

NEW 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. 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 School District will NOT designate the Notes as "qualified tax-exempt obligations" pursuant to the provisions of Section 265 of the Code.

\$4,500,000

**PLEASANTVILLE UNION FREE SCHOOL DISTRICT
WESTCHESTER COUNTY, NEW YORK**



\$4,500,000 Bond Anticipation Notes - 2020
(the "Notes")

Dated: June 18, 2020

Due: June 18, 2021

The Notes will be general obligations of the Pleasantville 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 18, 2020.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com on June 3, 2020 by no later than 11:15 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 School District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale.

May __, 2020

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 CERTIFY 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.

PLEASANTVILLE UNION FREE SCHOOL DISTRICT WESTCHESTER COUNTY, NEW YORK

SCHOOL DISTRICT OFFICIALS

2019-2020 BOARD OF EDUCATION

ANGELA VELLA
President

LOUIS CONTE
Vice President

LAWRENCE BOES
SHANE MCGAFFEY
EMILY RUBIN PERSONS

* * * * *

ADMINISTRATION

MARY FOX ALTER
Superintendent of Schools

TIMOTHY WHIPPLE
Assistant Superintendent for Business



FISCAL ADVISORS & MARKETING, INC.
Municipal Advisors

Hawkins
DELAFIELD & WOODLLP
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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PREPARED WITH THE ASSISTANCE OF



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

OFFICIAL STATEMENT
of the
PLEASANTVILLE UNION FREE SCHOOL DISTRICT
WESTCHESTER COUNTY, NEW YORK

Relating To
\$4,500,000 Bond Anticipation Notes - 2020

This Official Statement, which includes the cover page, has been prepared by the Pleasantville 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 \$4,500,000 principal amount of Bond Anticipation Notes - 2020 (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 18, 2019, authorizing the issuance of \$8,900,000 serial bonds for a capital improvement project consisting of additions, alteration and improvement to all District buildings.

The proceeds of the Notes will provide \$4,500,000 new monies for the above mentioned purpose.

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NATURE OF 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 LIMIT LAW*" herein)

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 therefore. However, Chapter 97 of the New York Laws of 2011, as amended (the "Tax Levy Limit Law"), imposes a limitation on the power of local governments and school districts, including the District, to increase their annual tax levy, with the amount of such increase limited by the formulas set forth in the Tax Levy Limit Law. 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, or the refinancing or refunding of such bonds or notes. As the Notes are being issued to finance voter approved capital expenditures, the Notes qualify for such exclusion to the annual tax levy limitation. The exclusion does NOT apply to taxes to pay debt service on tax anticipation notes, revenue anticipation notes, budget notes and deficiency notes; and any obligations issued to finance deficits and certain judgments, including tax certiorari refund payments. (See "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-ONLY-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, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 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 Pleasantville Union Free School District is situated in the rolling hills of central Westchester County, approximately 30 miles north of New York City. The School District encompasses a land area of approximately two square miles and has an approximate population, of 8,483 people.

The School District is almost exclusively residential in character, with most of its residents commuting to either nearby White Plains or New York City. Transportation in the School District is provided by Metro-North Railroad, which offers electrified commuter rail service to and from New York City, as well as the Taconic State Parkway, Saw Mill River Parkway, and a network of local roads.

The High School, Middle School and Elementary School each have been named a “School of Excellence” by both the U.S. Department of Education and the New York State Department of Health and Education. Ninety-six percent of the students who graduate from the School District go on to higher education.

Electricity and gas service within the School District are provided by Con Edison. Water and sewer service are provided by the Village of Pleasantville (the “Village”). Local Police and fire protection are also provided by the Village.

Source: District officials.

District Population

The 2018 estimated population of the District is 8,483. (Source: 2018 U.S. Census estimate).

Major Employers

<u>Name</u>	<u>Type</u>	<u>Number of Employees</u>
Pleasantville UFSD	Education	347
Zwilling JA Henckels	Warehouse/Retail	75
Village of Pleasantville	Government	62
Jacob Burns Film Center	Cultural Film Center	56
Pleasantville Ford	Car Dealership	50

Source: District Officials.

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 includes the District) are the Village, Town and County listed below. The figures set below with respect to such Village, Town and County is included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the Village, Town or the County is necessarily representative of the District, or vice versa.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2014-2018</u>	<u>2000</u>	<u>2006-2010</u>	<u>2014-2018</u>
Village of:						
Pleasantville	\$ 41,397	\$ 59,374	\$ 52,351	\$105,227	\$142,542	\$ 144,063
Town of:						
Mount Pleasant	35,468	48,825	53,391	96,403	127,390	144,475
County of:						
Westchester	36,726	47,814	54,572	79,881	100,863	119,798
State of:						
New York	23,389	30,948	37,470	51,691	67,405	80,419

Note: 2015-2019 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2014-2018 American Community Survey data.

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 the Town of Mount Pleasant. The information set forth below with respect to the Town, County and State of New York are included for informational purposes only. It should not be implied from the inclusion of such data in this Official Statement that the Town, County or State is necessarily representative of the District, or vice versa.

	<u>Annual Average</u>						
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Town of Mount Pleasant	5.8%	4.7%	4.1%	4.0%	4.3%	3.5%	3.4%
Westchester County	6.3	5.1	4.5	4.3	4.5	3.9	3.8
New York State	7.7	6.3	5.3	4.9	4.7	4.1	4.0

	<u>2020 Monthly Figures</u>			
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>
Town of Mount Pleasant	3.7%	3.5%	3.6%	N/A
Westchester County	4.0	3.9	4.1	N/A
New York State	4.1	3.9	4.4	N/A

Note: Figures in this section are historical and do not speak as to current or projected employment rates. Unemployment has drastically increased since mid-March due to the COVID-19 global pandemic. See "COVID-19" herein.

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

Form of School Government

The School District is governed by a five member Board of Education. Trustees are elected to serve three-year terms. Two persons are elected in the Spring of each year except that every third year only one trustee is elected.

Budgetary Procedures and Recent Budget Votes

Pursuant to the Education Law, the Board of Education annually prepares a detailed statement of estimated sums necessary for the various expenditures of the School District for the ensuing fiscal year (proposed budget) and distributes that statement not less than seven days prior to the date on which the annual school election is conducted, at which the proposed budget is voted upon, historically the vote is held on the 3rd Tuesday of May. Notice of the annual election is published as required by statute with a first publication not less than forty-five days prior to the day of election.

If the qualified voters at the annual election approve the proposed budget, the Board of Education, by resolution, adopts the proposed budget of the School District for the ensuing year. In the event the proposed budget is disapproved by a majority of the voters, the Board of Education may call and hold subsequent elections on a budget. If no budget is approved, the Board of Education may levy a tax for ordinary contingent expenses of the School District, which includes debt service, in a like manner as if the same had been voted by the qualified voters.

The budget for the 2018-19 fiscal year was approved by the qualified voters on May 15, 2018 by a vote of 583 to 139. The budget called for a total tax levy increase of 3.084%, which is equal to the District tax levy limit of 3.084 %.

The budget for the 2019-20 fiscal year was approved by the qualified voters on May 21, 2019 by a vote of 729 to 169. The budget called for a total tax levy increase of 2.342%, which is equal to the District tax levy limit of 2.342%.

Due to the COVID-19 pandemic, the proposed budget for the 2020-21 fiscal year will be submitted to the qualified voters on June 9, 2020. The proposed budget calls for a total tax levy increase of 0.79 %, which is below the District tax levy limit of 3.79%.

Investment Policy

The School District 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 accounts, savings accounts, money market accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies and obligations of New York State or its political subdivisions.

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

The School District's policy does not permit the School District to invest in so-called derivatives or reverse repurchase agreements and the School District has never invested in derivatives or reverse repurchase agreements.

State Aid

The District receives financial assistance from the State. 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 district's will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the school district's can be paid only if the State has such monies available for such payment. In its proposed budget for the 2020-21 fiscal year, approximately 14.5% of the revenues of the District are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner, in any year, municipalities and school districts in the State, including the District, may be affected by a delay in the payment of State aid.

COVID-19: The amount of State aid to school districts is dependent in part upon the financial condition of the State. Currently, due the outbreak of COVID-19 the State has declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. The outbreak of COVID-19 and the dramatic steps taken by the State to address it have and are expected to continue to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time; however, it is anticipated that the State will be required to take certain gap-closing actions. Such actions may include, but are not limited to: reductions in State agency operations and/or delays or reductions in payments to local governments or other recipients of State aid including school districts in the State. If this were to occur, reductions in the payment of State aid could adversely affect the financial condition of school districts in the State, including the District.

The State's 2020-2021 Adopted Budget authorizes the State's Budget Director to make periodic adjustments to nearly all State spending, including State Aid, in the event that actual State revenues come in below 99% percent of estimates or if actual disbursements exceed 101% of estimates. Specifically, the legislation provides that the State Budget Director will determine whether the State's 2020-2021 budget is balanced during three "measurement periods": April 1 to April 30, May 1 to June 30, and July 1 to Dec. 31. According to the legislation, if "a General Fund imbalance has occurred during any Measurement Period," the State's Budget Director will be empowered to "adjust or reduce any general fund and/or state special revenue fund appropriation ... and related cash disbursement by any amount needed to maintain a balanced budget," and "such adjustments or reductions shall be done uniformly across the board to the extent practicably or by specific appropriations as needed." The legislation further provides that prior to making any adjustments or reductions, the State's Budget Director must notify the Legislature in writing and the Legislature has 10 days following receipt of such notice to prepare and approve its own plan. If the Legislature fails to approve its own plan, the Budget Director's reductions take effect automatically. (See "*State Aid History*" herein).

It is anticipated that the State Budget Director's powers discussed herein will be activated and across-the-board and targeted reductions to local aid programs will be taken to close a substantial portion of the State fiscal year 2021 budget gap caused by the receipts shortfall. On April 25, 2020 the New York State Division of the Budget announced that the State fiscal year 2021 Enacted State Budget Financial Plan (the "Financial Plan"), projects a \$13.3 billion shortfall as a direct consequence of the COVID-19 pandemic. As a result, in the absence of Federal assistance, initial budget control actions are expected to significantly reduce State spending in several areas, including "aid-to-localities," a broad spending category that includes funding for health care, K-12 schools, and higher education as well as support for local governments, public transit systems, and not-for-profits. Reduced receipts are expected to carry through each subsequent year of the four year Financial Plan through State fiscal year 2024. Reductions or delays in the payment of State aid could adversely affect the financial condition of school districts in the State, including the District. (See "*Events Affecting State Aid to New York School Districts*" herein).

The availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in the adoption of the State budget. 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.

There can be no assurance that the State appropriation for building aid and other State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid, including building aid appropriated and apportioned to the School District, can be paid only if the State has such monies available therefor. The availability of such monies and the timeliness of such payment could be affected by a delay in the adoption of the State budget or their reduction or elimination therefrom.

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

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.

Potential reductions in Federal aid received by the State

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

Reductions in Federal funding levels could have a materially adverse impact on the State budget. In addition to the potential fiscal impact of policies that may be proposed and adopted by the current 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. Any impact of the COVID-19 pandemic on the State budget or finances may impact the financial condition of the District.

The State 2019-2020 Enacted Budget allows the Governor to reduce aid to school districts mid-year if receipts from the Federal government are less than what was expected. If federal support is reduced by \$850 million or more, the New York State Director of the Budget will develop a plan to make uniform spending reductions by the State. Such plan would take effect automatically unless the State Legislature passes its own plan within 90 days.

Building Aid

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

Aid on debt service is generally paid in the current fiscal year provided such debt service is reported to the Commissioner of Education by November 15 of that year. Any debt service in excess of amounts reported by November 15 will not be aided until the following fiscal year. The building aid received is equal to the approved building expense, or bond percent, times the building aid ratio that is assigned to the District. The building aid ratio is calculated based on a formula that involves the full valuation per pupil in the District compared to a State-wide average.

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2020-21 preliminary building aid ratios, the District State Building aid of approximately 49.5% for debt service on State Education Department approved expenditures from July 1, 2004 to the present.

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

Events Affecting State Aid to New York School Districts

Following a State budgetary crisis in 2009, State aid to school districts in the State decreased for a number of years with increases established in more recent years. However, as discussed below the COVID-19 outbreak has affected and is expected to continue to affect State aid to the District.

School district fiscal year (2016-2017): The State 2016-17 Enacted Budget included a school aid increase of \$991 million over 2015-16, \$863 million of which consisted of traditional operating aid. In addition to full funding of expense based aids (\$408 million), the budget also included a \$266 million increase in Foundation Aid and an \$189 million restoration to the Gap Elimination Adjustment. The bulk of the remaining increase included \$100 million in Community Schools Aid, an aid category, to support school districts that wish to create community schools. The funds may only be used for certain purposes such as providing health, mental health and nutritional services to students and their families.

School district fiscal year (2017-2018): The State 2017-18 Enacted Budget increased State aid to education by \$1.1 billion, including a \$700 million increase in Foundation Aid, bringing the total amount of State aid to education to \$25.8 billion or an increase of 4.4%. Expense-based aids to support school construction, pupil transportation, BOCES and special education were continued in full, as is the State's usual practice. Transportation aid increased by 5.5% and building aid increased by 4.8%. The State 2017-18 Enacted Budget continued to link school aid increases for 2017-18 and 2018-19 to teacher and principal evaluation plans approved by September 1 of the current year in compliance with Education Law Section 3012-d. The State 2017-18 Enacted Budget allows the Governor to reduce aid to school districts mid-year if receipts from the federal government are less than what was expected. The Legislature then will have 90 days to approve the Governor's plan.

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 is 3.7 percent lower than in the State's 2019-2020 Enacted Budget but is offset in part with increased Federal support. This reduction in State Operating Funds support will be 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 is expected to total \$27.9 billion, an annual increase of approximately \$100 million or 0.4 percent. The State's 2020-2021 Enacted Budget continues prior year funding levels for existing programs, including Foundation Aid, Community Schools and Universal Prekindergarten. The 2020-2021 Enacted Budget also provides 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 is 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 authorizes 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. See "*State Aid*" herein for a discussion of this provision set forth in the State's 2020-2021 Enacted Budget and recent releases by the State regarding the projected revenue shortfalls in such budget.

There can be no assurance that the State appropriation for building aid and other State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid, including building aid appropriated and apportioned to the District, can be paid only if the State has such monies available therefor. The availability of such monies and the timeliness of such payment could be affected by a delay in the adoption of the State budget or their elimination therefrom.

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.

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

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 CFE 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.

State Aid Revenues

The following table illustrates the percentage of total revenues of the District for each of the last five completed fiscal years, the unaudited results for the current fiscal year and proposed budgeted figures for the 2020-2021 fiscal year comprised of State aid.

<u>Fiscal Year</u>	<u>Total Revenues</u> ⁽¹⁾	<u>Total State Aid</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2014-2015	\$ 45,920,073	\$ 6,046,356	13.2%
2015-2016	47,476,925	6,452,823	13.6
2016-2017	47,663,860	7,173,148	15.0
2017-2018	48,401,046	7,409,120	15.3
2018-2019	49,647,123	7,419,262	14.9
2019-2020 (Unaudited)	51,548,550	7,769,775 ⁽²⁾	15.1
2020-2021 (Proposed)	52,752,591	7,632,312 ⁽²⁾	14.5

⁽¹⁾ General fund only. Figures include interfund transfers and appropriated reserves.

⁽²⁾ Due to the COVID-19 pandemic total state aid received from the State could be decreased from the amounts displayed above.

Source: 2014-15 through 2018-19 audited financial statements, 2019-20 unaudited estimates and 2020-21 proposed budget of the District. This table is not audited. Unaudited information is subject to change following the completion of the District’s audit for such year.

