

PRELIMINARY OFFICIAL STATEMENT DATED MAY 30, 2023

NEW AND RENEWAL ISSUE

BOND ANTICIPATION NOTES

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the School District, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Notes 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 Notes 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 Notes 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 School District, under existing statutes, interest on the Notes 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 Notes will NOT be deemed designated as "qualified tax-exempt obligations" pursuant to the provisions of Section 265 of the Code.

\$19,620,000

**BRIARCLIFF MANOR UNION FREE SCHOOL DISTRICT
WESTCHESTER COUNTY, NEW YORK**

**\$19,620,000 Bond Anticipation Notes – 2023
(the "Notes")**

Dated: June 28, 2023

Due: June 28, 2024

The Notes will be general obligations of the Briarcliff Manor Union Free School District, Westchester County, New York (the "District" or "School District"), and will contain a pledge of the faith and credit of the District for the payment of the principal of and interest on the Notes and, unless paid from other sources, the Notes are payable from ad valorem taxes which may be levied upon all the taxable real property within the District without limitation as to rate or amount.

At the option of the purchaser, the Notes will be issued in (i) registered form registered in the name of the successful bidder(s) or (ii) registered book-entry form registered to Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York ("DTC").

If the Notes are issued registered in the name of the successful bidder(s), a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable in Federal Funds by the District, at such bank or trust company located and authorized to do business in the State of New York as selected by the successful bidder(s).

If the Notes are issued in book-entry form, such notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Notes.

The Notes will not be subject to redemption prior to maturity.

The Notes 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 Notes will be made on or about June 28, 2023.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on June 6, 2023 by no later than 10:00 A.M., Eastern Time, pursuant to the Notice of Sale. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale.

May 30, 2023

THE DISTRICT DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER(S), AS MORE FULLY DESCRIBED IN THE NOTICE OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. THE DISTRICT WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN MATERIAL EVENTS AS DEFINED IN THE RULE. SEE "APPENDIX-D, FORM OF UNDERTAKING TO PROVIDE NOTICE OF EVENTS" HEREIN.

BRIARCLIFF MANOR UNION FREE SCHOOL DISTRICT WESTCHESTER COUNTY, NEW YORK

SCHOOL DISTRICT OFFICIALS

2022-2023 BOARD OF EDUCATION

MICHAEL HABERMAN
President



MICHELLE WOERNER
Vice President

SWAROOP REDDY
ANTHONY SAMMI
KENNETH TOROSIAN

* * * * *

ADMINISTRATION

DR. JAMES KAISHIAN
Superintendent

JOHN BRUCATO
Assistant Superintendent for Finance & Operations

JENNIFER DEFILLIPPO
District Treasurer

JUANITA BROCKETT
District Clerk

DAVID SHAW, ESQ.
District Counsel



FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

Hawkins
DELAFIELD & WOOD LLP

HAWKINS DELAFIELD & WOOD LLP
Bond Counsel

No person has been authorized by the 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 Notes 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 the District.

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CONTACT INFORMATION

ISSUER NAME:

Briarcliff Manor Union Free School District
 45 Ingham Road
 Briarcliff Manor, New York 10510
 John Brucato
 Assistant Superintendent for Finance & Operations
 (914) 432-8116
jbrucato@briarcliffschools.org

PREPARED WITH ASSISTANCE FROM:


 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
BRIARCLIFF MANOR UNION FREE SCHOOL DISTRICT
WESTCHESTER COUNTY, NEW YORK
Relating To
\$19,620,000 Bond Anticipation Notes – 2023

This Official Statement, which includes the cover page, has been prepared by the Briarcliff Manor 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 \$19,620,000 principal amount of Bond Anticipation Notes – 2023 (the "Notes").

The factors affecting the District's financial condition and the Notes 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 Notes and the proceedings of the District relating thereto are qualified in their entirety by reference to the definitive forms of the Notes and such proceedings.

THE NOTES

Description of the Notes

The Notes will be dated and will mature, without option of prior redemption, as reflected on the cover page hereof. The District will act as Paying Agent for the Notes. Paying agent fees, if any, will be paid by the purchaser(s).

Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

Authority for and Purpose of Issue

The Notes are issued pursuant to the Constitution and laws of the State, including the Education Law, constituting Chapter 16, and the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of New York and a bond resolution adopted by the Board of Education of the District on June 24, 2021 following the approval of a bond proposition by a majority of the qualified voters present and ratified at the Annual District Meeting and Election duly called and held on May 18, 2021 authorizing the issuance of \$26,633,113 serial bonds to finance the construction of alterations and improvements to all District buildings (the "Project").

A \$4,620,000 portion of the proceeds of the Notes, along with \$1,380,000 available funds of the District, will redeem \$6,000,000 bond anticipation notes currently outstanding and maturing on June 29, 2023. The \$15,000,000 balance of the proceeds of the Notes will be used to provide additional financing for this Project.

NATURE OF THE OBLIGATION

Each Note when duly issued and paid for will constitute a contract between the District and the holder thereof.

The Notes will be 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 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 Notes, and the State is specifically precluded from restricting the power of the District to levy taxes on real estate therefor. However, the Tax Levy Limit Law imposes a statutory limitation on the District's power to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in the Tax Levy Limit Law. (See also "TAX LEVY LIMITATION LAW" herein)

The Tax Levy Limit Law also provides the procedural method to overcome that limitation. 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 (such as the Notes), or the refinancing or refunding of such bonds or notes. 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 or refinance deficits and certain judgments, including tax certiorari refund payments. (See "The Tax Levy Limit Law" herein.)

REMEDIES UPON DEFAULT

Neither the Notes, nor the proceedings with respect thereto, specifically provide any remedies which would be available to owners of the Notes should the District default in the payment of principal of or interest on the Notes, nor do they contain any provisions for the appointment of a trustee to enforce the interests of the owners of the Notes upon the occurrence of any such default. The Notes 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.

Upon default in the payment of principal of or interest on the Notes 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 Notes, the owners of such Notes 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 Notes 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 Notes and the proceedings with respect thereto all of which are included in the contract with the owners of the Notes. 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 Notes 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. The District has never defaulted in the payment of the principal of and/or interest on any indebtedness.

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 Notes.

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 SYSTEM

In the event that the Notes are issued in registered book-entry form, the Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Notes, if so requested. The Notes 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 note certificate will be issued for each note bearing the same rate of interest and CUSIP number and will be deposited with DTC.

DTC, a limited-purpose trust company organized under the New York Banking Law, is 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 3.5 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 Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each 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 Notes 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 Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes 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 Notes 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 Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes 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 Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes 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 Notes 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 Notes 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 NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE NOTES; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE NOTES; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, 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 NOTES; (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 NOTES.

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 Notes

If the book-entry form is initially chosen by the purchaser(s) of the Notes, DTC may discontinue providing its services with respect to the Notes 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 system transfers through DTC at any time. In the event that such book-entry-only system is utilized by a purchaser(s) of the Notes upon issuance and later discontinued, the following provisions will apply:

The Notes will be issued in registered form in denominations of \$5,000 or integral multiples thereof. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the District. The Notes will remain not subject to redemption prior to their stated final maturity date.

THE SCHOOL DISTRICT

General Information

The Briarcliff Manor Union Free School District encompasses approximately six (6) square miles in Westchester County within the Towns of Ossining and Mount Pleasant (the “Towns”), and the Village of Briarcliff Manor. The District is located approximately 30 miles north of New York City. The District was established on September 12, 1899 and was known as the Ossining and Mount Pleasant Union Free School District #2. In 1973 it adopted its present legal name, the Briarcliff Manor Union Free School District.

The District is in a community committed to traditional values in education. The students are housed in three schools: an elementary school containing grades kindergarten through five, a middle school containing grades six through eight, and a high school containing grades nine through twelve.

The character of the District is largely suburban residential. The majority of the homes within the District are single-family. Commercial activity centers around several small shopping centers.

The following banks have an office within the District: JPMorgan Chase Bank and Trustco Bank.

Utilities services are supplied to the District by Con-Edison and the New York Power Authority. Water services and police and fire protection are provided by the Village. The District is also served by the Ossining and Briarcliff Manor Volunteer Fire Departments and the Ossining Volunteer Ambulance Corp. Sanitary sewer services are provided by the County of Westchester.

The District is served by a network of highways, including the Taconic State Parkway, Route 9, Route 9A, Route 100, and the Saw Mill River Parkway. Rail passenger service is provided by the Harlem and Hudson Lines of Metro-North. Public transportation is supplied by the Westchester County Bee-Line Bus System. Major airline service is provided at John F. Kennedy International Airport, LaGuardia Airport, and Westchester County Airport.

Source: District officials.

Population

The current estimated population of the District is 7,510. (Source: U.S. Census Bureau, 2017-2021 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 Towns. The figures set below with respect to such Towns, County and State are included for information only. It should not be inferred from the inclusion of such data in this Continuing Disclosure Statement that the Towns, County or the State are necessarily representative of the District, or vice versa.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2006-2010</u>	<u>2016-2020</u>	<u>2017-2021</u>	<u>2006-2010</u>	<u>2016-2020</u>	<u>2017-2021</u>
Towns of:						
Mount Pleasant	\$ 35,468	\$ 60,118	\$ 63,897	\$ 96,403	\$164,942	\$ 170,793
Ossining	34,195	54,888	58,188	81,943	117,015	119,231
County of:						
Westchester	36,726	57,953	61,830	79,881	126,992	134,974
State of:						
New York	23,389	40,898	43,208	51,691	87,270	92,731

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

Source: U.S. Census Bureau 2006-2010, 2016-2020, and 2017-2021 5-Year American Community Survey data.

Larger Employers

<u>Name of Employer</u>	<u>Nature of Business</u>	<u>Number Employed</u>
Briarcliff Manor UFSD	Public School District	279
Con Edison	Utility	120
WSP Sells	Engineering Consultants	150
Sleepy Hollow Country Club	Country Club	100
Trump National Golf Club	Country Club	100
Village of Briarcliff Manor	Local Government	78
Atria Briarcliff Manor	Senior Living Community	75
Houlihan Lawrence	Real Estate Agency	45
Better Homes & Gardens Rand Realty	Real Estate Agency	25

Source: District officials.

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 District) is Westchester County. The information set forth below with respect to the County is included for informational purposes only. It should not be inferred from the inclusion of such data in this Official Statement that information for the 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>					
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%	3.9%	9.8%	7.0%	4.3%					
	<u>Monthly Figures</u>											
	<u>2022</u>							<u>2023</u>				
	<u>Jun</u>	<u>July</u>	<u>Aug</u>	<u>Sep</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>
Westchester County	3.1%	3.4%	3.5%	2.9%	2.7%	2.8%	2.7%	3.5%	3.3%	2.9%	N/A	N/A
New York State	4.1%	4.3%	4.2%	3.6%	3.7%	3.8%	3.8%	4.6%	4.5%	4.0%	N/A	N/A

Note: Unemployment rates for the months of April and May of 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).

District Organization

Subject to the provisions of the State Constitution, the District operates pursuant to the Education Law, the Local Finance Law, other laws generally applicable to the District, and any special laws applicable to the District. Under such laws, there is no authority for the District to have a charter or adopt local laws.

The legislative power of the District is vested in the Board of Education. Under current law, an election is held within the District boundaries on the third Tuesday of May each year to elect members of the Board of Education. Board members are generally elected for a term of three years, unless filling a vacancy.

In early July of each year, the Board of Education meets for the purpose of reorganization. At that time, the Board elects a President and Vice President, and appoints a District Clerk and District Treasurer.

Financial Organization

The Board of Education, which is the policy-making body of the School District, consists of five members with overlapping 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. Pursuant to the Local Finance Law, the President of the Board of Education is the chief fiscal officer of the District. However, certain of the financial functions of the District are the responsibility of the Assistant Superintendent for Finance and Operations.

Budgetary Procedures

Pursuant to the Education Law, the Board of Education annually prepares or causes to be prepared, a budget for the ensuing fiscal year. A public hearing on such budget is held not less than seven days and not more than fourteen days prior to the vote. The Board of Education causes notice of such public hearing to be published four times beginning seven weeks prior to the vote. After the public hearing, but not less than six days prior to the budget vote, the District must mail a school budget notice to all qualified voters which contains the total budget amount, the dollar and percentage increase or decrease in the proposed budget (or contingency budget) as compared to the current budget, the percentage increase or decrease in the consumer price index, the estimated property tax levy, the basic STAR exemption impact and the date, time and place of the vote.

After the budget hearing and subsequent notice, a referendum upon the question of the adoption of the budget is held on the third Tuesday in May each year. All qualified District residents are eligible to participate.

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 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 LIMITATION LAW” herein.

Recent Budget Vote Results

The budget for the 2022-2023 fiscal year was approved by the qualified voters on May 17, 2022. The budget called for a tax levy increase of 2.75%, which remained within the District’s tax levy limit of 4.50%.

The District’s 2023-2024 adopted budget was approved by the qualified voters of the District on May 16, 2023. The budget calls for a tax levy increase of 0.49%, which is below the District’s allowable Tax Cap of 1.55%

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 deposit accounts in or certificates of deposits issued by 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 New York public benefits corporations which are made lawful investments 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 moneys 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.

The District’s investments are governed by a formal investment policy. Consistent with the above statutory limitations, it is the School District’s current policy to invest in: (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 and 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, (3) obligations of the State of New York, (4) repurchase agreements involving the purchase and resale of obligations of the United States of America or obligations of agencies of the federal government, if principal and interest is guaranteed by the United States of America and the securities are registered in the name of the School District and held by a custodial bank in accordance with the policies established by the New York State Comptroller, and (5) cooperative investment programs, such as The Cooperative Liquid Assets Security System (CLASS) which is a cooperative investment plan consisting of U.S. Treasury Obligations and repurchase agreements relating to treasury obligations.

It is the District’s policy to require collateral for demand deposits and certificates of deposit for all deposits not covered by the federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State or obligations of any public benefit corporation.

State Aid

The District receives appropriations from the State of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. While the State has a constitutional duty to maintain and support a system of free common schools that provides a “sound basic education” to children of the State, 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 school districts can be paid only if the State has such monies available for such payment.

In addition to the amount of State Aid budgeted annually by the District, the State makes payments of STAR aid representing tax savings provided by school districts to their taxpayers under the STAR Program.

The amount of State aid to school districts can vary from year to year and is dependent in part upon the financial condition of the State. During the 2011 to 2019 fiscal years of the State, State aid to school districts was paid in a timely manner; however, during the State’s 2010 and 2020 fiscal years, State budgetary restrictions resulted in delayed payments of State aid to school districts in the State. In addition, the availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in adoption of the State budget, which is due at the start of the State’s fiscal year of April 1. The State’s budget has been adopted by April 1 or shortly thereafter for over ten (10) years. No assurance can be given that the State will not experience delays in the adoption of the budget in future fiscal years. Significant delays in the adoption of the State budget could result in delayed payment of State aid to school districts in the State which could adversely affect the financial condition of school districts in the State.

In addition to the potential fiscal impact of policies that may be proposed and adopted by the federal 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.

There can be no assurance that the State’s financial position will not change materially and adversely from current projections. If this were to occur, the State would be required to take additional gap-closing actions. Such actions may include, but are not limited to: reductions in State agency operations; delays or reductions in payments to local governments or other recipients of State aid including school districts in the State. Reductions in the payment of State aid could adversely affect the financial condition of school districts in the State.

Should the District fail to receive State aid expected from the State in the amounts and at the times expected, occasioned by a delay in the payment of such monies or by a mid-year reduction in State aid, the District is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

State Aid History

State aid to school districts within the State had declined in some prior years before increasing more recently.

School District Fiscal Year (2018-2019): The State 2018-19 Enacted Budget included nearly \$1 billion in additional education funding, representing a 3.9% increase over 2017-18. Approximately \$859 million of that increase is comprised of traditional public school aid, including increased Foundation Aid and full-funding of expense-based aids. Formula-based school aid now stands at \$26.03 billion statewide, a 3.4% increase over the last year. The State 2018-19 Enacted Budget included an increase of \$618 million in Foundation Aid for school districts. Foundation Aid totaled nearly \$17.8 billion statewide. For the seventh consecutive year, the Foundation Aid increase was distributed using a one year, off formula methodology. The State 2018-19 Enacted Budget guaranteed that all school districts received an increase in Foundation Aid over their 2017-18 levels. \$50 million of the Foundation Aid increase was “set aside” for certain school districts to fund community schools. The State 2018-19 Enacted Budget fully funded all expense-based aid for 2018-19, including building, transportation, BOCES and special education aid. These categories serve as State reimbursements for school district expenses made in the prior year, based on school district-specific aid ratios. A total of \$240 million was approved for increases in all expense-based aids in 2018-19. The State 2018-19 Enacted Budget allows the Governor to reduce aid to school districts mid-year if receipts from the federal government were less than what was expected.

