</u></u>
TOTAL LIABILITIES and FUND EQUITY	<u><u>\$ 13,244,540</u></u>	<u><u>\$ 11,888,536</u></u>	<u><u>\$ 12,000,874</u></u>	<u><u>\$ 13,536,251</u></u>	<u><u>\$ 14,152,490</u></u>

Source: Audited financial reports of the School District. This Appendix is not itself audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>REVENUES</u>					
Real Property Taxes	\$ 33,371,467	\$ 34,247,034	\$ 35,967,062	\$ 37,720,907	\$ 39,073,568
Other Tax Items	3,598,952	3,068,547	2,412,140	2,114,136	1,921,857
Non-Property Tax Items	535,911	559,532	734,550	892,915	931,779
Charges for Services	1,377,300	1,329,821	1,313,748	1,460,818	1,512,450
Use of Money & Property	172,399	311,954	183,635	16,555	30,625
Sale of Property and Compensation for Loss	10,973	6,082	-	-	2,885
Miscellaneous	122,102	95,600	457,841	224,989	117,836
Revenues from State Sources	4,471,261	4,606,182	5,449,562	5,156,473	5,741,945
Revenues from Federal Sources	69,537	91,907	85,483	226,127	79,269
Total Revenues	<u>\$ 43,729,902</u>	<u>\$ 44,316,659</u>	<u>\$ 46,604,021</u>	<u>\$ 47,812,920</u>	<u>\$ 49,412,214</u>
Other Sources:					
Insurance Premium	\$ -	\$ -	\$ -	\$ -	\$ 116,946
Interfund Transfers	-	-	-	174,557	-
Total Revenues and Other Sources	<u>\$ 43,729,902</u>	<u>\$ 44,316,659</u>	<u>\$ 46,604,021</u>	<u>\$ 47,987,477</u>	<u>\$ 49,529,160</u>
<u>EXPENDITURES</u>					
General Support	\$ 5,652,692	\$ 5,546,975	\$ 4,851,433	\$ 5,261,614	\$ 6,689,436
Instruction	25,116,652	26,897,497	27,267,273	27,438,015	28,772,649
Pupil Transportation	1,177,087	1,308,626	1,074,196	1,321,053	1,536,863
Community Services	71,713	-	45,703	-	-
Employee Benefits	9,453,600	9,992,427	10,070,199	10,357,996	11,011,695
Debt Service	2,380,226	2,347,296	2,417,729	2,396,493	1,620,257
Total Expenditures	<u>\$ 43,851,970</u>	<u>\$ 46,092,821</u>	<u>\$ 45,726,533</u>	<u>\$ 46,775,171</u>	<u>\$ 49,630,900</u>
Other Uses:					
Interfund Transfers	25,626	49,049	1,753,354	35,378	53,251
Total Expenditures and Other Uses	<u>\$ 43,877,596</u>	<u>\$ 46,141,870</u>	<u>\$ 47,479,887</u>	<u>\$ 46,810,549</u>	<u>\$ 49,684,151</u>
Excess (Deficit) Revenues Over Expenditures	<u>(147,694)</u>	<u>(1,825,211)</u>	<u>(875,866)</u>	<u>1,176,928</u>	<u>(154,991)</u>
<u>FUND BALANCE</u>					
Fund Balance - Beginning of Year	10,226,950	10,079,256	8,254,045	7,378,179	8,555,107
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 10,079,256</u>	<u>\$ 8,254,045</u>	<u>\$ 7,378,179</u>	<u>\$ 8,555,107</u>	<u>\$ 8,400,116</u>

Source: Audited financial reports of the School District. This Appendix is not itself audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Fiscal Years Ending June 30:

	2022			2023	2024
	Original	Modified	Audited	Adopted	Proposed
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
<u>REVENUES</u>					
Real Property Taxes	\$ 39,073,568	\$ 39,073,568	\$ 39,073,568	\$ 41,139,244	\$ 43,206,443
Other Tax Items	1,925,328	1,925,329	1,921,857	-	-
Non-Property Tax Items	800,000	800,000	931,779	800,000	925,000
Charges for Services	1,392,000	1,392,000	1,512,450	1,333,000	1,452,000
Use of Money & Property	31,000	31,000	30,625	-	-
Sale of Property and Compensation for Loss	-	-	2,885	-	-
Miscellaneous	61,000	61,000	117,836	317,000	664,323
Revenues from State Sources	5,686,338	5,686,338	5,741,945	6,819,707	8,279,264
Revenues from Federal Sources	60,000	60,000	79,269	-	-
Total Revenues	<u>\$ 49,029,234</u>	<u>\$ 49,029,235</u>	<u>\$ 49,412,214</u>	<u>\$ 50,408,951</u>	<u>\$ 54,527,030</u>
Other Sources:					
Issuance Premium	\$ -	\$ -	\$ 116,946	\$ -	\$ -
Interfund Transfers	-	-	-	-	-
Total Revenues and Other Sources	<u>\$ 49,029,234</u>	<u>\$ 49,029,235</u>	<u>\$ 49,529,160</u>	<u>\$ 50,408,951</u>	<u>\$ 54,527,030</u>
<u>EXPENDITURES</u>					
General Support	\$ 5,337,399	\$ 6,803,110	\$ 6,689,436	\$ 4,648,224	\$ 5,439,765
Instruction	28,734,919	28,814,782	28,772,649	29,737,016	31,869,304
Pupil Transportation	1,537,886	1,536,863	1,536,863	1,591,485	1,762,678
Community Services	-	-	-	-	-
Employee Benefits	10,995,374	11,068,146	11,011,695	11,942,589	12,390,636
Debt Service	2,396,495	2,018,145	1,620,257	2,551,495	2,725,350
Total Expenditures	<u>\$ 49,002,073</u>	<u>\$ 50,241,046</u>	<u>\$ 49,630,900</u>	<u>\$ 50,470,809</u>	<u>\$ 54,187,733</u>
Other Uses:					
Interfund Transfers	155,000	53,251	53,251	906,462	1,017,502
Total Expenditures and Other Uses	<u>\$ 49,157,073</u>	<u>\$ 50,294,297</u>	<u>\$ 49,684,151</u>	<u>\$ 51,377,271</u>	<u>\$ 55,205,235</u>
Excess (Deficit) Revenues Over Expenditures	<u>(127,839)</u>	<u>(1,265,062)</u>	<u>(154,991)</u>	<u>(968,320)</u>	<u>(678,205)</u>
<u>FUND BALANCE</u>					
Fund Balance - Beginning of Year	127,839	1,265,062	8,555,107	968,320	678,205
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,400,116</u>	<u>\$ -</u>	<u>\$ -</u>

Source: Audited financial report and budgets of the School District. This Appendix is not itself audited.

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	2017 Serial Bonds - Capital Project		
	Principal	Interest	Total
2023	\$ 960,000	\$ 241,900	\$ 1,201,900
2024	975,000	222,550	1,197,550
2025	995,000	202,850	1,197,850
2026	1,015,000	182,750	1,197,750
2027	1,030,000	162,300	1,192,300
2028	1,050,000	140,844	1,190,844
2029	1,075,000	117,594	1,192,594
2030	1,100,000	91,750	1,191,750
2031	1,130,000	61,050	1,191,050
2032	1,160,000	26,700	1,186,700
2033	310,000	4,650	314,650
TOTAL	\$ 10,800,000	\$ 1,454,938	\$ 12,254,938

Note: The totals above do not include energy performance contracts or lease obligations.

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

Section 1. Definitions

“Annual Information” shall mean the information specified in Section 3 hereof.

“EMMA” shall mean the Electronic Municipal Market Access System implemented by the MSRB.

“Financial Obligation” shall mean “financial obligation” as such term is defined in the Rule.

“GAAP” shall mean generally accepted accounting principles as in effect from time to time in the United States.

“Holder” shall mean any registered owner of the Securities and any beneficial owner of Securities within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934.

“Issuer” shall mean the **Dobbs Ferry Union Free School District**, in the County of Westchester, a school district of the State of New York.

“MSRB” shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Agreement.

“Municipal Advisor” shall mean Fiscal Advisors & Marketing, Inc., 250 South Clinton Street, Suite 502, Syracuse, New York 13202, or another nationally recognized municipal advisory firm.

“Purchaser” shall mean the financial institution referred to in the Certificate of Award, executed by the President of the Board of Education as of May 18, 2023.

“Rule” shall mean Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as amended, as in effect on the date of this Undertaking, including any official interpretations thereof issued either before or after the effective date of this Undertaking which are applicable to this Undertaking.

“Securities” shall mean the Issuer’s **\$14,915,830 School District Serial Bonds-2023**, dated June 1, 2023, maturing in various principal amounts on June 1 in each of the years 2024 to 2037, inclusive, and delivered on the date hereof.

Section 2. Obligation to Provide Continuing Disclosure. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided either directly or through its Municipal Advisor to the EMMA System:

- (i) (A) no later than six months after the end of each fiscal year, commencing with the fiscal year ending June 30, 2023, the Annual Information relating to such fiscal year, and (B) no later than six months after the end of each fiscal year, commencing with the fiscal year ending June 30, 2023, the audited financial statements of the Issuer for each fiscal year, if audited financial statements are prepared by the Issuer and then available; provided, however, that if audited financial statements are not prepared or are not then available, unaudited financial statements shall be provided and audited financial statements, if any, shall be delivered to the EMMA System within sixty (60) days after they become available and in no event later than one (1) year after the end of each fiscal year; provided further, however, that the unaudited financial statement shall be provided for any fiscal year only if the Issuer has made a determination that providing such unaudited financial statement would be compliant with federal securities laws, including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17 (a)(2) of the Securities Act of 1933; and
- (ii) in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of any of the following events with respect to the Securities:
 - (1) principal and interest payment delinquencies;
 - (2) non-payment related defaults, if material;

- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Securities, or other events affecting the tax status of the Securities;
- (7) modifications to rights of Securities holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution, or sale of property securing repayment of the Securities, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the Issuer;

Note to clause (12): For the purposes of the event identified in clause (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer;

- (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - (14) appointment of a successor or additional trustee or the change of name of a trustee, if material;
 - (15) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
 - (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.
- (iii) in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of a failure to provide by the date set forth in Section 2(a)(i) hereof any Annual Information required by Section 3 hereof.

(b) Nothing herein shall be deemed to prevent the Issuer from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If the Issuer disseminates any such additional information, the Issuer shall have no obligation to update such information or include it in any future materials disseminated hereunder.

(c) Nothing herein shall be deemed to prevent the Issuer from providing notice of the occurrence of certain other events, in addition to those listed above, if the Issuer determines that any such other event is material with respect to the Securities; but the Issuer does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above.

Section 3. Annual Information. (a) The required Annual Information shall consist of the financial information and operating data for the preceding fiscal year, in a form generally consistent with the information contained or cross-referenced in the Issuer's final official statement relating to the Securities under the headings: "THE SCHOOL DISTRICT," "STATUS OF INDEBTEDNESS", "TAX INFORMATION" and "LITIGATION" and Appendix A.

(b) All or any portion of the Annual Information may be incorporated in the Annual Information by cross reference to any other documents which are (i) available to the public on the EMMA System or (ii) filed with the SEC. If such a document is a final official statement, it also must be available from the EMMA System.

(c) Annual Information for any fiscal year containing any modified operating data or financial information (as contemplated by Section 7(e) hereof) for such fiscal year shall explain, in narrative form, the reasons for such modification and the effect of such modification on the Annual Information being provided for such fiscal year. If a change in accounting principles is included in any such modification, such Annual Information shall present a comparison between the financial statements or information prepared on the basis of the modified accounting principles and those prepared on the basis of the former accounting principles.

Section 4. Financial Statements. The Issuer's annual financial statements for each fiscal year, if prepared, shall be prepared in accordance with GAAP or New York State regulatory requirements as in effect from time to time. Such financial statements, if prepared, shall be audited by an independent accounting firm. The Issuer's Annual Financial Report Update Document prepared by the Issuer and filed annually with New York State in accordance with applicable law, shall not be subject to the foregoing requirements.