District Facilities

The District currently operates the following facilities:

<u>Name</u>	<u>Type</u>	<u>Year(s) Built</u>	<u>Capacity</u>
Bedford Road School	K-4	2003	666
Middle School	5-8	1954, 1967, 1996, 2003	571
High School	9-12	1929, 1957, 1967, 1972, 2011	647

Source: District officials.

Enrollment Trends

<u>School Year</u>	<u>Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2015-2016	1,732	2020-2021	1,710
2016-2017	1,704	2021-2022	1,710
2017-2018	1,699	2022-2023	1,710
2018-2019	1,704	2023-2024	1,710
2019-2020	1,717	2023-2024	1,710

Source: School District officials.

Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of The School District currently has approximately 342 full-time and 5 part-time employees. The number of persons employed by the School District, the collective bargaining agents, if any, which represent them and the dates of expiration of the various collective bargaining agreements are as follows:

<u>Employees</u>	<u>Union(if applicable)</u>	<u>Expiration Date</u>
194	Teachers Assoc. of Pleasantville NYSUT-AFT	6/30/22
31	Civil Service Employee Assoc. AFL-CIO	6/30/19 ⁽¹⁾
5	CSEA Nurses Association of Pleasantville, AFL-CIO	6/30/22
10	Administrators	6/30/21
98	Teacher Aides (FT)	6/30/21
1	Superintendent	6/30/21
1	Asst Sup't for Business	6/30/24
1	Asst Sup't for Instructional Services	6/30/21
6	Administrative Support	Unaffiliated

⁽¹⁾ Currently under negotiations.

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 System 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 (other than those in Tier V and VI, as described below) 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 law became effective for new ERS and TRS hires on January 1, 2010. The legislation created a new Tier V pension level, the most significant reform of the State's pension system in more than a quarter-century. Key components of Tier V include:

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

On March 16, 2012, the Governor signed into law a 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%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for the final average salary calculation from 3 years to 5 years. Tier VI employees will vest in the system after ten years of employment and will continue to make employee contribution throughout employment.

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five years, the unaudited figures for the current fiscal year and the proposed budgeted figures for the 2020-21 fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2014-2015	\$ 608,300	\$ 3,409,073
2015-2016	592,083	2,636,469
2016-2017	500,950	2,353,176
2017-2018	490,976	1,994,836
2018-2019	467,178	2,100,437
2019-2020 (Unaudited)	483,684	1,808,776
2020-2021 (Proposed)	510,000	2,320,370

Source: School District officials.

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.

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 and school districts.

A chart of average ERS and TRS rates as a percent of payroll (2014-15 to 2019-20) is shown below:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2014-15	20.1%	17.53%
2015-16	18.2	13.26
2016-17	15.5	11.72
2017-18	15.3	9.80
2018-19	14.9	10.62
2019-20	14.6	8.86

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.

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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 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 annual required pension contribution is due February 1 annually with the ability to pre-pay on December 15 at a discount. The District pre-pays this cost annually. Although permitted by recently enacted laws, the District is not amortizing any pension payments nor does it intend to do so in the foreseeable future.

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 Adopted State Budget included a provision that authorized local governments, 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. For 2016-17 the stable contribution option rate is 15.1% for ERS and 14.13% for TRS. The pension contribution rates under this program would reduce near-term payments for employers, but 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 State’s 2019-2020 Enacted Budget, which was signed into law on March 31, 2019, will allow school districts in the State to establish a reserve fund for the purpose of funding/offsetting the cost of TRS contributions. School districts may pay into such 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 reserve fund for the purpose of funding the cost of TRS contributions and funded the reserve with the maximum allowed of \$411,632.

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.

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

Other Post-Employment 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 Questar III BOCES and Milliman, an actuarial firm, to calculate its OPEB in accordance with GASB 75 for the fiscal year ending June 30, 2018 and 2019.

Balance beginning at:	June 30, 2017	June 30, 2018
	\$ 84,588,608	\$ 89,604,429
<u>Changes for the year:</u>		
Service cost	4,127,554	4,345,177
Interest	2,632,903	2,787,251
Differences between expected and actual experience	175,044	-
Effect of plan changes	-	363,274
Effect of demographic gains or losses	-	(2,045,202)
Changes in assumptions or other inputs	-	(8,108,598)
Benefit payments	(1,919,680)	(2,097,961)
Net Changes	\$ 5,015,821	\$ (4,756,059)
Balance ending at:	June 30, 2018	June 30, 2019
	<u>\$ 89,604,429</u>	<u>\$ 84,848,370</u>

Source: Audited financial statements of the District, attached hereto as "*APPENDIX – E*". The above table is not audited.

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

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.

In April 2015, the State Comptroller proposed legislation to create an optional investment pool to help the State and local governments fund retiree health insurance and other post-employment benefits. The proposed legislation would allow the following:

- Authorize the creation of irrevocable OPEB trusts, not part of the New York State Common Retirement Fund, so that New York state and its local governments can, at their option, help fund their OPEB liabilities;
- Establish an OPEB investment fund in the sole custody of the State Comptroller for the investment of OPEB assets of the state and participating eligible local governments;
- Designate the president of the Civil Service Commission as the trustee of the state's OPEB trust and the governing boards as trustee for local governments; and
- Allow school districts to transfer certain excess reserve balances to an OPEB trust once it is established.

Under the State Comptroller's proposal, there are no restrictions on the amount a government can deposit into the trust. The proposed legislation was not enacted into law in the last two legislative sessions. It is not possible to predict whether the Comptroller's proposed legislation will be reintroduced or enacted if introduced.

As of the date of this Official Statement, the potential impact of the COVID-19 pandemic on future pension costs are not known.

Financial Statements

The School District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2019 and may be found attached hereto as “*APPENDIX-E*” to this Official Statement. Certain financial information of the School 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.

New York State Comptroller Reports of Examination

State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the School 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 4, 2016. The purpose of the audit was to review the District's financial condition for the period July 1, 2014 through September 10, 2015.

Key Findings:

- The Board adopted budgets from 2010-11 through 2014-15 that overestimated appropriations and that appropriated fund balance that was not used to fund operations.
- The District has not established a reserve fund policy stating how much would be set aside in each reserve, how each reserve would be funded or when each reserve would be used.
- Two of the District's reserves were not used effectively because related expenditures were funded from general fund budgeted appropriations.

Key Recommendations:

- Develop realistic estimates of appropriations and the use of fund balance in the annual budget.
- Establish reserve fund policies that identify a clear intent or plan regarding the future purpose, use and replenishment of funds, when appropriate.
- Use established reserves for their intended purposes and not fund them if there is no intent for their use.

The District provided a complete response to the State Comptroller's office on February 11, 2016. 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 State Comptroller's audits of the District that are currently in progress or pending release.

The State Comptroller's Fiscal Stress Monitoring System

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

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

The reports of the State Comptroller for the past four fiscal years of the District are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2019	No Designation	0.0
2018	No Designation	0.0
2017	No Designation	0.0
2016	No Designation	6.7

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

Note: Reference to website implies no warranty of accuracy of information therein.

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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total Assessed Value	\$ 24,617,286	\$ 24,701,352	\$ 24,712,629	\$ 24,995,889	\$ 25,435,048
State Equalization Rates	1.61%	1.48%	1.52%	1.43%	1.42%
Total Taxable Full Valuation	\$ 1,503,349,530	\$ 1,641,033,418	\$ 1,598,632,223	\$ 1,718,970,620	\$ 1,761,972,959

Tax Rate Per \$1,000 (Assessed)

<u>Fiscal Year Ending June 30:</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
	\$ 1,448.77	\$ 1,467.10	\$ 1,483.87	\$ 1,511.67	\$ 1,520.87

Tax Levy and Tax Collection Record

<u>Fiscal Year Ending June 30:</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total Tax Levy	\$ 35,080,784	\$ 35,650,334	\$ 36,069,032	\$ 37,181,387	\$ 38,052,299
Amount Uncollected ⁽¹⁾	-	-	-	-	-
% Uncollected	0.00%	0.00%	0.00%	0.00%	0.00%

⁽¹⁾ The District receives 100% of its tax levy each year. See "Tax Collection Procedures" herein.

Tax Collection Procedure

The Town of Mount Pleasant (the “Town”) collects the School District’s taxes. School taxes are payable in two installments; the first installment is due on September 1 and may be paid without penalty through September 30. The second installment is due on January 1 and may be paid without penalty through January 31. A penalty of 5% per month is added to all delinquent taxes.

The Town guarantees the School District’s tax levy in full, and reimburses the School District for any unpaid amounts by the end of its fiscal year. The District has received the full amount of its tax levy for the 2019-2020 fiscal year.

Real Property Tax Revenues

The following table illustrates the percentage of total revenues of the District for each of the last five completed fiscal years, unaudited estimates for 2019-20 and budgeted figures for the 2020-21 fiscal year comprised of real property taxes and tax items.

<u>Fiscal Year</u>	<u>Total Revenues</u> ⁽¹⁾	<u>Total Real Property Taxes</u>	<u>Percentage of Total Revenues Consisting of Real Property Tax</u>
2014-2015	\$ 46,199,968	\$ 34,416,978	74.5%
2015-2016	47,476,925	35,080,784	73.9
2016-2017	47,663,860	35,650,334	74.8
2017-2018	48,401,046	36,069,032	74.5
2018-2019	49,647,123	37,103,796	74.7
2019-2020 (Unaudited)	51,548,550	38,052,299 ⁽²⁾	73.8
2020-2021 (Proposed)	52,752,591	38,352,425 ⁽²⁾	72.7

⁽¹⁾ General fund only. Figures include interfund transfers and appropriated reserves.

⁽²⁾ Due to the COVID-19 pandemic total state aid received from the State could be decreased from the amounts displayed above.

Source: 2014-15 through 2018-19 audited financial statements, 2019-20 unaudited estimates and 2020-21 proposed budget of the District. This table is not audited.

Larger Taxpayers – 2019 Assessment Roll for 2019-20 District Tax Roll

<u>Name</u>	<u>Type</u>	<u>Taxable Assessed Valuation</u>
Consolidated Edison	Utility	\$ 1,182,325
Zwilling JA Henckels LLC	Warehouse/Retail	188,885
The Bank of New York	Bank	160,875
Ledgerock Gardens, Inc.	Apartments	129,600
Borelli, Anthony N.	Auto Repair	82,750
Department of Water Supply	Utility	80,650
Toll NY V.L.P	Residential Development	80,300
EPN Enterprise, Inc.	Office Building	72,934
Resident	Private	71,450
Pleasant Manor Apts. LTD	Cooperative	60,800

The largest taxpayers listed above have a total taxable full valuation of \$2,110,569, which represents approximately 8.30% of the tax base of the District for the 2019-2020 fiscal year.

As of the date of this Official Statement, the District does not have any pending or outstanding tax certioraris that are known or believed to have a material impact on the District.

Source: District officials.

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.

Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and undisclosed retirement annuities (“STAR Adjusted Gross Income”) of \$86,300 or less for 2019 benefits and \$88,050 or less for 2020 benefits, increased annually according to a Cost-of-Living adjustment, are eligible for an “enhanced” exemption. 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.

Part A of Chapter 60 of the Laws of 2016 of the State of New York (“Chapter 60”) gradually converts the STAR program from a real property tax exemption to a personal income tax credit. Chapter 60 prohibits new STAR exemptions from being granted unless at least one of the applicants held title to the property on the taxable status date of the assessment roll that was used to levy school district taxes for the 2015-2016 school year (generally, March 1, 2015), and the property was granted a STAR exemption on that assessment roll. A new homeowner may receive a new personal income tax credit in the form of a check. A taxpayer who is eligible for the new credit will receive a check from the State equal to the amount by which the STAR exemption would have reduced his or her school tax bill. A homeowner who owned his or her home on the taxable status date for the assessment roll used to levy taxes for the 2015-2016 school year, and who received a STAR exemption on that roll, may continue to receive a STAR exemption on that home as long as he or she still owns and primarily resides in it. No further action is required (unless the homeowner has been receiving Basic STAR and wants to apply for Enhanced STAR, which is permissible).

The 2019-20 Enacted State Budget makes several changes to the STAR program, which went into effect immediately. The changes are intended to encourage homeowners to switch from the STAR exemption to the STAR credit. The income limit for the exemption has been lowered to \$250,000, compared with a \$500,000 limit for the credit. The amount received for the STAR exemption will remain the same each year, while the amount of the STAR credit can increase up to two percent annually. Homeowners with STAR Adjusted Gross Income of \$250,000 or less have the option to select the credit or the exemption.

The 2020-21 Enacted Budget withholds STAR benefits to taxpayers who are delinquent in the payment of their school taxes and maintains the income limit for the exemption to \$250,000, compared with a \$500,000 limit for the credit.

The below table lists the basic and enhanced exemption amounts for the 2019-20 District tax roll 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	\$ 2,640	\$ 1,130	10/23/2019
New Castle	35,500	15,260	10/23/2019

\$3,378,600.47 of the District’s \$38,052,299 school tax levy for the 2019-20 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January, 2020.

Approximately \$3,300,000 of the District’s \$38,352,425 school tax levy for the 2020-2021 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, 2021.

Additional Tax Information

Real property located in the District is assessed by the Towns.

Senior citizens' and Veterans' exemptions are offered to those who qualify.

TAX LEVY LIMIT LAW

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

Prior to the enactment of the Law, there was no statutory limitation on the amount of real property taxes that a school district could levy if its budget had been approved by a simple majority of its voters. In the event the budget had been defeated by the voters, the school district was required to adopt a contingency budget. Under a contingency budget, school budget increases were limited to the lesser of four percent (4%) of the prior year's budget or one hundred twenty percent (120%) of the consumer price index ("CPI"). Under the Tax Levy Limit Law, there is now a limitation on the amount of tax levy growth from one fiscal year to the next. Such limitation is the lesser of (i) 2% or (ii) the annual percentage increase in the consumer price index, subject to certain exclusions as mentioned below and as described in the Law. A budget with a tax levy that does not exceed such limit will require approval by at least 50% of the voters. Approval by at least 60% of the voters will be required for a budget with a tax levy in excess of the limit. In the event the voters reject the budget, the tax levy for the school district's budget for the ensuing fiscal year may not exceed the amount of the tax levy for the prior fiscal year. School districts will be permitted to carry forward a certain portion of their unused tax levy limitation from a prior year.

The Law permits certain significant exclusions to the tax levy limit for school districts. These include taxes to pay the local share of debt service on 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. (See "*THE NOTES - Nature of the Obligation*" herein).

STATUS OF INDEBTEDNESS

Constitutional and Statutory Requirements

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

Statutory Procedure

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

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

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution, or summary thereof, together with a statutory form of notice which, in effect, estops legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. The District has complied with such procedure with respect to the 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 30th:</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Bonds	\$ 55,365,000	\$ 53,120,000	\$ 51,380,000	\$ 48,920,000	\$ 46,360,000
Bond Anticipation Notes	0	0	0	0	0
Other Debt ⁽¹⁾	<u>450,314</u>	<u>409,441</u>	<u>366,533</u>	<u>321,488</u>	<u>274,200</u>
Total Debt Outstanding	<u>\$ 55,815,314</u>	<u>\$ 53,529,441</u>	<u>\$ 51,746,533</u>	<u>\$ 49,241,488</u>	<u>\$ 46,634,200</u>

⁽¹⁾ Represents an Energy Performance Contract of the District. See *"Lease Financing Obligations"*, herein.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the School District evidenced by bonds and notes as of May 27, 2020.