School District Fiscal Year (2019-2020): The State 2019-2020 Enacted Budget included 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 State 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 the anticipated impact of the COVID-19 pandemic on State revenues, State aid in the State's 2020-2021 Enacted Budget was 3.7 percent lower than in the State's 2019-2020 Enacted Budget but was offset in part with increased Federal support. This reduction in State Operating Funds support was offset by approximately \$1.1 billion in funding provided to the State through the Federal CARES Act, including the Elementary and Secondary School Emergency Education Relief Fund and the Governor's Emergency Education Relief Fund. With these Federal funds, State aid in the school district fiscal year 2020-2021 was approximately \$27.9 billion, an annual increase of approximately \$100 million or 0.4 percent. The State's 2020-2021 Enacted Budget continued prior year funding levels for existing programs, including Foundation Aid, Community Schools and Universal Prekindergarten. The 2020-2021 Enacted Budget also provided over \$200 million in support for competitive grant programs, including \$1 million for development of a new Civics Education curriculum and \$10 million for a Student Mental Health program. Funding for expense-based aids, such as Building Aid, Transportation Aid, and Boards of Cooperative Educational Services (BOCES) Aid was continued under existing aid formulas. Out-year growth in School Aid reflects current projections of the ten-year average growth in State personal income. The State's 2020-2021 Enacted Budget authorized the State's Budget Director to make periodic adjustments to State Aid, in the event that actual State revenues come in below 99% percent of estimates or if actual disbursements exceed 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. 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. 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. 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 and the State released all of the withheld funds prior to June 30, 2021.

School District Fiscal Year (2021-2022): The State's 2021-22 Enacted 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. Under the budget, local governments also received full restoration of proposed cuts to Aid and Incentives for Municipalities (AIM) funding, and full restoration of \$10.3 million in proposed Video Lottery Terminal (VLT) aid cuts, where applicable.

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 (2022-2023): The State's 2022-23 Enacted Budget provided \$31.5 billion in State funding to school districts for the 2022-23 school year, the highest level of State aid ever. This represented an increase of \$2.1 billion or 7.2 percent compared to the 2021-22 school year, and included a \$1.5 billion or 7.7 percent Foundation Aid increase. The State's 2022-23 Enacted Budget also programmed \$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, was 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 allocated \$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 increased 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): The State’s Budget for fiscal 2023-24 was enacted on May 2, 2023 and provides for a total of \$34 billion in State funding to school districts for the 2023-24 school year. The enacted budget for fiscal 2023-24 represents a \$3.2 billion or 10.4% increase in State funding for education, and includes a \$2.629, or 12.3% percent Foundation Aid increase.

State Aid Litigation

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.

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 Hochul announced that New York State 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 such funding. 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 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 2022, the Executive and Legislature agreed to fully fund Foundation Aid by the FY 2024 budget and enacted 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 General Fund revenues of the District for each of the below completed fiscal years and budgeted new figures comprised of State aid.

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>Total State Aid</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2017-2018	\$ 49,601,451	\$ 5,578,341	11.25%
2018-2019	52,119,068	5,347,819	10.26
2019-2020	51,879,325	4,881,844	9.41
2020-2021	52,408,244	4,464,474	8.52
2021-2022	52,839,579	3,873,593	7.33
2022-2023 (Budgeted)	53,516,024	3,839,013	7.17
2023-2024 (Budgeted)	55,347,048 ⁽¹⁾	4,219,691	7.62

⁽¹⁾ Does not include interfund transfers.

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

District Facilities

<u>Name</u>	<u>Grade</u>	<u>Capacity</u>	<u>Original Construction</u>	<u>Addition or Renovation</u>
Todd School	K-5	800	1956	1964, '85, '94, '95, '02
Briarcliff Middle School & Briarcliff High School	6-12	933	1971 & 2002	1985, '98, '02

Source: District officials.

Enrollment Trends

<u>School Year</u>	<u>Actual Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2018-19	1,434	2023-24	1,331
2019-20	1,406	2024-25	1,324
2020-21	1,353	2025-26	1,318
2021-22	1,339	2026-27	1,312
2022-23	1,344	2027-28	1,305

Source: District officials.

Employees

The number of persons employed by the District is 279. The collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are as follows:

<u>Union</u>	<u>Number Employed</u>	<u>Expiration Date</u>
Briarcliff Teachers' Association	149	6/30/2024
Teaching Assistants	53	6/30/2024 ⁽¹⁾
School Related Personnel	17	6/30/2023 ⁽²⁾
Briarcliff Educational Support Team	16	6/30/2024
Teamsters	18	6/30/2024
Non-union Employees	17	6/30/2023 ⁽²⁾
Administrators	7	6/30/2028
Superintendent	1	6/30/2024
Assistant Superintendent for Finance & Operations	1	6/30/2023 ⁽²⁾

⁽¹⁾ Part of the Briarcliff Teachers' Association.

⁽²⁾ Currently under negotiation.

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, which has since been changed to 5 years as of April 9, 2022.
- 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 would vest in the system after ten years of employment; and employees will continue to make employee contribution throughout employment. As of April 9, 2022, vesting requirements were modified, resulting in employees becoming vested after five years.

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five years and budgeted figures for the 2023-2024 fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2018-2019	\$ 534,150	\$ 2,078,774
2019-2020	588,863	2,303,538
2020-2021	571,620	1,925,216
2021-2022	646,887	2,130,117
2022-2023	485,957	2,324,412
2023-2024 (Budgeted)	599,320	2,340,562

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 currently does not have early retirement incentive programs for its employees.

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 (2019-20 to 2023-24) is shown below:

<u>Year</u>	<u>ERS</u>	<u>TRS</u>
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 ⁽¹⁾

⁽¹⁾ Estimated.

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 established a TRS reserve fund in June 2019.

Other Post-Employment 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. For the fiscal year ended June 30, 2018, the District implemented GASB 75. The implementation of this statement requires District's 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 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 for the fiscal years ending June 30, 2021 and 2022.

Balance beginning at June 30:	2020	2021
	\$ 86,321,078	\$ 113,160,716
<u>Changes for the year:</u>		
Service cost	2,811,848	4,015,528
Interest on total OPEB liability	3,083,969	2,565,810
Changes in Benefit Terms	-	88,383
Differences between expected and actual experience	-	(1,454,643)
Changes in Assumptions or other inputs	22,982,917	(3,953,279)
Benefit payments	(2,039,096)	(2,152,478)
Net Changes	\$ 26,839,638	\$ (890,679)
Balance ending at June 30:	2021	2022
	\$ 113,160,716	\$ 112,270,037

Source: Audited financial statements of the District. The above table is not audited. For additional information regarding the District's OPEB liability see "APPENDIX – E" attached hereto.

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.

Financial Statements

The District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2022 and may be found attached hereto as “APPENDIX – E” to this Official Statement. Certain financial information of the District can also be found attached as Appendices to this Official Statement.

The District complies with the Uniform System of Accounts as prescribed for school districts in the State by the State Comptroller. Except for the accounting for fixed assets, this system conforms to 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 that ended June 30, 2003 the District is required to issue 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. The District is in compliance with such reporting.

PFK 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. PFK O’Connor Davies, LLP also has not performed any procedures relating to this Official Statement.

New York State Comptroller Reports 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.

The State Comptroller’s office released an audit report of the District on March 26, 2021. The purpose of the audit was to determine whether Briarcliff Manor Union Free School District (District) officials used a competitive process to procure goods and services.

Key Findings:

- District officials generally used a competitive process to procure goods and services. However, they did not periodically seek competition for professional services.
- The State Comptroller’s Office tested 14 vendors paid a total of \$3,961,336 and found that District officials used a competitive process to procure the goods and services.
- While District officials initially sought competition for all professional service providers we reviewed, they did not seek competition for three out of the six professional service providers in the past five years.

Key Recommendations:

- Ensure periodic competition is sought at least every five years for all professional service providers.

The District provided a complete response to the State Comptroller’s office on March 3, 2021. A copy of the complete report and response can be found via the website of the Office of the New York State Comptroller.

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. Reference to website implies no warranty of accuracy of information therein, and the website is not incorporated 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 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 reports of the State Comptroller for the past three fiscal years of the District are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2022	No Designation	0.0
2021	No Designation	0.0
2020	No Designation	0.0

Source: Website of the Office of the New York State Comptroller. Reference to website implies no warranty of accuracy of information therein, and the website is not incorporated herein by reference.

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 Notes 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 Notes 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.

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>
Towns of:					
Mount Pleasant	\$ 8,125,306	\$ 8,088,031	\$ 8,000,959	\$ 7,987,284	\$ 7,789,355
Ossining	<u>1,336,668,495</u>	<u>1,370,682,535</u>	<u>1,439,981,975</u>	<u>1,489,916,856</u>	<u>1,457,726,396</u>
Total Assessed Values	<u>\$ 1,344,793,801</u>	<u>\$ 1,378,770,566</u>	<u>\$ 1,447,982,934</u>	<u>\$ 1,497,904,140</u>	<u>\$ 1,465,515,751</u>
State Equalization Rates					
Towns of:					
Mount Pleasant	1.43%	1.42%	1.40%	1.37%	1.31%
Ossining	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
Total Taxable Full Valuation	<u>\$ 1,904,871,712</u>	<u>\$ 1,940,262,183</u>	<u>\$ 2,011,479,046</u>	<u>\$ 2,072,930,287</u>	<u>\$ 2,052,333,648</u>

Source: District officials.

Tax Rate 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>
Towns of:					
Mount Pleasant	\$ 1,498.33	\$ 1,521.50	\$ 1,528.89	\$ 1,538.65	\$ 1,666.25
Ossining	21.43	21.61	21.45	21.08	21.83

Source: District officials.

Tax Collection Procedure

The real property taxes of the District are levied and collected by the Tax Receiver of the Towns. Such taxes are due and payable in equal installments on September 1 and January 1, but may be paid without penalty by September 30 and January 31, respectively. The penalty on unpaid taxes, due on September 1, when paid in October is 2%, in November is 5%, December and January 7%, February and March 10% and 12% thereafter. For the taxes due January 1, penalties are 10% if paid in February and March and 12% thereafter.

The District is not responsible for the collection of taxes of any other unit of government. The Towns guarantee the full payment of the District tax warrant and assume responsibility for uncollected taxes. Subsequently, there are no uncollected taxes at year-end.

Source: District officials.

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	\$ 40,821,770	\$ 41,920,000	\$ 43,055,000	\$ 43,696,931	\$ 44,798,025
Amount Uncollected ⁽¹⁾	-	-	-	-	-
% Uncollected	0.00%	0.00%	0.00%	0.00%	0.00%

⁽¹⁾ See "Tax Collection Procedure" herein.

Source: District officials.

Real Property Tax Revenues

The following table illustrates the percentage of total General Fund revenues of the District for each of the below completed fiscal years and budgeted figures comprised of Real Property Taxes and Tax Items.

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>Total Real Property Taxes & Items</u>	<u>Percentage of Total Revenues Consisting of Real Property Tax</u>
2017-2018	\$ 49,601,451	\$ 37,283,561	75.17%
2018-2019	52,119,068	38,192,617	73.28
2019-2020	51,879,325	39,933,500	76.97
2020-2021	52,408,244	41,366,222	78.93
2021-2022	52,839,579	42,043,613	79.57
2022-2023 (Budgeted)	53,516,024	44,898,025	83.90
2023-2024 (Budgeted)	55,347,048 ⁽¹⁾	45,018,025	81.34

⁽¹⁾ Does not include interfund transfers.

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

Source: District officials.

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

<u>Name</u>	<u>Type</u>	<u>Estimated Assessed Valuation</u>
SHI-III Briarcliff Reit LLC	Senior Apartments	\$ 92,935,600
Con Edison Co. of NY	Utility	27,075,600
Atria Briarcliff Manor LLC (VTR) ⁽¹⁾	Senior Assisted Living	18,759,100
Sleepy Hollow Country Club ⁽¹⁾	Golf Club	13,619,000
Gutfleish, Ronald	Private Estate	12,537,100
Briar Hill Owners Corp ⁽¹⁾	Cooperative	10,738,900
Sapphire HC Realty LLC ⁽¹⁾	Nursing Care Facility	10,572,400
Trump National Golf Club, LLC	Golf Club	9,500,000
Tudor III Realty LLC ⁽¹⁾	Realty Agency	8,261,600
Briarcliff Manor Houses Inc	Cooperative	8,082,200

The largest taxpayers listed above have a total assessed valuation of \$212,081,500, which represents 14.47% of the tax base of the District for the 2022-23 fiscal year.

- ⁽¹⁾ The District currently has multiple pending tax certiorari claims to reduce assessments. The outcome of these claims is not known as of the date of this Official Statement. The District has tax certiorari reserves dedicated to tax certiorari claims should they be decided adversely to the District. (See “LITIGATION” herein.)

Source: District Tax Rolls.

Additional Tax Information

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

The Town of Mount Pleasant offers the following exemptions to those who qualify: Veteran’s Exemption, Disability Exemption, and Low-Income Senior Exemption.

The Town of Ossining offers the following exemptions to those who qualify: Alternative Veteran’s Exemption, Disability Exemption, Low Income Senior Exemption, and Clergy Exemption.

In the Town of Mount Pleasant, the breakdown of the taxable assessed value of property is 86% residential and 14% commercial/utility. In the Town of Ossining, the breakdown of the taxable assessed value of property is 67% residential and 33% non-residential.

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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>Towns of:</u>	<u>Enhanced Exemption</u>	<u>Basic Exemption</u>	<u>Date Certified</u>
Mount Pleasant	\$ 2,850	\$ 1,050	10/13/2022
Ossining	217,750	80,250	10/13/2022

\$1,430,620 of the District’s \$44,798,025 school tax levy for the 2022-2023 fiscal year was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2023.

Approximately \$1,423,202 of the District’s \$45,018,025 school tax levy for the 2023-2024 fiscal year is expected to be exempt by the STAR Program. The District anticipates receiving full reimbursement of such exempt taxes from the State by January 2024.

TAX LEVY LIMITATION LAW

Chapter 97 of the New York 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 could either have presented a revised budget for voter approval or adopted 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 bonds or notes issued to finance voter approved capital expenditures (such as the Notes) and the refinancing or refunding of such bonds 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.

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 Notes:

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 LIMITATION 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 Notes.

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 Notes. However, such finance board may delegate the power to sell the Notes 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 30:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Bonds	\$ 16,255,000	\$ 12,925,000	\$ 9,440,000	\$ 7,200,000	\$ 5,890,000
Bond Anticipation Notes	0	0	2,170,476	2,177,000	6,347,000
Tax Anticipation Notes	0	0	0	0	0
Other Debt ⁽¹⁾	<u>0</u>	<u>220,352</u>	<u>766,076</u>	<u>639,865</u>	<u>413,948</u>
Total Debt Outstanding	\$ 16,255,000	\$ 13,145,352	\$ 12,376,552	\$ 10,016,865	\$ 12,650,948

⁽¹⁾ Represents installment purchase debt.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District as of May 30, 2023:

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
Bonds	2023-2030	\$ 5,890,000
Bond Anticipation Notes		
Capital Project	June 29, 2023	<u>6,000,000</u> ⁽¹⁾
Total Indebtedness		\$ 11,890,000

⁽¹⁾ To be redeemed and partially renewed at maturity with the proceeds of the Notes and available District funds.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of May 30, 2023:

Full Valuation of Taxable Real Property	\$ 2,052,333,648
Debt Limit – 10% thereof	205,233,365

Inclusions:

Bonds	\$ 5,890,000	
Bond Anticipation Notes	<u>6,000,000</u>	
Total Inclusions		<u>\$ 11,890,000</u>

Exclusions:

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

Total Net Indebtedness \$ 11,890,000

Net Debt-Contracting Margin \$ 193,343,365

The percent of debt contracting power exhausted is 5.79%

⁽¹⁾ Based on preliminary 2023-2024 building aid estimates, the District anticipates State Building aid of 35.7% 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 above figures are as of May 30, 2023 and do not include the increase in indebtedness which will result from the issuance of the Notes.

The State Constitution does not provide for the inclusion of tax anticipation or revenue anticipation notes in the computation of the net indebtedness of the 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 found it necessary to issue revenue anticipation notes in past five years, and does not anticipate issuing revenue anticipation notes in the foreseeable future.

Capital Project Plans

On May 18, 2021 the District voters approved a \$26.6 million capital project for reconstruction and improvements to District buildings and facilities (the “Project”). The District issued \$6,000,000 bond anticipation notes on June 29, 2022 maturing June 29, 2023 (the “BAN”) as the first borrowing for the aforementioned purpose. A \$4,620,000 portion of the proceeds of the Notes, along with \$1,380,000 available funds of the District, will redeem the BAN. The \$15,000,000 balance of the proceeds of the Notes will provide additional financing for the Project.

The District is contemplating an Energy Performance Contract. The size and scope of the project have not been determined as of the date of this Official Statement.