Section 5. Remedies. If the Issuer shall fail to comply with any provision of this Undertaking, then any Holder of Securities may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Undertaking against the Issuer and any of the officers, agents and employees of the Issuer, and may compel the Issuer or any such officers, agents or employees to perform and carry out their duties under this Undertaking; provided that the sole and exclusive remedy for breach of this Undertaking shall be an action to compel specific performance of the obligations of the Issuer hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances. Failure to comply with any provision of this Undertaking shall not constitute an event of default on the Securities.

Section 6. Parties in Interest. This Undertaking is executed to assist the Purchaser to comply with paragraph (b)(5) of the Rule and is delivered for the benefit of the Holders. No other person shall have any right to enforce the provisions hereof or any other rights hereunder.

Section 7. Amendments. Without the consent of any holders of Securities, the Issuer at any time and from time to time may enter into any amendments or changes to this Undertaking for any of the following purposes:

- (a) to comply with or conform to any changes in Rule 15c2-12 (whether required or optional);
- (b) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;
- (c) to evidence the succession of another person to the Issuer and the assumption of any such successor of the duties of the Issuer hereunder;
- (d) to add to the duties of the Issuer for the benefit of the Holders, or to surrender any right or power herein conferred upon the Issuer;
- (e) to modify the contents, presentation and format of the Annual Information from time to time to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the Issuer or to reflect changes in the identity, nature or status of the Issuer or in the business, structure or operations of the Issuer or any mergers, consolidations, acquisitions or dispositions made by or affecting any such person; provided that any such modifications shall comply with the requirements of Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such modification; or
- (f) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change;

provided that no such action pursuant to this Section 7 shall adversely affect the interests of the Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

Section 8. Termination. This Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Securities shall have been paid in full or the Securities shall have otherwise been paid or legally defeased pursuant to the their terms. Upon any such legal defeasance, the Issuer shall provide notice of such defeasance to the EMMA System. Such notice shall state whether the Securities have been defeased to maturity or to redemption and the timing of such maturity or redemption.

In addition, this Agreement, or any provision hereof, shall be null and void in the event that those portions of the Rule which require this Agreement, or such provision, as the case may be, do not or no longer apply to the Securities, whether because such portions of the Rule are invalid, have been repealed, or otherwise.

Section 9. Undertaking to Constitute Written Agreement or Contract. This Undertaking shall constitute the written agreement or contract for the benefit of Holders of Securities, as contemplated under Rule 15c2-12.

Section 10. Governing Law. This Undertaking shall be governed by the laws of the State of New York determined without regard to principles of conflict of law.

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of June 1, 2023.

DOBBS FERRY UNION FREE SCHOOL DISTRICT

By: _____
President of the Board of Education

DOBBS FERRY UNION FREE SCHOOL DISTRICT
WESTCHESTER COUNTY, NEW YORK

AUDITED FINANCIAL STATEMENTS

JUNE 30, 2022

The Audited Financial Statements, including opinion, were prepared as of date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.

**Dobbs Ferry Union Free
School District, New York**

Financial Statements and
Supplementary Information

Year Ended June 30, 2022

Dobbs Ferry Union Free School District, New York

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Dobbs Ferry Union Free School District, New York

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Independent Auditors' Report

**The Board of Education of the
Dobbs Ferry 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, the each major fund and the aggregate remaining fund information of the Dobbs Ferry 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 financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit 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 and the schedule of expenditures of

federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* for the year ended June 30, 2022 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements 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, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards is 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 5, 2021 which contained unmodified opinions on the respective financial statements of the governmental activities, the 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 related 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 September 27, 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
September 27, 2022

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Dobbs Ferry Union Free School District, New York

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

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

Financial Highlights for FY 2021-2022

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

- New York State Law limits the amount of unassigned fund balance that can be retained by the General Fund to 4% of the ensuing year's budget, exclusive of the amount designated for the subsequent year's budget. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$1,830,169. This amount is equal to 3.56% of the subsequent year's budget.
- The School District's governmental fund financial statements report a combined ending fund balance of (\$448,989), a decrease in fund balance of \$9,672,947. This is due to the requirement to record expenditures in the capital projects fund in the year incurred and revenues when permanent financing is in place. The General Fund fund balance totals \$8,400,116. Of this amount, the unassigned fund balance of the General Fund is \$1,830,169. This amount is available for spending at the discretion of the School District.
- On the district-wide financial statements, the liabilities and deferred inflows of the School District exceeded assets and deferred outflows by \$35,646,224. Of this amount, the unrestricted portion is (\$79,874,301). The School District's total net position increased by \$1,710,316. This is due to the implementation of GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("OPEB")". More detailed information is presented in Note 3E to the financial statements.
- The following were noteworthy factors in the revenues and expenditures in the General Fund being different than budgeted:
 - The receipt of unanticipated day school tuitions and other charges for services created a budget surplus of \$120,450.
 - The increase in sales tax income resulting in a better than anticipated performing economy created a budget surplus of \$131,779.
 - Changes in active employment status along with reduced unemployment insurance benefits resulted in a budget surplus of \$56,451.
 - Debt service principal and interest payments not due during the budget cycle resulted in a budget surplus of \$397,888.
 - Payment of tax certiorari refunds from the reserves are not included in the original budget.

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 the financial statements. This report also contains individual fund statements and schedules in addition to the basic financial statements.

District-wide Financial Statements

- The district-wide financial statements are designed to provide readers with a broad overview of the School District's finances, in a manner similar to private-sector business.
- The statement of net position presents information on all of the School District's assets, liabilities and deferred inflows/outflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.
- The statement of activities presents information showing how the School District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.
- The governmental activities of the School District include instruction, pupil transportation, cost of food sales, other, interest, and general 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 balance 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 government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

- The School District maintains five individual governmental funds: General Fund, Capital Projects Fund, Special Aid Fund, School Lunch Fund and Special Purpose Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Capital Projects, and Special Aid funds, since the School District has elected to report them as major funds. Combining information for the non-major funds can be found elsewhere in this report.
- The School District adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the respective budgets.
- The Fiduciary Funds are used to account for assets held by the School District in a custodial capacity on behalf of others. Fiduciary funds are not reflected in the district-wide financial statements because the resources of these funds are not available to support the School District's programs.

The financial statements for the governmental and fiduciary funds can be found in the basic financial statements section of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the 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 assets may serve over time as a useful indicator of the School District's financial position. In the case of Dobbs Ferry Union Free School District, New York, the liabilities and deferred inflows exceeded assets and deferred outflows by \$35,646,224 at the close of the current fiscal year.

Net Position

	June 30,	
	2022	2021
Current Assets	\$ 42,702,173	\$ 26,322,483
Capital Assets	49,552,654	41,763,498
Total Assets	92,254,827	68,085,981
Deferred Outflows of Resources	18,334,592	18,625,339
Current Liabilities	18,849,260	17,113,305
Long-term Liabilities	76,642,608	97,328,613
Total Liabilities	95,491,868	114,441,918
Deferred Inflows of Resources	50,743,775	9,625,942
Net investment in capital assets	38,752,654	29,811,398
Restricted for:		
Capital Projects	-	400,390
Tax Certiorari	3,831,802	4,771,702
Unemployment Benefits	93,083	93,083
Retirement System Contributions	876,944	876,944
Debt Service	523,625	406,679
Future Capital Projects	52,493	52,493
Special Purposes	97,476	86,853
Unrestricted	(79,874,301)	(73,856,082)
Total Net Position	\$ (35,646,224)	\$ (37,356,540)

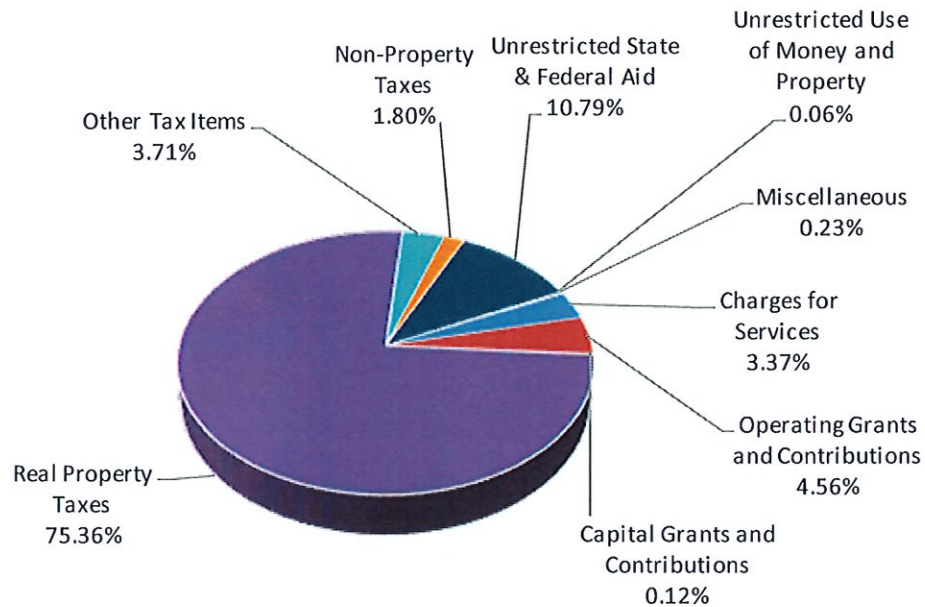
By far, the largest component of the School District's net assets is its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The School District uses these capital assets to provide services to the students and consequently, these assets are not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

Changes in Net Position

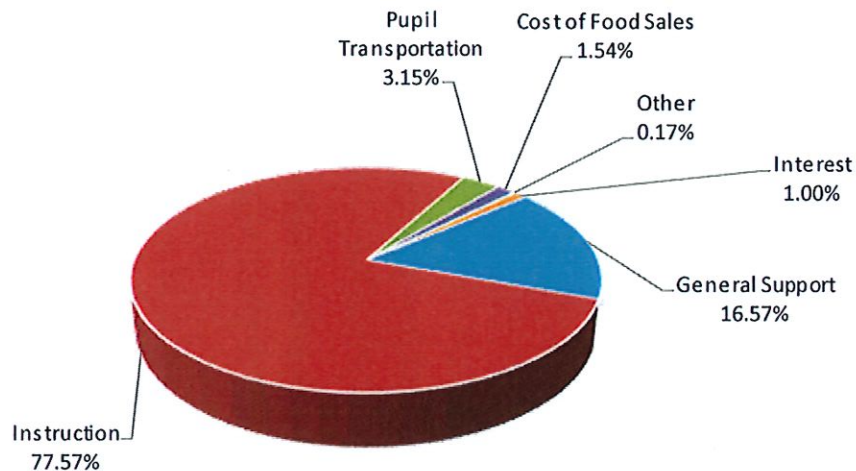
	June 30,	
	2022	2021
REVENUES		
Program Revenues:		
Charges for Services	\$ 1,746,094	\$ 1,497,397
Operating Grants and Contributions	2,366,378	1,620,252
Capital Grants and Contributions	62,438	65,685
Total Program Revenues	<u>4,174,910</u>	<u>3,183,334</u>
General Revenues:		
Real Property Taxes	39,073,568	37,720,907
Other Tax Items	1,921,857	2,114,136
Non-Property Taxes	931,779	892,915
Unrestricted Use of Money and Property	29,434	16,213
Sale of Property and Compensation for Loss	2,885	-
Unrestricted State Aid	5,594,597	4,996,575
Unrestricted Federal Aid	-	8,505
Miscellaneous	117,836	224,577
Total General Revenues	<u>47,671,956</u>	<u>45,973,828</u>
Total Revenues	<u>51,846,866</u>	<u>49,157,162</u>
PROGRAM EXPENSES:		
General Support	8,309,749	7,136,220
Instruction	38,890,546	45,088,706
Pupil Transportation	1,577,966	1,335,550
Cost of Food Sales	771,371	378,344
Other	87,756	57,827
Interest	499,162	309,017
Total Expenses	<u>50,136,550</u>	<u>54,305,664</u>
Change in Net Position	<u>1,710,316</u>	<u>(5,148,502)</u>
Net Position - Beginning, as reported	(37,356,540)	(32,242,971)
Cumulative Effect of Change in Accounting Principle	<u>-</u>	<u>34,933</u>
Net Position - Beginning, as restated	<u>(37,356,540)</u>	<u>(32,208,038)</u>
Net Position - Ending	<u><u>\$ (35,646,224)</u></u>	<u><u>\$ (37,356,540)</u></u>

Governmental activities increased the School District's net assets by \$1,710,316. Primarily as a result of the reporting of GASB Statement No. 75 – OPEB. As indicated on the following graphs, the School District relies upon property taxes as its primary revenue source. The School District's instructional costs account for 78% of its expenses.