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2020-2029	\$ 43,630,000
<u>Bond Anticipation Notes</u>	---	<u>0</u>
	Total Indebtedness	<u>\$ 43,630,000</u>

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Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of May 27, 2020:

Full Valuation of Taxable Real Property	\$ 1,761,972,959
Debt Limit 10% thereof	176,197,296

Inclusions:

Bonds.....	\$ 43,630,000
Bond Anticipation Notes	0
Principal of This Issue	<u>4,500,000</u>

Total Inclusions \$ 48,190,000

Exclusions:

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

Total Net Indebtedness	<u>\$ 48,190,000</u>
Net Debt-Contracting Margin	<u>\$ 128,007,296</u>
The percent of debt contracting power exhausted is	27.35%

- ⁽¹⁾ Pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building aid Estimate. Over the years the building aid ratio has been adjusted based on State legislative changes with an effective date tied to voter authorization dates. Based on preliminary 2020-2021 Building Aid Ratios, the District anticipates State Building aid of 49.5% for debt service on SED 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 its capital project indebtedness.

Note: 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.

Lease Financing Obligations

<u>Description of Issue</u>	<u>Issue Year</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Principal Amount Outstanding at June 30, 2020</u>
Energy Performance Contract	2009	2023	4.98%	\$224,557

Source: Audited Financial Statements of the District.

Authorized but Unissued Obligations

On May 21, 2019, the qualified voters of the District approved an \$8,900,000 capital improvement project consisting of additions, alterations, and improvements to all District buildings. On June 18, 2019 the District’s Board of Education adopted a bond resolution authorizing the issuance of \$8,900,000 bonds for the abovementioned purpose. The proceeds of the Notes will provide \$4,500,000 new monies for the above mentioned project.

On March 17, 2020 the Board of Education adopted a refunding bond resolution authorizing up to \$10,150,000 refunding serial bonds to refinance the 2011 bonds of the District. The 2011 bonds par amount of \$9,815,000 will be callable at par on November 1, 2020. The District plans to undertake a current refunding to close on or about August 5, 2020 to realize present value savings. Savings would be in equal amounts over the remaining bond term.

Revenue and Tax Anticipation Notes

The District has not issued tax or revenue anticipation notes for the last five fiscal years. The District does not currently anticipate issuing either tax anticipation notes or revenue anticipation notes in the foreseeable future.

Estimated Overlapping Indebtedness

In addition to the School District, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the School District. The estimated outstanding indebtedness of such political subdivisions is as follows:

<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	12/31/2018	\$ 1,461,209,748	\$ 586,465,256	\$ 874,744,492	1.03%	\$ 9,009,868
Town of:						
Mount Pleasant	12/31/2018	71,472,387	35,125,588	36,346,799	16.65%	6,051,742
New Castle	12/31/2018	27,411,130	5,642,614	21,768,516	0.04%	8,707
Village of:						
Pleasantville	5/31/2019	8,105,000	1,085,600	7,019,400	100.00%	<u>7,019,400</u>
					Total:	<u>\$ 22,089,718</u>

Notes:

(1) Outstanding bonds and bond anticipation notes. Not adjusted to include subsequent bond or note sales, if any.

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

Source: Most recent available State Comptroller's Special Reports for the respective municipality.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of May 27, 2020:

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness ^(c)	\$ 48,190,000	\$ 5,680.77	2.74%
Net Indebtedness Plus Net Overlapping Indebtedness ^(d)	70,279,718	8,284.77	3.99

(a) The 2018 estimated population of the District is 8,483. (See "*THE SCHOOL DISTRICT – District Population*" herein.)

(b) The District's full value of taxable real estate for 2019-20 is \$1,761,972,959. (See "*TAX INFORMATION – Taxable Assessed Valuations*" herein.)

(c) See "Debt Statement Summary" herein.

(d) Estimated net overlapping indebtedness is \$22,089,000. (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.

If and when an owner of any of the Notes should elect to sell all or a part of the Notes prior to maturity, there can be no assurance that a market will have been established, maintained and continue in existence for the purchase and sale of any of those Notes. The market value of the Notes is dependent upon the ability of holder to potentially incur a capital loss if such Notes are sold prior to its maturity.

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.

COVID-19: An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the District's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Currently, the COVID-19 outbreak has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to continue to affect economic growth worldwide. The outbreak caused the Federal government to declare a national state of emergency, which was followed by the enactment of a variety of stimulus measures designed to address financial stability and liquidity issues caused by the outbreak. The State also declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. Efforts to contain the spread of COVID-19 has reduced the spread of the virus in some areas and there have been recent efforts to relax some of the restrictions put in place following the initial outbreak. Nevertheless, the outbreak of COVID-19 and the dramatic steps taken by the Federal government and State to address it are expected to negatively impact federal and local economies, including the economy of the State. The full impact of COVID-19 on the State's operations and financial condition is not expected to be known for some time. Similarly, the degree of the impact to the District's operations and finances as a result of COVID-19 is extremely difficult to predict due to the uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions have been or may continue to be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The spread of the outbreak or resurgence later in

the year could have a material adverse effect on the State and municipalities and school districts located in the State, including the District. The District is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations. (See “*State Aid*” and “*Events Affecting New York School Districts*” herein).

Cybersecurity

The School 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. 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. 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 the Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Notes or any proceedings or authority of the District taken with respect to the authorization, issuance or sale of the 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

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 will result in a material event notification to be posted to EMMA which is required by the District's Continuing Disclosure Undertakings. (See "*APPENDIX-D - UNDERTAKING TO PROVIDE NOTICES OF EVENTS*" herein.)

Moody's Investors Service ("Moody's") has assigned their underlying rating of "Aa2" to the District's outstanding bonds. The rating reflects only the view of Moody's and any desired explanation of the significance of such rating should be obtained from Moody's, 250 Greenwich Street – Suite 11, 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.

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's contact information is as follows: Mr. Timothy Whipple, Assistant Superintendent for Business, 60 Romer Avenue, Pleasantville, New York 10570 Phone: (914)-741-1400, Fax: (914)-741-1499, Email: WhippleT@pleasantvilleschools.org

Additional information may be obtained upon request from the offices of Fiscal Advisors & Marketing, Inc., telephone number (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 School District.

PLEASANTVILLE UNION FREE SCHOOL DISTRICT

Dated: May __, 2020

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

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>ASSETS</u>					
Cash and equivalents	\$ 5,752,381	\$ 6,337,751	\$ 8,021,861	\$ 5,237,973	\$ 3,128,580
Investments	278,519	286,329	91,471	3,385,253	5,909,676
State and Federal Aid Receivable	167,151	266,275	860,246	680,777	1,128,995
Due from Other Governments	3,134,865	3,269,161	1,607,823	1,795,603	1,350,905
Due from Other Funds	3,429,784	695,468	146,498	272,502	284,740
Accounts Receivables	59,015	73,197	82,815	26,033	24,806
TOTAL ASSETS	<u>\$ 12,821,715</u>	<u>\$ 10,928,181</u>	<u>\$ 10,810,714</u>	<u>\$ 11,398,141</u>	<u>\$ 11,827,702</u>
<u>LIABILITES AND FUND EQUITY</u>					
Accounts Payable	\$ 402,604	\$ 218,415	\$ 236,054	\$ 606,683	\$ 603,437
Accrued Liabilities	173,810	12,482	31,037	9,362	22,451
Due to Other Governments	114,559	91,621	-	-	-
Due to Other Funds	1,688,174	1,269,747	1,757,647	2,131,219	2,167,567
Due to Retirement System	3,811,330	2,991,367	2,690,991	2,315,501	2,455,086
Unearned Revenue	6,006	484	1,766	18,883	2,989
TOTAL LIABILITIES	<u>6,196,483</u>	<u>4,584,116</u>	<u>4,717,495</u>	<u>5,081,648</u>	<u>5,251,530</u>
<u>FUND EQUITY</u>					
Restricted	\$ 3,838,034	\$ 3,603,321	\$ 3,594,305	\$ 3,733,321	\$ 3,887,457
Assigned	1,459,631	1,116,642	807,300	873,480	735,046
Unassigned	1,327,567	1,624,102	1,691,634	1,709,692	1,953,669
TOTAL FUND EQUITY	<u>6,625,232</u>	<u>6,344,065</u>	<u>6,093,239</u>	<u>6,316,493</u>	<u>6,576,172</u>
TOTAL LIABILITES and FUND EQUITY	<u>\$ 12,821,715</u>	<u>\$ 10,928,181</u>	<u>\$ 10,810,734</u>	<u>\$ 11,398,141</u>	<u>\$ 11,827,702</u>

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>REVENUES</u>					
Real Property Taxes	\$ 29,127,578	\$ 29,679,279	\$ 30,398,759	\$ 31,141,431	\$ 31,648,946
Other Tax Items	4,655,109	4,743,247	4,687,788	4,514,801	4,426,227
Nonproperty Taxes	419,714	418,585	426,059	431,946	461,472
Charges for Services	5,037,920	4,841,933	4,893,603	4,119,728	4,016,592
Use of Money & Property	25,563	15,360	33,141	75,980	143,857
Sale of Property and Compensation for Loss	-	12,750	5,000	-	6,124
Miscellaneous	198,530	136,411	145,572	196,281	139,106
Revenues from State Sources	5,687,845	6,046,356	6,452,822	7,173,148	7,409,120
Revenues from Federal Sources	58,112	26,152	34,178	10,546	9,877
Total Revenues	<u>\$ 45,210,371</u>	<u>\$ 45,920,073</u>	<u>\$ 47,076,922</u>	<u>\$ 47,663,861</u>	<u>\$ 48,261,321</u>
Other Sources:					
Proceeds from Debt	-	-	-	-	-
Operating Transfers (In)	<u>-</u>	<u>279,896</u>	<u>400,000</u>	<u>-</u>	<u>139,726</u>
Total Revenues and Other Sources	<u>45,210,371</u>	<u>46,199,969</u>	<u>47,476,922</u>	<u>47,663,861</u>	<u>48,401,047</u>
<u>EXPENDITURES</u>					
General Support	\$ 4,197,605	\$ 4,192,455	\$ 4,661,174	\$ 4,692,960	\$ 4,858,146
Instruction	25,037,163	25,782,647	26,621,823	27,264,593	27,338,169
Pupil Transportation	544,889	558,363	682,716	617,851	606,613
Community Services	3,190	2,500	2,600	2,639	-
Employee Benefits	10,556,927	11,104,522	10,570,356	10,699,028	10,890,384
Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 40,339,774</u>	<u>\$ 41,640,487</u>	<u>\$ 42,538,669</u>	<u>\$ 43,277,071</u>	<u>\$ 43,693,312</u>
Other Uses:					
Operating Transfers (Out)	<u>4,870,995</u>	<u>4,683,133</u>	<u>5,219,420</u>	<u>4,637,616</u>	<u>4,484,481</u>
Total Expenditures and Other Uses	<u>45,210,769</u>	<u>46,323,620</u>	<u>47,758,089</u>	<u>47,914,687</u>	<u>48,177,793</u>
Excess (Deficit) Revenues Over Expenditures	<u>(398)</u>	<u>(123,651)</u>	<u>(281,167)</u>	<u>(250,826)</u>	<u>223,254</u>
<u>FUND BALANCE</u>					
Fund Balance - Beginning of Year	6,749,281	6,748,883	6,625,232	6,344,065	6,093,239
Prior Period Adjustments (net)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 6,748,883</u>	<u>\$ 6,625,232</u>	<u>\$ 6,344,065</u>	<u>\$ 6,093,239</u>	<u>\$ 6,316,493</u>

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance - Budget

Fiscal Years Ending June 30:

	2019			2020	2021
	Adopted	Modified		Adopted	Proposed
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
<u>REVENUES</u>					
Real Property Taxes	\$ 32,581,387	\$ 32,581,387	\$ 32,900,968	\$ 38,052,299	\$ 38,352,425
Other Tax Items	4,606,325	4,606,325	4,209,137	-	-
Nonproperty Taxes	425,000	425,000	472,867	-	-
Charges for Services	3,726,470	3,726,470	4,203,285	3,950,131	4,453,108
Use of Money & Property	62,000	62,000	244,667	-	-
Sale of Property and					
Compensation for Loss	-	-	9,657	-	-
Miscellaneous	100,000	100,000	160,213	712,998	846,124
Revenues from State Sources	7,127,932	7,127,932	7,419,261	7,516,733	7,632,312
Revenues from Federal Sources	5,000	5,000	7,070	5,000	5,000
Total Revenues	<u>\$ 48,634,114</u>	<u>\$ 48,634,114</u>	<u>\$ 49,627,125</u>	<u>\$ 50,237,161</u>	<u>\$ 51,288,969</u>
Other Sources:					
Proceeds from Debt	-	-	-	-	-
Operating Transfers (In)	400,000	400,000	20,000	400,000	551,000
Total Revenues and Other Sources	<u>49,034,114</u>	<u>49,034,114</u>	<u>49,647,125</u>	<u>50,637,161</u>	<u>51,839,969</u>
<u>EXPENDITURES</u>					
General Support	\$ 4,946,303	\$ 6,099,698	\$ 5,665,265	\$ 4,723,723	\$ 5,145,870
Instruction	28,191,272	27,902,486	27,661,460	29,190,686	29,992,625
Pupil Transportation	665,227	618,902	617,537	685,878	723,116
Community Service	3,000	-	-	-	25,000
Employee Benefits	11,789,709	10,948,319	10,928,995	11,967,717	12,168,400
Debt Service	4,393,083	4,393,082	4,393,082	4,403,286	4,697,580
Total Expenditures	<u>\$ 49,988,594</u>	<u>\$ 49,962,487</u>	<u>\$ 49,266,339</u>	<u>\$ 50,971,290</u>	<u>\$ 52,752,591</u>
Other Uses:					
Operating Transfers (Out)	95,000	121,107	121,107	95,000	-
Total Expenditures and Other Uses	<u>50,083,594</u>	<u>50,083,594</u>	<u>49,387,446</u>	<u>51,066,290</u>	<u>52,752,591</u>
Excess (Deficit) Revenues Over					
Expenditures	<u>(1,049,480)</u>	<u>(1,049,480)</u>	<u>259,679</u>	<u>(429,129)</u>	<u>(912,622)</u>
<u>FUND BALANCE</u>					
Fund Balance - Beginning of Year	1,049,480	1,049,480	6,316,493	429,129	912,622
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,576,172</u>	<u>\$ -</u>	<u>\$ -</u>

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

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2020	\$ 2,670,000	\$ 1,669,987.50	\$ 4,339,987.50
2021	2,785,000	1,554,281.25	4,339,281.25
2022	2,105,000	1,445,818.75	3,550,818.75
2023	2,215,000	1,346,318.75	3,561,318.75
2024	2,340,000	1,241,343.75	3,581,343.75
2025	2,455,000	1,130,418.75	3,585,418.75
2026	2,580,000	1,013,893.75	3,593,893.75
2027	2,705,000	904,868.75	3,609,868.75
2028	2,800,000	818,881.25	3,618,881.25
2029	2,905,000	729,031.25	3,634,031.25
2030	3,010,000	634,931.25	3,644,931.25
2031	2,830,000	540,265.63	3,370,265.63
2032	1,675,000	465,237.50	2,140,237.50
2033	1,725,000	414,987.50	2,139,987.50
2034	1,780,000	363,237.50	2,143,237.50
2035	1,835,000	307,612.50	2,142,612.50
2036	1,895,000	247,975.00	2,142,975.00
2037	1,955,000	186,387.50	2,141,387.50
2038	2,015,000	122,850.00	2,137,850.00
2039	2,080,000	62,400.00	2,142,400.00
TOTALS	\$ 46,360,000	\$ 15,200,728.13	\$ 61,560,728.13