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 of the respective 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	1.08%	\$ 10,060,713
Town of:						
Mount Pleasant	12/31/2021	61,019,142	26,607,152	34,411,990	5.56%	1,913,307
Ossining	12/31/2021	6,789,984	-	6,789,984	28.52%	1,936,503
Village of:						
Briarcliff Manor	5/31/2022	42,169,326	15,183,739	26,985,587	100.00%	26,985,587
					Total:	<u>\$ 40,896,110</u>

⁽¹⁾ Bonds and bond anticipation notes are as of the 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 30, 2023:

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness ^(c)	\$ 11,890,000	\$ 1,583.22	0.58%
Net Indebtedness Plus Net Overlapping Indebtedness ^(d)	52,786,110	7,028.78	2.57

(a) The 2021 estimated population of the District is 7,510. (See "THE SCHOOL DISTRICT – Population" herein.)

(b) The District's full value of taxable real estate for 2022-23 is \$2,052,333,648. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)

(c) See "Debt Statement Summary" herein.

(d) Estimated net overlapping indebtedness is \$40,896,110. (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 Notes. The following is a discussion of certain events that could affect the risk of investing in the Notes. 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 Notes.

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 Notes. 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 Notes, 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" and "Events Affecting New York School Districts" 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 Notes, for income taxation purposes could have an adverse effect on the market value of the Notes (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 Notes. (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 Notes.

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.

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 Notes 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 Notes 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 Notes 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 Notes 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 Notes, 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 Notes 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 Notes 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 Notes, 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 Notes.

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 Notes in order that interest on the Notes 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 Notes, 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 Notes 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 Notes 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 Notes. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Note. 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 Notes.

Prospective owners of the Notes 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 Notes 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 Note (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 Notes. In general, the issue price for each maturity of Notes 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 Notes having OID (a “Discount Note”), OID that has accrued and is properly allocable to the owners of the Discount Notes 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 Notes.

In general, under Section 1288 of the Code, OID on a Discount Note 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 Note. An owner’s adjusted basis in a Discount Note is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Note. 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 Note even though there will not be a corresponding cash payment.

Owners of Discount Notes 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 Notes.

Note Premium

In general, if an owner acquires a Note 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 Note 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 Note (a “Premium Note”). In general, under Section 171 of the Code, an owner of a Premium Note must amortize the bond premium over the remaining term of the Premium Note, based on the owner’s yield over the remaining term of the Premium Note determined based on constant yield principles (in certain cases involving a Premium Note 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 note). An owner of a Premium Note 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 Note, 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 Note may realize a taxable gain upon disposition of the Premium Note 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 Notes 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 Notes.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Notes. 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 Note 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 Notes 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 Notes under federal or state law or otherwise prevent beneficial owners of the Notes 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 Notes.

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

LITIGATION

The District is subject to a number of lawsuits in the ordinary conduct of its affairs, including tax certiorari proceedings. There are pending tax 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 upon the outcome of the proceedings. However, the amount of these possible refunds cannot be determined at the present time. The School District has established a tax certiorari reserve fund for the purpose of paying for such refunds. Any payments resulting from adverse decisions will be funded in the year the payment is made. 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.

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 bonds and notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the bonds and notes or any proceedings or authority of the District taken with respect to the authorization, issuance or sale of the bonds and notes or contesting the corporate existence or boundaries of the District.

UNDERTAKING TO PROVIDE NOTICES OF EVENTS

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-D – FORM OF UNDERTAKING TO PROVIDE NOTICES OF EVENTS".

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 financial advisor to the District on matters relating to debt management. The Municipal Advisor is a financial 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 Notes. The advice on the plan of financing and the structuring of the Notes 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 Fiscal Advisors are partially contingent on the successful closing of the Notes.

CUSIP IDENTIFICATION NUMBERS

If issued as book-entry-only notes, 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 Notes 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.

RATINGS

The Notes are not rated. The purchaser(s) of the Notes may choose to have a rating completed after the sale with the approval of the School District and at the expense of the purchaser(s), including any fees to be incurred by the District, as such rating action that may result in a material event notification to be posted to EMMA, and/or the provision of a supplement to the final Official Statement.

Moody's Investors Service, Inc. ("Moody's") has assigned its underlying rating of "Aa2" to the District's outstanding bonds. A rating reflects only the view of the rating agency assigning such rating, and any desired explanation of the significance of such rating should be obtained from Moody's, 7 World Trade Center, 250 Greenwich St., 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.

MISCELLANEOUS

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 Notes.

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 Notes.

Hawkins, Delafield & Wood, LLP, New York, New York, Bond Counsel to the District, expresses no opinions as to the accuracy or completeness of information in any documents prepared by or on behalf of the District for use in connection with the offer and sale of the Notes, including but not limited to, the financial or statistical information in this Official Statement.

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 Notes, 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 Notes 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.

The District will act as Paying Agent for the Notes. The District's contact information is as follows: John Brucato, Assistant Superintendent for Finance & Operations, 45 Ingham Road, Briarcliff Manor, New York 10510, Phone: (914) 432-8116, Fax: (914) 941-6613, Email: jbrucato@briarcliffschools.org.

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

This Official Statement has been duly executed and delivered by the President of the Board of Education of the District.

BRIARCLIFF MANOR UNION FREE SCHOOL DISTRICT

Dated: June __, 2023

MICHAEL HABERMAN
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 equivalents	\$ 6,120,540	\$ 9,089,035	\$ 10,027,957	\$ 11,465,182	\$ 12,352,773
Accounts Receivable	40,898	42,899	130,342	18,650	96,442
State and Federal Aid Receivable	135,044	127,932	104,960	173,818	108,153
Due from Other Funds	357,429	240,437	257,485	467,736	699,841
Due from Other Governments	3,598,354	1,502,290	1,686,192	1,007,107	845,505
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 10,252,265</u>	<u>\$ 11,002,593</u>	<u>\$ 12,206,936</u>	<u>\$ 13,132,493</u>	<u>\$ 14,102,714</u>
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable	\$ 705,085	\$ 886,869	\$ 782,553	\$ 612,523	\$ 920,430
Accrued Liabilities	210,153	68,492	110,344	294,268	213,829
Tax Anticipation Notes Payable	-	-	-	-	-
Due to Other Funds	-	-	545	48,912	397
Due to Other Governments	21,979	-	-	83,646	144,809
Due to Retirement Systems	2,312,044	2,540,518	2,162,878	2,418,826	2,437,465
Deposits payable	-	-	-	42,462	49,748
Unearned Revenues	-	-	13,720	14,719	5,764
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>3,249,261</u>	<u>3,495,879</u>	<u>3,070,040</u>	<u>3,515,356</u>	<u>3,772,442</u>
<u>FUND EQUITY</u>					
Restricted:	\$ 3,831,464	\$ 4,156,517	\$ 4,699,672	\$ 6,133,923	\$ 4,789,962
Unrestricted:					
Assigned	1,083,683	1,242,600	2,148,761	1,337,392	3,272,610
Unassigned	2,087,857	2,107,597	2,288,463	2,145,822	2,267,700
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUND EQUITY	<u>7,003,004</u>	<u>7,506,714</u>	<u>9,136,896</u>	<u>9,617,137</u>	<u>10,330,272</u>
 TOTAL LIABILITIES and FUND EQUITY	 <u>\$ 10,252,265</u>	 <u>\$ 11,002,593</u>	 <u>\$ 12,206,936</u>	 <u>\$ 13,132,493</u>	 <u>\$ 14,102,714</u>

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>REVENUES</u>					
Real Property Taxes	\$ 36,683,182	\$ 37,283,561	\$ 38,192,617	\$ 39,933,500	\$ 41,366,222
Other Tax Items	3,021,310	2,856,940	2,561,545	1,969,924	1,683,558
Non-Property Taxes	417,659	446,207	457,225	605,798	736,403
Charges for Services	4,594,575	3,014,089	5,112,173	4,136,071	3,781,807
Use of Money and Property	64,250	148,521	221,541	137,482	22,301
Sale of Property and					
Compensation for Loss	2,876	16,414	3,675	17,020	6,489
Miscellaneous	309,679	257,378	222,473	197,686	293,191
Revenues from State Sources	5,432,779	5,578,341	5,347,819	4,881,844	4,464,474
Revenues from Federal Sources	-	-	-	-	53,799
Total Revenues	<u>\$ 50,526,310</u>	<u>\$ 49,601,451</u>	<u>\$ 52,119,068</u>	<u>\$ 51,879,325</u>	<u>\$ 52,408,244</u>
Other Sources:					
Interfund Transfers	<u>-</u>	<u>155,135</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues and Other Sources	<u>50,526,310</u>	<u>49,756,586</u>	<u>52,119,068</u>	<u>51,879,325</u>	<u>52,408,244</u>
<u>EXPENDITURES</u>					
General Support	\$ 5,921,822	\$ 6,239,255	\$ 6,732,201	\$ 6,261,658	\$ 7,038,991
Instruction	27,380,110	27,929,687	28,592,002	27,943,402	28,171,698
Pupil Transportation	2,098,298	2,179,350	2,308,591	2,173,157	2,663,747
Community Services	-	-	-	-	-
Employee Benefits	9,116,034	9,265,205	9,675,082	9,379,572	9,943,128
Debt Service	3,851,722	3,876,976	3,941,154	4,110,927	2,795,906
Total Expenditures	<u>\$ 48,367,986</u>	<u>\$ 49,490,473</u>	<u>\$ 51,249,030</u>	<u>\$ 49,868,716</u>	<u>\$ 50,613,470</u>
Other Uses:					
Interfund Transfers	<u>347,522</u>	<u>326,885</u>	<u>366,328</u>	<u>380,427</u>	<u>1,314,533</u>
Total Expenditures and Other Uses	<u>48,715,508</u>	<u>49,817,358</u>	<u>51,615,358</u>	<u>50,249,143</u>	<u>51,928,003</u>
Excess (Deficit) Revenues Over					
Expenditures	<u>1,810,802</u>	<u>(60,772)</u>	<u>503,710</u>	<u>1,630,182</u>	<u>480,241</u>
<u>FUND BALANCE</u>					
Fund Balance - Beginning of Year	5,252,974	7,063,776	7,003,004	7,506,714	9,136,896
Prior Period Adjustments (net)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 7,063,776</u>	<u>\$ 7,003,004</u>	<u>\$ 7,506,714</u>	<u>\$ 9,136,896</u>	<u>\$ 9,617,137</u>

Note: Charges for Services figures consist of tuition, building usage fees, student fees, and food service revenues.

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
	Adopted Budget	Final Budget	Actual	Adopted Budget	Adopted Budget
REVENUES					
Real Property Taxes	\$ 43,696,931	\$ 42,151,184	\$ 42,043,613	\$ 44,898,025	\$ 45,018,025
Other Tax Items	-	1,545,747	1,545,747	-	-
Non-Property Tax Items	690,000	690,000	708,822	690,000	730,000
Charges for Services	3,953,211	3,956,186	4,227,460	3,865,281	4,945,332
Use of Money & Property	69,480	69,480	83,047	69,480	299,050
Sale of Property and Compensation for Loss	-	4,000	8,322	4,000	-
Miscellaneous	148,225	141,250	234,749	150,225	134,950
Revenues from State Sources	4,112,436	4,112,436	3,873,593	3,839,013	4,219,691
Revenues from Federal Sources	-	-	114,226	-	-
Total Revenues	<u>\$ 52,670,283</u>	<u>\$ 52,670,283</u>	<u>\$ 52,839,579</u>	<u>\$ 53,516,024</u>	<u>\$ 55,347,048</u>
Other Sources:					
Interfund Transfers	-	-	-	-	2,372,361
Total Revenues and Other Sources	<u>52,670,283</u>	<u>52,670,283</u>	<u>52,839,579</u>	<u>53,516,024</u>	<u>57,719,409</u>
EXPENDITURES					
General Support	\$ 7,952,639	\$ 9,134,433	\$ 8,368,262	\$ 9,841,068	\$ 8,726,401
Instruction	28,917,889	29,033,705	27,574,657	29,065,964	30,675,076
Pupil Transportation	2,493,349	2,590,649	2,522,503	2,591,580	2,712,568
Community Services	-	-	-	-	-
Employee Benefits	10,481,025	10,232,024	10,031,672	10,644,174	11,509,177
Debt Service	3,314,484	1,484,484	1,436,505	3,372,622	3,601,188
Total Expenditures	<u>\$ 53,159,384</u>	<u>\$ 52,475,295</u>	<u>\$ 49,933,599</u>	<u>\$ 55,515,408</u>	<u>\$ 57,224,409</u>
Other Uses:					
Interfund Transfers	532,899	2,357,899	2,192,845	765,000	495,000
Total Expenditures and Other Uses	<u>53,692,283</u>	<u>54,833,194</u>	<u>52,126,444</u>	<u>56,280,408</u>	<u>57,719,409</u>
Excess (Deficit) Revenues Over Expenditures	<u>(1,022,000)</u>	<u>(2,162,911)</u>	<u>713,135</u>	<u>(2,764,384)</u>	<u>-</u>
FUND BALANCE					
Fund Balance - Beginning of Year	1,022,000	2,162,911	9,617,137	2,764,384	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,330,272</u>	<u>\$ -</u>	<u>\$ -</u>

Note: Charges for Services figures consist of tuition, extraclassroom revenues (starting in the 2020-21 fiscal year), building usage fees, student fees, and food service revenues.

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

APPENDIX - B
Briarcliff Manor UFSD

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2023	\$ 755,000	\$ 230,350.00	\$ 985,350.00
2024	720,000	202,400.00	922,400.00
2025	750,000	175,100.00	925,100.00
2026	700,000	146,600.00	846,600.00
2027	730,000	118,600.00	848,600.00
2028	760,000	89,400.00	849,400.00
2029	785,000	59,000.00	844,000.00
2030	690,000	27,600.00	717,600.00
TOTALS	\$ 5,890,000	\$ 1,049,050.00	\$ 6,939,050.00

APPENDIX - B1
Briarcliff Manor UFSD

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	\$450,000 2015 BOCES Project			\$575,000 2016 Capital Project			\$5,615,000 2022 Refunding of 2015 Series B		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 60,000	\$ 1,725.00	\$ 61,725.00	\$ 70,000	\$ 4,225.00	\$ 74,225.00	\$ 625,000	\$ 224,400.00	\$ 849,400.00
2024	-	-	-	75,000	3,000.00	78,000.00	645,000	199,400.00	844,400.00
2025	-	-	-	75,000	1,500.00	76,500.00	675,000	173,600.00	848,600.00
2026	-	-	-	-	-	-	700,000	146,600.00	846,600.00
2027	-	-	-	-	-	-	730,000	118,600.00	848,600.00
2028	-	-	-	-	-	-	760,000	89,400.00	849,400.00
2029	-	-	-	-	-	-	785,000	59,000.00	844,000.00
2030	-	-	-	-	-	-	690,000	27,600.00	717,600.00
TOTALS	\$ 60,000	\$ 1,725.00	\$ 61,725.00	\$ 220,000	\$ 8,725.00	\$ 228,725.00	\$ 5,610,000	\$1,038,600.00	\$6,648,600.00

FORM OF APPROVING LEGAL OPINION

June 28, 2023

The Board of Education of the
Briarcliff Manor Union Free School District,
in the County of Westchester, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Briarcliff Manor Union Free School District, (the “School District”), in the County of Westchester, 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 \$19,620,000 Bond Anticipation Note-2023 (the “Note”), dated and delivered on 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 upon and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Note is a valid and legally binding general obligation 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 Note and interest thereon without limitation as to rate or amount. The enforceability of rights or remedies with respect to such Note 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 Note 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 Note 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 Notes 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 Note in order that the interest on the Note be and remain excludable from gross income for federal income tax purposes 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 Note, restrictions on the investment of proceeds of the Note 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 Note 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 Note, the School District will execute a Tax Certificate relating to the Note 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 Note 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 Note, 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 Note 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 Note, 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 Note.

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

Very truly yours,

FORM OF UNDERTAKING TO PROVIDE NOTICES OF EVENTS

Section 1. Definitions

“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 **Briarcliff Manor 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.

“Purchaser” shall mean the financial institution referred to in the Certificate of Determination, executed by the President of the Board of Education as of June 28, 2023.

“Rule 15c2-12” shall mean Rule 15c2-12 under the Securities Exchange Act of 1934, as amended through the date of this Undertaking, including any official interpretations thereof.

“Securities” shall mean the Issuer’s \$19,620,000 Bond Anticipation Note-2023, dated June 28, 2023, maturing on June 28, 2024, and delivered on the date hereof.

Section 2. Obligation to Provide Notices of Events. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided to the Electronic Municipal Market Access (“EMMA”) System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of such Board contemplated by the Undertaking, in a timely manner, not in excess of ten (10) business days after the occurrence of any 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 material 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; and
- (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, priorities 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.

(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. 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 4. Parties in Interest. This Undertaking is executed to assist the Purchaser to comply with (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 5. 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 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 5 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 6. 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 in accordance with 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.

Section 7. 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 8. 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 28, 2023**.

BRIARCLIFF MANOR UNION FREE SCHOOL DISTRICT

By _____
President of the Board of Education

**BRIARCLIFF MANOR UNION FREE SCHOOL DISTRICT
WESTCHESTER COUNTY, NEW YORK**

AUDITED FINANCIAL STATEMENTS

FISCAL YEAR ENDED 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.