Sources of Revenue for Fiscal Year 2022 Governmental Activities



Expenses for Fiscal Year 2022 Governmental Activities



Fund Balance Reporting

It is noteworthy to report that the Governmental Accounting Standards Board ("GASB") issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* in February 2009. The requirements of GASB Statement No. 54 were effective for financial statements for periods ending June 30, 2011; therefore they are continued in this report. GASB Statement No. 54 abandons the reserved and unreserved classifications of fund balance and replaces 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 portion of receivables 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 and positive remaining of 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. This pronouncement should result in an improvement in the usefulness of fund balance information.

Financial Analysis of the School District's Fund

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

Governmental Funds

The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unreserved 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 a combined fund balance of (\$448,989). The fund balance is made up as follows:

Non-Spendable	\$ 3,751
Restricted	(3,707,362)
Assigned	1,424,453
Unassigned	<u>1,830,169</u>
	<u>\$ (448,989)</u>

The General Fund is the primary operating fund of the School District. At the end of the current fiscal year, the total fund balance of the General Fund was \$8,400,116, of which \$1,830,169 or 3.56% of the ensuing year's budget was unassigned. As previously mentioned, New York State Law limits the amount of unassigned fund balance that can be retained to 4% of the ensuing year's budget, exclusive of the amount designated for the subsequent year's budget.

The final budget of the General Fund anticipated that the fund balance would remain the same during 2021-2022. However, the general fund balance actually decreased by \$154,991.

General Fund Budgetary Highlights

The original budget total expenditures, inclusive of transfers and other financing uses which included prior year encumbrances, was \$49,157,073. This differed from the final amended budget of \$50,294,297 by \$1,137,224. This difference is attributable to increases for the use of the Reserve for Tax Certiorari to pay tax refunds and the use of the Reserve for Employee Benefit Accrued Liability to pay for accrued leave for retired employees.

Total Fund Balance Classifications

GASB Statement No. 54 Classification	Previous Classifications	Fund Balance
Nonspendable Fund Balance	Inventories	\$ 3,751
Restricted Fund Balance	Reserved for Tax Certiorari	3,831,802
	Reserved for Employee Benefit	
	Accrued Liability	67,875
	Reserved for Retirement Contributions	876,944
	Reserved for Debt Service	523,625
	Reserved for Trust (Special Purpose Fund)	97,476
	Reserved for Unemployment Benefits	93,083
	Reserved for Future Capital Projects	(9,198,167)
		<u>(3,707,362)</u>
Assigned Fund Balance	Reserved for Encumbrances - General	
	Government Support	113,672
	Reserved for Encumbrances - Instruction	42,133
	Designated for subsequent year's expenditures	968,320
	School Lunch Fund Unreserved Fund Balance	300,328
		<u>1,424,453</u>
Unassigned Fund Balance	Unassigned:	
	General Fund	<u>1,830,169</u>
Total Fund Balance	(as of June 30, 2022)	<u>\$ (448,989)</u>

Capital Assets

At June 30, 2022, the School District had capital assets of \$49,552,654 net of accumulated depreciation invested in a broad range of capital assets, including land, improvements other than buildings, buildings and improvements and machinery and equipment.

Class	June 30,	
	2022	2021
Land	\$ 85,950	\$ 85,950
Construction-in-Progress	11,042,638	1,391,588
Buildings and Improvements	34,926,313	36,612,405
Land Improvements	2,930,131	3,103,341
Machinery and Equipment	567,622	570,214
Total Capital Assets, net of accumulated depreciation	<u>\$ 49,552,654</u>	<u>\$ 41,763,498</u>

The increase in Construction-in-Progress during the current fiscal year results from the activity related to the continuation of work for the 2019 Capital Projects.

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

Short-Term Capital Borrowings

At June 30, 2022 the School District had \$15,130,830 in short-term capital borrowings, as follows:

<u>Purpose</u>	<u>Year of Original Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance at June 30, 2022</u>
Facilities Improvements	2022	6/30/2023	3.00 %	<u>\$ 15,130,830</u>

Long-Term Debt

At June 30, 2022 the School District had \$76,642,608 in general obligation and other long-term debt outstanding, as follows:

	<u>June 30,</u>	
	<u>2022</u>	<u>2021</u>
General Obligation Bonds Payable	\$ 10,800,000	\$ 11,745,000
Energy Performance Contract Payable	-	207,100
Compensated Absences	326,936	313,711
Net Pension Liability	-	3,764,754
Other Post Employment Benefit Obligations Payable	<u>65,515,672</u>	<u>81,298,048</u>
Total	<u>\$ 76,642,608</u>	<u>\$ 97,328,613</u>

\$993,000 out of this balance of \$76,642,608 is due within one year. More detailed information about the School District's long-term liabilities is presented in Note 3E to the financial statements.

Requests for Information

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

Dobbs Ferry Union Free School District
Attn: Ron Clamser, Jr., Ed.D.
Assistant Superintendent for Finance, Facilities & Operations
505 Broadway
Dobbs Ferry, NY 10522

Dobbs Ferry Union Free School District, New York

Statement of Net Position
June 30, 2022

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 7,305,935
Investments	8,679,093
Receivables	
Accounts	76,979
State and Federal aid	1,713,086
Due from other governments	575,642
Inventories	3,751
Net pension asset - TRS	23,644,019
Net pension asset - ERS	703,668
Capital assets	
Not being depreciated	11,128,588
Being depreciated, net	38,424,066
Total Assets	92,254,827
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	14,847,664
OPEB related	3,486,928
Total Deferred Outflows of Resources	18,334,592
LIABILITIES	
Accounts payable	714,861
Accrued liabilities	37,345
Bond anticipation note payable	15,130,830
Due to other governments	29,745
Due to retirement systems	2,752,144
Unearned revenues	138,550
Accrued interest payable	45,785
Non-current liabilities	
Due within one year	993,000
Due in more than one year	75,649,608
Total Liabilities	95,491,868
DEFERRED INFLOWS OF RESOURCES	
Pension related	29,048,323
OPEB related	21,695,452
Total Deferred Inflows of Resources	50,743,775
NET POSITION	
Net investment in capital assets	38,752,654
Restricted	
Tax certiorari	3,831,802
Unemployment benefits	93,083
ERS retirement contributions	676,944
TRS retirement contributions	200,000
Debt service	523,625
Future capital projects	52,493
Special purposes	97,476
Unrestricted	(79,874,301)
Total Net Position	\$ (35,646,224)

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

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Dobbs Ferry Union Free School District, New York

Statement of Activities
Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
General support	\$ 8,309,749	\$ 1,191	\$ -	\$ -	\$ (8,308,558)
Instruction	38,890,546	1,512,450	1,489,664	62,438	(35,825,994)
Pupil transportation	1,577,966	-	-	-	(1,577,966)
Cost of food sales	771,371	232,453	661,389	-	122,471
Other	87,756	-	98,379	-	10,623
Interest	499,162	-	116,946	-	(382,216)
Total Governmental Activities	\$ 50,136,550	\$ 1,746,094	\$ 2,366,378	\$ 62,438	(45,961,640)
General revenues					
Real property taxes					39,073,568
Other tax items					
School tax relief reimbursement					1,870,329
Bisected property taxes					51,528
Non-property taxes					
Non-property tax distribution from County					931,779
Unrestricted use of money and property					29,434
Sale of property and compensation for loss					2,885
Unrestricted State aid					5,594,597
Miscellaneous					117,836
Total General Revenues					47,671,956
Change in Net Position					1,710,316
Net Position - Beginning					(37,356,540)
Net Position - Ending					\$ (35,646,224)

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

Dobbs Ferry Union Free School District, New York

Balance Sheet
Governmental Funds
June 30, 2022

	General	Capital Projects	Special Aid
ASSETS			
Cash and equivalents	\$ 6,544,930	\$ 595,072	\$ 59,709
Investments	5,651,042	3,028,051	-
Receivables			
Accounts	40,904	-	25,704
State and Federal aid	558,561	62,438	906,846
Due from other governments	575,642	-	-
Due from other funds	781,411	2,223,042	91,708
Inventories	-	-	-
Total Assets	<u>\$ 14,152,490</u>	<u>\$ 5,908,603</u>	<u>\$ 1,083,967</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 514,275	\$ 394	\$ 97,076
Accrued liabilities	37,254	-	91
Bond anticipation note payable	-	15,130,830	-
Due to other funds	2,420,032	28,039	873,119
Due to other governments	28,669	-	-
Due to retirement systems	2,752,144	-	-
Unearned revenues	-	-	113,681
Total Liabilities	<u>5,752,374</u>	<u>15,159,263</u>	<u>1,083,967</u>
Fund balances			
Nonspendable	-	-	-
Restricted	5,445,822	(9,250,660)	-
Assigned	1,124,125	-	-
Unassigned	1,830,169	-	-
Total Fund Balances	<u>8,400,116</u>	<u>(9,250,660)</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 14,152,490</u>	<u>\$ 5,908,603</u>	<u>\$ 1,083,967</u>

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

Non-Major Governmental	Total Governmental Funds
\$ 106,224	\$ 7,305,935
-	8,679,093
10,371	76,979
185,241	1,713,086
-	575,642
225,029	3,321,190
3,751	3,751
<u>\$ 530,616</u>	<u>\$ 21,675,676</u>

\$ 103,116	\$ 714,861
-	37,345
-	15,130,830
-	3,321,190
1,076	29,745
-	2,752,144
24,869	138,550
<u>129,061</u>	<u>22,124,665</u>

3,751	3,751
97,476	(3,707,362)
300,328	1,424,453
-	1,830,169
<u>401,555</u>	<u>(448,989)</u>

<u>\$ 530,616</u>	<u>\$ 21,675,676</u>
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Dobbs Ferry 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

Total Fund Balances - Governmental Funds	\$ (448,989)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	11,128,588
Capital assets - depreciable	65,009,125
Accumulated depreciation	<u>(26,585,059)</u>
	49,552,654
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	14,847,664
Deferred outflows - OPEB related	3,486,928
Deferred inflows - pension related	(29,048,323)
Deferred inflows - OPEB related	<u>(21,695,452)</u>
	<u>(32,409,183)</u>
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	
Net pension asset - TRS	23,644,019
Net pension asset - ERS	<u>703,668</u>
	<u>24,347,687</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Total OPEB liability	(65,515,672)
General obligation bonds payable	(10,800,000)
Compensated absences	(326,936)
Accrued interest payable	<u>(45,785)</u>
	<u>(76,688,393)</u>
Net Position of Governmental Activities	<u>\$ (35,646,224)</u>