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2011			2011		
	Refunding Serial Bonds			Elementary School Refunding Serial Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 750,000	\$ 38,843.75	\$ 788,843.75	\$ 695,000	\$ 537,031.25	\$ 1,232,031.25
2021	775,000	13,562.50	788,562.50	730,000	501,406.25	1,231,406.25
2022	-	-	-	770,000	463,906.25	1,233,906.25
2023	-	-	-	810,000	424,406.25	1,234,406.25
2024	-	-	-	855,000	382,781.25	1,237,781.25
2025	-	-	-	900,000	338,906.25	1,238,906.25
2026	-	-	-	945,000	292,781.25	1,237,781.25
2027	-	-	-	1,000,000	244,156.25	1,244,156.25
2028	-	-	-	1,050,000	192,906.25	1,242,906.25
2029	-	-	-	1,105,000	139,031.25	1,244,031.25
2030	-	-	-	1,165,000	82,281.25	1,247,281.25
2031	-	-	-	1,215,000	26,578.13	1,241,578.13
TOTALS	\$ 1,525,000	\$ 52,406.25	\$ 1,577,406.25	\$ 11,240,000	\$ 3,626,171.88	\$ 14,866,171.88

Fiscal Year Ending June 30th	2015			2016		
	Various Construction			Refunding Serial Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 215,000	\$ 58,725.00	\$ 273,725.00	\$ 1,010,000	\$ 1,035,387.50	\$ 2,045,387.50
2021	220,000	54,425.00	274,425.00	1,060,000	984,887.50	2,044,887.50
2022	225,000	50,025.00	275,025.00	1,110,000	931,887.50	2,041,887.50
2023	230,000	45,525.00	275,525.00	1,175,000	876,387.50	2,051,387.50
2024	240,000	40,925.00	280,925.00	1,245,000	817,637.50	2,062,637.50
2025	245,000	36,125.00	281,125.00	1,310,000	755,387.50	2,065,387.50
2026	250,000	31,225.00	281,225.00	1,385,000	689,887.50	2,074,887.50
2027	255,000	26,225.00	281,225.00	1,450,000	634,487.50	2,084,487.50
2028	260,000	20,487.50	280,487.50	1,490,000	605,487.50	2,095,487.50
2029	270,000	14,312.50	284,312.50	1,530,000	575,687.50	2,105,687.50
2030	275,000	7,562.50	282,562.50	1,570,000	545,087.50	2,115,087.50
2031	-	-	-	1,615,000	513,687.50	2,128,687.50
2032	-	-	-	1,675,000	465,237.50	2,140,237.50
2033	-	-	-	1,725,000	414,987.50	2,139,987.50
2034	-	-	-	1,780,000	363,237.50	2,143,237.50
2035	-	-	-	1,835,000	307,612.50	2,142,612.50
2036	-	-	-	1,895,000	247,975.00	2,142,975.00
2037	-	-	-	1,955,000	186,387.50	2,141,387.50
2038	-	-	-	2,015,000	122,850.00	2,137,850.00
2039	-	-	-	2,080,000	62,400.00	2,142,400.00
TOTALS	\$ 2,685,000	\$ 385,562.50	\$ 3,070,562.50	\$ 30,910,000	\$ 11,136,587.50	\$ 42,046,587.50

FORM OF APPROVING LEGAL OPINION

June 18, 2020

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

Ladies and Gentlemen:

We have acted as Bond Counsel to the Pleasantville 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 \$4,500,000 Bond Anticipation Note-2020 (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.

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 Village, 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 **Pleasantville 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 School Board as of June 18, 2020.

“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 \$4,500,000 Bond Anticipation Note-2020, dated June 18, 2020, maturing on September 18, 2020, 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;
- (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 18, 2020**.

PLEASANTVILLE UNION FREE SCHOOL DISTRICT

By _____
President of the Board of Education

**PLEASANTVILLE UNION FREE SCHOOL DISTRICT
WESTCHESTER COUNTY, NEW YORK**

AUDITED FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2019

Such Financial Report and opinions 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.

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

Pleasantville Union Free School District, New York

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Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Pleasantville Union Free School District, New York ("School District") as of and for the year ended June 30, 2019, and the related notes to the financial statements which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the School District, as of June 30, 2019, and the respective changes in financial position and the respective budgetary comparison for the General and Special Aid funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit for the year ended June 30, 2019 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, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2019 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2019.

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, 2018 (not presented herein), and have issued our report thereon dated October 4, 2018, 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, 2018 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and

relate directly to the underlying accounting and other records used to prepare the 2018 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2018 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2018.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2019 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 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, 2019

**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

**To the Board of Education of
Pleasantville 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 Pleasantville Union Free School District, New York ("School District") as of and for the year ended June 30, 2019, 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, 2019.

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") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

October 4, 2019

Pleasantville Union Free School District, New York

Management's Discussion and Analysis (MD&A) June 30, 2019

Introduction

This discussion and analysis of the Pleasantville Union Free School District, New York's financial performance provides an overview of the School District's financial activities for the year ended June 30, 2019. It should be read in conjunction with the basic financial statements, which immediately follows this section, to enhance understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2019 are as follows:

- New York State Law limits the amount of unassigned fund balance that can be retained by the General Fund to 4% of the ensuing year's budget, exclusive of the amount designated for the subsequent year's budget. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$1,953,669, and this amount was within the statutory limit.
- As of the close of the current fiscal year, the School Districts governmental fund financial statements report a combined ending fund balance of \$8,820,322, an increase of \$204,763 during the current fiscal year. This increase is due largely to unexpected increases in various state aid categories, as well as higher than expected tuition for non-resident students attending special education programs within the district. The balance in the capital fund as of June 30, 2019 was \$(8,176), representing revenues not yet received, but expected to be realized in 2019-20 for the ongoing Parkway Field Bleacher renovation project. The unassigned fund balance in the General Fund is \$1,953,669 or 21% of total fund balance. This amount is available for spending at the discretion of the School District.
- On the district-wide financial statements, the liabilities and deferred inflows of resources of the School District exceeded assets and deferred outflows of resources at the close of its most recent fiscal year by \$60,907,613, a total net position decrease of \$2,693,371 as compared to fiscal year ended June 30, 2018.
- For the year ending June 30, 2019, the School District's Other Post Employment Benefit Obligations decreased to \$84,848,370 from \$89,604,429 at June 30, 2018. This obligation is reflected as a liability on the district-wide financial statements as a non-current liability due in more than one year. New York State has not authorized any legal mechanism to fund this liability.

Overview of the Financial Statements

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

District-Wide Financial Statements

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

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

Fund Financial Statements

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

- The School District maintains six individual governmental funds. The General Fund, Capital Projects Fund, Special Aid Fund and Debt Service Fund are presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances, since the School District has elected to report them as major funds. The School District reports the Special Revenue Funds: School Lunch Fund and Special Purpose Fund as non-major. Data for all non-major funds are reported in a single column, 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, Special Aid Fund and Debt Service Fund. A budgetary comparison statement has been provided for the General Fund and the Special Aid Fund within the basic financial statements to demonstrate compliance with the respective budgets.
- The *Fiduciary Funds* (inclusive of student activity funds) are used to account for assets held by the School District in an agency capacity on behalf of others. Fiduciary funds are not reflected in the district-wide financial statement because the resources of these funds are *not* available to support the School District's programs.

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

Notes to the Financial Statements

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

**District-Wide Financial Analysis
Net Position**

	June 30,	
	2019	2018
Current Assets	\$ 12,002,495	\$ 11,633,150
Net Pension Asset	2,284,809	987,003
Capital Assets, net	60,703,095	62,409,261
Total Assets	74,990,399	75,029,414
Deferred Outflows of Resources		
Deferred loss on refunding bonds	2,915,085	3,077,381
Deferred amount on pension liabilities *	12,741,809	14,213,228
Deferred amounts on post employment benefits	138,952	156,998
	15,795,846	17,447,607
Current Liabilities	3,478,441	3,332,851
Long-Term Liabilities	136,232,639	143,354,511
Total Liabilities	139,711,080	146,687,362
Deferred Inflows of Resources		
Deferred amount on pension liabilities *	3,182,818	4,003,901
Deferred amount on post employment benefits	8,799,960	-
	11,982,778	4,003,901
Net Position		
Net Investment in Capital Assets	13,978,103	13,025,439
Restricted		
Capital Projects	6,824	-
Debt Service	1,887,455	1,887,450
Tax Certiorari	2,262,475	2,887,321
ERS Retirement Contributions	475,000	420,000
TRS Retirement Contributions	411,632	-
Liability Claims	212,350	-
Special Purpose	170,933	200,312
Unrestricted	(80,312,385)	(76,634,764)
Total Net Position	\$ (60,907,613)	\$ (58,214,242)

* Detailed information pertaining to the School District's Deferred Outflows/Inflows of Resources pertaining to pension liabilities and post employment benefits is presented in Notes 1 and 3 to the financial statements. The amounts are as follows:

	Deferred Amounts			
	Outflows		Inflows	
	2019	2018	2019	2018
<i>Retirement System:</i>				
Employee (ERS)	\$ 592,171	1,218,153	\$ 298,214	\$ 1,248,167
Teacher (TRS)	12,149,638	12,995,075	2,884,604	2,755,734
	12,741,809	14,213,228	3,182,818	4,003,901
<i>Related to:</i>				
Other Post Employment				
Benefit Obligations	138,952	156,998	8,799,960	-
Loss on Refunding Bonds	2,915,085	3,077,381	-	-
	<u>\$ 15,795,846</u>	<u>\$ 17,447,607</u>	<u>\$ 11,982,778</u>	<u>\$ 4,003,901</u>

The change in the ERS is due to the change in the Plans net position as a percentage of the total pension liability. In 2018 the percentage was 98.24% which decreased in 2019 to 96.27% therefore causing the liability to increase.

The change in TRS is due to the change in the Plans net position as a percentage of the total pension liability. In 2018 the percentage was 100.66% which increased in 2019 to 101.53% therefore causing the asset to increase.

By far, the largest component of the School District's net position, \$13,978,103 in 2019 and \$13,025,439 in 2018, reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The School District uses these capital assets to provide services to the students and consequently, these assets are not available for future spending. Although the School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Those assets, subject to external restrictions, total \$5,426,669 in 2019 and \$5,395,083 in 2018. The remaining balance is an unrestricted deficit of \$80,312,385 in 2019 and \$76,634,764 in 2018, primarily attributable to the accrual of other post employment benefit obligations promulgated under the requirements of Governmental Accounting Standards Board Statement No. 75.

In addition, as a requirement 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*, items are included in the Statement of Net Position. As of June 30, 2019, the School District reported a net pension asset, liability and deferred inflows and outflows as calculated by the New York State Teachers' and Local Employees Retirement systems. This asset and the net deferrals are not in custody of, nor are they accessible by the School District, rather these represent the School District's share of the calculated excess/shortfall of the respective retirement systems. Please see Note 3D of the financial statements for more information on these pension items.

The negative unrestricted net position balance of \$80,312,385 continues to be the result of recognizing the liability for Other Post Employment Benefits ("OPEB"), without any legal mechanism to set-aside funds for this liability. The School District does not control the investment of or administration of the retirement systems. And since much of the retirement system is market dependent, an asset in one year does not mean an asset will be recorded on the financial statements in future years. Therefore, the negative unrestricted net position balance will continue to grow as a result of the OPEB liability and will be directly impacted, positively or negatively, by future swings in recording the pension asset/liability.

Details of the Changes in Net Position are included below.

Changes in Net Position

	June 30,	
	2019	2018
REVENUES		
Program Revenues		
Charges for Services	\$ 4,837,473	\$ 4,617,843
Operating Grants and Contributions	1,383,414	1,290,264
Capital Grants and Contributions	5	4,348
Total Program Revenues	6,220,892	5,912,455
General Revenues		
Real Property Taxes	32,900,968	31,648,946
Other Tax Items	4,209,137	4,426,227
Non-Property Taxes	472,867	461,472
Unrestricted Use of Money and Property	183,754	108,721
Sales of Property and Compensation for Loss	9,657	6,124
Unrestricted State Aid	7,187,404	7,136,017
Miscellaneous	192,163	138,506
Total General Revenues	45,155,950	43,926,013
Total Revenues	51,376,842	49,838,468
PROGRAM EXPENSES		
General Support	7,024,873	6,433,201
Instruction	44,015,875	44,851,544
Pupil Transportation	659,419	627,071
Cost of Food Sales	538,656	494,475
Other	116,130	97,150
Interest	1,715,260	1,815,383
Total Expenses	54,070,213	54,318,824
Change in Net Position	(2,693,371)	(4,480,356)
NET POSITION		
Beginning of Year, as Reported	(58,214,242)	(977,667)
Cumulative Effect of Change in Accounting Principle	-	(52,756,219)
Beginning of Year, As Restated	(58,214,242)	(53,733,886)
Ending	\$ (60,907,613)	\$ (58,214,242)

Governmental activities decreased the School District's net position by \$2,693,371 during the current fiscal year and \$4,480,356 in 2018.

The major changes from 2018-19 are as follows:

Revenues:

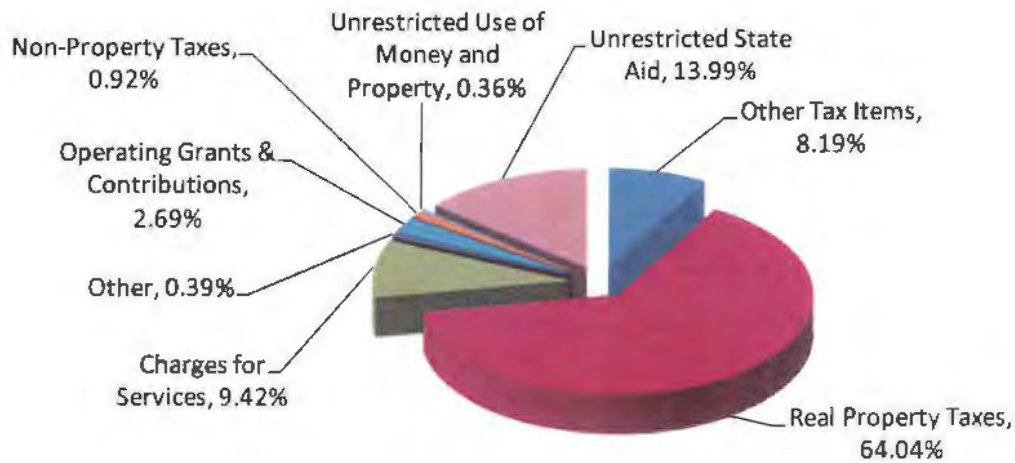
- Charges for Services were \$219,630 higher than originally projected. This area saw the largest variance due to an increased number of non-resident special education students attending special education programs within the district. The district's budgeting philosophy is somewhat conservative in the tuition revenue category due to the difficulty in projecting the total number of non-resident students who will attend a district program from one year to the next.
- Other tax payments, specifically school tax relief reimbursements (STAR), were lower than expected by \$77,607. This was a one-time shortage in expected STAR payments. Due to Tax Certiorari settlements that occurred in the 2017-18 school year, a reduction in the amount of payments associated with Senior STAR exemptions were realized in 18-19.
- Interest earnings were higher by \$182,667 as compared to the estimated budget.
- In the state aid category, revenues were \$291,329 higher than the projected budget. The increase was attributable to additional excess cost aid for special education students whose cost of education exceeded the district's high cost threshold, as well as additional BOCES aid, representing reimbursements on BOCES expenses from the 2017-18 school year.