**Briarcliff Manor Union Free
School District, New York**

Financial Statements and
Supplementary Information

Year Ended June 30, 2022

Briarcliff Manor Union Free School District, New York

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Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Briarcliff Manor 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 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Supplementary Information

Our audit for the year ended June 30, 2022 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual fund financial statements and schedules for the year ended June 30, 2022 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information are 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 are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2022.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the School District as of and for the year ended June 30, 2021 (not presented herein), and have issued our report thereon dated October 5, 2021, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended June 30, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the June 30, 2021 financial statements. The information was subjected to the auditing procedures applied in the audit of the June 30, 2021 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2021.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2022 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

October 4, 2022

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

Independent Auditors' Report

**The Board of Education of the
Briarcliff Manor 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 Briarcliff Manor Union Free School District, New York ("School District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 4, 2022.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

October 4, 2022

Briarcliff Manor Union Free School District, New York

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

Introduction

Our discussion and analysis of the Briarcliff Manor 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. To enhance your understanding of the School District's financial performance, it should be read in conjunction with the basic financial statements that immediately follow this section.

Financial Highlights

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

- At the close of the current fiscal year, the School District's governmental funds financial statement shows a combined ending fund balance of \$8,094,710, a decrease of \$126,756 from the prior year. This decrease is due to the issuance of Bond Anticipation Notes ("BANs") to finance construction on capital projects. The debt is reported as a liability of the Capital Projects Fund and any expenditures incurred during the year create a temporary deficit since there are no revenues or other financing sources reported in the fund. The deficit will be eliminated when proceeds received from bonds issued to pay off the BANs are recognized as revenue.
- New York State Law limits the amount of unassigned fund balance that can be retained by the General Fund to 4% of the ensuing year's budget. At the end of the current fiscal year, this amount for the General Fund was \$2,267,700 or 4.03%.
- The School District's objective when planning capital improvement projects is to have bond payments financing new construction go into effect as debt service payments for prior projects are retired from the books. This keeps current debt service levels stable so that financing new capital projects can occur without the need to increase taxes. During the current fiscal year, the School District retired \$6,925,000 (\$6,100,000 of which resulted from an advance refunding) of serial bonds issued in previous years for various capital projects and had \$6,347,000 of bond anticipation notes outstanding to finance current capital projects. The School District issued \$5,615,000 in serial bonds, and the proceeds were used to advance refund \$6,100,000 of the 2015 public improvement serial bonds. The refunding reduces total debt service payments by \$296,663 over 8 years.
- On the district-wide financial statements, the liabilities and deferred inflows of resources of the School District exceeded the assets and deferred outflows of resources at the close of its most recent fiscal year by \$52,009,785. This represented an increase of \$545,394 for the year ended June 30, 2022.
- The School District is committed to provide postemployment benefits to its employees in the form of pensions and healthcare. As a result, the School District has recognized substantial liabilities in the district-wide financial statements for these benefits. As of June 30, 2022, the School District had liabilities of \$112,270,037 for other postemployment benefits recorded in accordance with the provisions of GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"* ("OPEB").

- The School District also reported \$23,814,310 for its proportionate share of the net pension assets of the New York State and Local Employees' Retirement System ("ERS") and the New York State Teachers' Retirement System ("TRS") recorded in accordance with the provisions of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*". More detailed information about the School District's OPEB and pension reporting is presented in Note 3E in the notes to financial statements.

Overview of the Financial Statements

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

District-Wide Financial Statements

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

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

Fund Financial Statements

- A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the School District can be divided into two categories: governmental funds and fiduciary funds.
- *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the School District's near-term financing requirements.

- Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the School District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.
- The School District maintains six individual governmental funds; General Fund, Special Aid Fund, School Lunch Fund, Special Purpose Fund, Debt Service Fund, and Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Capital Projects, and Debt Service funds, which are considered to be major funds. Data for the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.
- The School District adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the budget.
- The *Fiduciary Funds* are used to account for assets held by the School District on behalf of others. In accordance with the provisions of GASB Statement No. 84, the School District had no such activity to report in this fund category.

Notes to Financial Statements

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

Other Information

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

District-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the School District's financial position. In the case of the Briarcliff Manor Union Free School District, New York at the close of the current fiscal year, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$52,009,785.

	June 30,	
	2022	2021
Current Assets	\$ 43,112,072	\$ 14,704,369
Capital Assets, net	42,824,111	42,174,897
Total Assets	85,936,183	56,879,266
Deferred Outflows of Resources	35,659,096	39,832,027
Current Liabilities	11,214,016	6,493,162
Long-Term Liabilities	120,457,222	125,081,225
Total Liabilities	131,671,238	131,574,387
Deferred Inflows of Resources	41,933,826	17,692,085
NET POSITION		
Net Investment in Capital Assets	33,666,024	33,324,497
Liability and Casualty Claims	220,811	220,784
Debt Service	89,561	24,253
Tax Certiorari	3,437,416	4,677,428
Retirement Contributions	706,965	706,791
Special Purposes	155,068	156,136
Capital Projects	110,157	72,353
Unrestricted	(90,395,787)	(91,737,421)
Total Net Position	\$ (52,009,785)	\$ (52,555,179)

Current assets increased by \$28,407,703 from the prior year mainly because the School District received \$6,055,076 in BAN proceeds on June 29, 2022 and the change in the asset recorded for the pension system. The timing of the BAN resulted in a higher cash balance in the Capital Fund at year-end since payments to contractors for capital construction projects didn't take place until the next fiscal year. The District also had more cash on hand at year-end in the General Fund due to realizing a higher net budgetary surplus than in the prior year. This was utilized to increase the amount used to offset the tax levy for the 2022-23 school year.

Long-term liabilities, which consist of general obligation bonds, installment purchase debt, compensated absences, and OPEB liabilities, decreased by \$4,624,003 from the previous year. The OPEB liability decreased by \$890,679 primarily due to changes in experience from lower than assumed age-adjusted premiums, and changes to assumptions and other inputs since the previous GASB Statement No. 75 Annual Report. In addition, investment gains for both ERS and TRS pension systems resulted in the net pension liabilities decreasing by \$3,548,687 and shifting to net pension assets.

A large component of the School District's net position (\$33,666,024) reflects its investment in capital assets, net of accumulated depreciation and less any related debt that is still outstanding that was used to acquire those assets. The School District uses these capital assets to provide services to students and consequently, these assets are not available for future spending. Although the School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Those assets subject to external restrictions listed above constitute \$4,719,978 of net position and are comprised of amounts restricted for specific purposes, i.e., payments of tax certiorari claims, capital projects, debt service, retirement contributions, etc. There is a negative balance of unrestricted net position of \$90,395,787, primarily a result of the recognition of the OPEB liabilities. Overall, net position increased by \$545,394.

Changes in Net Position

	June 30,	
	2022	2021
PROGRAM REVENUES		
Charges for Services	\$ 5,012,933	\$ 3,963,651
Operating Grants and Contributions	820,013	702,445
Capital Grants and Contributions	55,308	496
Total Program Revenues	5,888,254	4,666,592
General Revenues		
Real Property Taxes	42,043,613	41,366,222
Other Tax Items	1,545,747	1,683,558
Non-Property Taxes	708,822	736,403
Unrestricted Use of Money and Property (Interest and Rental Revenues)	8,905	1,879
Sale of Property and Compensation for Loss	8,322	6,489
Unrestricted State Aid	3,758,917	4,348,293
Miscellaneous	234,749	293,191
Total General Revenues	48,309,075	48,436,035
Total Revenues	54,197,329	53,102,627
PROGRAM EXPENSES		
General Support	9,984,290	8,377,084
Instruction	40,238,915	46,209,974
Pupil Transportation	2,582,327	2,768,918
Interest	190,854	247,927
Cost of Food Sales	644,387	220,953
Other	11,162	2,200
Total Expenses	53,651,935	57,827,056
Change in Net Position	545,394	(4,724,429)
NET POSITION		
Beginning, as reported	(52,555,179)	(47,919,071)
Cumulative Effect of Change in Accounting Principle	-	88,321
Beginning, as restated	(52,555,179)	(47,830,750)
Ending	\$ (52,009,785)	\$ (52,555,179)

Major contributing factors to changes in Net Position:

Revenues:

- Charges for services increased by \$1,049,282 or 26.47%, mostly due to increases in cafeteria sales, tuition revenue, and building use fees. Cafeteria sales increased by \$548,806 or 653.11%, as cafeterias reopened after closing for the 2020-21 school year. Tuition for non-resident students increased by \$427,785 or 11.38%. Tuition rates increased in 2021-22 and tuition rate adjustments from the prior year, billed and collected in the current year, were also higher. Fees for building use increased by \$53,607 as outside groups were again allowed to access School District facilities.
- Real property tax revenues increased by \$677,391 or 1.64%. The School District relies upon real property taxes as its primary source of revenue. Non-property revenues and assigned fund balance are the other revenue sources used to bring the budget into balance. There were projected decreases in these other revenue sources for the 2021-2022 school year, so additional real property tax revenues were levied to support the School District's goals and priorities identified in the proposed budget.
- Unrestricted state aid decreased by \$589,376 or 13.55%, mainly due to a reduction in BOCES and building aids. The School District had less BOCES aidable expenditures in 2020-21 (on which 2021-22 aid was based) than in 2019-20 (on which 2020-21 aid was based). The reduction in building aid was related to the retirement of debt service due for previous capital projects.
- Other tax items include revenues received for the School Tax Assessment Relief Program ("STAR"). The STAR Program provides tax relief to homeowners by decreasing the assessments taxable to the homeowner or by providing a refund of a portion of school taxes paid. As a result of changes to the NYS law, this revenue decreased by \$137,811 during the 2021-2022 fiscal year and has decreased by \$1,678,396, approximately 52%, in the past six years shifting this burden from the state to the taxpayers.

Expenses:

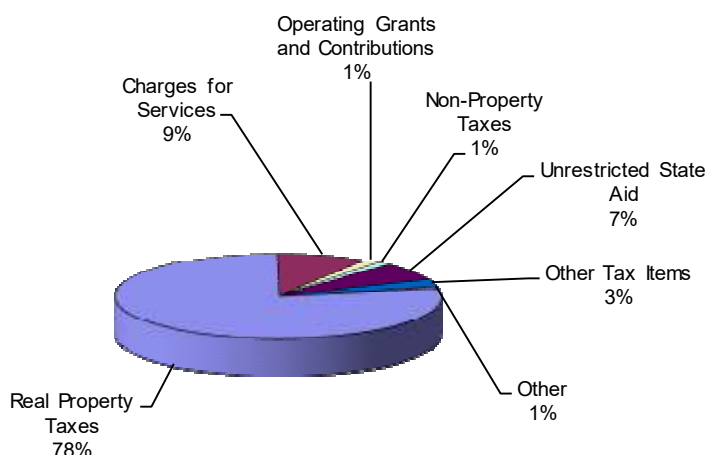
- General Support expenses increased by \$1,607,206 or 19.19% over the prior year. New positions were added in the Business and District offices for Asst. Business Manager and Director of Human Resources. New positions were added in Database Processing for an Asst. Director of Technology, Technical Support Specialists (2), and an Information Technology Intern. There were increased salary expenses for Facilities Operations & Maintenance personnel that were partially offset by salary reductions in Security personnel. Utility expenses increased significantly due to volatility in the energy markets. Expenses for District-wide improvements and repairs also increased as work that had been previously postponed took place in 2021-22. The School District also paid four costly tax certiorari judgments during the 2021-22 year compared to one smaller judgment in the prior year. Covid-related expenditures decreased as no additional purchases of goods and services were necessary to maintain the level of heightened sanitary conditions required in 2020-21. Various GASB Statement No. 34 District-wide accruals also added to the increase in General Support expenses.
- Instructional program expenses decreased by \$5,971,059 or 12.92% from the prior year. This was primarily the result of GASB Statement No. 34 District-wide accruals for pensions, OPEB, and capital outlay. The major contributing factor for the decrease was the change from pension liabilities in 2020-21 to pension assets in 2021-22. There were also decreased salary expenses because of employee attrition, as well as the elimination of teaching assistant positions added in 2020-21 for class size reduction to meet social distancing protocols. Substitute teacher expenses were also lower due to less Covid-related absenteeism. Savings resulted from less copier usage and contracting directly with Cablevision for telephone/internet services. These decreases offset some

increased expenses for the newly added positions of Director of Curriculum & Instruction and Asst. to the Director of Pupil Personnel Services. There were also increased expenses for District-wide classroom furniture purchases, guidance salaries, co-curricular and athletic expenses as student programs returned to normal levels, professional development costs, and contractual salary obligations.

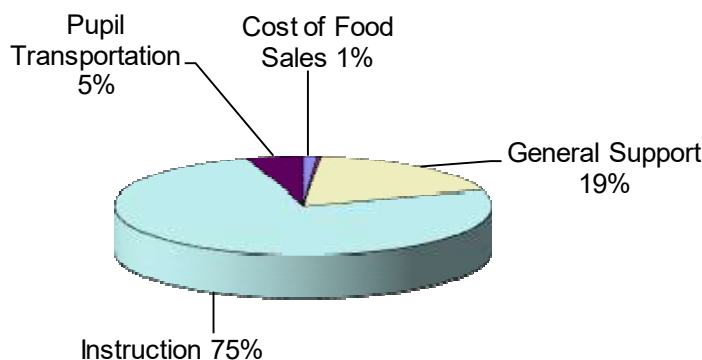
- Pupil transportation expenditures decreased by \$186,591 or 6.74% as the School District eliminated the additional bus runs it had added and reduced the number of bus monitors hired in the prior year to help maintain social distancing protocols.
- Cost of Food Sales increased by \$423,434 or 191.64%. Student participation returned to normal as the cafeterias were reopened for the year and students were no longer required to eat lunch in their classrooms.

The following graphs depict where the School District revenues were derived and how monies were spent. As you can see, the School District relies upon real property taxes for 78% of its revenue, while the School District's largest expense, instructional costs, accounts for 75% of total expenses.

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



**Expenses for Fiscal Year 2022
Governmental Activities**



Financial Analysis of the School District's Funds

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

Governmental Funds

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

As of the end of the current fiscal year, the School District's governmental funds reported combined fund balances of \$8,094,710, a decrease of \$126,756 from the prior year. This decrease is due to the issuance of BANs to finance construction on capital projects. The debt is reported as a liability of the Capital Projects Fund and any expenditures incurred during the year create a temporary deficit since there are no revenues or other financing sources reported in the fund. The deficit will be eliminated when proceeds received from bonds issued to pay off the BANs are recognized as revenue. The \$8,094,710 fund balance consists of the following:

Restricted:		
	Liability and casualty claims	\$ 220,811
	Tax certiorari	3,437,416
	Employee benefit accrued liability	424,770
	ERS retirement contributions	272,917
	TRS retirement contributions	434,048
	Debt service	89,561
	Special purposes	<u>155,068</u>
Total Restricted		<u>5,034,591</u>
Assigned:		
	Purchases on order	
	General government support	218,345
	Instruction	180,211
	Employee benefits	<u>9,670</u>
		408,226
	Subsequent year's expenditures	2,864,384
	School Lunch Fund	<u>1,987</u>
Total Assigned		<u>3,274,597</u>
Unassigned		<u>(214,478)</u>
Total Fund Balances		<u><u>\$ 8,094,710</u></u>

The General Fund is the primary operating fund of the School District. At the end of the current fiscal year, the total fund balance of the General Fund was \$10,330,272. This represents an increase of \$713,135 from the prior year. Combined higher than expected revenues and lower than anticipated expenses created a large surplus for the 2021-22 school year. The surplus was allocated to various restricted components of fund balance, where appropriate, and the remainder is in unassigned fund balance. The amount of the unassigned fund balance is \$2,267,700 or 4.03% of the ensuing year's budget.

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

General Fund Budgetary Highlights – 2021-2022

The original, voter approved adopted budget of \$53,692,283 was increased by \$315,392 as a result of the rollover of prior year encumbrances for a total original budget of \$54,007,675. The budget was further revised during the 2021-2022 fiscal year by a total of \$825,519 from the appropriation of fund balance from the Employee Benefit Accrued Liability Reserve (EBALR), and the Tax Certiorari Reserve. As a result, the final budget totaled \$54,833,194.

Revenue Highlights include:

- Charges for Services were higher than budgeted mainly due to increased tuition revenue because of larger than projected special education student enrollment from other districts. Prior year tuition rate adjustments, billed and collected in 2021-2022, were also higher than projected.
- Federal aid was more than budgeted. FEMA reimbursed the School District for prior year Covid expenditures.
- State aid was lower than budgeted because projected transportation expenses used in the calculation of state aid were higher than necessary. This was caused by the uncertainty of whether the School District would need the same number of additional bus routes and monitors as was necessary in 2020-21 due to Covid and the need to maintain social distancing.

Expenditure Highlights include:

- Instruction expenses were less than budgeted as certain open positions remaining unfilled during the school year. In addition, substitute teacher expenses, BOCES costs, Special Education tuition and consultations, contractual payments to other districts for health services, psychological services, social work services, co-curricular activities, and athletic expenses were lower than anticipated.
- Central services costs were lower than budgeted for various items such as utilities, custodial supplies, and equipment repairs.
- Employee benefits expenses were less than anticipated for the Employees Retirement System, Teachers Retirement System, Social Security, and union welfare benefits.