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

Dobbs Ferry Union Free School District, New York

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

	General	Capital Projects	Special Aid
REVENUES			
Real property taxes	\$ 39,073,568	\$ -	\$ -
Other tax items	1,921,857	-	-
Non-property taxes	931,779	-	-
Charges for services	1,512,450	-	-
Use of money and property	30,625	-	-
Sale of property and compensation for loss	2,885	-	-
State aid	5,741,945	62,438	213,006
Federal aid	79,269	-	913,022
Food sales	-	-	-
Miscellaneous	117,836	-	137,019
Total Revenues	49,412,214	62,438	1,263,047
EXPENDITURES			
Current			
General support	6,689,436	-	-
Instruction	28,772,649	-	1,316,298
Pupil transportation	1,536,863	-	-
Cost of food sales	-	-	-
Employee benefits	11,011,695	-	-
Other	-	-	-
Debt service			
Principal	1,152,100	-	-
Interest	468,157	-	-
Capital outlay	-	9,713,488	-
Total Expenditures	49,630,900	9,713,488	1,316,298
Excess (Deficiency) of Revenues Over Expenditures	(218,686)	(9,651,050)	(53,251)
OTHER FINANCING SOURCES (USES)			
Issuance premium	116,946	-	-
Transfers in	-	-	53,251
Transfers out	(53,251)	-	-
Total Other Financing Sources	63,695	-	53,251
Net Change in Fund Balances	(154,991)	(9,651,050)	-
FUND BALANCES			
Beginning of Year, as restated	8,555,107	400,390	-
End of Year	<u>\$ 8,400,116</u>	<u>\$ (9,250,660)</u>	<u>\$ -</u>

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

Non-Major Governmental	Total Governmental Funds
\$ -	\$ 39,073,568
-	1,921,857
-	931,779
-	1,512,450
4	30,629
-	2,885
10,076	6,027,465
651,313	1,643,604
232,453	232,453
98,375	353,230
992,221	51,729,920
-	6,689,436
-	30,088,947
-	1,536,863
771,371	771,371
-	11,011,695
87,756	87,756
-	1,152,100
-	468,157
-	9,713,488
859,127	61,519,813
133,094	(9,789,893)
-	116,946
-	53,251
-	(53,251)
-	116,946
133,094	(9,672,947)
268,461	9,223,958
\$ 401,555	\$ (448,989)

Dobbs Ferry 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>\$ (9,672,947)</u>
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay expenditures	9,726,442
Depreciation expense	<u>(1,937,286)</u>
	<u>7,789,156</u>

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal paid on general obligation bonds	945,000
Principal paid on energy performance contract debt	<u>207,100</u>
	<u>1,152,100</u>

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

Accrued interest	(31,005)
Compensated absences	(13,225)
Changes in pension liabilities and related deferred outflows and inflows of resources	4,181,986
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>(1,695,749)</u>
	<u>2,442,007</u>

Change in Net Position of Governmental Activities	<u><u>\$ 1,710,316</u></u>
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The notes to the financial statements are an integral part of this statement.

Dobbs Ferry Union Free School District, New York

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

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 39,073,568	\$ 39,073,568	\$ 39,073,568	\$ -
Other tax items	1,925,328	1,925,329	1,921,857	(3,472)
Non-property taxes	800,000	800,000	931,779	131,779
Charges for services	1,392,000	1,392,000	1,512,450	120,450
Use of money and property	31,000	31,000	30,625	(375)
Sale of property and compensation for loss	-	-	2,885	2,885
State aid	5,686,338	5,686,338	5,741,945	55,607
Federal aid	60,000	60,000	79,269	19,269
Miscellaneous	61,000	61,000	117,836	56,836
Total Revenues	49,029,234	49,029,235	49,412,214	382,979
EXPENDITURES				
Current				
General support	5,337,399	6,803,110	6,689,436	113,674
Instruction	28,734,919	28,814,782	28,772,649	42,133
Pupil transportation	1,537,886	1,536,863	1,536,863	-
Employee benefits	10,995,374	11,068,146	11,011,695	56,451
Debt service				
Principal	1,959,866	1,411,959	1,152,100	259,859
Interest	436,629	606,186	468,157	138,029
Total Expenditures	49,002,073	50,241,046	49,630,900	610,146
Excess (Deficiency) of Revenues Over Expenditures	27,161	(1,211,811)	(218,686)	993,125
OTHER FINANCING USES				
Issuance premium	-	-	116,946	116,946
Transfers out	(155,000)	(53,251)	(53,251)	-
Net Change in Fund Balances	(127,839)	(1,265,062)	(154,991)	1,110,071
FUND BALANCES				
Beginning of Year	127,839	1,265,062	8,555,107	7,290,045
End of Year	\$ -	\$ -	\$ 8,400,116	\$ 8,400,116

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

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Dobbs Ferry Union Free School District, New York

Notes to Financial Statements
June 30, 2022

Note 1 - Summary of Significant Accounting Policies

The Dobbs Ferry Union Free School District, New York ("School District"), as presently constituted, was established in 1829 and operates in accordance with the provisions of the Education Law of the State of New York. The Board of Education is the legislative body responsible for overall operation of the School District and is elected by the voters of the School District. The Superintendent serves as the chief executive officer. The School District's primary function is to provide education for its pupils. Services such as transportation of pupils, administration, finance and plant maintenance support the primary function.

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

A. Financial Reporting Entity

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

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

The School District participates in the 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 by Education Law. Copies of BOCES' financial statement can be requested from Southern Westchester BOCES, 17 Berkley Drive, Rye Brook, New York 10573.

B. District-Wide Financial Statements

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

C. Fund Financial Statements

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

Fund Categories

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

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

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for

Note 1 - Summary of Significant Accounting Policies (Continued)

capital outlays, including the acquisition or construction of major capital facilities and other capital assets.

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

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

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

Special Revenue Funds

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

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

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

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty

Note 1 - Summary of Significant Accounting Policies (Continued)

days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, net pension 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 capital 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.

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

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

The School District participates in the Cooperative Liquid Assets Securities System ("CLASS"), a cooperative investment pool, established pursuant to Articles 3A and 5G of General Municipal Law of the State of New York. CLASS has designated Public Trust Advisors, LLC as its registered investment advisor. Public Trust Advisors, LLC is

Note 1 - Summary of Significant Accounting Policies (Continued)

registered with the Securities and Exchange Commission ("SEC"), and is subject to all of the rules and regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of CLASS.

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

The School District's portion in the pool, \$8,679,093, is equal to the value of the pool shares. The maximum maturity for any specific investment in the portfolio is 397 days. CLASS is rated AAAm by Standard & Poor's. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. The cooperative invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

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

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.

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 1 - Summary of Significant Accounting Policies (Continued)

Property Taxes Receivable - Real property taxes attach as an enforceable lien on real property as of July 1st and are levied and payable in September and January. The Town of 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.

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

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

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
Land Improvements	20-30
Machinery and Equipment	5-20

Note 1 - Summary of Significant Accounting Policies (Continued)

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 amounts 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 \$113,681 for aid received in advance in the Special Aid Fund and \$24,869 in the School Lunch Fund for meal purchases paid in advance. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

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

The School District reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit liabilities 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 vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the district-wide Statement of Net Position as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 of the State of New York.

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

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

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

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

F. Encumbrances

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 Event Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is September 27, 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.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- f) Formal budgetary integration is employed during the year as a management control device for the General Fund.
- g) The budget for the General Fund is legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. The Board of Education does not adopt an annual budget for the Special Aid, School Lunch or Special Purpose funds since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year.
- h) The Board of Education has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Education. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- i) Appropriations in the General Fund lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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

B. Limitation on Fund Balance

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

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 of 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 budget, the tax levy for the school district's budget for the ensuing fiscal year may not exceed the amount of the tax levy limitation from a prior year.

The Tax Levy Limitation Law permits certain significant exclusions to the tax levy limit for school district. 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

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 2 - Stewardship, Compliance and Accountability (Continued)

Law. However, such exclusion does not apply to taxes to pay the 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. Capital Projects Fund Deficits

The deficit in the Capital Projects Fund and in certain capital projects arise because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source". Liabilities for bond anticipation notes 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.

E. 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 lease 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.

Note 3 - Detailed Notes on All Funds

A. Interfund Receivables/Payable

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

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 781,411	\$ 2,420,032
Capital Projects	2,223,042	28,039
Special Aid	91,708	873,119
Non-Major Governmental	225,029	-
	<u>\$ 3,321,190</u>	<u>\$ 3,321,190</u>

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

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 2 - Stewardship, Compliance and Accountability (Continued)

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	\$ 85,950	\$ -	\$ -	\$ 85,950
Construction-in-Progress	1,391,588	9,651,050	-	11,042,638
Total Capital Assets, not being depreciated	<u>\$ 1,477,538</u>	<u>\$ 9,651,050</u>	<u>\$ -</u>	<u>\$ 11,128,588</u>
Capital Assets, being depreciated:				
Buildings and Improvements	\$ 60,147,625	\$ -	\$ -	\$ 60,147,625
Land Improvements	3,602,683	-	-	3,602,683
Machinery and Equipment	1,183,425	75,392	-	1,258,817
Total Capital Assets, being depreciated	<u>64,933,733</u>	<u>75,392</u>	<u>-</u>	<u>65,009,125</u>
Less Accumulated Depreciation for:				
Building and Improvements	23,535,220	1,686,092	-	25,221,312
Land Improvements	499,342	173,210	-	672,552
Machinery and Equipment	613,211	77,984	-	691,195
Total Accumulated Depreciation	<u>24,647,773</u>	<u>1,937,286</u>	<u>-</u>	<u>26,585,059</u>
Total Capital Assets, being depreciated, net	<u>\$ 40,285,960</u>	<u>\$ (1,861,894)</u>	<u>\$ -</u>	<u>\$ 38,424,066</u>
Capital Assets, net	<u>\$ 41,763,498</u>	<u>\$ 7,789,156</u>	<u>\$ -</u>	<u>\$ 49,552,654</u>

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

General Support	\$ 1,073,443
Instruction	<u>863,843</u>
Total Depreciation Expense	<u>\$ 1,937,286</u>

C. Accrued Liabilities

Accrued liabilities at June 30, 2022 were as follows:

	General Fund	Special Aid Fund	Total
Payroll and Employee Benefits	<u>\$ 37,254</u>	<u>\$ 91</u>	<u>\$ 37,345</u>

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

D. Short-Term Capital Borrowings – Bond Anticipation Notes Payable

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

Purpose	Original Issue Date	Maturity Date	Rate of Interest	Balance July 1, 2021	Issued	Redeemed	Balance June 30, 2022
School Construction - 2021	6/4/2021	6/3/2022	1.50%	\$ 13,500,000	\$ -	\$ 13,500,000	\$ -
School Construction - 2022	6/2/2022	6/2/2023	3.00%	-	15,130,830	-	15,130,830
				<u>\$ 13,500,000</u>	<u>\$ 15,130,830</u>	<u>\$ 13,500,000</u>	<u>\$ 15,130,830</u>

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

Interest expense of \$237,242 was recorded in the district-wide financial statements. Interest expenditures of \$201,937 was recorded in the fund financial statements.

E. Long-Term Liabilities

The following table summarizes changes in the School District's long-term liabilities for the year ended June 30, 2022:

	Balance July 1, 2021	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2022	Due Within One-Year
General Obligation Bonds Payable	\$ 11,745,000	\$ -	\$ 945,000	\$ 10,800,000	\$ 960,000
Energy Performance Contract Debt Payable	207,100	-	207,100	-	-
Other Non-current Liabilities:					
Compensated Absences	313,711	44,225	31,000	326,936	33,000
Net Pension Liability - ERS	8,204	-	8,204	-	-
Net Pension Liability - TRS	3,756,550	-	3,756,550	-	-
Other Postemployment Benefit Liabilities	81,298,048		15,782,376	65,515,672	-
Total Non-Current Liabilities	85,376,513	44,225	19,578,130	65,842,608	33,000
Total Long-Term Liabilities	<u>\$ 97,328,613</u>	<u>\$ 44,225</u>	<u>\$ 20,730,230</u>	<u>\$ 76,642,608</u>	<u>\$ 993,000</u>

The School District's indebtedness for general obligation bonds payable, energy performance contract debt payable, compensated absences, net pension liability and other postemployment benefit liability is satisfied by the General Fund.