Expenses:

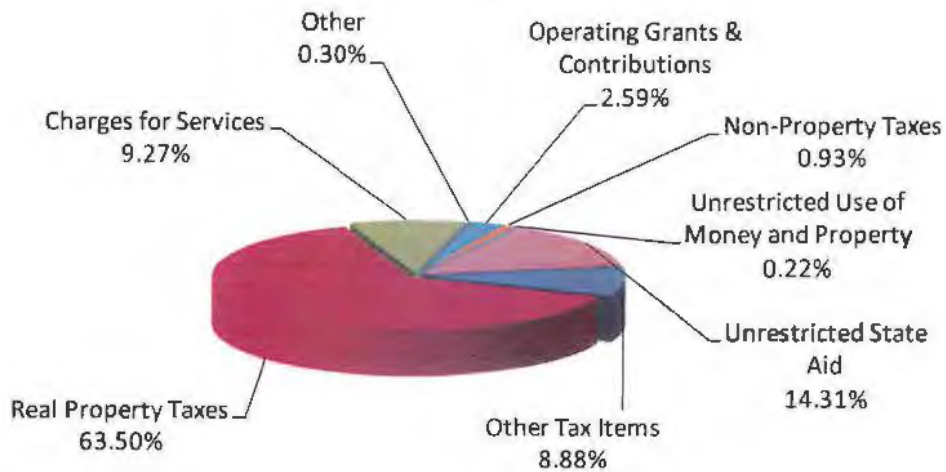
- General Support expenses increased by \$591,672 while Instructional Program expenses decreased by \$835,669.
- Interest expense due to bonds payable during the year decreased by \$100,123 per remaining the districts outstanding debt schedule.

As indicated on the following graphs, the School District relies upon real property taxes as its primary revenue source. The School District's instruction costs account for 81.41% of its total expenses in 2019.

**Sources of Revenue for Fiscal Year 2019
Governmental Activities**

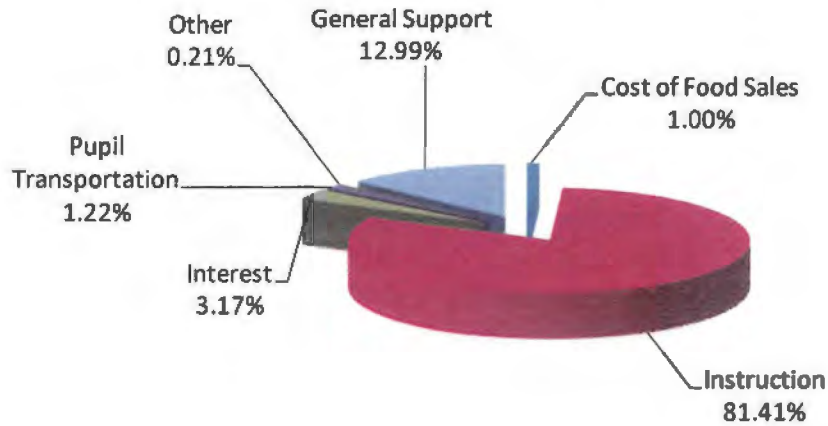


**Sources of Revenue for Fiscal Year 2018
Governmental Activities**



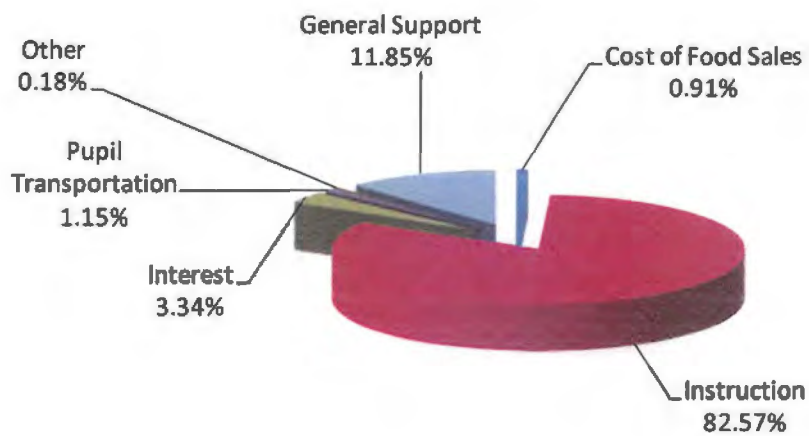
Expenses for Fiscal Year 2019

Governmental Activities



Expenses for Fiscal Year 2018

Governmental Activities



Financial Analysis of the School District's Funds

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

Fund Balance Reporting

The Governmental Accounting Standards Board ("GASB") issued its Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in February 2009. The requirements of GASB Statement No. 54 were effective for financial statements for the School District's fiscal period ending June 30, 2011. GASB Statement No. 54 abandons the reserved and unreserved classifications of fund balance and replaces them with five classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications is 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 General Municipal Law or Education Law of the State of New York.

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

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

Assigned fund balance, in the General Fund, represents amounts constrained either by the policies of the entity's highest level of decision making authority or a person with delegated authority from the governing board to assign amounts for a specific intended purpose. 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 other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

These changes were made to reflect spending constraints on resources, rather than availability for appropriations and to bring greater clarity and consistency to fund balance reporting. According to GASB, this pronouncement should result in an improvement in the usefulness of fund balance information. More detailed information about the School District's fund balance is presented in Note 3,1 in the notes to the financial statements.

Total 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, exclusive of the Capital Projects Fund, reported combined fund balances of \$8,828,498 in 2019 and \$8,615,559 in 2018, an increase of \$212,939 from the prior year. Exclusive of the Capital Projects Fund, \$928,984 in 2019 and \$1,084,784 in 2018 constitutes *assigned fund balance*, of which \$829,129 has been designated for subsequent year's expenditures in the General Fund and Debt Service Fund and represents the amount estimated for use in the 2019-2020 budget and the remaining is assigned for purchases on order of \$381,917 and assigned for the School Lunch fund of \$193,938. The *unassigned* fund balance of \$1,945,493 in 2019 is available for spending at the School District's discretion. The remainder of fund balance is *restricted* to indicate that it is not available for new spending because it has already been committed. The restricted fund balance includes restrictions for tax certiorari of \$2,262,475 in 2019 and \$2,887,321 in 2018, for trusts of \$170,933 in 2019 and \$200,312 in 2018, for debt service of \$1,487,455 in 2019 and \$1,487,450 in 2018, for retirement contributions of \$886,632 in 2019 and \$320,000 in 2018 and for employee benefit accrued liability of \$450,000 in 2019 and \$350,000 in 2018. A new reserve was established by the Board of Education in June 2019 for the purpose of paying pending liability claims. The total amount restricted is \$212,350. It should be noted that a portion of the retirement contribution reserve is attributable to a new sub reserve for Teachers' Retirement contributions. The summary of the combined fund balances exclusive of the Capital Projects Fund are as follows:

		2019		2018
		<hr/>		<hr/>
Restricted	\$	5,945,845	\$	5,821,083
Assigned		928,984		1,084,784
Unassigned		1,953,669		1,709,692

The General Fund is the primary operating fund of the School District. At the end of the current and 2018 fiscal year, the total fund balance of the General Fund was \$6,576,172 and \$6,316,493, respectively of which \$1,953,669 or 3.83% in 2019 and \$1,709,692 or 3.44% in 2018 of the ensuing year's budget was unassigned. As previously mentioned, New York State Law limits the amount of unreserved fund balance that can be retained to 4% of the ensuing year's budget, exclusive of the amount designated for the subsequent year's budget.

General Fund Budgetary Highlights

Exclusive of interfund transfers, approximately 102.0% of budgeted revenue was received and 98.6% of budgeted expenditures and transfers to other funds were expended.

Total revenue collected in 2018-2019 and other financing exceeded the final budget by \$613,011, or 1.3% of the final budget. The largest portion of total revenues unrealized was transfers from other funds of \$400,000. Other unrealized revenue was tuition payments from NYS for students attending state supported schools. These shortfalls were more than offset by larger than expected state aid payments of \$335,369 and additional tuition collected from districts for non-resident students in the amount of \$433,063.

Total expenditures were less than the final budget by \$696,148 or 1.4% of the total budget. \$381,917 of the total unspent monies were carried over to 2019-20 as open encumbrances for items purchased in 2018-19 but not yet paid. Positive variances reflect lower than expected expenses in the general support and instructional areas.

There were no changes to the original General Fund budget in 2018-19.

Capital Assets

At June 30, 2019 and 2018, the School District had \$60,703,095 and \$62,409,261 net of accumulated depreciation, respectively invested in a broad range of capital assets, including land, improvements other than buildings, buildings and improvements, machinery and equipment and construction-in-progress. The change in capital assets, net of accumulated depreciation, is reflected below.

Class	June 30,	
	2019	2018
Land	\$ 37,265	\$ 37,265
Improvements Other than Buildings	1,983,856	2,104,308
Buildings and Improvements	57,861,010	59,395,759
Machinery and Equipment	805,964	871,929
Construction-in-Progress	15,000	-
Total Capital Assets, net of accumulated depreciation	<u>\$ 60,703,095</u>	<u>\$ 62,409,261</u>

The decrease in capital assets during the current fiscal year is a result of accumulated depreciation on existing capital assets.

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

Long-Term Debt

As of June 30, 2019 and 2018 the School District had \$136,232,639 and \$143,354,511, respectively in general obligation and other long-term debt outstanding as follows:

	June 30,	
	2019	2018
Bonds Payable, net	\$ 49,365,877	\$ 52,139,715
Energy Performance Contract	274,200	321,488
Compensated Absences	937,686	894,147
Net Pension Liability	806,506	394,732
Other Post Employment Benefit Obligations Payable	84,848,370	89,604,429
Total	<u>\$ 136,232,639</u>	<u>\$ 143,354,511</u>

At June 30, 2019 and 2018, the School District reported a liability of \$806,506 and \$394,732, respectively for its proportionate share of the net pension liability of ERS. The net pension liability was measured as of March 31 of 2019 and 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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

Requests for Information

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

Pleasantville Union Free School District
Attn: Timothy P. Whipple
Assistant Superintendent for Business
60 Romer Avenue
Pleasantville, New York 10570

Pleasantville Union Free School District, New York

Statement of Net Position

June 30, 2019

	<u>Governmental Activities</u>
ASSETS	
Cash and equivalents	\$ 3,189,718
Investments	6,010,086
Receivables	
Accounts	24,972
State and Federal aid	1,421,087
Due from other governments	1,356,632
Net pension asset	2,284,809
Capital assets	
Not being depreciated	52,265
Being depreciated, net	<u>60,650,830</u>
Total Assets	<u>74,990,399</u>
 DEFERRED OUTFLOWS OF RESOURCES	 <u>15,795,846</u>
LIABILITIES	
Accounts payable	674,480
Accrued liabilities	22,451
Due to other governments	537
Due to retirement systems	2,455,086
Unearned revenues	29,619
Accrued interest payable	296,268
Non-current liabilities	
Due within one year	2,813,443
Due in more than one year	<u>133,419,196</u>
Total Liabilities	<u>139,711,080</u>
 DEFERRED INFLOWS OF RESOURCES	 <u>11,982,778</u>
NET POSITION	
Net investment in capital assets	13,978,103
Restricted	
Restricted for Capital	6,824
Debt service	1,887,455
Tax certiorari	2,262,475
ERS retirement contributions	475,000
TRS retirement contributions	411,632
Liability claims	212,350
Special purpose	170,933
Unrestricted	<u>(80,312,385)</u>
Total Net Position	<u><u>\$ (60,907,613)</u></u>

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

Pleasantville Union Free School District, New York

**Statement of Activities
Year Ended June 30, 2019**

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	\$ 7,024,873	\$ -	\$ 60,913	\$ -	\$ (6,963,960)
Instruction	44,015,875	4,362,680	1,135,999	35,000	(38,482,196)
Pupil transportation	659,419	-	-	-	(659,419)
Cost of food sales	538,656	474,793	66,504	-	2,641
Other	116,130	-	119,998	-	3,868
Interest	1,715,260	-	-	5	(1,715,255)
Total Governmental Activities	\$ 54,070,213	\$ 4,837,473	\$ 1,383,414	\$ 35,005	(47,814,321)
General revenues					
Real property taxes					32,900,968
Other tax items					6,309
Payments in lieu of taxes					4,202,828
School tax relief reimbursement					
Non-property taxes					472,867
Non-property tax distribution from County					183,754
Unrestricted use of money and property					9,657
Sale of property and compensation for loss					7,187,404
Unrestricted State aid					157,163
Miscellaneous					
Total General Revenues					45,120,950
Change in Net Position					(2,693,371)
Net Position - Beginning					(58,214,242)
Net Position - End					\$ (60,907,613)

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

Pleasantville Union Free School District, New York**Balance Sheet
Governmental Funds
June 30, 2019**

	<u>General</u>	<u>Capital Projects</u>	<u>Special Aid</u>
ASSETS			
Cash and equivalents	\$ 3,128,580	\$ 564	\$ -
Investments	5,909,676	-	-
Receivables			
Accounts	24,806	-	-
State and Federal aid	1,128,995	-	286,649
Due from other governments	1,350,905	-	5,727
Due from other funds	284,740	-	-
Total Assets	<u>\$ 11,827,702</u>	<u>\$ 564</u>	<u>\$ 292,376</u>
LIABILITIES AND FUND BALANCES (DEFICIT)			
Liabilities			
Accounts payable	\$ 603,437	\$ -	\$ 16,376
Accrued liabilities	22,451	-	-
Due to other funds	2,167,567	8,740	276,000
Due to other governments	-	-	-
Due to retirement systems	2,455,086	-	-
Unearned revenues	2,989	-	-
Total Liabilities	<u>5,251,530</u>	<u>8,740</u>	<u>292,376</u>
Fund balances (deficit)			
Restricted	3,887,457	-	-
Assigned	735,046	-	-
Unassigned	1,953,669	(8,176)	-
Total Fund Balances (Deficit)	<u>6,576,172</u>	<u>(8,176)</u>	<u>-</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 11,827,702</u>	<u>\$ 564</u>	<u>\$ 292,376</u>

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

<u>Debt Service</u>	<u>Non-Major Governmental</u>	<u>Total Governmental Funds</u>
\$ -	\$ 60,574	\$ 3,189,718
-	100,410	6,010,086
-	166	24,972
-	5,443	1,421,087
-	-	1,356,632
1,887,455	280,112	2,452,307
<u>\$ 1,887,455</u>	<u>\$ 446,705</u>	<u>\$ 14,454,802</u>
\$ -	\$ 54,667	\$ 674,480
-	-	22,451
-	-	2,452,307
-	537	537
-	-	2,455,086
-	26,630	29,619
<u>-</u>	<u>81,834</u>	<u>5,634,480</u>
1,887,455	170,933	5,945,845
-	193,938	928,984
-	-	1,945,493
<u>1,887,455</u>	<u>364,871</u>	<u>8,820,322</u>
<u>\$ 1,887,455</u>	<u>\$ 446,705</u>	<u>\$ 14,454,802</u>

Pleasantville Union Free School District, New York

Reconciliation of Governmental Funds Balance Sheet to
the District-Wide Statement of Net Position
June 30, 2019

Fund Balances - Total Governmental Funds	\$ 8,820,322
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	60,703,095
Governmental funds do not report the effect of losses on refunding bonds and assets or liabilities related to net pension assets (liabilities) and other post employment benefit obligations liabilities.	
Deferred amounts on pension liabilities	9,558,991
Deferred amounts on post employment benefits	(8,661,008)
Deferred loss on refunding bonds	2,915,085
	3,813,068
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	
Net pension asset	2,284,809
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(296,268)
Bonds payable	(49,365,877)
Energy performance contract payable	(274,200)
Compensated absences	(937,686)
Net pension liability	(806,506)
Other post employment benefit obligations payable	(84,848,370)
	(136,528,907)
Net Position of Governmental Activities	\$ (60,907,613)

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

Pleasantville Union Free School District, New York**Statement of Revenues, Expenditures and Changes in Fund Balances****Governmental Funds****Year Ended June 30, 2019**