The net increase in fund balance in the General Fund was \$713,135 resulting in an ending balance of \$10,330,272 or 18.36% of the ensuing year's budget.

For the Future

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

Enrollment:

Apart from 2016-2017, enrollment has steadily decreased from 2013-14 to 2021-2022. Declining enrollment negatively impacts state aid, and requires a thoughtful examination of staffing levels, and the sustainability of certain academic courses and programs. The projected enrollment for the 2022-2023 school year is 1,352 students.

Briarcliff Manor Union Free School District's Changing Enrollment

	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
K-5	605	582	562	552	519	508	509	528	534
6-8	363	348	346	351	359	357	314	282	267
9-12	585	592	561	583	548	563	563	546	535
Out of District	13	18	13	20	20	17	18	19	18
Ungraded	0	0	0	1	1	0	0	0	0
Total	1566	1540	1482	1507	1447	1445	1404	1375	1354

Budget:

The School District is heavily dependent upon real property taxes as they represent approximately 78% of School District revenues (exclusive of STAR).

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

Capital Assets

As of June 30, 2022, the School District had \$42,824,111, net of accumulated depreciation invested in a broad range of capital assets, including land, buildings and improvements, machinery and equipment, and construction-in-progress. The change in capital assets, net of accumulated depreciation, is reflected below.

The increase in capital assets during the current fiscal year resulted mainly from the completion of the MS/HS generator and district-wide security camera projects, and additional construction-in-progress for Todd Phases I through III, MS/HS Phases I and II, and additional district-wide security camera projects. The increase in capital assets was partially offset by additional depreciation expense.

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

Class	June 30,	
	2022	2021
Land	\$ 318,215	\$ 318,215
Buildings and Improvements	36,705,960	38,655,643
Machinery and Equipment	3,199,459	1,710,031
Construction-in-Progress	2,600,477	1,491,008
Total Capital Assets, net of accumulated depreciation	<u>\$ 42,824,111</u>	<u>\$ 42,174,897</u>

Long-Term Debt

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

	June 30,	
	2022	2021
General Obligation Bonds Payable	\$ 6,565,752	\$ 7,200,000
Compensated Absences	425,727	531,957
Net Pension Liability	-	3,548,687
Installment Purchase Debt Payable	1,195,706	639,865
Other Postemployment Benefit Obligations (OPEB)	112,270,037	113,160,716
Total	<u>\$ 120,457,222</u>	<u>\$ 125,081,225</u>

During the 2021-2022 fiscal year, the School District recorded a net pension asset for ERS and TRS as required by the provisions of GASB Statement No. 68. The School District's other postemployment benefit liability was recorded in accordance with the provisions of GASB Statement No. 75. This liability will continue to grow as the School District is only permitted by New York State to fund its pay-as-you-go obligations for health insurance.

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

Requests for Information

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

Briarcliff Manor Union Free School District
Attention: John Brucato
Asst. Superintendent for Finance & Operations
45 Ingham Road
Briarcliff Manor, NY 10510
Or visit our website at www.briarcliffschools.org

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Briarcliff Manor Union Free School District, New YorkStatement of Net Position
June 30, 2022

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 17,891,089
Receivables	
Accounts	111,866
State and Federal aid	449,302
Due from other governments	845,505
Net pension asset - TRS	22,820,297
Net pension asset - ERS	994,013
Capital assets	
Not being depreciated	2,918,693
Being depreciated, net	39,905,418
Total Assets	85,936,183
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	15,214,737
OPEB related	20,444,359
Total Deferred Outflows of Resources	35,659,096
LIABILITIES	
Accounts payable	1,963,686
Accrued liabilities	213,829
Bond anticipation notes payable	6,347,000
Deposits payable	49,748
Bond interest and matured bonds payable	5,019
Due to retirement systems	2,437,465
Due to other governments	145,601
Unearned revenues	40,704
Accrued interest payable	10,964
Non-current liabilities	
Due within one year	1,310,871
Due in more than one year	119,146,351
Total Liabilities	131,671,238
DEFERRED INFLOWS OF RESOURCES	
Pension related	28,959,558
OPEB related	12,974,268
Total Deferred Inflows of Resources	41,933,826
NET POSITION	
Net investment in capital assets	33,666,024
Restricted	
Liability and casualty claims	220,811
Debt service	89,561
Tax certiorari	3,437,416
Retirement contributions	706,965
Special purposes	155,068
Capital projects	110,157
Unrestricted	(90,395,787)
Total Net Position	\$ (52,009,785)

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

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Briarcliff Manor Union Free School District, New York

Statement of Activities
Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General support	\$ 9,984,290	\$ 73,366	\$ 115,002	\$ -	\$ (9,795,922)
Instruction	40,238,915	4,303,808	696,499	-	(35,238,608)
Pupil transportation	2,582,327	2,923	-	-	(2,579,404)
Cost of food sales	644,387	632,836	-	-	(11,551)
Other	11,162	-	8,512	-	(2,650)
Interest	190,854	-	-	55,308	(135,546)
Total Governmental Activities	\$ 53,651,935	\$ 5,012,933	\$ 820,013	\$ 55,308	(47,763,681)
General revenues					
Real property taxes					42,043,613
Other tax items					
School tax relief reimbursement					1,545,747
Non-property taxes					
Non-property tax distribution from County					708,822
Unrestricted use of money and property					8,905
Sale of property and compensation for loss					8,322
Unrestricted State aid					3,758,917
Miscellaneous					234,749
Total General Revenues					48,309,075
Change in Net Position					545,394
Net Position - Beginning					(52,555,179)
Net Position - Ending					\$ (52,009,785)

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

Briarcliff Manor Union Free School District, New York

Balance Sheet
Governmental Funds
June 30, 2022

	General	Capital Projects	Debt Service
ASSETS			
Cash and equivalents	\$ 12,352,773	\$ 5,225,661	\$ 29,387
Receivables			
Accounts	96,442	-	-
State and Federal aid	108,153	-	-
Due from other governments	845,505	-	-
Due from other funds	699,841	17	65,265
Total Assets	<u>\$ 14,102,714</u>	<u>\$ 5,225,678</u>	<u>\$ 94,652</u>
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 920,430	\$ 948,591	\$ -
Accrued liabilities	213,829	-	-
Bond anticipation notes payable	-	6,347,000	-
Deposits payable	49,748	-	-
Bond interest and matured bonds payable	-	-	5,019
Due to retirement systems	2,437,465	-	-
Due to other funds	397	412,265	72
Due to other governments	144,809	-	-
Unearned revenues	5,764	-	-
Total Liabilities	<u>3,772,442</u>	<u>7,707,856</u>	<u>5,091</u>
Fund balances (deficits)			
Restricted	4,789,962	-	89,561
Assigned	3,272,610	-	-
Unassigned	2,267,700	(2,482,178)	-
Total Fund Balances (Deficits)	<u>10,330,272</u>	<u>(2,482,178)</u>	<u>89,561</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 14,102,714</u>	<u>\$ 5,225,678</u>	<u>\$ 94,652</u>

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

<u>Non-Major Governmental</u>	<u>Total Governmental Funds</u>
\$ 283,268	\$ 17,891,089
15,424	111,866
341,149	449,302
-	845,505
380	765,503
<u>\$ 640,221</u>	<u>\$ 20,063,265</u>

\$ 94,665	\$ 1,963,686
-	213,829
-	6,347,000
-	49,748
-	5,019
-	2,437,465
352,769	765,503
792	145,601
34,940	40,704
<u>483,166</u>	<u>11,968,555</u>

155,068	5,034,591
1,987	3,274,597
-	(214,478)
<u>157,055</u>	<u>8,094,710</u>
<u>\$ 640,221</u>	<u>\$ 20,063,265</u>

Briarcliff Manor Union Free School District, New YorkReconciliation 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	<u>\$ 8,094,710</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	2,918,693
Capital assets - depreciable	77,310,514
Accumulated depreciation	<u>(37,405,096)</u>
	<u>42,824,111</u>
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	15,214,737
Deferred outflows - OPEB related	20,444,359
Deferred inflows - pension related	(28,959,558)
Deferred inflows - OPEB related	<u>(12,974,268)</u>
	<u>(6,274,730)</u>
Other long-term assets are not available to pay for current-period expenditures and, therefore, are either deferred or not reported in the funds.	
Net pension asset - TRS	22,820,297
Net pension asset - ERS	<u>994,013</u>
	<u>23,814,310</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(10,964)
General obligation bonds payable	(5,890,000)
Installment purchase debt payable	(1,195,706)
Compensated absences	(425,727)
Total OPEB liability	<u>(112,270,037)</u>
	<u>(119,792,434)</u>
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debit is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Premium on general obligation bonds	<u>(675,752)</u>
Net Position of Governmental Activities	<u>\$ (52,009,785)</u>

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

Briarcliff Manor 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	Debt Service	Non-Major Governmental	Total Governmental Funds
REVENUES					
Real property taxes	\$ 42,043,613	\$ -	\$ -	\$ -	\$ 42,043,613
Other tax items	1,545,747	-	-	-	1,545,747
Non-property taxes	708,822	-	-	-	708,822
Charges for services	4,227,460	-	-	-	4,227,460
Use of money and property	83,047	-	55,308	122	138,477
Sale of property and compensation for loss	8,322	-	-	-	8,322
State aid	3,873,593	-	-	225,071	4,098,664
Federal aid	114,226	-	-	340,917	455,143
Food sales	-	-	-	632,836	632,836
Miscellaneous	234,749	-	-	103,496	338,245
Total Revenues	52,839,579	-	55,308	1,302,442	54,197,329
EXPENDITURES					
Current					
General support	8,368,262	-	-	-	8,368,262
Instruction	27,574,657	-	-	638,091	28,212,748
Pupil transportation	2,522,503	-	-	-	2,522,503
Employee benefits	10,031,672	-	-	-	10,031,672
Fiscal agent fees	-	-	107,775	-	107,775
Cost of food sales	-	-	-	639,396	639,396
Other	-	-	-	88,851	88,851
Debt service					
Principal	1,246,356	-	-	-	1,246,356
Interest	190,149	-	-	-	190,149
Capital outlay	-	4,001,345	-	-	4,001,345
Total Expenditures	49,933,599	4,001,345	107,775	1,366,338	55,409,057
Excess (Deficiency) of Revenues Over Expenditures	2,905,980	(4,001,345)	(52,467)	(63,896)	(1,211,728)
OTHER FINANCING SOURCES (USES)					
General obligation bonds issued	-	-	5,615,000	-	5,615,000
Installment purchase debt	-	977,197	-	-	977,197
Issuance premium	-	-	675,752	-	675,752
Payments to escrow agent	-	-	(6,182,977)	-	(6,182,977)
Transfers in	-	2,130,017	10,000	62,828	2,202,845
Transfers out	(2,192,845)	(10,000)	-	-	(2,202,845)
Total Other Financing Sources (Uses)	(2,192,845)	3,097,214	117,775	62,828	1,084,972
Net Change in Fund Balances	713,135	(904,131)	65,308	(1,068)	(126,756)
FUND BALANCES					
Beginning of Year	9,617,137	(1,578,047)	24,253	158,123	8,221,466
End of Year	\$ 10,330,272	\$ (2,482,178)	\$ 89,561	\$ 157,055	\$ 8,094,710

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

Briarcliff Manor 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	\$ (126,756)
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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	3,025,094
Depreciation expense	<u>(2,375,880)</u>
	<u>649,214</u>

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

General obligation bonds issued	(5,615,000)
Installment purchase debt issued	(977,197)
Issuance premium	(675,752)
Payments to escrow agent	6,182,977
Principal paid on general obligation bonds	825,000
Principal paid on installment purchase debt	<u>421,356</u>
	<u>161,384</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	(705)
Compensated absences	106,230
Changes in pension liabilities and related deferred outflows and inflows of resources	3,920,694
Changes in OPEB liabilities and related deferred outflows and inflows of resources	(4,081,690)
Loss on refunding and amortization of issuance premium	<u>(82,977)</u>
	<u>(138,448)</u>

Change in Net Position of Governmental Activities	<u>\$ 545,394</u>
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The notes to the financial statements are an integral part of this statement.

Briarcliff Manor Union Free School District, New York

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

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 43,696,931	\$ 42,151,184	\$ 42,043,613	\$ (107,571)
Other tax items	-	1,545,747	1,545,747	-
Non-property taxes	690,000	690,000	708,822	18,822
Charges for services	3,956,186	3,956,186	4,227,460	271,274
Use of money and property	69,480	69,480	83,047	13,567
Sale of property and compensation for loss	4,000	4,000	8,322	4,322
State aid	4,112,436	4,112,436	3,873,593	(238,843)
Federal aid	-	-	114,226	114,226
Miscellaneous	141,250	141,250	234,749	93,499
Total Revenues	52,670,283	52,670,283	52,839,579	169,296
EXPENDITURES				
Current				
General support	8,188,339	9,134,433	8,368,262	766,171
Instruction	28,988,218	29,033,705	27,574,657	1,459,048
Pupil transportation	2,493,350	2,590,649	2,522,503	68,146
Employee benefits	10,490,385	10,232,024	10,031,672	200,352
Debt service				
Principal	1,258,246	1,263,269	1,246,356	16,913
Interest	301,238	221,215	190,149	31,066
Total Expenditures	51,719,776	52,475,295	49,933,599	2,541,696
Excess (Deficiency) of Revenues Over Expenditures	950,507	194,988	2,905,980	2,710,992
OTHER FINANCING USES				
Transfers out	(2,287,899)	(2,357,899)	(2,192,845)	165,054
Net Change in Fund Balance	(1,337,392)	(2,162,911)	713,135	2,876,046
FUND BALANCE				
Beginning of Year	1,337,392	2,162,911	9,617,137	7,454,226
End of Year	\$ -	\$ -	\$ 10,330,272	\$ 10,330,272

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

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Note 1 - Summary of Significant Accounting Policies

The Briarcliff Manor Union Free School District, New York ("School District"), as presently constituted, was established in 1909 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 Putnam-Northern 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 districts' 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 statements can be requested from Putnam-Northern Westchester BOCES, 200 BOCES Drive, Yorktown Heights, New York 10598.

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

Fund Categories

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The non-major special revenue funds of the School District are as follows:

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.

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 Financial Statements) – The Fiduciary Funds are used to account for assets held by the School District on behalf of others. In accordance with the provisions of GASB Statement No. 84, “*Fiduciary Activities*”, the School District had no such activity to report in this fund category.

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

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

The district-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

Cash and Equivalents, Investments and Risk Disclosure

Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from 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 of at least 102% 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

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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 does not limit the amount on deposit at each of its banking institutions.

Property Taxes Receivable - Real property taxes attach as an enforceable lien on real property as of July 1st and are levied and payable in September and January. The various towns which are included in the levy are responsible for the billing and collection of the taxes. The towns guarantee the full payment of the School District warrant and assume 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 two years. 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	15-50
Machinery and Equipment	5-20

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

Unearned Revenues - Unearned revenues arise when assets are recognized before revenue recognition criteria has been satisfied. In the district-wide financial statements, unearned revenues consist of amounts received in advance and/or revenue from 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 \$5,764 in the General Fund for facilities use and science award monies received in advance, \$216 in the Special Aid Fund for local grants received in advance, and \$34,724 for prepaid meal cards in the School Lunch Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial assets 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 (expenditures/expense) until then.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 3E.

Long-Term Liabilities - In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable 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 Debt Service or Capital Projects funds expenditures.

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

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

Other Postemployment Benefit Liability ("OPEB") - In addition to providing pension benefits, the School District provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 liability and casualty claims, debt service, tax certiorari, retirement contributions, special purpose and capital projects.

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

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

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

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

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Board of Education is the highest level of decision making authority for the School District that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the School District 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 Finance and Operations for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances that are not classified as nonspendable and are neither restricted nor committed.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 balance since they do not constitute expenditures or liabilities.

G. Use of Estimates

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

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is October 4, 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.

Note 2 - Stewardship, Compliance and Accountability (Continued)

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

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

B. Limitation on Fund Balance

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

Note 2 - Stewardship, Compliance and Accountability (Continued)

C. Property Tax Limitation

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

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

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

D. New Accounting Pronouncement

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

E. Capital Projects Fund Deficits

The deficits of \$186,702 and \$2,405,633 in the Facilities Improvements 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 issued are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. Deficits in these projects will be reduced and eliminated as the bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing.

Briarcliff Manor Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2022

Note 3 - Detailed Notes on All Funds**A. Interfund Receivables/Payables**

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

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 699,841	\$ 397
Capital Projects	17	412,265
Debt Service	65,265	72
Non-Major Governmental	380	352,769
	<u>\$ 765,503</u>	<u>\$ 765,503</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) payment between funds are made.