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

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

General obligations bonds payable at June 30, 2022 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at June 30, 2022
District-Wide Reconstruction	2018	\$ 14,269,145	June, 2033	2.00 - 3.00 %	<u>\$ 10,800,000</u>

Interest expenditures of \$260,950 were recorded in the fund financial statements in the General Fund. Interest expense of \$260,162 was recorded in the district-wide financial statements.

Energy Performance Contract Debt Payable

The School District, in a prior fiscal year, entered into an energy performance contract agreement for \$2,655,000. The agreement provides for annual payments of \$212,368 including interest at 3.96%, through November 2021. The energy performance contract debt was repaid in full in November 2021. Interest expenditures of \$5,270 were recorded in the fund financial statements in the General Fund. Interest expense of \$1,758 was recorded in the district-wide financial statements.

Payments to Maturity

The annual requirements to amortize all outstanding bonded as of June 30, 2022 including interest payments of \$1,454,938 are as follows:

Ending June 30,	General Obligation Bonds	
	Principal	Interest
2023	\$ 960,000	\$ 241,900
2024	975,000	222,550
2025	995,000	202,850
2026	1,015,000	182,750
2027	1,030,000	162,300
2028-2032	5,515,000	437,938
2033	310,000	4,650
	<u>\$ 10,800,000</u>	<u>\$ 1,454,938</u>

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

Note 3 - Detailed Notes on All Funds (Continued)

Legal Debt Margin

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

Compensated Absences

Pursuant to collective bargaining agreements, upon separation of service, the School District is required to compensate administrators, clerical staff and custodians for unused vacation time. For all other employees, vacation time is generally taken in the year earned. The School District is not required to compensate employees for accumulated sick leave, except for teachers, who get paid at a rate of \$40 per day for unused sick days. The value of the compensated absences has been reflected in the district-wide financial statements.

Pension Plan

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.

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	4 A15	18.3 %
	5 A15	15.3
	6 A15	10.7
TRS	1-6	9.80 %

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

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2022	June 30, 2021
Net pension asset	\$ (703,668)	\$ (23,644,019)
School Districts' proportion of the net pension asset	0.0086080 %	0.136442 %
Change in proportion since the prior measurement date	0.0003694 %	0.000496 %

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

For the year ended June 30, 2022, the School District recognized pension expense in the district-wide financial statements of \$3,905,923 (\$52,341 for ERS and \$3,853,582 for TRS). Pension expenditures for ERS of \$380,745 were recorded in the fund financial statements in the General Fund. Pension expenditures for TRS of \$2,390,170 was reported in the fund financial statements and were charged to the General Fund.

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

	ERS		TRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 53,290	\$ 69,120	\$ 3,259,077	\$ 122,841
Changes of assumptions	1,174,343	19,816	7,777,012	1,377,194
Net difference between projected and actual earnings on pension plan investments	-	2,304,217	902	24,745,912
Changes in proportion and differences between School District contributions and proportionate share of contributions	87,971	52,513	-	356,710
School District contributions subsequent to the measurement date	89,662	-	2,405,407	-
	<u>\$ 1,405,266</u>	<u>\$ 2,445,666</u>	<u>\$ 13,442,398</u>	<u>\$ 26,602,657</u>
Total				
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 3,312,367	\$ 191,961		
Changes of assumptions	8,951,355	1,397,010		
Net difference between projected and actual earnings on pension plan investments	902	27,050,129		
Changes in proportion and differences between School District contributions and proportionate share of contributions	87,971	409,223		
School District contributions subsequent to the measurement date	2,495,069	-		
	<u>\$ 14,847,664</u>	<u>\$ 29,048,323</u>		

\$89,662 reported as deferred outflows of resources related to ERS resulting from the School District's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2023. The \$2,405,407 reported as deferred outflows of resources related to TRS will be recognized as a decrease of the net pension liability in the plan's year ended June 30, 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,	June 30,
	ERS	TRS
2022	\$ -	\$ (3,147,201)
2023	(168,425)	(3,680,901)
2024	(254,074)	(4,592,399)
2025	(594,867)	(6,019,269)
2026	(112,696)	1,091,002
Thereafter	-	783,102
	<u>\$ (1,130,062)</u>	<u>\$ (15,565,666)</u>

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

	ERS	TRS
Measurement Date	March 31, 2022	June 30, 2021
Actuarial valuation date	April 1, 2021	June 30, 2020
Investment rate of return	5.9% *	6.95% *
Salary scale	4.4%	1.95%-5.18%
Inflation rate	2.7%	2.4%
Cost of living adjustments	1.4%	1.3%

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

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

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

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

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

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

Asset Type	ERS March 31, 2022		TRS June 30, 2021	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32 %	3.30 %	33 %	6.8 %
International Equity	15	5.85	16	7.6
Private Equity	10	6.50	8	10.0
Real Estate	9	5.00	11	6.5
Domestic Fixed Income Securities	-	-	16	1.3
Global Bonds	-	-	2	0.8
High Yield Bonds	-	-	1	3.8
Global Equities	-	-	4	7.1
Private Debt	-	-	1	5.9
Real Estate Debt	-	-	7	3.3
Opportunistic/ARS Portfolio	3	4.10	-	-
Credit	4	3.78	-	-
Real Assets	3	5.58	-	-
Fixed Income	23	-	-	-
Cash	1	(1.00)	1	(0.2)
	<u>100 %</u>		<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.7% for ERS and 2.4% for TRS.

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

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

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
School District's proportionate share of the ERS net pension liability (asset)	<u>\$ 1,811,233</u>	<u>\$ (703,668)</u>	<u>\$ (2,807,261)</u>
	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
School District's proportionate share of the TRS net pension (asset)	<u>\$ (2,481,095)</u>	<u>\$ (23,644,019)</u>	<u>\$ (41,429,921)</u>

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

	ERS	TRS
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.

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 \$89,662 to ERS and \$2,680,533 to TRS (including employee contributions of \$275,126).

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 full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending upon salary and the School District will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

Other Postemployment Benefit Liability ("OPEB")

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

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

Inactive employees currently receiving benefit payments	199
Active employees	266
	465

The School District's total OPEB liability of \$65,515,672 was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2021.

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

Salary increases	2.60%
Discount rate	3.54%
Health care cost trend rates	5.1% in 2022 decreasing 0.5% per year to an ultimate rate of 4.1% over 54 years
Retirees' share of benefit-related costs	Varies from 12% to 50%, depending on applicable retirement year and bargaining unit

The discount rate was based on yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality rates were based on the RP-2014 Adjusted to 2006 Total Dataset Mortality Table projected to the valuation date with Scale MP-2017, with mortality improvements using Projection Scale MP-2017.

The actuarial assumptions used in the valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor. The plan does not have credible data on which to perform an experience study. As a result, a full actuarial experience study is not applicable.

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

Total OPEB Liability - Beginning of Year	\$ 81,298,048
Service cost	4,208,389
Interest	1,829,737
Differences between expected and actual experience	(4,610,903)
Changes in assumptions or other inputs	(15,608,255)
Benefit payments	<u>(1,601,344)</u>
Total OPEB Liability - End of Year	<u>\$ 65,515,672</u>

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

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	<u>\$ 77,587,303</u>	<u>\$ 65,515,672</u>	<u>\$ 55,907,026</u>

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.1% decreasing to 4.1%) or 1 percentage point higher (6.1% decreasing to 7.1%) than the current healthcare cost trend rates:

	1% Decrease (4.1% decreasing to 3.1%)	Current Healthcare Cost Trend Rates (5.1% decreasing to 4.1%)	1% Increase (6.1% decreasing to 5.1%)
Total OPEB Liability	<u>\$ 53,932,044</u>	<u>\$ 65,515,672</u>	<u>\$ 80,787,902</u>

For the year ended June 30, 2022, the School District recognized OPEB expense of \$1,695,749 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
Differences between expected and actual experience	\$ 2,956,012	\$ 4,055,373
Changes in assumptions	<u>530,916</u>	<u>17,640,079</u>
	<u>\$ 3,486,928</u>	<u>\$ 21,695,452</u>

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

<u>Year Ended</u> <u>June 30,</u>	
2023	\$ (2,741,033)
2024	(2,741,033)
2025	(2,741,033)
2026	(2,664,439)
2027	(1,975,257)
Thereafter	<u>(5,345,729)</u>
	<u><u>\$ (18,208,524)</u></u>

F. Revenues and Expenditures

Interfund Transfers

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

	<u>Transfer In</u>	
<u>Transfers Out</u>	<u>Special</u> <u>Aid Fund</u>	<u>Total</u>
General Fund	<u>\$ 53,251</u>	<u>\$ 53,251</u>

Transfers are used to move funds earmarked in the operating funds to fulfill commitments for Special Aid and Capital Projects funds expenditures.

G. Net Position

The components of net position are detailed below:

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

Restricted for 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.

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

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 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 Future Capital Projects - the component of net position that has been established to set aside funds to be used to finance all or part of the construction or acquisition of a specific type of improvement in accordance with Section 6-c of the General Municipal Law of the State of New York.

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

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

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

H. Fund Balances

	2022				2021			
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable:								
Prepaid expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventories	-	-	3,751	3,751	-	-	11,169	11,169
	-	-	3,751	3,751	-	-	11,169	11,169
Restricted:								
Tax certiorari	3,831,802	-	-	3,831,802	4,771,702	-	-	4,771,702
Unemployment benefits	93,083	-	-	93,083	93,083	-	-	93,083
Employee benefit accrued liability	67,875	-	-	67,875	90,640	-	-	90,640
ERS retirement contributions	676,944	-	-	676,944	676,944	-	-	676,944
TRS retirement contributions	200,000	-	-	200,000	200,000	-	-	200,000
Debt service	523,625	-	-	523,625	581,236	-	-	581,236
Future capital projects	52,493	-	-	52,493	52,493	-	-	52,493
Capital projects	-	(9,250,660)	-	(9,250,660)	-	400,390	-	400,390
Special purposes - extraclassroom activities	-	-	58,457	58,457	-	-	44,738	44,738
Special purposes - other	-	-	39,019	39,019	-	-	42,115	42,115
Total Restricted	5,445,822	(9,250,660)	97,476	(3,707,362)	6,466,098	400,390	86,853	6,953,341
Assigned:								
Purchases on order:								
General support	113,672	-	-	113,672	108,541	-	-	108,541
Instruction	42,133	-	-	42,133	19,298	-	-	19,298
	155,805	-	-	155,805	127,839	-	-	127,839
Designated for subsequent year's expenditures	968,320	-	-	968,320	-	-	-	-
School Lunch Fund	-	-	300,328	300,328	-	-	170,439	170,439
Total Assigned	1,124,125	-	300,328	1,424,453	127,839	-	170,439	298,278
Unassigned	1,830,169	-	-	1,830,169	1,961,170	-	-	1,961,170
Total Fund Balance	\$ 8,400,116	\$ (9,250,660)	\$ 401,555	\$ (448,989)	\$ 8,555,107	\$ 400,390	\$ 268,461	\$ 9,223,958

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

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

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

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

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

The School District is a defendant in four actions in which the parents of a students are seeking reimbursement for tuition paid by them to a nonpublic school, for the 2022-23 school year, where they have unilaterally placed (enrolled) their children. If the parents were successful in the claim, they could receive reimbursement for both tuition and attorney's fees. The School District vigorously contests any liability for these claims.

The School District is also involved in the following litigation. State court revival action under the New York Child Victims Act by a former student alleging sexual abuse by a former teacher and coach during the approximate period 1984-1987. The School District is vigorously defending this litigation.