	General	Capital Projects	Special Aid
REVENUES			
Real property taxes	\$ 32,900,968	\$ -	\$ -
Other tax items	4,209,137	-	-
Non-property taxes	472,867	-	-
Charges for services	4,203,285	-	159,395
Use of money and property	244,667	-	-
Sale of property and compensation for loss	9,657	-	-
State aid	7,419,261	-	447,227
Federal aid	7,070	-	446,795
Food sales	-	-	-
Miscellaneous	160,213	35,000	-
Total Revenues	49,627,125	35,000	1,053,417
EXPENDITURES			
Current			
General support	5,665,265	-	-
Instruction	27,661,460	-	1,149,524
Pupil transportation	617,537	-	-
Employee benefits	10,928,995	-	-
Cost of food sales	-	-	-
Other	-	-	-
Debt service			
Principal	2,607,288	-	-
Interest	1,785,794	-	-
Capital outlay	-	68,176	-
Total Expenditures	49,266,339	68,176	1,149,524
Excess (Deficiency) of Revenues Over Expenditures	360,786	(33,176)	(96,107)
OTHER FINANCING SOURCES (USES)			
Transfers in	20,000	25,000	96,107
Transfers out	(121,107)	-	-
Total Other Financing Sources (Uses)	(101,107)	25,000	96,107
Net Change in Fund Balances	259,679	(8,176)	-
FUND BALANCES			
Beginning of Year	6,316,493	-	-
End of Year	\$ 6,576,172	\$ (8,176)	\$ -

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

Debt Service	Non-Major Governmental	Total Governmental Funds
\$ -	\$ -	\$ 32,900,968
-	-	4,209,137
-	-	472,867
-	-	4,362,680
5	5,146	249,818
-	-	9,657
-	4,290	7,870,778
-	59,655	513,520
-	474,793	474,793
-	117,411	312,624
5	661,295	51,376,842
-	-	5,665,265
-	-	28,810,984
-	-	617,537
-	-	10,928,995
-	558,663	558,663
-	129,377	129,377
-	-	2,607,288
-	-	1,785,794
-	-	68,176
-	688,040	51,172,079
5	(26,745)	204,763
-	-	141,107
-	(20,000)	(141,107)
-	(20,000)	-
5	(46,745)	204,763
1,887,450	411,616	8,615,559
\$ 1,887,455	\$ 364,871	\$ 8,820,322

Pleasantville 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, 2019

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

Net Change in Fund Balances - Total Governmental Funds	\$ 204,763
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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	138,444
Depreciation expense	<u>(1,844,610)</u>
	<u>(1,706,166)</u>

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

Principal paid on serial bonds	2,560,000
Principal paid on energy performance contract	47,288
Amortization of loss on refunding and issuance premium	<u>51,542</u>
	<u>2,658,830</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	18,992
Compensated absences	(43,539)
Pension liabilities	235,696
Other post employment benefit obligations	<u>(4,061,947)</u>
	<u>(3,850,798)</u>

Change in Net Position of Governmental Activities	<u>\$ (2,693,371)</u>
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The notes to the financial statements are an integral part of this statement.

Pleasantville Union Free School District, New York

Statement of Revenues, Expenditures and Changes in Fund
Balances - Budget and Actual
General and Special Aid Funds
Year Ended June 30, 2019

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 32,581,387	\$ 32,581,387	\$ 32,900,968	\$ 319,581
Other tax items	4,606,325	4,606,325	4,209,137	(397,188)
Non-property taxes	425,000	425,000	472,867	47,867
Charges for services	3,726,470	3,726,470	4,203,285	476,815
Use of money and property	62,000	62,000	244,667	182,667
Sale of property and compensation for loss	-	-	9,657	9,657
State aid	7,127,932	7,127,932	7,419,261	291,329
Federal aid	5,000	5,000	7,070	2,070
Miscellaneous	100,000	100,000	160,213	60,213
Total Revenues	48,634,114	48,634,114	49,627,125	993,011
EXPENDITURES				
Current				
General support	4,946,303	6,099,698	5,665,265	434,433
Instruction	28,191,272	27,902,486	27,661,460	241,026
Pupil transportation	665,227	618,902	617,537	1,365
Community services	3,000	-	-	-
Employee benefits	11,789,709	10,948,319	10,928,995	19,324
Debt service				
Principal	2,607,288	2,607,288	2,607,288	-
Interest	1,785,795	1,785,794	1,785,794	-
Total Expenditures	49,988,594	49,962,487	49,266,339	696,148
Excess (Deficiency) of Revenues Over Expenditures	(1,354,480)	(1,328,373)	360,786	1,689,159
OTHER FINANCING SOURCES (USES)				
Transfers in	400,000	400,000	20,000	(380,000)
Transfers out	(95,000)	(121,107)	(121,107)	-
Total Other Financing Sources (Uses)	305,000	278,893	(101,107)	(380,000)
Net Change in Fund Balances	(1,049,480)	(1,049,480)	259,679	1,309,159
FUND BALANCES				
Beginning of Year	1,049,480	1,049,480	6,316,493	5,267,013
End of Year	\$ -	\$ -	\$ 6,576,172	\$ 6,576,172

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

Special Aid Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
159,394	159,394	159,395	1
-	-	-	-
-	-	-	-
450,157	450,157	447,227	(2,930)
444,774	458,111	446,795	(11,316)
-	-	-	-
1,054,325	1,067,662	1,053,417	(14,245)
-	-	-	-
1,149,325	1,163,769	1,149,524	14,245
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,149,325	1,163,769	1,149,524	14,245
(95,000)	(96,107)	(96,107)	-
95,000	96,107	96,107	-
-	-	-	-
95,000	96,107	96,107	-
-	-	-	-
-	-	-	-
-	-	-	-
\$ -	\$ -	\$ -	\$ -

Pleasantville Union Free School District, New York

Statement of Assets and Liabilities

Fiduciary Fund

June 30, 2019

	<u>Agency</u>
ASSETS	
Cash and equivalents	\$ 172,993
Investments	34,325
Accounts receivable	<u>148</u>
 Total Assets	 <u><u>\$ 207,466</u></u>
 LIABILITIES	
Employee payroll deductions	\$ 148
Student activity funds	<u>207,318</u>
 Total Liabilities	 <u><u>\$ 207,466</u></u>

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

Pleasantville Union Free School District, New York

Notes to Financial Statements

June 30, 2019

Note 1 - Summary of Significant Accounting Policies

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

The accounting policies of the School District conform to generally accepted accounting principles for 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 following is a summary of the School District's more significant accounting policies:

A. Financial Reporting Entity

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

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

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

B. District-Wide Financial Statements

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

C. Fund Financial Statements

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

Fund Categories

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

Special Revenue Funds:

School Lunch Fund - The School Lunch Fund is used to record the operations of the lunch program 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 the terms of a trust agreement.

- b. Fiduciary Funds (Not included in District-Wide statements) - Fiduciary Funds are used to account for assets held by the School District in an agency capacity on behalf of others. Among the activities included in the Agency Fund are the student activity funds. The Agency Fund is also utilized to account for payroll tax withholdings that are payable to other jurisdictions.

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*. The Agency Fund has no measurement focus but utilizes 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 as soon as 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. 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 post employment benefit obligations are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Cash and Equivalents, Investments and Risk Disclosure

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations of the State of New York and repurchase agreements. These investments are reported at fair value. At June 30, 2019, investments in CLASS totaled \$5,976,161. CLASS issues separately available audited financial statements with a year end of June 30th.

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

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

At June 30, 2019, the School District also had \$33,925 invested in a bond mutual fund. These securities are stated at fair value and are valued using Level 1 inputs.

Risk Disclosure

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

The bond mutual Fund's weighted average maturity is five years.

Note 1 - Summary of Significant Accounting Policies (Continued)

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, 2019.

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.

The bond mutual fund has an average credit rating of AAA.

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

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

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

Due From/To Other Funds - During the course of its operations, the School District has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of June 30, 2019, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Land and construction-in-progress is 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>
Improvements Other than Buildings	20
Buildings and Improvements	25-65
Machinery and Equipment	10-20

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

Unearned Revenues - Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In district-wide financial statements, unearned revenues consist of revenue 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 \$2,989 for fees received in advance in the General Fund and \$26,630 in the School Lunch Fund for prepaid lunch cards. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

In addition to liabilities, the statement of financial position will sometimes report 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.

Deferred outflows and inflows of resources have been reported on the District-Wide Statement of Net Position for the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
New York State and Local Employees' Retirement System	\$ 592,171	\$ 298,214
New York State Teachers' Retirement System	12,149,638	2,884,604
Other Postemployment Benefit Obligations	138,952	8,799,960
Deferred Loss on Refunding Bonds	2,915,085	-
	<u>\$ 15,795,846</u>	<u>\$ 11,982,778</u>

Note 1 - Summary of Significant Accounting Policies (Continued)

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

The amounts reported as deferred outflows of resources and deferred inflows of resources in relation to the School District's pension and other postemployment benefit obligations are detailed in Note 3D.

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

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

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

Net Pension Liability - The net pension liability represents the School District's proportionate share of the net pension liability 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"*.

Net Position - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its 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. Net position on the Statement of Net Position includes, net investment in capital assets, restricted for capital, debt service, tax certiorari, ERS retirement contributions, TRS retirement contribution and special purpose. The balance is classified as unrestricted.

Fund Balance - Generally, fund balance represents the difference between current assets and deferred outflows of resources, 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:

Note 1 - Summary of Significant Accounting Policies (Continued)

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 General Municipal Law or Education Law of the State of New York.

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

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

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 and Special Aid funds. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

G. Use of Estimates

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

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were issued, which date is October 4, 2019.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

- a) At least seven days prior to the budget hearing, a copy of the budget is made available to the voters.
- b) At the budget hearing, the voters may raise questions concerning the items contained in the budget.
- c) The Board of Education establishes a date for the annual meeting, which by law will be held on the third Tuesday in May.
- d) The voters are permitted to vote upon the General Fund budget at the annual meeting.
- e) If the original proposed budget is not approved by the voters, the Board of Education has the option of either resubmitting the original or revising the budget for voter approval at a special meeting held at a later date; or the Board of Education may, at that point, adopt a contingency budget. If the Board of

Note 2 - Stewardship, Compliance and Accountability (Continued)

Education decides to submit either the original or a revised budget to the voters for a second time, and the voters do not approve the second budget submittal, the Board of Education must adopt a contingency budget and the tax levy cannot exceed the total tax levy of the prior year (0% levy growth). In addition, the administrative component of the contingency budget shall not comprise a greater percentage of the contingency budget exclusive of the capital component than the lesser of either 1) the percentage the administrative component had comprised in the prior year budget exclusive of the capital component; or 2) the percentage the administrative component had comprised in the last proposed defeated budget exclusive of the capital component.

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

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

B. Limitation on Fund Balance

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

C. Property Tax Limitation

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

Pleasantville Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2019

Note 2 - Stewardship, Compliance and Accountability (Continued)

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. Capital Projects Fund Deficits

The deficit in various individual capital projects arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

Note 3 - Detailed Notes on All Funds

A. Due From/To Other Funds

The composition of interfund balances at June 30, 2019 is as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 284,740	\$ 2,167,567
Capital Projects	-	8,740
Special Aid	-	276,000
Debt Service	1,887,455	-
Non-Major Governmental	280,112	-
	<u>\$ 2,452,307</u>	<u>\$ 2,452,307</u>

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

Pleasantville Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2019

Note 3 - Detailed Notes on All Funds (Continued)

B. Capital Assets

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

<u>Class</u>	<u>Balance July 1, 2018</u>	<u>Additions</u>	<u>Balance June 30, 2019</u>
Capital Assets, not being depreciated:			
Land	\$ 37,265	\$ -	\$ 37,265
Construction-in-progress	-	15,000	15,000
Total Capital Assets, not being depreciated	<u>\$ 37,265</u>	<u>\$ 15,000</u>	<u>\$ 52,265</u>
Capital Assets, being depreciated:			
Improvements Other than Buildings	\$ 2,903,236	\$ -	\$ 2,903,236
Building and Improvements	80,735,361	-	80,735,361
Machinery and Equipment	2,473,006	123,444	2,596,450
Total Capital Assets, being depreciated	<u>86,111,603</u>	<u>123,444</u>	<u>86,235,047</u>
Less Accumulated Depreciation for:			
Improvements Other than Buildings	798,928	120,452	919,380
Building and Improvements	21,339,602	1,534,749	22,874,351
Machinery and Equipment	1,601,077	189,409	1,790,486
Total Accumulated Depreciation	<u>23,739,607</u>	<u>1,844,610</u>	<u>25,584,217</u>
Total Capital Assets, being depreciated, net	<u>\$ 62,371,996</u>	<u>\$ (1,721,166)</u>	<u>\$ 60,650,830</u>
Capital Assets, net	<u>\$ 62,409,261</u>	<u>\$ (1,706,166)</u>	<u>\$ 60,703,095</u>

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

General Support	\$ 182,003
Instruction	1,655,442
Cost of Food Sales	<u>7,165</u>
Total Depreciation Expense	<u>\$ 1,844,610</u>

C. Accrued Liabilities

Accrued liabilities at June 30, 2019 were as follows:

	<u>General Fund</u>
Payroll and Employee Benefits	<u>\$ 22,451</u>

Pleasantville Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2019

Note 3 - Detailed Notes on All Funds (Continued)

D. Long-Term Liabilities

The following table summarizes changes in the School District's long-term liabilities for the year ended June 30, 2019:

	Balance July 1, 2018	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2019	Due Within One Year
General Obligation Bonds Payable	\$ 48,920,000	\$ -	\$ 2,560,000	\$ 46,360,000	\$ 2,670,000
Plus					
Unamortized premium on bonds	3,219,715	-	213,838	3,005,877	-
	52,139,715	-	2,773,838	49,365,877	2,670,000
Energy Performance Contract Payable	321,488	-	47,288	274,200	49,643
Other Non-Current Liabilities					
Compensated Absences	894,147	128,439	84,900	937,686	93,800
Net Pension Liability	394,732	411,774	-	806,506	-
Other Post Employment Benefit Obligations Payable	89,604,429	7,495,702	12,251,761	84,848,370	-
Total Other Non-Current Liabilities	90,893,308	8,035,915	12,336,661	86,592,562	93,800
Total Long-Term Liabilities	\$ 143,354,511	\$ 8,035,915	\$ 15,157,787	\$ 136,232,639	\$ 2,813,443

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

General Obligation Bonds Payable

General obligation bonds payable at June 30, 2019 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rate	Amount Outstanding at June 30, 2019
Refunding Bonds	2011	\$ 7,805,000	March, 2021	3.125 - 3.500 %	\$ 1,525,000
Refunding Bonds	2011	15,420,000	November, 2030	4.375 - 5.000	11,240,000
Various Construction	2015	3,500,000	April, 2030	2.000 - 2.750	2,685,000
Refunding Bonds	2016	31,230,000	May, 2039	2.000 - 5.000	30,910,000
					<u>\$ 46,360,000</u>

Interest expenditures of \$1,769,784 were recorded in the fund financial statements in the General Fund. Interest expense of \$1,700,722 was recorded in the District-Wide financial statements.

Pleasantville Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2019

Note 3 - Detailed Notes on All Funds (Continued)

Energy Performance Contract Payable

The School District, in the 2009-2010 fiscal year, entered into a \$680,000 contractual agreement to install energy saving equipment and/or to upgrade existing facilities to enhance performance. The terms of the contract provide for repayment over fifteen years, with annual payments of \$63,298 including interest at 4.98%. The balance due at June 30, 2019 was \$274,200.

Interest expenditures of \$16,010 were recorded in the fund financial statements in the General Fund. Interest expense of \$14,538 was recorded in the District-Wide financial statements.