B. Capital Assets

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

<u>Class</u>	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2022</u>
Capital Assets, not being depreciated:				
Land	\$ 318,215	\$ -	\$ -	\$ 318,215
Construction-in-progress	1,491,008	2,600,477	1,491,007	2,600,478
Total Capital Assets, not being depreciated	<u>\$ 1,809,223</u>	<u>\$ 2,600,477</u>	<u>\$ 1,491,007</u>	<u>\$ 2,918,693</u>
Capital Assets, being depreciated/amortized:				
Buildings and Improvements	\$ 71,973,953	\$ -	\$ -	\$ 71,973,953
Machinery and Equipment	3,420,937	1,919,824	4,200	5,336,561
Total Capital Assets, being depreciated	<u>75,394,890</u>	<u>1,919,824</u>	<u>4,200</u>	<u>77,310,514</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	33,317,320	1,950,673	-	35,267,993
Machinery and Equipment	1,711,896	425,207	-	2,137,103
Total Accumulated Depreciation	<u>35,029,216</u>	<u>2,375,880</u>	<u>-</u>	<u>37,405,096</u>
Total Capital Assets, being depreciated/amortized, net	<u>\$ 40,365,674</u>	<u>\$ (456,056)</u>	<u>\$ 4,200</u>	<u>\$ 39,905,418</u>
Capital Assets, net	<u>\$ 42,174,897</u>	<u>\$ 2,144,421</u>	<u>\$ 1,495,207</u>	<u>\$ 42,824,111</u>

Briarcliff Manor Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

General Support	\$ 255,749
Instruction	2,115,140
Cost of Food Sales	<u>4,991</u>
Total Depreciation Expense	<u>\$ 2,375,880</u>

C. Accrued Liabilities

Accrued liabilities at June 30, 2022 were as follows:

	<u>General Fund</u>
Payroll and employee benefits	<u>\$ 213,829</u>

D. Short-Term Capital Borrowings - Bond Anticipation Notes

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

Purpose	Year of Original Issue	Maturity Date	Interest Rate	Balance July 1, 2021	Issued	Redemptions	Balance June 30, 2022
Facilities Improvements	2020	3/24/2023	0.92 %	\$ 2,177,000	\$ -	\$ 1,830,000	\$ 347,000
Facilities Improvements	2022	6/29/2023	3.00 %	<u>-</u>	<u>6,000,000</u>	<u>-</u>	<u>6,000,000</u>
				<u>\$ 2,177,000</u>	<u>\$ 6,000,000</u>	<u>\$ 1,830,000</u>	<u>\$ 6,347,000</u>

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

Interest expenditures of \$7,402 were recorded in the fund financial statements in the General Fund. Interest expense of \$6,767 was recorded in the district-wide financial statements.

Briarcliff Manor Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)**E. Long-Term Liabilities**

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

	Balance July 1, 2021	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2022	Due Within One-Year
General Obligation Bonds Payable	\$ 7,200,000	\$ 5,615,000	\$ 6,925,000	\$ 5,890,000	\$ 755,000
Plus -Unamortized premiums on bonds	-	675,752	-	675,752	84,469
	<u>7,200,000</u>	<u>6,290,752</u>	<u>6,925,000</u>	<u>6,565,752</u>	<u>839,469</u>
Other Non-current Liabilities					
Installment Purchase Debt Payable	639,865	977,197	421,356	1,195,706	428,402
Compensated Absences	531,957	10,340	116,570	425,727	43,000
Net Pension Liability - ERS	11,108	-	11,108	-	-
Net Pension Liability - TRS	3,537,579	-	3,537,579	-	-
Other Postemployment Benefit Liability	<u>113,160,716</u>	<u>1,261,799</u>	<u>2,152,478</u>	<u>112,270,037</u>	<u>-</u>
	<u>117,881,225</u>	<u>2,249,336</u>	<u>6,239,091</u>	<u>113,891,470</u>	<u>471,402</u>
	<u>\$ 125,081,225</u>	<u>\$ 8,540,088</u>	<u>\$ 13,164,091</u>	<u>\$ 120,457,222</u>	<u>\$ 1,310,871</u>

Each governmental fund's liability for general obligation bonds payable, installment purchase debt, compensated absences, net pension liability and other postemployment benefit obligations are liquidated by the General Fund.

General Obligation Bonds Payable

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

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at June 30, 2022
BOCES Project	2015	\$ 450,000	June, 2023	2.875 %	\$ 60,000
Serial Bonds	2016	575,000	June, 2025	1.75 - 2.000	220,000
Refunding	2022	5,615,000	June, 2030	4.000	<u>5,610,000</u>
					<u>\$ 5,890,000</u>

Interest expenditures of \$162,638 were recorded in the fund financial statements in the General Fund. Interest expense of \$163,978 was recorded in the district-wide financial statements.

Installment Purchase Debt Payable

The School District has entered into various agreements to finance the costs of purchasing certain equipment. The terms of the agreements provide for repayment in annual installments, through 2025, including interest at a rate of 2.99% and 3.66%. Interest expenditures and interest expense

Briarcliff Manor Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

of \$20,109 was recorded in the General Fund and district-wide financial statements, respectively. The balance due at June 30, 2022 was \$1,195,706.

Payments to Maturity

The annual requirements to amortize all outstanding general obligation bonded debt and installment purchase debt as of June 30, 2022 including interest payments of \$1,067,890 are as follows:

Year Ending June 30,	General Obligation Bonds		Installment Purchase Debt		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 755,000	\$ 230,351	\$ 428,402	\$ 13,065	\$ 1,183,402	\$ 243,416
2024	720,000	202,400	376,425	5,774	1,096,425	208,174
2025	750,000	175,100	195,440	-	945,440	175,100
2026	700,000	146,600	195,439	-	895,439	146,600
2027	730,000	118,600	-	-	730,000	118,600
2028-2030	2,235,000	176,000	-	-	2,235,000	176,000
	<u>\$ 5,890,000</u>	<u>\$ 1,049,051</u>	<u>\$ 1,195,706</u>	<u>\$ 18,839</u>	<u>\$ 7,085,706</u>	<u>\$ 1,067,890</u>

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

Advanced Refunding

During the current fiscal year, the School District issued \$5,615,000 in serial bonds with interest rates ranging from 2% to 4%, depending on maturity. The proceeds were used to advance refund \$6,100,000 of the 2015 public improvement serial bonds bearing interest at 2.5% to 3.0%, depending on maturity. The net proceeds of \$6,182,977 (inclusive of a \$675,752 re-offering premium and after payment of \$105,548 in underwriting fees and other issuance costs) were used to purchase U.S. Government Securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2015 serial bonds. As a result, the 2015 serial bonds are considered defeased and the liability for those serial bonds has been removed from the Statement of Net Position. The reacquisition price equaled the net carrying amount of the old debt. The refunding reduced total debt service payments over 8 years by \$296,663 and to obtain a net present value economic gain of \$281,177.

As of June 30, 2022, \$6,100,000 of bonds outstanding are considered defeased and no longer outstanding.

Legal Debt Margin

The School District is subject to legal limitations on the amount of debt that it may issue. The School District's legal debt margin is 10% of the most recent full valuation of taxable real property. At June 30, 2022, that amount was \$207,293,029. As of June 30, 2022, the total outstanding debt applicable to the limit was \$12,237,000, which is 5.9% of the total debt limit.

Note 3 - Detailed Notes on All Funds (Continued)

Compensated Absences

Pursuant to collective bargaining agreements, the School District is required to compensate retiring employees for accumulated sick leave. The School District's obligation for accumulated sick leave is dependent upon the terms of the respective bargaining agreement. Vacation time is generally taken in the year earned. The value of the compensated absences has been reflected in the district-wide financial statements.

Pension Plans

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

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

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

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

Briarcliff Manor Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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	1 75I 41J165	25.2 %
	4 A15 41J165	18.3
	5 A15 41J165	15.3
	6 A15 41J165	10.8
	6 A15 41J100	10.7
TRS	1-6	9.8 %

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

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2022	June 30, 2021
Net pension asset	\$ (994,013)	\$ (22,820,297)
School Districts' proportion of the net pension asset	0.0121598 %	0.131688 %
Change in proportion since the prior measurement date	0.0010046 %	0.003666 %

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 credit in the district-wide financial statements of \$1,165,727 (\$127,924 of expense for ERS and a credit of \$1,293,651 for TRS). Pension expenditures of \$606,414 for ERS and \$2,148,553 for TRS were recorded in the fund financial statements and were charged to the General Fund.

Briarcliff Manor 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	\$ 75,278	\$ 97,640	\$ 3,145,536	\$ 118,561
Changes of assumptions	1,658,895	27,992	7,506,073	1,329,215
Net difference between projected and actual earnings on pension plan investments	-	3,254,975	-	23,883,801
Changes in proportion and differences between School District contributions and proportionate share of contributions	319,986	71,808	207,477	175,566
School District contributions subsequent to the measurement date	122,634	-	2,178,858	-
	<u>\$ 2,176,793</u>	<u>\$ 3,452,415</u>	<u>\$ 13,037,944</u>	<u>\$ 25,507,143</u>
Total				
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 3,220,814	\$ 216,201		
Changes of assumptions	9,164,968	1,357,207		
Net difference between projected and actual earnings on pension plan investments	-	27,138,776		
Changes in proportion and differences between School District contributions and proportionate share of contributions	527,463	247,374		
School District contributions subsequent to the measurement date	2,301,492	-		
	<u>\$ 15,214,737</u>	<u>\$ 28,959,558</u>		

\$122,634 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 \$2,178,858 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	\$ -	\$ (2,910,208)
2023	(156,013)	(3,433,754)
2024	(295,532)	(4,374,147)
2025	(809,103)	(5,754,955)
2026	(137,608)	1,078,657
Thereafter	-	746,350
	<u>\$ (1,398,256)</u>	<u>\$ (14,648,057)</u>

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.

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 Fixed Income Securities	-	-	2	0.8
High Yield Fixed Income Securities	-	-	1	3.8
Global Equities	-	-	4	7.1
Private Debt	-	-	1	5.9
Real Estate Debt	-	-	7	3.3
Opportunistic/ARS Portfolio	3	4.10	-	-
Credit	4	3.78	-	-
Real Assets	3	5.80	-	-
Fixed Income	23	-	-	-
Cash	1	(1.00)	1	(0.20)
	<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 (asset) 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 (asset) 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:

Briarcliff Manor Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
School District's proportionate share of the ERS net pension liability (asset)	<u>\$ 2,558,577</u>	<u>\$ (994,013)</u>	<u>\$ (3,965,583)</u>
	1% Decrease (5.95%)	Current Discount Rate (6.95%)	1% Increase (7.95%)
School District's proportionate share of the TRS net pension (asset)	<u>\$ (2,394,657)</u>	<u>\$ (22,820,297)</u>	<u>\$ (39,986,564)</u>

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

	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 \$122,634 to ERS and \$2,341,420 to TRS (including employee contributions of \$162,562).

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

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	143
Active employees	<u>245</u>
	<u><u>388</u></u>

The School District's total OPEB liability of \$112,270,037 was measured as of July 1, 2021 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:

Inflation	2.5%
Salary increases	2%, average, including inflation
Discount rate	2.14%
Healthcare cost trend rates	6.0% for 2023, decreasing by various amounts to an ultimate rate of 3.94% for 2092
Retirees' share of benefit-related costs	Depending on the date of hire, years of service and job classification employees

The discount rate was based on the Bond Buyer Weekly 20-Bond GO Index.

Mortality rates were based on the RPH-2014 Mortality Table for employees and healthy annuitants, sex distinct, with generational mortality adjusted to 2006 using Scale MP-2014, and projected forward with Scale MP-2021.

The actuarial assumptions used in the July 1, 2021 valuation for turnover were based on the experience under the New York State and Local Retirement System as prepared by the Department of Civil Service's actuarial consultant in the report titled, *"Development of Recommended Actuarial Assumptions for New York State/SUNY GASB 75 Valuation (June 2019)"*.

Briarcliff Manor 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	\$ 113,160,716
Service cost	4,015,528
Interest	2,565,810
Changes of benefit terms	88,383
Differences between expected and actual experience	(1,454,643)
Changes in assumptions or other inputs	(3,953,279)
Benefit payments	<u>(2,152,478)</u>
Total OPEB Liability - End of Year	<u>\$ 112,270,037</u>

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.14%) or 1 percentage point higher (3.14%) than the current discount rate:

	1% Decrease (1.14%)	Current Discount Rate (2.14%)	1% Increase (3.14%)
Total OPEB Liability	<u>\$ 134,771,647</u>	<u>\$ 112,270,037</u>	<u>\$ 94,503,986</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 (5.0% decreasing to 2.94%) or 1 percentage point higher (7.0% decreasing to 4.94%) than the current healthcare cost trend rates:

	1% Decrease (5.0% decreasing to 2.94%)	Current Healthcare Cost Trend Rates (6.0% decreasing to 3.94%)	1% Increase (7.0% decreasing to 4.94%)
Total OPEB Liability	<u>\$ 92,369,366</u>	<u>\$ 112,270,037</u>	<u>\$ 138,540,756</u>

For the year ended June 30, 2022, the School District recognized OPEB expense of \$6,455,032 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:

Briarcliff Manor Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 16,039,437	\$ 10,982,473
Differences between expected and actual experience	2,031,580	1,991,795
School District contributions subsequent to the measurement date	2,373,342	-
	<u>\$ 20,444,359</u>	<u>\$ 12,974,268</u>

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

Year Ended June 30,	
2023	\$ (214,689)
2024	389,065
2025	1,765,809
2026	2,364,164
2027	1,342,908
2028 and Thereafter	<u>(550,508)</u>
	<u>\$ 5,096,749</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.

Transfers Out	Capital Projects Fund	Debt Service Fund	Non-Major Governmental Funds	Total
General Fund	\$ 2,130,017	\$ -	\$ 62,828	\$ 2,192,845
Capital Projects Fund	-	10,000	-	10,000
	<u>\$ 2,130,017</u>	<u>\$ 10,000</u>	<u>\$ 62,828</u>	<u>\$ 2,202,845</u>

Transfers are used to move amounts earmarked in the General Fund to fulfill commitments for School Lunch, Special Aid and Capital Projects funds expenditures.

Note 3 - Detailed Notes on All Funds (Continued)

G. Net Position

The components of net position are detailed below:

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

Restricted for Liability and Casualty Claims - the component of net position that has been established to set aside funds to be used for the payment of future claims made upon the School District in accordance with Section 6-n 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 Tax Certiorari - the component of net position that has been established in accordance with the Education Law of the State of New York to provide funding for court ordered tax refunds which are currently in process.

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

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

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

Briarcliff Manor 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	Debt Service Fund	Non-Major Governmental Funds	Total	General Fund	Capital Projects Fund	Debt Service Fund	Non-Major Governmental Funds	Total
Restricted										
Liability and casualty claims	\$ 220,811	\$ -	\$ -	\$ -	\$ 220,811	\$ 220,784	\$ -	\$ -	\$ -	\$ 220,784
Tax certiorari	3,437,416	-	-	-	3,437,416	4,677,428	-	-	-	4,677,428
Employee benefit accrued liability	424,770	-	-	-	424,770	528,920	-	-	-	528,920
ERS retirement contributions	272,917	-	-	-	272,917	272,884	-	-	-	272,884
TRS retirement contributions	434,048	-	-	-	434,048	433,907	-	-	-	433,907
Debt service	-	-	89,561	-	89,561	-	-	24,253	-	24,253
Special purposes - extraclassroom activities	-	-	-	80,318	80,318	-	-	-	78,736	78,736
Special purposes - other	-	-	-	74,750	74,750	-	-	-	77,400	77,400
Total Restricted	4,789,962	-	89,561	155,088	5,034,591	6,133,923	-	24,253	156,136	6,314,312
Assigned										
Purchases on order										
General government support	218,345	-	-	-	218,345	235,704	-	-	-	235,704
Instruction	180,211	-	-	-	180,211	70,328	-	-	-	70,328
Employee benefits	9,670	-	-	-	9,670	9,360	-	-	-	9,360
Subsequent year's expenditures	408,226	-	-	-	408,226	315,392	-	-	-	315,392
School Lunch Fund	2,864,384	-	-	-	2,864,384	1,022,000	-	-	-	1,022,000
	-	-	-	1,987	1,987	-	-	-	1,987	1,987
Total Assigned	3,272,610	-	-	1,987	3,274,597	1,337,392	-	-	1,987	1,339,379
Unassigned										
	2,267,700	(2,482,178)	-	-	(214,478)	2,145,822	(1,578,047)	-	-	567,775
Total Fund Balances	\$ 10,330,272	\$ (2,482,178)	\$ 89,561	\$ 157,055	\$ 8,094,710	\$ 9,617,137	\$ (1,578,047)	\$ 24,253	\$ 158,123	\$ 8,221,466

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.

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

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

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

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

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.

B. Contingencies

The School District participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act. Accordingly, the School District's compliance with applicable grant requirements may be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School District anticipates such amounts, if any, to be immaterial.

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

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

C. Risk Management

The School District and other school districts have formed a reciprocal insurance company (the "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, auto physical damage coverage, school board legal liability/employment practices liability and an excess catastrophe liability (umbrella) policy with coverage up to \$25,000,000. 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, although extremely remote, their proportionate share by the Department of Financial Services if the funds of the Company are less than what is required to satisfy its liabilities. The subscriber districts are required to pay annual premiums.