In another action, the State court revival action under the New York Child Victims Act, a former student is alleging sexual abuse by a Boy Scout Leader, during the approximate period from 1961-1965. The plaintiff alleges that the School District owned the charter and controlled the hiring of the Boy Scout leaders. The School District is vigorously defending this litigation. The case was stayed in January 2022 pending the Boy Scouts of America bankruptcy. The School District should not be liable for the actions of the local Boy Scouts of America personnel.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

B. Contingencies

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

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

C. Risk Management

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

The School District purchases various insurance coverages from the Company to reduce its exposure to loss. The School District maintains a general liability insurance policy with coverage up to \$1 million. The School District maintains liability coverage for school board members up to \$1 million. The School District also maintains an umbrella policy with coverage up to \$20 million. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal 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.

Dobbs Ferry Union Free School District, New York

Notes to Financial Statements (Concluded)
June 30, 2022

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

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 participant's employees. The School District has transferred all related risk to the Plan.

Note 5 - Recently Issued GASB Pronouncements

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

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

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Dobbs Ferry 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	\$ 4,208,389	\$ 4,205,541	\$ 3,841,167	\$ 3,551,980	\$ 3,448,524
Interest	1,829,737	1,759,820	2,496,880	2,185,249	2,059,624
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(4,610,903)	-	4,556,914	-	14,992
Changes of assumptions or other inputs *	(15,608,255)	713,990	(1,429,910)	(6,050,798)	-
Benefit payments	(1,601,344)	(1,602,560)	(1,471,442)	(1,485,862)	(1,393,074)
	(15,782,376)	5,076,791	7,993,609	(1,799,431)	4,130,066
Total OPEB Liability – Beginning of Year	81,298,048	76,221,257	68,227,648	70,027,079	65,897,013 (3)
Total OPEB Liability – End of Year	<u>\$ 65,515,672</u>	<u>\$ 81,298,048</u>	<u>\$ 76,221,257</u>	<u>\$ 68,227,648</u>	<u>\$ 70,027,079</u>
School District's covered-employee payroll	<u>\$ 24,614,383</u>	<u>\$ 24,055,156</u>	<u>\$ 24,055,156</u>	<u>\$ 22,227,145</u>	<u>\$ 22,227,145</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>266.17%</u>	<u>337.97%</u>	<u>316.86%</u>	<u>306.96%</u>	<u>315.05%</u>
*Discount Rate	<u>3.54%</u>	<u>2.16%</u>	<u>2.21%</u>	<u>3.50%</u>	<u>3.00%</u>

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

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

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

See independent auditors' report.

Dobbs Ferry 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	2017	2016	2015
School District's proportion of the net pension liability (asset)	0.136442%	0.135946%	0.132966%	0.129987%	0.128823%	0.126673%	0.126494%	0.125329%
School District's proportionate share of the net pension liability (asset)	\$ (23,644,019)	\$ 3,756,550	\$ (3,454,456)	\$ (2,350,504)	\$ (979,184)	\$ 1,356,722	\$ (13,138,707)	\$ (13,960,864)
School District's covered payroll	\$ 23,196,142	\$ 23,141,390	\$ 22,358,254	\$ 21,339,605	\$ 20,413,236	\$ 19,547,640	\$ 18,996,389	\$ 18,490,015
School District's proportionate share of the liability (asset) as a percentage of its covered payroll	(101.93)%	16%	(15.45)%	(11.01)%	(4.80)%	6.94%	(69.16)%	(75.50)%
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	\$ 2,405,407	\$ 2,210,592	\$ 2,050,327	\$ 2,374,447	\$ 2,091,281	\$ 2,392,431	\$ 2,592,017	\$ 3,330,067
Contributions in relation to the contractually required contribution	(2,405,407)	(2,210,592)	(2,050,327)	(2,374,447)	(2,091,281)	(2,392,431)	(2,592,017)	(3,330,067)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 24,545,074	\$ 23,196,142	\$ 23,141,390	\$ 22,358,254	\$ 21,339,605	\$ 20,413,236	\$ 19,547,640	\$ 18,996,389
Contributions as a percentage of covered payroll	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%

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

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

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

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

Dobbs Ferry Union Free School District, New York

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

Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset) (2)								
	2022 (5)	2021 (4)	2020 (3)	2019	2018	2017	2016	2015
School District's proportion of the net pension liability (asset)	0.0086080%	0.0082386%	0.0088680%	0.0091502%	0.0094193%	0.0091606%	0.0090176%	0.0092256%
School District's proportionate share of the net pension liability (asset)	\$ (703,668)	\$ 8,204	\$ 2,348,296	\$ 648,320	\$ 304,003	\$ 860,754	\$ 1,447,343	\$ 311,662
School District's covered payroll	\$ 2,935,573	\$ 2,758,523	\$ 2,716,945	\$ 2,649,279	\$ 2,702,228	\$ 2,755,750	\$ 2,576,891	\$ 2,577,770
School District's proportionate share of the net pension liability (asset) as a percentage of its of its covered payroll	(23.97)%	0.30%	86.43%	24.47%	11.25%	31.23%	56.17%	12.09%
Plan fiduciary net position as a percentage of the total pension liability	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%
Discount Rate	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%
Schedule of Contributions								
	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 417,835	\$ 370,707	\$ 369,851	\$ 390,167	\$ 413,012	\$ 397,184	\$ 460,524	\$ 521,089
Contributions in relation to the contractually required contribution	(417,835)	(370,707)	(369,851)	(390,167)	(413,012)	(397,184)	(460,524)	(521,089)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 2,953,758	\$ 2,828,174	\$ 2,691,048	\$ 2,705,864	\$ 2,624,512	\$ 2,756,291	\$ 2,630,266	\$ 2,603,190
Contributions as a percentage of covered payroll	14.15%	13.11%	13.74%	14.42%	15.74%	14.41%	17.51%	20.02%

(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 share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

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Dobbs Ferry Union Free School District, New York

General Fund
Comparative Balance Sheet
June 30,

	2022	2021
ASSETS		
Cash and equivalents	\$ 6,544,930	\$ 5,057,777
Investments	5,651,042	5,642,013
Receivables		
Accounts	40,904	47,611
State and Federal aid	558,561	477,107
Due from other governments	575,642	503,730
Due from other funds	781,411	1,808,013
	1,956,518	2,836,461
Total Assets	<u>\$ 14,152,490</u>	<u>\$ 13,536,251</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 514,275	\$ 448,802
Accrued liabilities	37,254	103,827
Due to other funds	2,420,032	1,848,194
Due to other governments	28,669	35,651
Due to retirement systems	2,752,144	2,544,670
Total Liabilities	5,752,374	4,981,144
Fund balance		
Restricted	5,445,822	6,466,098
Assigned	1,124,125	127,839
Unassigned	1,830,169	1,961,170
Total Fund Balance	8,400,116	8,555,107
Total Liabilities and Fund Balance	<u>\$ 14,152,490</u>	<u>\$ 13,536,251</u>

See independent auditors' report.

Dobbs Ferry 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	\$ 39,073,568	\$ 39,073,568	\$ 39,073,568	\$	\$ -
Other tax items	1,925,328	1,925,329	1,921,857		(3,472)
Non-property taxes	800,000	800,000	931,779		131,779
Charges for services	1,392,000	1,392,000	1,512,450		120,450
Use of money and property	31,000	31,000	30,625		(375)
Sale of property and compensation for loss	-	-	2,885		2,885
State aid	5,686,338	5,686,338	5,741,945		55,607
Federal aid	60,000	60,000	79,269		19,269
Miscellaneous	61,000	61,000	117,836		56,836
Total Revenues	49,029,234	49,029,235	49,412,214		382,979
EXPENDITURES					
Current					
General support					
Board of education	66,394	77,154	77,154	-	-
Central administration	380,449	374,464	374,464	-	-
Finance	615,093	578,044	578,043	-	1
Staff	292,572	289,186	289,185	-	1
Central services	3,302,826	3,874,283	3,760,611	113,672	-
Special items	680,065	1,609,979	1,609,979	-	-
Total General Support	5,337,399	6,803,110	6,689,436	113,672	2
Instruction					
Instruction, administration and improvement	1,989,993	1,987,694	1,987,694	-	-
Teaching - Regular school	15,440,815	15,417,098	15,408,291	8,807	-
Programs for students with disabilities	6,678,954	6,776,185	6,755,302	20,883	-
Occupational education	108,000	156,729	156,729	-	-
Instructional media	1,568,841	1,607,279	1,607,236	43	-
Pupil services	2,948,316	2,869,797	2,857,397	12,400	-
Total Instruction	28,734,919	28,814,782	28,772,649	42,133	-
Pupil transportation	1,537,886	1,536,863	1,536,863	-	-
Employee benefits	10,995,374	11,068,146	11,011,695	-	56,451
Debt service					
Principal	1,959,866	1,411,959	1,152,100	-	259,859
Interest	436,629	606,186	468,157	-	138,029
Total Expenditures	49,002,073	50,241,046	49,630,900	155,805	454,341
Excess (Deficiency) of Revenues Over Expenditures	27,161	(1,211,811)	(218,686)	(155,805)	837,320
OTHER FINANCING SOURCES (USES)					
Issuance premium	-	-	116,946	-	116,946
Transfers out	(155,000)	(53,251)	(53,251)	-	-
Total Other Financing Sources (Uses)	(155,000)	(53,251)	63,695	-	116,946
Net Change in Fund Balance	(127,839)	(1,265,062)	(154,991)	\$ (155,805)	\$ 954,266
FUND BALANCE					
Beginning of Year	127,839	1,265,062	8,555,107		
End of Year	\$ -	\$ -	\$ 8,400,116		

See independent auditors' report.

2021

Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
\$ 37,726,997	\$ 37,726,997	\$ 37,720,907	\$	\$ (6,090)
2,132,334	2,132,334	2,114,136		(18,198)
480,000	480,000	892,915		412,915
1,275,000	1,275,000	1,460,818		185,818
61,000	61,000	16,555		(44,445)
-	-	-		-
5,140,945	5,140,945	5,156,473		15,528
188,449	188,449	226,127		37,678
61,000	61,000	224,989		163,989
<u>47,065,725</u>	<u>47,065,725</u>	<u>47,812,920</u>		<u>747,195</u>
65,656	47,394	47,219	14	161
360,086	371,920	371,920	-	-
559,946	528,988	528,988	-	-
254,572	379,524	365,867	13,657	-
3,054,775	3,402,568	3,274,603	94,870	33,095
648,967	673,017	673,017	-	-
<u>4,944,002</u>	<u>5,403,411</u>	<u>5,261,614</u>	<u>108,541</u>	<u>33,256</u>
1,909,950	1,904,370	1,904,370	-	-
14,980,665	15,012,189	15,001,786	-	10,403
6,472,315	6,250,325	6,250,325	-	-
51,000	98,990	98,990	-	-
1,495,214	1,547,556	1,534,595	12,960	1
2,823,037	2,659,802	2,647,949	6,338	5,515
<u>27,732,181</u>	<u>27,473,232</u>	<u>27,438,015</u>	<u>19,298</u>	<u>15,919</u>
1,437,954	1,375,330	1,321,053	-	54,277
10,466,728	10,512,317	10,357,996	-	154,321
2,091,961	2,091,960	2,091,960	-	-
304,534	304,534	304,533	-	1
<u>46,977,360</u>	<u>47,160,784</u>	<u>46,775,171</u>	<u>127,839</u>	<u>257,774</u>
88,365	(95,059)	1,037,749	(127,839)	1,004,969
-	-	174,557	-	174,557
(135,000)	(35,378)	(35,378)	-	-
(135,000)	(35,378)	139,179	-	174,557
(46,635)	(130,437)	1,176,928	<u>\$ (127,839)</u>	<u>\$ 1,179,526</u>
<u>46,635</u>	<u>130,437</u>	<u>7,378,179</u>		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,555,107</u>		