Payments to Maturity

The annual requirements to amortize all outstanding bonded and installment purchase debt as of June 30, 2019 including interest payments of \$15,243,026 are as follows:

Year Ending June 30,	General Obligation Bonds		Energy Performance Contract		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 2,670,000	\$ 1,669,988	\$ 49,643	\$ 13,655	\$ 2,719,643	\$ 1,683,643
2021	2,785,000	1,554,282	52,115	11,183	2,837,115	1,565,465
2022	2,105,000	1,445,819	54,711	8,587	2,159,711	1,454,406
2023	2,215,000	1,346,319	57,435	5,863	2,272,435	1,352,182
2024	2,340,000	1,241,344	60,296	3,002	2,400,296	1,244,346
2025-2029	13,445,000	4,597,096	-	-	13,445,000	4,597,096
2030-2034	11,020,000	2,418,662	-	-	11,020,000	2,418,662
2035-2039	9,780,000	927,226	-	-	9,780,000	927,226
	<u>\$ 46,360,000</u>	<u>\$ 15,200,736</u>	<u>\$ 274,200</u>	<u>\$ 42,290</u>	<u>\$ 46,634,200</u>	<u>\$ 15,243,026</u>

The above general obligation bonds and energy performance contract debt are direct obligations 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.

Compensated Absences

Under the terms of existing collective bargaining agreements, the School District is required to compensate retiring teachers, administrators and non-instructional employees for accumulated sick leave. Upon retirement, all personnel who have been in the employ of the School District for ten or more years are compensated at the rate of one day's pay for every three days of unused accumulated sick leave, at the current daily rate. The maximum amount payable to teachers and administrators is \$14,000 and \$15,000, respectively. However, any teacher who accumulates sick days beyond 150 days, that are not included within the \$14,000, will receive \$40 per day for the additional days. The maximum amount payable to non-instructional staff is limited to 210 days. Non-instructional employees earn vacation after the completion of one year of service. As a result, these employees are owed vacation time for the previous year. Administrators earn vacation throughout the year. Upon separation of service, non-instructional employees and administrators are compensated for any unused vacation days. The value of the compensated absences has been reflected in the district-wide financial statements.

Note 3 - Detailed Notes on All Funds (Continued)

Pension Plans

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

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

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

ERS and TRS are noncontributory for employees who joined the systems before July 27, 1976. Employees who joined the systems after July 27, 1976 and before January 1, 2010 contribute 3% of their salary for the first ten years of membership. Employees who joined the systems after January 1, 2010 generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS's fiscal year ending March 31. Pursuant to Article 11 of the Education Law of the State of New York, actuarially determined employer contributions are established annually for the TRS by its Board of Trustees. The employer contribution rates for the plans' year ending in 2019 are as follows:

Pleasantville Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2019

Note 3 - Detailed Notes on All Funds (Continued)

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	2 A14	15.9 %
	4 A15	15.9
	5 A15	13.3
	6 A15	9.4
TRS	1-6	10.62 %

At June 30, 2019, the School District reported the following for its proportionate share of the net pension liability (asset) for ERS and TRS:

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2019	June 30, 2018
Net pension liability (asset)	\$ 806,506	\$ (2,284,809)
School Districts' proportion of the net pension liability (asset)	0.011383 %	0.126354 %
Change in proportion since the prior measurement date	(0.000848) %	(0.003498) %

The net pension liability was measured as of March 31, 2019 for ERS and June 30, 2018 for TRS and the total pension liability used to calculate the net pension liability (asset) were determined by actuarial valuations as of those dates. The School District's proportion of the net pension liability for ERS was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. The School District's proportion of the net pension 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, 2019, the School District recognized pension expense in the district-wide financial statements of \$2,386,940 (\$562,679 for ERS and \$1,824,261 for TRS). Pension expenditures of \$2,622,730 (474,876 for ERS and 2,147,854 for TRS) were recorded in the fund financial statements and were charged to the General and Special Aid funds, respectively.

At June 30, 2019, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>ERS</u>		<u>TRS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 158,818	\$ 54,139	\$ 1,707,419	\$ 309,280
Changes of assumptions	202,723	-	7,986,906	-
Net difference between projected and actual earnings on pension plan investments	-	206,994	-	2,536,312
Changes in proportion and differences between School District contributions and proportionate share of contributions	93,197	37,081	301,397	39,012
School District contributions subsequent to the measurement date	137,433	-	2,153,916	-
	<u>\$ 592,171</u>	<u>\$ 298,214</u>	<u>\$ 12,149,638</u>	<u>\$ 2,884,604</u>

Pleasantville Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2019

Note 3 - Detailed Notes on All Funds (Continued)

	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,866,237	\$ 363,419
Changes of assumptions	8,189,629	-
Net difference between projected and actual earnings on pension plan investments	-	2,743,306
Changes in proportion and differences between School District contributions and proportionate share of contributions	394,594	76,093
School District contributions subsequent to the measurement date	2,291,349	-
	<u>\$ 12,741,809</u>	<u>\$ 3,182,818</u>

\$137,433 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, 2020. The \$2,153,916 reported as deferred outflows of resources related to TRS will be recognized as an increase of the net pension asset in the plan's year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and TRS will be recognized in pension expense as follows:

Year Ended	March 31, ERS	June 30, TRS
2020	\$ 199,827	\$ 2,335,370
2021	(141,911)	1,600,102
2022	(6,880)	209,207
2023	105,488	1,594,719
2024	-	1,088,635
Thereafter	-	283,085

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, 2019	June 30, 2018
Actuarial valuation date	April 1, 2018	June 30, 2017
Investment rate of return	7.0% *	7.25% *
Salary scale	4.2%	1.90%-4.72%
Inflation rate	2.5%	2.25%
Cost of living adjustments	1.3%	1.5%

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

Pleasantville Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2019

Note 3 - Detailed Notes on All Funds (Continued)

For ERS, annuitant mortality rates are based on the ERS's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014. For TRS, annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014, 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, 2010 - March 31, 2015. The actuarial assumptions used in the TRS valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2014.

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

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

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, 2019		TRS June 30, 2018	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	36 %	4.55 %	33 %	5.80 %
International Equity	14	6.35	16	7.30
Private Equity	10	7.50	8	8.90
Real Estate	10	5.55	11	4.90
Domestic Fixed Income Securities	-	-	16	1.30
Global Fixed Income Securities	-	-	2	0.90
High Yield Fixed Income Securities	-	-	1	3.50
Short-Term	-	-	1	0.30
Global Equities	-	-	4	6.70
Private Debt	-	-	1	6.80
Real Estate Debt	-	-	7	2.80
Absolute Return Strategies	2	3.75	-	-
Opportunistic Portfolio	3	5.68	-	-
Real Assets	3	5.29	-	-
Bonds and Mortgages	17	1.31	-	-
Cash	1	(0.25)	-	-
Inflation Indexed Bonds	4	1.25	-	-
	100 %		100 %	

Pleasantville Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2019

Note 3 - Detailed Notes on All Funds (Continued)

The real rate of return is net of the long-term inflation assumption of 2.50% for ERS and 2.30% for TRS.

The discount rate used to calculate the total pension liability was 7.0% for ERS and 7.25% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 7.0% for ERS and 7.25% 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 (6.0% for ERS and 6.25% for TRS) or 1 percentage point higher (8.0% for ERS and 8.25% for TRS) than the current rate:

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
School District's proportionate share of the ERS net pension liability (asset)	<u>\$ 3,526,174</u>	<u>\$ 806,506</u>	<u>\$ (1,478,208)</u>
	1% Decrease (6.25%)	Current Assumption (7.25%)	1% Increase (8.25%)
School District's proportionate share of the TRS net pension liability (asset)	<u>\$ 15,697,010</u>	<u>\$ (2,284,809)</u>	<u>\$ (17,348,576)</u>

The components of the collective net pension liability as of the March 31, 2019 ERS measurement date and the June 30, 2018 TRS measurement date were as follows:

	ERS	TRS
Total pension liability	\$ 189,803,429,000	\$ 118,107,253,288
Fiduciary net position	<u>182,718,124,000</u>	<u>119,915,517,622</u>
Employers' net pension liability (asset)	<u>\$ 7,085,305,000</u>	<u>\$ (1,808,264,334)</u>
Fiduciary net position as a percentage of total pension liability	<u>96.27%</u>	<u>101.53%</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, 2019 represent the projected employer contribution for the period April 1, 2019 through June 30, 2019 based on

Pleasantville Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2019

Note 3 - Detailed Notes on All Funds (Continued)

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, 2019 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, 2019 represent employee and employer contributions for the fiscal year ended June 30, 2019 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, 2019 were \$137,433 to ERS and \$2,311,044 to TRS, inclusive of \$157,128 of employee contributions.

Voluntary Defined Contribution Plan

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

Other Post Employment Benefit Obligations ("OPEB")

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

At June 30, 2019, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	203
Active employees	244
	<hr/>
	447
	<hr/>

The School District's total OPEB liability of \$84,848,370 was measured as of June 30, 2019, and was determined by an actuarial valuation as of July 1, 2018.

Pleasantville Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2019

Note 3 - Detailed Notes on All Funds (Continued)

The total OPEB liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.60%
Salary increases	2.60%
Discount rate	3.50%
Healthcare cost trend rates	6.10% to 4.10% over 57 years
Retirees' share of benefit-related costs	Varies from 0% to 25.0%, depending on applicable retirement year and bargaining unit. Administrative support has flat rates of \$1,365 for individual and \$2,950 for family.

The discount rate is based on the June 30, 2018 Bond Buyer General Obligation 20-Bond Municipal Index.

Mortality rates were based on the RP-2014 Adjusted to 2006 Total Dataset Mortality Table projected to the valuation date with Scale MP-2018.

The actuarial assumptions used in the July 1, 2018 valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor.

The School District's change in the total OPEB liability for the year ended June 30, 2019 is as follows:

Total OPEB Liability - Beginning of Year	\$ 89,604,429
Service cost	4,345,177
Interest	2,787,251
Plan changes	363,274
Demographic gains or losses	(2,045,202)
Assumption changes or inputs	(8,108,598)
Benefit payments	<u>(2,097,961)</u>
Total OPEB Liability - End of Year	<u>\$ 84,848,370</u>

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.50%) or 1 percentage point higher (4.50%) than the current discount rate:

	1% Decrease (2.50%)	Current Assumption (3.50%)	1% Increase (4.50%)
Total OPEB Liability	<u>\$ 100,863,185</u>	<u>\$ 84,848,370</u>	<u>\$ 72,158,156</u>

Pleasantville Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2019

Note 3 - Detailed Notes on All Funds (Continued)

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.10% decreasing to 3.10%) or 1 percentage point higher (7.10% decreasing to 5.10%) than the current healthcare cost trend rates:

	1% Decrease (5.10% decreasing to 3.10%)	Healthcare Cost Trend Rates (6.10% decreasing to 4.10%)	1% Increase (7.10% decreasing to 5.10%)
Total OPEB Liability	<u>\$ 69,760,435</u>	<u>\$ 84,848,370</u>	<u>\$ 106,689,365</u>

For the year ended June 30, 2019, the School District recognized OPEB expense of \$4,061,947 in the district-wide financial statements. At June 30, 2019, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 138,952	\$ 1,772,508
Changes of assumptions or other inputs	-	7,027,452
	<u>\$ 138,952</u>	<u>\$ 8,799,960</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,	
2020	\$ (1,335,794)
2021	(1,335,794)
2022	(1,335,794)
2023	(1,335,794)
2024	(1,335,794)
Thereafter	(1,982,038)

E. Revenues and Expenditures

Interfund Transfers

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

Pleasantville Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2019

Note 3 - Detailed Notes on All Funds (Continued)

Transfers Out	Transfers In			Total
	General Fund	Capital Projects Fund	Special Aid Fund	
General Fund	\$ -	\$ 25,000	\$ 96,107	\$ 121,107
Capital Projects Fund	20,000	-	-	20,000
	<u>\$ 20,000</u>	<u>\$ 25,000</u>	<u>\$ 96,107</u>	<u>\$ 141,107</u>

Transfers are used to move amounts earmarked in the operating funds to fulfill commitments for Special Aid Fund expenditures; and to move funds for closed capital projects from the Capital Projects Fund to the General Fund.

F. Net Position

The components of net position are detailed below:

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

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

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

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

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

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

Restricted for Liability Claims - the component of net position that reports the amounts set aside to be used for liability claim costs in accordance with the Education Law of the State of New York.

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

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

Pleasantville Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2019

Note 3 - Detailed Notes on All Funds (Continued)

G. Fund Balances

	2019					2018			
	General Fund	Capital Projects Fund	Debt Service Fund	Non-Major Governmental Funds	Total	General Fund	Debt Service Fund	Non-Major Governmental Funds	Total
Restricted									
Tax certiorari	\$ 2,262,475	\$ -	\$ -	\$ -	\$ 2,262,475	\$ 2,887,321	\$ -	\$ -	\$ 2,887,321
Employee benefit accrued liability	450,000	-	-	-	450,000	350,000	-	-	350,000
Employee benefit accrued liability - for subsequent year's expenditures	76,000	-	-	-	76,000	76,000	-	-	76,000
ERS retirement contributions	475,000	-	-	-	475,000	320,000	-	-	320,000
ERS retirement contributions - for subsequent year's expenditures	-	-	-	-	-	100,000	-	-	100,000
TRS retirement contributions	411,632	-	-	-	411,632	-	-	-	-
Liability claims	212,350	-	-	-	212,350	-	-	-	-
Debt service	-	-	1,487,455	-	1,487,455	-	1,487,450	-	1,487,450
Debt service - for subsequent year's expenditures	-	-	400,000	-	400,000	-	400,000	-	400,000
Special purposes	-	-	-	170,933	170,933	-	-	200,312	200,312
Total Restricted	3,887,457	-	1,887,455	170,933	5,945,845	3,733,321	1,887,450	200,312	5,821,083
Assigned									
Purchases on order									
General government support	343,785	-	-	-	343,785	390,238	-	-	390,238
Instruction	38,132	-	-	-	38,132	59,242	-	-	59,242
	381,917	-	-	-	381,917	449,480	-	-	449,480
Subsequent year's expenditures	353,129	-	-	-	353,129	424,000	-	-	424,000
School Lunch Fund	-	-	-	193,938	193,938	-	-	211,304	211,304
Total Assigned	735,046	-	-	193,938	928,984	873,480	-	211,304	1,084,784
Unassigned	1,953,669	(8,176)	-	-	1,945,493	1,709,692	-	-	1,709,692
Total Fund Balances	\$ 6,576,172	\$ (8,176)	\$ 1,887,455	\$ 364,871	\$ 8,820,322	\$ 6,316,493	\$ 1,887,450	\$ 411,616	\$ 8,615,559

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.

The Restricted for Employee Benefit Accrued Liability has been established in accordance with the General Municipal Law of the State of New York. The reserve is provided for the payment of the value of accumulated or accrued vacation leave due to an employee upon termination of employment and/or separation from service as required by collective bargaining agreements.

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, 2019, the Board of Education has utilized these amounts for the ensuing year's budget.

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

Unassigned fund balance in the General Fund represents amounts not classified as non-spendable, restricted or assigned. Unassigned fund balance in the Capital Projects Fund represents the deficit balances in various capital projects.

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

There are currently pending certiorari proceedings approximating \$195,156, the results of which could require the payment of future tax refunds by the School District if existing assessment rolls are modified based on the outcome of the litigation proceedings. Subsequent to June 30, 2019, \$49,918 was paid to claimants. Any payments resulting from adverse decisions will be funded in the year the payment is made.

The School District is a defendant in actions which, on occasion, parents seek reimbursement for tuition paid by them to private schools where they have unilaterally placed (enrolled) their children. If the parents' were successful in the claim, they could have reimbursement for both tuition and attorney's fees. The School District rigorously contests any liability for these claims, as it feels: a) it had provided an appropriate placement for the children at issue; and b) the parents' unilateral placement are not consistent with the individuals with Education Disabilities Act. As mentioned above, the School District is contesting that any and all cases should be dismissed, however, it is not possible to express an opinion on the outcome of these matters. The total amount of this obligation could be approximately \$212,350. These cases are presently being defended aggressively. No amounts have been reflected in the financial statements.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

B. Contingencies

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

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

C. Risk Management

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

The School District purchases various insurance coverages from the Company to reduce its exposure to loss. The School District maintains a general liability insurance policy with coverage up to \$1 million per occurrence. The School District maintains liability coverage for school board members up to \$1 million. The School District also maintains an excess catastrophe liability policy with coverage up to \$12 million. The School District purchases conventional health insurance from various providers. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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

Pleasantville Union Free School District, New York

Notes to Financial Statements (Concluded)
June 30, 2019

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

D. Leases

The School District leases certain equipment under noncancelable operating leases. The total cost for these leases was \$167,228 for the year ended June 30, 2019. The future minimum lease payments for these leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2020	\$ 154,715
2021	151,055
2022	60,735
2023	9,396
	<u>\$ 375,901</u>

Note 5 - Tax Abatements

The School District has two real property tax abatement agreements with the Town of Mt. Pleasant, New York for the construction of affordable elderly housing units and a senior citizens recreation and nutrition center pursuant to Article V of the private Housing Finance Law ("PHFL") of the state of New York.