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 for each occurrence and auto liability policy with coverage up to \$1 million each occurrence and school board legal liability policy with coverage up to \$1 million per claim and \$3 million in the aggregate. The School District also maintains an excess liability policy/umbrella policy with coverage up to \$20 million. This excess limit sits atop all three previously mentioned liability limits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The School District also maintains Network Security and Data Compromise (cyber risk) insurance with a \$1,000,000 aggregate limit. The NYSIR Excess policy does not provide any coverage or any additional limits of insurance for the cyber perils. Cyber risk is excluded under the Excess Liability policy.

The School District and neighboring school districts in Northern Westchester and Putnam Counties participate in the Westchester-Putnam Schools Cooperative Self-Insurance Plan for Workers' Compensation. This plan operates under an agreement, as amended, dated February 6, 1987. The purposes of the plan are to provide for the efficient and economical evaluation, processing, administration, defense and payment of claims against Plan members for workers' compensation payments. The Board of Trustees of the Plan consists of four Trustees selected by the Plan members. Each Trustee shall have one vote and no action may be taken except by a majority vote of the total membership of Trustees. Billings to each participant are based upon the costs incurred for workers' compensation. The School District has transferred all related risk to the Plan.

The School District and neighboring school districts in Northern Westchester and Putnam Counties participate in the Putnam Northern Westchester Health Benefits Consortium Health Plan. The Plan operates under a Municipal Cooperative Agreement dated March 1, 2017. The purposes of the Plan are to provide for the efficient and economical evaluation, processing, administration and payment of claims against plan members for medical expenses through self-insurance and/or otherwise; to effect cost savings insofar as may be possible in Plan Members' expenses for such claims and service; to provide for centralized administration, funding and disbursements for such services. The governance of the Plan rests with five (5) Trustees who are Chief School Administrators and School Business Officials and a Joint Governance Board of six (6) management employees and six (6) union representatives. The Trustees comprise 5 of the

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

6 management employees. The Plan is community rated and each participating employer is billed according to coverages provided to its employees and retirees. **Participating employers share risk and retrospective payments are possible.**

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

Note 5 - Recently Issued GASB Pronouncements

GASB Statement No. 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.

Briarcliff Manor 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	\$ 4,015,528	\$ 2,811,848	\$ 2,545,971	\$ 2,884,260	\$ 3,687,903
Interest	2,565,810	3,083,969	3,370,893	3,148,928	2,721,830
Changes of benefit terms	88,383	-	-	(9,612)	(3,933)
Differences between expected and actual experience	(1,454,643)	-	(1,380,533)	-	8,150,790
Changes of assumptions or other inputs	(3,953,279)	22,982,917	(1,801,422)	(4,138,416)	(19,977,286)
Benefit payments	(2,152,478)	(2,039,096)	(1,942,061)	(1,885,798)	(1,730,629)
Net Change in Total OPEB Liability	(890,679)	26,839,638	792,848	(638)	(7,151,325)
Total OPEB Liability – Beginning of Year	113,160,716	86,321,078	85,528,230	85,528,868	92,680,193
Total OPEB Liability – End of Year	\$ 112,270,037	\$ 113,160,716	\$ 86,321,078	\$ 85,528,230	\$ 85,528,868
School District's covered-employee payroll	\$ 24,279,054	\$ 24,696,005	\$ 24,281,001	\$ 23,969,449	\$ 23,969,449
Total OPEB liability as a percentage of covered-employee payroll	462%	458%	356%	357%	357%
Discount Rate	2.14%	2.21%	3.50%	3.87%	3.60%

Notes to Schedule:

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

Briarcliff Manor 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
School District's proportion of the net pension liability (asset)	0.131688%	0.128022%	0.129949%	0.130224%	0.129185%	0.133678%	0.134090%
School District's proportionate share of the net pension liability (asset)	\$ (22,820,297)	\$ 3,537,579	\$ (3,376,079)	\$ (2,354,788)	\$ (981,938)	\$ 1,431,746	\$ (13,927,712)
School District's covered payroll	\$ 22,443,363	\$ 21,729,300	\$ 21,690,569	\$ 21,211,982	\$ 20,471,642	\$ 20,626,611	\$ 20,142,187
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	101.68%	16.28%	15.56%	11.10%	4.80%	6.94%	69.15%
Plan fiduciary net position as a percentage of the total pension liability (asset)	113.20%	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%
Discount Rate	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%

Schedule of Contributions

	2021	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 2,172,181	\$ 2,138,853	\$ 1,925,216	\$ 2,303,538	\$ 2,078,774	\$ 2,399,276	\$ 2,735,089	\$ 3,530,925
Contributions in relation to the contractually required contribution	(2,172,181)	(2,138,853)	(1,925,216)	(2,303,538)	(2,078,774)	(2,399,276)	(2,735,089)	(3,530,925)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 22,165,112	\$ 22,443,363	\$ 21,729,300	\$ 21,690,569	\$ 21,211,982	\$ 20,471,642	\$ 20,626,611	\$ 20,142,187
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 gain.

Briarcliff Manor 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 (3)	2015
School District's proportion of the net pension liability (asset)	0.0121598%	0.0111552%	0.0122168%	0.0112901%	0.0108266%	0.0132591%	0.0126075%	0.0134211%
School District's proportionate share of the net pension liability (asset)	\$ (994,013)	\$ 11,108	\$ 3,235,080	\$ 799,935	\$ 349,423	\$ 1,245,856	\$ 2,023,533	\$ 453,397
School District's covered payroll	\$ 4,169,801	\$ 4,035,770	\$ 3,922,325	\$ 4,000,400	\$ 3,531,776	\$ 3,428,278	\$ 3,915,563	\$ 3,504,627
School District's proportionate share of the net pension liability as a percentage of its covered payroll	(23.84%)	0.28%	82.48%	20.00%	9.89%	36.34%	51.68%	12.94%
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%	7.50%	7.50%
Schedule of Contributions								
	2021	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 646,887	\$ 571,620	\$ 588,863	\$ 534,150	\$ 523,920	\$ 604,321	\$ 619,687	\$ 662,469
Contributions in relation to the contractually required contribution	(646,887)	(571,620)	(588,863)	(534,150)	(523,920)	(604,321)	(619,687)	(662,469)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 4,288,297	\$ 4,130,666	\$ 3,876,948	\$ 4,153,454	\$ 3,561,334	\$ 3,396,256	\$ 3,896,508	\$ 3,507,633
Contributions as a percentage of covered payroll	15.08%	13.84%	15.19%	12.86%	14.71%	17.79%	15.90%	18.89%

(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.

See independent auditors' report.

Briarcliff Manor Union Free School District, New York

General Fund
Comparative Balance Sheet
June 30,

	2022	2021
ASSETS		
Cash and equivalents	\$ 12,352,773	\$ 11,535,980
Receivables		
Accounts	96,442	18,650
State and Federal aid	108,153	173,818
Due from other governments	845,505	1,007,107
Due from other funds	699,841	467,736
	1,749,941	1,667,311
Total Assets	\$ 14,102,714	\$ 13,203,291
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 920,430	\$ 612,143
Accrued liabilities	213,829	294,268
Deposits payable	49,748	113,260
Due to retirement systems	2,437,465	2,418,826
Due to other funds	397	49,292
Due to other governments	144,809	83,646
Unearned revenue	5,764	14,719
Total Liabilities	3,772,442	3,586,154
Fund balance		
Restricted	4,789,962	6,133,923
Assigned	3,272,610	1,337,392
Unassigned	2,267,700	2,145,822
Total Fund Balance	10,330,272	9,617,137
Total Liabilities and Fund Balance	\$ 14,102,714	\$ 13,203,291

See independent auditors report.

Briarcliff Manor 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	\$ 43,696,931	\$ 42,151,184	\$ 42,043,613	\$	\$ (107,571)
Other tax items	-	1,545,747	1,545,747		-
Non-property taxes	690,000	690,000	708,822		18,822
Charges for services	3,956,186	3,956,186	4,227,460		271,274
Use of money and property	69,480	69,480	83,047		13,567
Sale of property and compensation for loss	4,000	4,000	8,322		4,322
State aid	4,112,436	4,112,436	3,873,593		(238,843)
Federal aid	-	-	114,226		114,226
Miscellaneous	141,250	141,250	234,749		93,499
Total Revenues	52,670,283	52,670,283	52,839,579		169,296
EXPENDITURES					
Current					
General support					
Board of education	88,899	88,388	60,829	-	27,559
Central administration	422,783	448,294	446,736	-	1,558
Finance	959,771	926,941	866,207	5,850	54,884
Staff	491,656	486,735	404,366	-	82,369
Central services	5,604,875	5,854,771	5,410,909	212,495	231,367
Special items	620,355	1,329,304	1,179,215	-	150,089
Total General Support	8,188,339	9,134,433	8,368,262	218,345	547,826
Instruction					
Instruction, administration and improvement	2,255,131	2,231,945	2,163,451	726	67,768
Teaching - Regular school	16,303,723	16,275,467	15,584,442	128,023	563,002
Programs for students with disabilities	5,123,523	5,055,906	4,684,190	2,395	369,321
Occupational education	99,295	99,295	99,295	-	-
Teaching - Special schools	5,000	5,000	2,108	-	2,892
Instructional media	1,806,049	1,873,388	1,796,362	27,715	49,311
Pupil services	3,395,497	3,492,704	3,244,809	21,352	226,543
Total Instruction	28,988,218	29,033,705	27,574,657	180,211	1,278,837
Pupil transportation	2,493,350	2,590,649	2,522,503	-	68,146
Employee benefits	10,490,385	10,232,024	10,031,672	9,670	190,682
Debt service					
Principal	1,258,246	1,263,269	1,246,356	-	16,913
Interest	301,238	221,215	190,149	-	31,066
Total Expenditures	51,719,776	52,475,295	49,933,599	408,226	2,133,470
Excess (Deficiency) of Revenues Over Expenditures	950,507	194,988	2,905,980	(408,226)	2,302,766
OTHER FINANCING USES					
Transfers out	(2,287,899)	(2,357,899)	(2,192,845)	-	165,054
Net Change in Fund Balance	(1,337,392)	(2,162,911)	713,135	<u>\$ (408,226)</u>	<u>\$ 2,467,820</u>
FUND BALANCE					
Beginning of Year	1,337,392	2,162,911	9,617,137		
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,330,272</u>		

See independent auditors' report.

2021				
Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
\$ 43,055,000	\$ 41,371,442	\$ 41,366,222	\$	\$ (5,220)
-	1,683,558	1,683,558		-
350,000	350,000	736,403		386,403
4,023,258	4,023,258	3,781,807		(241,451)
97,000	97,000	22,301		(74,699)
3,500	3,500	6,489		2,989
4,120,454	4,066,655	4,464,474		397,819
-	53,799	53,799		
147,654	147,654	293,191		145,537
51,796,866	51,796,866	52,408,244		611,378
92,896	92,386	62,313	-	30,073
418,925	433,915	430,378	-	3,537
843,884	827,158	775,174	-	51,984
392,200	335,210	293,737	200	41,273
5,392,433	5,431,541	4,918,491	235,504	277,546
602,166	618,523	558,898	-	59,625
7,742,504	7,738,733	7,038,991	235,704	464,038
2,237,405	2,269,002	2,216,599	5,459	46,944
16,169,443	16,367,743	15,984,397	30,214	353,132
5,567,703	5,301,436	4,798,711	-	502,725
88,705	88,705	88,705	-	-
4,000	5,475	4,063	-	1,412
2,115,318	2,228,158	2,130,549	2,348	95,261
3,302,612	3,208,090	2,948,674	32,307	227,109
29,485,186	29,468,609	28,171,698	70,328	1,226,583
2,441,955	2,665,441	2,663,747	-	1,694
10,341,648	10,089,254	9,943,128	9,360	136,766
2,435,886	2,459,111	2,459,111	-	-
320,148	336,795	336,795	-	-
52,767,327	52,757,943	50,613,470	315,392	1,829,081
(970,461)	(961,077)	1,794,774	(315,392)	2,440,459
(1,178,300)	(1,359,645)	(1,314,533)	-	45,112
(2,148,761)	(2,320,722)	480,241	\$ (315,392)	\$ 2,485,571
2,148,761	2,320,722	9,136,896		
\$ -	\$ -	\$ 9,617,137		

Briarcliff Manor Union Free School District, New York**General Fund****Schedule of Revenues Compared to Budget**

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REAL PROPERTY TAXES	\$ 43,696,931	\$ 42,151,184	\$ 42,043,613	\$ (107,571)
OTHER TAX ITEMS	-	1,545,747	1,545,747	-
NON-PROPERTY TAXES	690,000	690,000	708,822	18,822
Non-property tax distribution from County				
CHARGES FOR SERVICES	3,914,211	3,914,211	4,185,833	271,622
Day school tuition	39,000	39,000	38,704	(296)
Other student fees and charges	2,975	2,975	2,923	(52)
Transportation services for other districts				
USE OF MONEY AND PROPERTY	3,956,186	3,956,186	4,227,460	271,274
Earnings on investments	3,680	3,680	9,681	6,001
Rental of real property - Individuals	65,800	65,800	73,366	7,566
	69,480	69,480	83,047	13,567
SALE OF PROPERTY AND COMPENSATION FOR LOSS	4,000	4,000	8,322	4,322
Insurance recoveries				

STATE AID				
Basic formula	3,105,625	2,753,323	2,456,247	(297,076)
BOCES aid	896,379	896,379	950,368	53,989
Lottery aid	-	352,302	352,302	-
Textbook aid	75,550	75,550	78,463	2,913
Computer software/hardware aid	26,694	26,694	27,713	1,019
Library aid	8,188	8,188	8,500	312
	<u>4,112,436</u>	<u>4,112,436</u>	<u>3,873,593</u>	<u>(238,843)</u>
FEDERAL AID				
FEMA - COVID-19	-	-	114,226	114,226
MISCELLANEOUS				
Refund of prior year's expenditures	24,000	24,000	80,197	56,197
Refund of prior year's expenditures-BOCES	80,000	80,000	56,754	(23,246)
Other	37,250	37,250	97,798	60,548
	<u>141,250</u>	<u>141,250</u>	<u>234,749</u>	<u>93,499</u>
TOTAL REVENUES	<u>\$ 52,670,283</u>	<u>\$ 52,670,283</u>	<u>\$ 52,839,579</u>	<u>\$ 169,296</u>

See independent auditors' report.