Dobbs Ferry 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	<u>\$ 39,073,568</u>	<u>\$ 39,073,568</u>	<u>\$ 39,073,568</u>	<u>\$ -</u>
OTHER TAX ITEMS				
School tax relief reimbursement	1,870,328	1,870,329	1,870,329	-
Bisected property taxes	<u>55,000</u>	<u>55,000</u>	<u>51,528</u>	<u>(3,472)</u>
	<u>1,925,328</u>	<u>1,925,329</u>	<u>1,921,857</u>	<u>(3,472)</u>
NON-PROPERTY TAXES				
Non-property tax distribution from County	<u>800,000</u>	<u>800,000</u>	<u>931,779</u>	<u>131,779</u>
CHARGES FOR SERVICES				
Day school tuition	717,000	717,000	810,124	93,124
Other student fees and charges	125,000	125,000	102,337	(22,663)
Health services for other districts	<u>550,000</u>	<u>550,000</u>	<u>599,989</u>	<u>49,989</u>
	<u>1,392,000</u>	<u>1,392,000</u>	<u>1,512,450</u>	<u>120,450</u>
USE OF MONEY AND PROPERTY				
Earnings on investments	20,000	20,000	29,434	9,434
Rental of real property	10,000	10,000	1,053	(8,947)
Commissions	<u>1,000</u>	<u>1,000</u>	<u>138</u>	<u>(862)</u>
	<u>31,000</u>	<u>31,000</u>	<u>30,625</u>	<u>(375)</u>
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sale of equipment	-	-	2,535	2,535
Sale of instructional supplies	<u>-</u>	<u>-</u>	<u>350</u>	<u>350</u>
	<u>-</u>	<u>-</u>	<u>2,885</u>	<u>2,885</u>

STATE AID				
Basic formula	3,644,210	3,644,210	3,591,161	(53,049)
BOCES	653,395	653,395	774,421	121,026
Lottery aid	1,129,015	1,129,015	1,129,015	-
Textbooks	105,396	105,396	93,026	(12,370)
Computer software	43,025	43,025	43,025	-
Library aid	11,297	11,297	11,297	-
Tax limitation aid	100,000	100,000	100,000	-
	<u>5,686,338</u>	<u>5,686,338</u>	<u>5,741,945</u>	<u>55,607</u>
FEDERAL AID				
Medical assistance	<u>60,000</u>	<u>60,000</u>	<u>79,269</u>	<u>19,269</u>
MISCELLANEOUS				
Other	1,000	1,000	35,803	34,803
Refund for BOCES' aided services	60,000	60,000	72,907	12,907
Refund of prior year's expenditures	-	-	9,126	9,126
	<u>61,000</u>	<u>61,000</u>	<u>117,836</u>	<u>56,836</u>
TOTAL REVENUES	49,029,234	49,029,235	49,412,214	382,979
OTHER FINANCING SOURCES				
Issuance premium	<u>-</u>	<u>-</u>	<u>116,946</u>	<u>116,946</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 49,029,234</u>	<u>\$ 49,029,235</u>	<u>\$ 49,529,160</u>	<u>\$ 499,925</u>

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbr- ances</u>	<u>Variance with Final Budget</u>
GENERAL SUPPORT					
<i>BOARD OF EDUCATION</i>					
Board of education	\$ 31,930	\$ 55,673	\$ 55,673	\$ -	\$ -
District clerk	10,005	9,738	9,738	-	-
District meeting	24,459	11,743	11,743	-	-
Total Board of Education	66,394	77,154	77,154	-	-
<i>CENTRAL ADMINISTRATION</i>					
Chief school administrator	380,449	374,464	374,464	-	-
<i>FINANCE</i>					
Business administration	446,309	418,914	418,913	-	1
Accounting and auditing	64,450	57,700	57,700	-	-
Treasurer	104,334	101,430	101,430	-	-
Total Finance	615,093	578,044	578,043	-	1
<i>STAFF</i>					
Legal	113,657	95,559	95,558	-	1
Personnel	114,392	130,060	130,060	-	-
Public information and services	64,523	63,567	63,567	-	-
Total Staff	292,572	289,186	289,185	-	1

CENTRAL SERVICES

Operation and maintenance of plant	3,033,233	3,580,017	3,466,345	113,672	-
Central printing and mailing	24,250	19,664	19,664	-	-
Central data processing	245,343	274,602	274,602	-	-

Total Central Services

3,302,826	3,874,283	3,760,611	113,672	-
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SPECIAL ITEMS

Unallocated insurance	195,100	197,260	197,260	-	-
Refunds of real property taxes	-	939,901	939,901	-	-
Assessments on school property	230,000	217,853	217,853	-	-
Administrative charge - BOCES	254,965	254,965	254,965	-	-

Total Special Items

680,065	1,609,979	1,609,979	-	-
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Total General Support

5,337,399	6,803,110	6,689,436	113,672	2
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INSTRUCTION**INSTRUCTION, ADMINISTRATION AND IMPROVEMENT**

Curriculum development and supervision	278,238	262,219	262,219	-	-
Supervision - Regular school	1,564,764	1,552,360	1,552,360	-	-
Research, planning and evaluation	3,000	-	-	-	-
In-service training - Instruction	143,991	173,115	173,115	-	-

Total Instruction, Administration
and Improvement

1,989,993	1,987,694	1,987,694	-	-
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TEACHING - REGULAR SCHOOL

15,440,815	15,417,098	15,408,291	8,807	-
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**PROGRAMS FOR STUDENTS
WITH DISABILITIES**

6,678,954	6,776,185	6,755,302	20,883	-
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OCCUPATIONAL EDUCATION

108,000	156,729	156,729	-	-
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(Continued)

Dobbs Ferry 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	Encumbr- ances	Variance with Final Budget
INSTRUCTION (Continued)					
<i>INSTRUCTIONAL MEDIA</i>					
School library and audiovisual	\$ 312,209	\$ 304,423	\$ 304,380	\$ 43	\$ -
Computer assisted instruction	1,256,632	1,302,856	1,302,856	-	-
Total Instructional Media	1,568,841	1,607,279	1,607,236	43	-
<i>PUPIL SERVICES</i>					
Guidance - Regular school	843,935	843,404	843,404	-	-
Health services - Regular school	546,081	529,166	526,566	2,600	-
Psychological services - Regular school	722,088	677,089	677,089	-	-
Co-curricular activities - Regular school	245,240	261,897	261,896	-	1
Interscholastic athletics - Regular school	590,972	558,241	548,442	9,800	(1)
Total Pupil Services	2,948,316	2,869,797	2,857,397	12,400	-
Total Instruction	28,734,919	28,814,782	28,772,649	42,133	-
PUPIL TRANSPORTATION					
District transportation services	26,386	14,045	14,045	-	-
Contract and public carrier transportation	1,511,500	1,522,818	1,522,818	-	-
Total Pupil Transportation	1,537,886	1,536,863	1,536,863	-	-

EMPLOYEE BENEFITS

State retirement	399,028	413,041	380,745	-	32,296
Teachers' retirement	2,371,975	2,390,170	2,390,170	-	-
Social security	2,056,794	2,049,285	2,049,285	-	-
Hospital, medical and dental insurance	5,594,077	5,643,243	5,643,243	-	-
Unemployment insurance	30,000	27,191	3,036	-	24,155
Workers' compensation benefits	153,369	153,446	153,446	-	-
Union welfare benefits	362,081	352,945	352,945	-	-
Other	28,050	38,825	38,825	-	-
Total Employee Benefits	10,995,374	11,068,146	11,011,695	-	56,451

DEBT SERVICE

Principal					
Serial bonds	1,752,767	1,204,860	945,000	-	259,860
Energy performance contract debt	207,099	207,099	207,100	-	(1)
	1,959,866	1,411,959	1,152,100	-	259,859
Interest					
Serial bonds	260,950	260,950	260,950	-	-
Bond anticipation notes	170,409	339,966	201,937	-	138,029
Energy performance contract debt	5,270	5,270	5,270	-	-
	436,629	606,186	468,157	-	138,029
Total Debt Service	2,396,495	2,018,145	1,620,257	-	397,888

TOTAL EXPENDITURES

49,002,073	50,241,046	49,630,900	155,805	454,341
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OTHER FINANCING USES

Transfers out					
Capital Projects Fund	100,000	-	-	-	-
Special Aid Fund	55,000	53,251	53,251	-	-
TOTAL OTHER FINANCING USES	155,000	53,251	53,251	-	-

TOTAL EXPENDITURES AND OTHER FINANCING USES

\$ 49,157,073	\$ 50,294,297	\$ 49,684,151	\$ 155,805	\$ 454,341
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See independent auditors' report.

Dobbs Ferry Union Free School District, New York

Capital Projects Fund
Comparative Balance Sheet
June 30,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 595,072	\$ 35,554
Investments	3,028,051	13,500,010
State and Federal aid receivable	62,438	65,685
Due from other funds	<u>2,223,042</u>	<u>952,614</u>
 Total Assets	 <u>\$ 5,908,603</u>	 <u>\$ 14,553,863</u>
 Liabilities		
Accounts payable	\$ 394	\$ 180,840
Bond anticipation note payable	15,130,830	13,500,000
Due to other funds	<u>28,039</u>	<u>472,633</u>
 Total Liabilities	 <u>15,159,263</u>	 <u>14,153,473</u>
 Fund balance (Deficit)		
Restricted	<u>(9,250,660)</u>	<u>400,390</u>
 Total Liabilities and Fund Balance (Deficit)	 <u>\$ 5,908,603</u>	 <u>\$ 14,553,863</u>

See independent auditors' report.

Dobbs Ferry 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		
State aid	\$ 62,438	\$ 65,685
EXPENDITURES		
Capital outlay	<u>9,713,488</u>	<u>781,690</u>
Deficiency of Revenues Over Expenditures	(9,651,050)	(716,005)
FUND BALANCE (DEFICIT)		
Beginning of Year	<u>400,390</u>	<u>1,116,395</u>
End of Year	<u><u>\$ (9,250,660)</u></u>	<u><u>\$ 400,390</u></u>

See independent auditors' report.

Dobbs Ferry 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			Unexpended Balance
		Prior Years	Current Year	Total	
2020 Construction for Buildings (HS/MS)	\$ 18,020,000	\$ 1,130,841	\$ 7,460,931	\$ 8,591,772	\$ 9,428,228
2020 Construction for Buildings (Elementary)	1,957,378	168,769	2,190,119	2,358,888	(401,510)
District-Wide Reconstruction	16,013,845	16,013,845	-	16,013,845	-
2019 Smart Schools Bond	367,973	222,767	62,438	285,205	82,768
	<u>\$ 36,359,196</u>	<u>\$ 17,536,222</u>	<u>\$ 9,713,488</u>	<u>\$ 27,249,710</u>	<u>\$ 9,109,486</u>

See independent auditors' report.