Briarcliff Manor Union Free School District, New York

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

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
GENERAL SUPPORT					
BOARD OF EDUCATION					
Board of education	\$ 52,890	\$ 57,379	\$ 37,058	\$ -	\$ 20,321
District clerk	20,886	20,886	20,093	-	793
District meeting	15,123	10,123	3,678	-	6,445
Total Board of Education	88,899	88,388	60,829	-	27,559
CENTRAL ADMINISTRATION					
Chief school administrator	422,783	448,294	446,736	-	1,558
FINANCE					
Business administration	728,695	750,591	711,407	-	39,184
Accounting and auditing	74,910	74,910	54,173	5,850	14,887
Treasurer	156,166	101,440	100,627	-	813
Total Finance	959,771	926,941	866,207	5,850	54,884
STAFF					
Legal	146,980	146,983	126,052	-	20,931
Personnel	224,992	219,492	184,641	-	34,851
Records management officer	19,947	20,523	20,323	-	200
Public information and services	99,737	99,737	73,350	-	26,387
Total Staff	491,656	486,735	404,366	-	82,369
CENTRAL SERVICES					
Operation and maintenance of plant	4,605,994	4,854,924	4,471,806	177,992	205,126
Central printing and mailing	22,500	22,500	1,500	-	21,000
Central data processing	976,381	977,347	937,603	34,503	5,241
Total Central Services	5,604,875	5,854,771	5,410,909	212,495	231,367

SPECIAL ITEMS

Unallocated insurance	239,520	244,052	240,810	-	3,242
School association dues	25,814	25,814	6,797	-	19,017
Assessments on school property	41,302	36,770	35,715	-	1,055
Judgments and claims	20,246	729,195	602,695	-	126,500
Administrative charge - BOCES	293,473	293,473	293,198	-	275
Total Special Items	620,355	1,329,304	1,179,215	-	150,089
Total General Support	8,188,339	9,134,433	8,368,262	218,345	547,826

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

Curriculum development and supervision	650,858	694,938	652,798	-	42,140
Supervision - Regular school	1,602,973	1,535,707	1,510,653	726	24,328
Research, planning and evaluation	1,300	1,300	-	-	1,300

Total Instruction, Administration
and Improvement

	2,255,131	2,231,945	2,163,451	726	67,768
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TEACHING - REGULAR SCHOOL

	16,303,723	16,275,467	15,584,442	128,023	563,002
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PROGRAMS FOR STUDENTS WITH DISABILITIES

	5,123,523	5,055,906	4,684,190	2,395	369,321
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OCCUPATIONAL EDUCATION

	99,295	99,295	99,295	-	-
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TEACHING - SPECIAL SCHOOLS

	5,000	5,000	2,108	-	2,892
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INSTRUCTIONAL MEDIA

School library and audiovisual	362,121	366,621	362,590	99	3,932
Computer assisted instruction	1,443,928	1,506,767	1,433,772	27,616	45,379

Total Instructional Media

	1,806,049	1,873,388	1,796,362	27,715	49,311
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(Continued)

Briarcliff Manor 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)					
PUPIL SERVICES					
Guidance - Regular school	\$ 816,994	\$ 901,514	\$ 886,842	\$ -	\$ 14,672
Health services - Regular school	448,028	466,478	425,934	-	40,544
Psychological services - Regular school	485,537	478,442	448,770	-	29,672
Social work services - Regular school	203,641	203,641	172,379	-	31,262
Co-curricular activities - Regular school	330,436	328,147	273,564	1,352	53,231
Interscholastic athletics - Regular school	1,110,861	1,114,482	1,037,320	20,000	57,162
Total Pupil Services	3,395,497	3,492,704	3,244,809	21,352	226,543
Total Instruction	28,988,218	29,033,705	27,574,657	180,211	1,278,837
PUPIL TRANSPORTATION					
District transportation services	49,380	146,680	136,791	-	9,889
Contract and public carrier transportation	2,443,970	2,443,969	2,385,712	-	58,257
Total Pupil Transportation	2,493,350	2,590,649	2,522,503	-	68,146
EMPLOYEE BENEFITS					
State retirement	638,215	638,215	606,414	-	31,801
Teachers' retirement	2,359,850	2,192,238	2,148,553	-	43,685
Social security	2,091,169	1,991,419	1,952,784	-	38,635
Health insurance	4,752,938	4,645,870	4,642,808	-	3,062
Unemployment benefits	20,000	20,000	4,232	-	15,768
Disability insurance	70,000	70,000	51,646	-	18,354
Life insurance	26,000	26,000	24,890	-	1,110
Workers' compensation benefits	134,553	134,553	132,333	-	2,220
Dental insurance	327,660	327,659	306,211	9,670	11,778
Other	70,000	186,070	161,801	-	24,269
Total Employee Benefits	10,490,385	10,232,024	10,031,672	9,670	190,682

DEBT SERVICE					
Serial Bonds					
Principal					
Serial Bonds	820,000	825,023	825,000	-	23
Installment purchase debt	438,246	438,246	421,356	-	16,890
	1,258,246	1,263,269	1,246,356	-	16,913
Interest					
Serial bonds	198,175	193,152	162,638	-	30,514
Installment purchase debt	20,109	20,109	20,109	-	-
Bond anticipation notes	82,954	7,954	7,402	-	552
	301,238	221,215	190,149	-	31,066
	1,559,484	1,484,484	1,436,505	-	47,979
Total Debt Service	51,719,776	52,475,295	49,933,599	408,226	2,133,470
TOTAL EXPENDITURES					
OTHER FINANCING USES					
Transfers out					
Special Aid Fund	50,000	59,500	56,268	-	3,232
School Lunch Fund	182,899	168,382	6,560	-	161,822
Capital Projects Fund	2,055,000	2,130,017	2,130,017	-	-
	2,287,899	2,357,899	2,192,845	-	165,054
TOTAL OTHER FINANCING USES					
TOTAL EXPENDITURES AND OTHER FINANCING USES					
	\$ 54,007,675	\$ 54,833,194	\$ 52,126,444	\$ 408,226	\$ 2,298,524

See independent auditors' report.

Briarcliff Manor Union Free School District, New York

Capital Projects Fund
Comparative Balance Sheet
June 30,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 5,225,661	\$ 1,353,135
Due from other funds	<u>17</u>	<u>48,532</u>
Total Assets	<u><u>\$ 5,225,678</u></u>	<u><u>\$ 1,401,667</u></u>
LIABILITIES AND FUND DEFICIT		
Accounts payable	\$ 948,591	\$ 723,701
Bond anticipation notes payable	6,347,000	2,177,000
Due to other funds	<u>412,265</u>	<u>79,013</u>
Total Liabilities	7,707,856	2,979,714
Fund deficit		
Unassigned	<u>(2,482,178)</u>	<u>(1,578,047)</u>
Total Liabilities and Fund Deficit	<u><u>\$ 5,225,678</u></u>	<u><u>\$ 1,401,667</u></u>

See independent auditors' report.

Briarcliff Manor 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	\$ -	\$ -
EXPENDITURES		
Capital outlay	<u>4,001,345</u>	<u>2,689,154</u>
Deficiency of Revenues Over Expenditures	<u>(4,001,345)</u>	<u>(2,689,154)</u>
OTHER FINANCING SOURCES (USES)		
Installment purchase debt issued	977,197	92,900
Transfers in	2,130,017	1,141,594
Transfers out	<u>(10,000)</u>	<u>(1,750)</u>
Total Other Financing Sources	<u>3,097,214</u>	<u>1,232,744</u>
Net Change in Fund Balance	(904,131)	(1,456,410)
FUND DEFICIT		
Beginning of Year	<u>(1,578,047)</u>	<u>(121,637)</u>
End of Year	<u><u>\$ (2,482,178)</u></u>	<u><u>\$ (1,578,047)</u></u>

See independent auditors' report.

Briarcliff Manor 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	Methods of Financing			Fund Balance (Deficit) at June 30, 2022	Bond Anticipation Note Outstanding at June 30, 2022	
		Prior Years	Current Year	Total		Proceeds of Obligations	Transfers	Totals			
Facilities Improvements:											
Todd/MS/HS Backup Generators	\$ -	\$ 410,741	\$ -	\$ 410,741	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Todd Security Camera Project	-	109,288	33,304	142,592	-	-	-	-	-	-	-
MS/HS Security Camera Project	-	154,953	34,065	189,018	-	-	-	-	-	-	-
Todd/MS/HS Doors & Security Camera Project	-	-	194,844	194,844	-	-	-	-	-	-	-
	1,047,335	674,982	262,213	937,195	110,140	-	1,047,352	1,047,352	110,157	-	-
Facilities Improvements:											
Todd/MS/HS PA Systems	-	169,973	-	169,973	-	-	-	-	-	-	-
MS/HS Roof, Track and Driveway	-	1,436,465	306	1,436,771	-	-	-	-	-	-	-
MS/HS Generator	-	853,962	365,996	1,219,958	-	-	-	-	-	-	-
	2,987,000	2,460,400	366,302	2,826,702	160,298	-	2,640,000	2,640,000	(186,702)	347,000	-
Facilities Improvements:											
Todd Phase I	-	-	66,474	66,474	-	-	-	-	-	-	-
Todd Phase II	-	-	4,800	4,800	-	-	-	-	-	-	-
Todd Phase III	-	-	12,500	12,500	-	-	-	-	-	-	-
MS/HS Phase I	-	-	2,257,859	2,257,859	-	-	-	-	-	-	-
MS/HS Phase II	-	-	64,000	64,000	-	-	-	-	-	-	-
MS/HS Phase III	-	-	-	-	-	-	-	-	-	-	-
	26,633,113	-	2,405,633	2,405,633	24,227,480	-	-	-	(2,405,633)	6,000,000	-
Apple Purchase Agreement	977,197	-	977,197	977,197	-	977,197	-	977,197	-	-	-
Totals	\$ 31,644,645	\$ 3,135,382	\$ 4,011,345	\$ 7,146,727	\$ 24,497,918	\$ 977,197	\$ 3,687,352	\$ 4,664,549	\$ (2,482,178)	\$ 6,347,000	-

See independent auditors' report.

Briarcliff Manor Union Free School District, New York

Debt Service Fund
Comparative Balance Sheet
June 30,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 29,387	\$ 18,584
Due from other funds	<u>65,265</u>	<u>10,760</u>
Total Assets	<u><u>\$ 94,652</u></u>	<u><u>\$ 29,344</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Bond interest and matured bonds payable	\$ 5,019	\$ 5,019
Due to other funds	<u>72</u>	<u>72</u>
Total Liabilities	5,091	5,091
Fund balance		
Restricted	<u>89,561</u>	<u>24,253</u>
Total Liabilities and Fund Balance	<u><u>\$ 94,652</u></u>	<u><u>\$ 29,344</u></u>

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Briarcliff Manor Union Free School District, New York

Debt Service Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended June 30,

	2022	2021
REVENUES		
Use of money and property	\$ 55,308	\$ 496
EXPENDITURES		
Current		
Fiscal agent fees	107,775	-
Excess Refunding Bond Issuance Cost (Deficiency) of Revenues Over Expenditures	(52,467)	496
OTHER FINANCING SOURCES / (USES)		
General obligation bonds issued	5,615,000	-
Issuance premium	675,752	-
Transfers in	10,000	1,750
Payments to escrow agent	(6,182,977)	-
Total Other Financing Sources	117,775	1,750
Net Change in Fund Balance	65,308	2,246
FUND BALANCE		
Beginning of Year	24,253	22,007
End of Year	\$ 89,561	\$ 24,253

See independent auditors' report.

Briarcliff Manor Union Free School District, New York

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

	Special Aid	School Lunch	Special Purpose
ASSETS			
Cash and equivalents	\$ 50,140	\$ 78,440	\$ 154,688
Receivables			
Accounts	11,621	3,803	-
State and Federal aid	341,149	-	-
Due from other funds	-	-	380
	352,770	3,803	380
Total Assets	\$ 402,910	\$ 82,243	\$ 155,068
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 49,925	\$ 44,740	\$ -
Due to other funds	352,769	-	-
Due to other governments	-	792	-
Unearned revenues	216	34,724	-
Total Liabilities	402,910	80,256	-
Fund balances			
Restricted	-	-	155,068
Assigned	-	1,987	-
Total Fund Balances	-	1,987	155,068
Total Liabilities and Fund Balances	\$ 402,910	\$ 82,243	\$ 155,068

See independent auditors' report.

Total Non-Major Governmental Funds	
2022	2021
\$ 283,268	\$ 268,481
15,424	21,562
341,149	377,850
380	380
356,953	399,792
\$ 640,221	\$ 668,273
\$ 94,665	\$ 70,773
352,769	399,411
792	176
34,940	39,790
483,166	510,150
155,068	156,136
1,987	1,987
157,055	158,123
\$ 640,221	\$ 668,273

Briarcliff Manor 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)

	Special Aid	School Lunch	Special Purpose
REVENUES			
Use of money and property	\$ -	\$ -	\$ 122
Sale of property and compensation for loss	-	-	-
State aid	225,071	-	-
Federal aid	340,917	-	-
Food sales	-	632,836	-
Miscellaneous	15,835	-	87,661
	<u>581,823</u>	<u>632,836</u>	<u>87,783</u>
Total Revenues			
	<u>581,823</u>	<u>632,836</u>	<u>87,783</u>
EXPENDITURES			
Current			
Instruction	638,091	-	-
Cost of food sales	-	639,396	-
Other	-	-	88,851
	<u>638,091</u>	<u>639,396</u>	<u>88,851</u>
Total Expenditures			
	<u>638,091</u>	<u>639,396</u>	<u>88,851</u>
Deficiency of Revenues Over Expenditures	(56,268)	(6,560)	(1,068)
OTHER FINANCING SOURCES			
Transfers in	<u>56,268</u>	<u>6,560</u>	<u>-</u>
Net Change in Fund Balances	-	-	(1,068)
FUND BALANCES			
Beginning of Year	<u>-</u>	<u>1,987</u>	<u>156,136</u>
End of Year	<u>\$ -</u>	<u>\$ 1,987</u>	<u>\$ 155,068</u>

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Total Non-Major Governmental Funds	
2022	2021
\$ 122	\$ 24
-	8,358
225,071	199,796
340,917	302,074
632,836	84,029
103,496	99,606
1,302,442	693,887
638,091	573,381
639,396	215,377
88,851	89,462
1,366,338	878,220
(63,896)	(184,333)
62,828	172,939
(1,068)	(11,394)
158,123	169,517
\$ 157,055	\$ 158,123

Briarcliff Manor Union Free School District, New York

Special Aid Fund
Comparative Balance Sheet
June 30,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	<u>\$ 50,140</u>	<u>\$ 51,742</u>
Receivables		
Accounts	11,621	21,562
State and Federal aid	<u>341,149</u>	<u>377,850</u>
	<u>352,770</u>	<u>399,412</u>
Total Assets	<u><u>\$ 402,910</u></u>	<u><u>\$ 451,154</u></u>
LIABILITIES		
Accounts payable	\$ 49,925	\$ 51,527
Due to other funds	352,769	399,411
Unearned revenues	<u>216</u>	<u>216</u>
Total Liabilities	<u><u>\$ 402,910</u></u>	<u><u>\$ 451,154</u></u>

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Briarcliff Manor 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	\$ 225,071	\$ 199,796
Federal aid	340,917	302,074
Miscellaneous	15,835	21,562
Total Revenues	581,823	523,432
EXPENDITURES		
Current		
Instruction	638,091	573,381
Deficiency of Revenues Over Expenditures	(56,268)	(49,949)
OTHER FINANCING SOURCES		
Transfers in	56,268	49,949
Net Change in Fund Balance	-	-
FUND BALANCE		
Beginning of Year	-	-
End of Year	\$ -	\$ -

See independent auditors' report.

Briarcliff Manor Union Free School District, New York

School Lunch Fund
Comparative Balance Sheet
June 30,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 78,440	\$ 60,983
Accounts receivable	<u>3,803</u>	<u>-</u>
Total Assets	<u><u>\$ 82,243</u></u>	<u><u>\$ 60,983</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 44,740	\$ 19,246
Due to other governments	792	176
Unearned revenues	<u>34,724</u>	<u>39,574</u>
Total Liabilities	80,256	58,996
Fund balance		
Assigned	<u>1,987</u>	<u>1,987</u>
Total Liabilities and Fund Balance	<u><u>\$ 82,243</u></u>	<u><u>\$ 60,983</u></u>

See independent auditors' report.

Briarcliff Manor 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		
Sale of property and compensation for loss	\$ -	\$ 8,358
Food sales	<u>632,836</u>	<u>84,029</u>
Total Revenues	632,836	92,387
EXPENDITURES		
Current		
Cost of food sales	<u>639,396</u>	<u>215,377</u>
Deficiency of Revenues Over Expenditures	(6,560)	(122,990)
OTHER FINANCING SOURCES		
Transfers in	<u>6,560</u>	<u>122,990</u>
Net Change in Fund Balance	-	-
FUND BALANCE		
Beginning of Year	<u>1,987</u>	<u>1,987</u>
End of Year	<u><u>\$ 1,987</u></u>	<u><u>\$ 1,987</u></u>

See independent auditors' report.

Briarcliff Manor Union Free School District, New York

Special Purpose Fund
Comparative Balance Sheet
June 30,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 154,688	\$ 155,756
Due from other funds	<u>380</u>	<u>380</u>
 Total Assets	 <u>\$ 155,068</u>	 <u>\$ 156,136</u>
 FUND BALANCE		
Restricted	<u>\$ 155,068</u>	<u>\$ 156,136</u>

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Briarcliff Manor 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	\$ 122	\$ 24
Miscellaneous	<u>87,661</u>	<u>78,044</u>
Total Revenues	87,783	78,068
EXPENDITURES		
Current		
Other	<u>88,851</u>	<u>89,462</u>
Deficiency of Revenues Over Expenditures	(1,068)	(11,394)
FUND BALANCE		
Beginning of Year	<u>156,136</u>	<u>167,530</u>
End of Year	<u><u>\$ 155,068</u></u>	<u><u>\$ 156,136</u></u>

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Briarcliff Manor Union Free School District, New York

General Fund

Analysis of Change from Adopted Budget to Final Budget

Year Ended June 30, 2022

Adopted Budget	\$ 53,692,283
Additions	
Encumbrances	<u>315,392</u>
Original Budget	54,007,675
Budget Amendments	<u>825,519</u>
Final Budget	<u><u>\$ 54,833,194</u></u>

General Fund

Section 1318 of Real Property Tax Law Limit Calculation

2022-23 Expenditure Budget	\$ <u>56,280,408</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	
Unrestricted fund balance	
Assigned fund balance	3,272,610
Unassigned fund balance	<u>2,267,700</u>
Total Unrestricted Fund Balance	<u>5,540,310</u>
Less	
Appropriations for subsequent year's budget	2,864,384
Encumbrances	<u>408,226</u>
Total Adjustments	<u>3,272,610</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 2,267,700</u></u>
Actual Percentage	<u><u>4.03%</u></u>

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Briarcliff Manor Union Free School District, New York

Schedule of Net Investment in Capital Assets

Year Ended June 30, 2022

Capital Assets, net		\$ 42,824,111
Less		
General obligation bonds payable	\$ (5,890,000)	
Unamortized portion of premium on bonds	(675,752)	
Bond anticipation notes payable	<u>(6,347,000)</u>	(12,912,752)
Plus		
Unspent bond anticipation note proceeds		<u>3,754,665</u>
Net Investment in Capital Assets		<u><u>\$ 33,666,024</u></u>

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