Methods of Financing				Fund Balance at June 30, 2022	Bond Anticipation Notes June 30, 2022
Interfund Transfers	Proceeds of Obligations	State Aid	Total		
\$ 1,530,000	\$ -	\$ -	\$ 1,530,000	\$ (7,061,772)	\$ 13,617,747
170,000	-	-	170,000	(2,188,888)	1,513,083
1,744,700	14,269,145	-	16,013,845	-	-
-	-	285,205	285,205	-	-
<u>\$ 3,444,700</u>	<u>\$ 14,269,145</u>	<u>\$ 285,205</u>	<u>\$ 17,999,050</u>	<u>\$ (9,250,660)</u>	<u>\$ 15,130,830</u>

Dobbs Ferry Union Free School District, New York

Special Aid Fund
Comparative Balance Sheet
June 30,

	2022	2021
ASSETS		
Cash and equivalents	\$ 59,709	\$ 127,039
Receivables		
Accounts	25,704	15,872
State and Federal aid	906,846	576,088
	932,550	591,960
Due from other funds	91,708	57,962
Total Assets	\$ 1,083,967	\$ 776,961
LIABILITIES		
Accounts payable	\$ 97,076	\$ 109,600
Accrued liabilities	91	-
Due to other funds	873,119	584,791
Unearned revenues	113,681	82,570
Total Liabilities	\$ 1,083,967	\$ 776,961

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

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

	2022	2021
REVENUES		
State aid	\$ 213,006	\$ 141,510
Federal aid	913,022	441,085
Miscellaneous	137,019	31,657
Total Revenues	1,263,047	614,252
EXPENDITURES		
Current		
Instruction	1,316,298	649,630
Deficiency of Revenues Over Expenditures	(53,251)	(35,378)
OTHER FINANCING SOURCES		
Transfers in	53,251	35,378
Net Change in Fund Balance	-	-
FUND BALANCE		
Beginning of Year	-	-
End of Year	\$ -	\$ -

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

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

			Total Non-Major Governmental Funds	
	School Lunch	Special Purpose	2022	2021
ASSETS				
Cash and equivalents	\$ 8,748	\$ 97,476	\$ 106,224	\$ 86,853
Receivables				
Accounts	10,371	-	10,371	6,248
State and Federal aid	185,241	-	185,241	169,727
Due from other funds	225,029	-	225,029	87,029
	420,641	-	420,641	263,004
Inventories	3,751	-	3,751	11,169
Total Assets	<u>\$ 433,140</u>	<u>\$ 97,476</u>	<u>\$ 530,616</u>	<u>\$ 361,026</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 103,116	\$ -	\$ 103,116	\$ 64,981
Due to other governments	1,076	-	1,076	347
Unearned revenues	24,869	-	24,869	27,237
Total Liabilities	129,061	-	129,061	92,565
Fund balances				
Nonspendable	3,751	-	3,751	11,169
Restricted	-	97,476	97,476	86,853
Assigned	300,328	-	300,328	170,439
Total Fund Balances	304,079	97,476	401,555	268,461
Total Liabilities and Fund Balances	<u>\$ 433,140</u>	<u>\$ 97,476</u>	<u>\$ 530,616</u>	<u>\$ 361,026</u>

See independent auditors' report.

Dobbs Ferry 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	Total Non-Major Governmental Funds	
			2022	2021
REVENUES				
Use of money and property	\$ -	\$ 4	\$ 4	\$ 4
State aid	10,076	-	10,076	11,381
Federal aid	651,313	-	651,313	327,883
Food sales	232,453	-	232,453	36,237
Miscellaneous	-	98,375	98,375	114,243
Total Revenues	893,842	98,379	992,221	489,748
EXPENDITURES				
Current				
Cost of food sales	771,371	-	771,371	378,344
Other	-	87,756	87,756	57,827
Total Expenditures	771,371	87,756	859,127	436,171
Excess of Revenues Over Expenditures	122,471	10,623	133,094	53,577
FUND BALANCES				
Beginning of Year	181,608	86,853	268,461	214,884
End of Year	\$ 304,079	\$ 97,476	\$ 401,555	\$ 268,461

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

School Lunch Fund
Comparative Balance Sheet
June 30,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 8,748	\$ -
Receivables		
Accounts	10,371	6,248
State and Federal aid	185,241	169,727
Due from other funds	<u>225,029</u>	<u>87,029</u>
	<u>420,641</u>	<u>263,004</u>
Inventories	<u>3,751</u>	<u>11,169</u>
Total Assets	<u>\$ 433,140</u>	<u>\$ 274,173</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 103,116	\$ 64,981
Due to other governments	1,076	347
Unearned revenues	<u>24,869</u>	<u>27,237</u>
Total Liabilities	<u>129,061</u>	<u>92,565</u>
Fund balance		
Nonspendable	3,751	11,169
Assigned	<u>300,328</u>	<u>170,439</u>
Total Fund Balance	<u>304,079</u>	<u>181,608</u>
Total Liabilities and Fund Balance	<u>\$ 433,140</u>	<u>\$ 274,173</u>

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

School Lunch Fund

Comparative Statement of Revenues, Expenditures and

Changes in Fund Balance

Years Ended June 30,

	<u>2022</u>	<u>2021</u>
REVENUES		
State aid	\$ 10,076	\$ 11,381
Federal aid	651,313	327,883
Food sales	232,453	36,237
Miscellaneous	<u>-</u>	<u>49,712</u>
Total Revenues	893,842	425,213
EXPENDITURES		
Current		
Cost of food sales	<u>771,371</u>	<u>378,344</u>
Excess of Revenues Over Expenditures	122,471	46,869
FUND BALANCE		
Beginning of Year	<u>181,608</u>	<u>134,739</u>
End of Year	<u><u>\$ 304,079</u></u>	<u><u>\$ 181,608</u></u>

See independent auditors' report.

Dobbs Ferry 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>\$ 97,476</u>	<u>\$ 86,853</u>
FUND BALANCE		
Restricted	<u>\$ 97,476</u>	<u>\$ 86,853</u>

See independent auditors' report.

Dobbs Ferry 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	\$ 4	\$ 4
Miscellaneous	<u>98,375</u>	<u>64,531</u>
Total Revenues	98,379	64,535
EXPENDITURES		
Current		
Other	<u>87,756</u>	<u>57,827</u>
Excess of Revenues Over Expenditures	<u>10,623</u>	<u>6,708</u>
FUND BALANCE		
Beginning of Year	<u>86,853</u>	<u>80,145</u>
End of Year	<u>\$ 97,476</u>	<u>\$ 86,853</u>

See independent auditors' report.

Dobbs Ferry Union Free School District, New York

General Fund

Analysis of Change from Adopted Budget to Final Budget

Year Ended June 30, 2022

Adopted Budget	\$ 49,029,234
Additions - Encumbrances	<u>127,839</u>
Original Budget	49,157,073
Budget Amendments	<u>1,137,224</u>
Final Budget	<u><u>\$ 50,294,297</u></u>

General Fund

Section 1318 of Real Property Tax Law Limit Calculation

2022-2023 Expenditure Budget	<u>\$ 51,377,271</u>
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General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law

Unrestricted fund balance

Assigned fund balance	\$ 1,124,125
Unassigned fund balance	<u>1,830,169</u>

Total Unrestricted Fund Balance	<u>2,954,294</u>
---------------------------------	------------------

Less

Appropriated for subsequent year's budget	968,320
Encumbrances	<u>155,805</u>

General Fund Fund Balance Subject to Section 1318 of
Real Property Tax Law

<u>\$ 1,830,169</u>

Actual Percentage	<u><u>3.56%</u></u>
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See independent auditors' report.

Dobbs Ferry Union Free School District, New York

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

Capital Assets, net	\$ 49,552,654
Less	
General obligation bonds payable	<u>(10,800,000)</u>
Net Investment in Capital Assets	<u>\$ 38,752,654</u>

See independent auditors' report.

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

Independent Auditors' Report

**The Board of Education of the
Dobbs Ferry 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 Dobbs Ferry 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 September 27, 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 the 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 were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

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

PKF O'Connor Davies, LLP
PKF O'Connor Davies, LLP
Harrison, New York
September 27, 2022



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

Independent Auditors' Report

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Dobbs Ferry Union Free School District, New York's ("School District") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2022. The School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("*Uniform Guidance*"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

PKF O'Connor Davies, LLP
PKF O'Connor Davies, LLP
Harrison, New York
September 27, 2022

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DOBBS FERRY UNION FREE SCHOOL DISTRICT, NEW YORK

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

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Provided To to Sub - Recipients</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>				
Indirect Programs - Passed through New York State Department of Education				
<i>Child Nutrition Center</i>				
School Breakfast Program (SBP)	10.553	N/A	\$ -	\$ 67,305
National School Lunch Program (NSLP)	10.555	N/A	-	552,914
National School Lunch Program (NSLP) Commodities	10.555	N/A	-	29,892
Subtotal Child Nutrition Cluster			-	650,111
Pandemic EBT Administrative Costs	10.649	N/A	-	1,202
Total U.S. Department of Agriculture			-	651,313
<u>Federal Communications Commission</u>				
Direct Programs				
Emergency Connectivity Fund Program	32.009	N/A	-	64,960
<u>U.S. Department of Education</u>				
Indirect Programs - Passed through New York State Department of Education				
<i>Special Education - Cluster (IDEA)</i>				
Special Education - Grants to States (IDEA, Part B)	84.027	0033-22-1054	-	445,554
Special Education - Preschool Grants (IDEA, Preschool)	84.173	0033-22-1054	-	6,307
Subtotal Special Education Cluster			-	451,861
Title I Grants Local Educational Agencies	84.010	0021-22-3645	-	70,717
Supporting Effective Instruction State Grants	84.367	0147-22-3645	-	17,600
Student Support and Academic Enrichment Program	84.424	0204-22-3645		9,900
Elementary and Secondary School Emergency Relief (ESSER) Fund (CRRSA)	84.425D	5891-21-3645		188,113
Elementary and Secondary School Emergency Relief (ESSER) Fund (ARP)	84.425U	5880-21-3645		109,871
Total U.S. Department of Education			-	848,062
Total Expenditures of Federal Awards			\$ -	\$ 1,564,335

N/A - Information not available.

The accompanying notes are an integral part of this schedule.

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Dobbs Ferry Union Free School District, New York

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

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Dobbs Ferry Union Free School District, New York ("School District") under programs of the federal government for the year ended June 30, 2022. Federal awards received directly from the Federal agencies as well as Federal awards passed through other government agencies are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the School District.

Note 2 - Summary of Significant Accounting Policies

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

Note 3 - Indirect Cost Rate

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

Dobbs Ferry Union Free School District, New York

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

Section I - Summary of Auditors' Results

Financial Statements

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

Unmodified

Internal control over financial reporting:

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

____ Yes X No
____ Yes X None reported

Noncompliance material to financial statements
noted?

____ Yes X No

Federal Awards

Internal control over major federal programs:

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

____ Yes X No
____ Yes X None reported

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

Unmodified

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

____ Yes X No

Identification of major federal programs:

Assistance Listing
Numbers

Name of Federal Program or Cluster

84.027	Special Education Cluster (IDEA):
84.173	Special Education – Grants to States
	Special Education – Preschool Grants
84.425D	Elementary and Secondary School
	Emergency Relief (ESSER) Fund (CRRSA)
84.425U	Elementary and Secondary School
	Emergency Relief (ESSER) Fund (ARP)

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

\$750,000

Auditee qualified as low-risk auditee?

 X Yes ____ No

Dobbs Ferry Union Free School District, New York

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

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Dobbs Ferry Union Free School District, New York

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

None

FORM OF BOND COUNSEL’S OPINION

June 1, 2023

The Board of Education of the
Dobbs Ferry Union Free School District,
in the County of Westchester, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to Dobbs Ferry Union Free School District, in the County of Westchester (the “School District”), a school district of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the \$14,915,830 School District Serial Bonds-2023 (the “Bonds”), dated and delivered the date hereof.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds are valid and legally binding general obligations of the School District for which the School District has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the School District is subject to the levy of ad valorem real estate taxes to pay the Bonds and interest thereon without limitation as to rate or amount. The enforceability of rights or remedies with respect to such Bonds may be limited by bankruptcy, insolvency, or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted.

2. Under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

The Code establishes certain requirements that must be met subsequent to the issuance of the Bonds in order that the interest on the Bonds be and remain excludable from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Bonds, restrictions on the investment of proceeds of the Bonds prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause the interest on the Bonds to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of issuance of the Bonds, the School District will execute a Tax Certificate relating to the Bonds containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the School District represents that it will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that the interest on the Bonds will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in this paragraph 2, we have relied upon and assumed (i) the material accuracy of the School District’s representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of the interest on the Bonds, and (ii) compliance by the School District with the procedures and representations set forth in the Tax Certificate as to such tax matters.

3. Under existing statutes, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Bonds, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Bonds.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement or Official Statement relating to the Bonds or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the District, which have been or may hereafter be furnished or disclosed to purchasers of ownership interests in the Bonds.

Very truly yours,

/s/ Hawkins Delafield & Wood LLP