Information relevant to the disclosure of this agreement for the fiscal year end June 30, 2019 is as follows.

<u>Start Date</u>	<u>Agreement</u>	<u>Taxable Assessed Value</u>	<u>Tax Rate</u>	<u>Tax Value</u>	<u>Pilot Received</u>	<u>Taxes Abated</u>
2/26/2002	Ashbourne LLC	<u>\$ 65,800</u>	<u>\$ 1,512</u>	<u>\$ 99,490</u>	<u>\$ 6,309</u>	<u>\$ 93,181</u>

Pleasantville 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)**

	2019	2018
Total OPEB Liability:		
Service cost	\$ 4,345,177	\$ 4,127,554
Interest	2,787,251	2,632,903
Effect of plan changes	363,274	-
Effect of demographic gains or losses	(2,045,202)	-
Effect of assumption changes or inputs	(8,108,598)	-
Differences between expected and actual experience	-	175,044
Benefit payments	(2,097,961)	(1,919,680)
Net Change in Total OPEB Liability	(4,756,059)	5,015,821
Total OPEB Liability – Beginning of Year	89,604,429	84,588,608 (3)
Total OPEB Liability – End of Year	<u>\$ 84,848,370</u>	<u>\$ 89,604,429</u>
School District's covered-employee payroll	<u>\$ 22,757,082</u>	<u>\$ 23,431,213</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>373%</u>	<u>382%</u>

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

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

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

Pleasantville Union Free School District, New York

Required Supplementary Information - Schedule of the
School District's Proportionate Share of the Net Pension Liability
New York State Teachers' Retirement System
Last Ten Fiscal Years (1)

	2019	2018 (3)	2017 (2)	2016	2015
School District's proportion of the net pension liability (asset)	<u>0.126354%</u>	<u>0.129852%</u>	<u>0.130447%</u>	<u>0.131809%</u>	<u>0.129866%</u>
School District's proportionate share of the net pension liability (asset)	<u>\$ (2,284,809)</u>	<u>\$ (987,003)</u>	<u>\$ 1,397,141</u>	<u>\$ (13,690,722)</u>	<u>\$ (14,466,233)</u>
School District's covered payroll	<u>\$ 20,714,285</u>	<u>\$ 20,547,883</u>	<u>\$ 20,185,994</u>	<u>\$ 19,810,454</u>	<u>\$ 19,229,000</u>
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	<u>11.03%</u>	<u>4.80%</u>	<u>6.92%</u>	<u>69.11%</u>	<u>75.23%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>101.53%</u>	<u>100.66%</u>	<u>99.01%</u>	<u>110.46%</u>	<u>111.48%</u>

Note - The amounts presented for each fiscal year were determined as of the June 30 measurement date of the prior fiscal year.

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

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

Pleasantville Union Free School District, New York**Required Supplementary Information - Schedule of Contributions
New York State Teachers' Retirement System
Last Ten Fiscal Years (1)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 2,153,916	\$ 2,030,000	\$ 2,408,212	\$ 2,676,663	\$ 3,472,773
Contributions in relation to the contractually required contribution	<u>(2,153,916)</u>	<u>(2,030,000)</u>	<u>(2,408,212)</u>	<u>(2,676,663)</u>	<u>(3,472,773)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	<u>\$ 20,501,084</u>	<u>\$ 20,714,285</u>	<u>\$ 20,547,883</u>	<u>\$ 20,185,994</u>	<u>\$ 19,810,454</u>
Contributions as a percentage of covered payroll	<u>10.51%</u>	<u>9.80%</u>	<u>11.72%</u>	<u>13.26%</u>	<u>17.53%</u>

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

Pleasantville Union Free School District, New York

**Required Supplementary Information - Schedule of the
School District's Proportionate Share of the Net Pension Liability
New York State and Local Employees' Retirement System
Last Ten Fiscal Years (1)**

	2019	2018	2017	2016 (2)	2015
School District's proportion of the net pension liability	<u>0.011383%</u>	<u>0.012231%</u>	<u>0.011888%</u>	<u>0.011894%</u>	<u>0.011698%</u>
School District's proportionate share of the net pension liability	<u>\$ 806,506</u>	<u>\$ 394,732</u>	<u>\$ 1,116,980</u>	<u>\$ 1,909,009</u>	<u>\$ 395,181</u>
School District's covered payroll	<u>\$ 3,606,350</u>	<u>\$ 3,610,520</u>	<u>\$ 3,772,693</u>	<u>\$ 3,334,446</u>	<u>\$ 3,305,896</u>
School District's proportionate share of the net pension liability as a percentage of its covered payroll	<u>22.36%</u>	<u>10.93%</u>	<u>29.61%</u>	<u>57.25%</u>	<u>11.95%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>96.27%</u>	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>	<u>97.90%</u>

Note - The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

(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 discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

Pleasantville Union Free School District, New York**Required Supplementary Information - Schedule of Contributions
New York State and Local Employees' Retirement System
Last Ten Fiscal Years (1)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 476,010	\$ 520,461	\$ 512,675	\$ 590,021	\$ 580,304
Contributions in relation to the contractually required contribution	<u>(476,010)</u>	<u>(520,461)</u>	<u>(512,675)</u>	<u>(590,021)</u>	<u>(580,304)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	<u>\$ 3,642,807</u>	<u>\$ 3,479,772</u>	<u>\$ 3,447,401</u>	<u>\$ 3,491,933</u>	<u>\$ 3,305,896</u>
Contributions as a percentage of covered payroll	<u>13.07%</u>	<u>14.96%</u>	<u>14.87%</u>	<u>16.90%</u>	<u>17.55%</u>

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

Pleasantville Union Free School District, New York

General Fund
Comparative Balance Sheet
June 30,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	<u>\$ 3,128,580</u>	<u>\$ 5,237,973</u>
Investments	<u>5,909,676</u>	<u>3,385,253</u>
Receivables		
Accounts	24,806	26,033
State and Federal aid	1,128,995	680,777
Due from other governments	1,350,905	1,795,603
Due from other funds	<u>284,740</u>	<u>272,502</u>
	<u>2,789,446</u>	<u>2,774,915</u>
Total Assets	<u><u>\$ 11,827,702</u></u>	<u><u>\$ 11,398,141</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 603,437	\$ 606,683
Accrued liabilities	22,451	9,362
Due to other funds	2,167,567	2,131,219
Due to retirement systems	2,455,086	2,315,501
Unearned revenues	<u>2,989</u>	<u>18,883</u>
Total Liabilities	<u>5,251,530</u>	<u>5,081,648</u>
Fund balance		
Restricted	3,887,457	3,733,321
Assigned	735,046	873,480
Unassigned	<u>1,953,669</u>	<u>1,709,692</u>
Total Fund Balance	<u>6,576,172</u>	<u>6,316,493</u>
Total Liabilities and Fund Balance	<u><u>\$ 11,827,702</u></u>	<u><u>\$ 11,398,141</u></u>

Pleasantville 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,

	2019				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	Encumbr- ances	
REVENUES					
Real property taxes	\$ 32,581,387	\$ 32,581,387	\$ 32,900,968	\$	\$ 319,581
Other tax items	4,606,325	4,606,325	4,209,137		(397,188)
Non-property taxes	425,000	425,000	472,867		47,867
Charges for services	3,726,470	3,726,470	4,203,285		476,815
Use of money and property	62,000	62,000	244,667		182,667
Sale of property and compensation for loss	-	-	9,657		9,657
State aid	7,127,932	7,127,932	7,419,261		291,329
Federal aid	5,000	5,000	7,070		2,070
Miscellaneous	100,000	100,000	160,213		60,213
Total Revenues	48,634,114	48,634,114	49,627,125		993,011
EXPENDITURES					
Current					
General support					
Board of education	89,291	94,755	93,974	215	566
Central administration	347,350	362,088	360,739	930	419
Finance	558,630	566,418	565,875	-	543
Staff	203,017	325,910	322,540	1,010	2,360
Central services	3,227,366	3,463,926	3,035,770	341,630	86,526
Special items	520,649	1,286,601	1,286,367	-	234
Total General Support	4,946,303	6,099,698	5,665,265	343,785	90,648
Instruction					
Instruction, administration and improvement	1,759,389	1,922,593	1,893,256	2,155	27,182
Teaching - Regular school	13,303,833	13,202,134	13,091,104	33,464	77,566
Programs for students with disabilities	7,872,849	7,477,319	7,402,600	473	74,246
Occupational education	179,162	213,785	213,785	-	-
Instructional media	1,975,191	1,837,975	1,829,345	1,460	7,170
Pupil services	3,100,848	3,248,680	3,231,370	580	16,730
Total Instruction	28,191,272	27,902,486	27,661,460	38,132	202,894
Pupil transportation	665,227	618,902	617,537	-	1,365
Community services	3,000	-	-	-	-
Employee benefits	11,789,709	10,948,319	10,928,995	-	19,324
Debt service					
Principal	2,607,288	2,607,288	2,607,288	-	-
Interest	1,785,795	1,785,794	1,785,794	-	-
Total Expenditures	49,988,594	49,962,487	49,266,339	381,917	314,231
Excess (Deficiency) of Revenues Over Expenditures	(1,354,480)	(1,328,373)	360,786	(381,917)	1,307,242
OTHER FINANCING SOURCES (USES)					
Transfers in	400,000	400,000	20,000	-	(380,000)
Transfers out	(95,000)	(121,107)	(121,107)	-	-
Total Other Financing Source (Uses)	305,000	278,893	(101,107)	-	(380,000)
Net Change in Fund Balance	(1,049,480)	(1,049,480)	259,679	\$ (381,917)	\$ 927,242
FUND BALANCE					
Beginning of Year	1,049,480	1,049,480	6,316,493		
End of Year	\$ -	\$ -	\$ 6,576,172		

See independent auditors' report.

2018				
Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget Positive (Negative)
\$ 31,544,032	\$ 31,648,946	\$ 31,648,946	\$	\$ -
4,531,075	4,426,161	4,426,227		66
425,000	425,000	461,472		36,472
4,398,000	4,398,000	4,016,592		(381,408)
50,000	50,000	143,857		93,857
-	-	6,124		6,124
7,096,015	7,096,015	7,409,120		313,105
15,000	15,000	9,877		(5,123)
100,000	100,000	139,106		39,106
<u>48,159,122</u>	<u>48,159,122</u>	<u>48,261,321</u>		<u>102,199</u>
83,216	80,216	66,213	232	13,771
339,269	347,352	345,704	748	900
570,508	589,326	578,256	-	11,070
236,946	279,900	274,347	469	5,084
3,061,671	3,230,340	2,738,281	388,789	103,290
499,540	861,808	855,365	-	6,443
<u>4,791,150</u>	<u>5,388,942</u>	<u>4,858,146</u>	<u>390,238</u>	<u>140,558</u>
1,431,131	1,727,746	1,690,401	2,584	34,761
13,705,193	13,785,459	13,555,837	19,781	209,841
8,146,338	7,152,830	7,018,221	14,074	120,535
175,649	175,649	130,192	-	45,457
2,025,800	1,956,873	1,875,130	8,669	73,074
3,007,037	3,119,171	3,068,388	14,134	36,649
<u>28,491,148</u>	<u>27,917,728</u>	<u>27,338,169</u>	<u>59,242</u>	<u>520,317</u>
703,840	613,431	606,613	-	6,818
3,000	3,000	-	-	3,000
10,890,897	10,953,180	10,890,384	-	62,796
-	-	-	-	-
<u>44,880,035</u>	<u>44,876,281</u>	<u>43,693,312</u>	<u>449,480</u>	<u>733,489</u>
3,279,087	3,282,841	4,568,009	(449,480)	835,688
400,000	400,000	139,726	-	(260,274)
(4,486,387)	(4,490,141)	(4,484,481)	-	5,660
<u>(4,086,387)</u>	<u>(4,090,141)</u>	<u>(4,344,755)</u>	<u>-</u>	<u>(254,614)</u>
(807,300)	(807,300)	223,254	\$ (449,480)	\$ 581,074
<u>807,300</u>	<u>807,300</u>	<u>6,093,239</u>		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,316,493</u>		

Pleasantville Union Free School District, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REAL PROPERTY TAXES	<u>\$ 32,581,387</u>	<u>\$ 32,581,387</u>	<u>\$ 32,900,968</u>	<u>\$ 319,581</u>
OTHER TAX ITEMS				
Payments in lieu of taxes	6,325	6,325	6,309	(16)
School tax relief reimbursement	<u>4,600,000</u>	<u>4,600,000</u>	<u>4,202,828</u>	<u>(397,172)</u>
	<u>4,606,325</u>	<u>4,606,325</u>	<u>4,209,137</u>	<u>(397,188)</u>
NON-PROPERTY TAXES				
Non-property tax distribution from County	<u>425,000</u>	<u>425,000</u>	<u>472,867</u>	<u>47,867</u>
CHARGES FOR SERVICES				
Day school tuition - Other districts	3,630,470	3,630,470	4,063,533	433,063
Other student fees and charges	<u>96,000</u>	<u>96,000</u>	<u>139,752</u>	<u>43,752</u>
	<u>3,726,470</u>	<u>3,726,470</u>	<u>4,203,285</u>	<u>476,815</u>
USE OF MONEY AND PROPERTY				
Earnings on investments	<u>62,000</u>	<u>62,000</u>	<u>244,667</u>	<u>182,667</u>
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Other	<u>-</u>	<u>-</u>	<u>9,657</u>	<u>9,657</u>
STATE AID				
Basic formula	6,054,662	6,054,662	6,257,597	202,935
BOCES aid	811,065	811,065	929,807	118,742
Textbook aid	98,035	98,035	98,618	583
Library and computer software aid	50,770	50,770	50,740	(30)
Tuition reimbursement for the blind and deaf	85,400	85,400	41,390	(44,010)
Preschool education reimbursement	<u>28,000</u>	<u>28,000</u>	<u>41,109</u>	<u>13,109</u>
	<u>7,127,932</u>	<u>7,127,932</u>	<u>7,419,261</u>	<u>291,329</u>

FEDERAL AID

Medical assistance

5,0005,0007,0702,070**MISCELLANEOUS**

Refund of prior year's expenditures

28,000

28,000

46,027

18,027

Refund for BOCES' aided services

50,000

50,000

51,732

1,732

Gifts and donations

-

-

3,050

3,050

Other

22,000

22,000

59,404

37,404

100,000100,000160,21360,213**TOTAL REVENUES**48,634,11448,634,11449,627,125993,011**OTHER FINANCING SOURCES**

Transfers in

Debt Service Fund

400,000

400,000

-

(400,000)

Special Purpose Fund

-

-

20,000

20,000

TOTAL OTHER FINANCING SOURCES400,000400,00020,000(380,000)**TOTAL REVENUES AND OTHER FINANCING SOURCES**\$ 49,034,114\$ 49,034,114\$ 49,647,125\$ 613,011

See independent auditors' report.

Pleasantville Union Free School District, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget Positive (Negative)
GENERAL SUPPORT					
BOARD OF EDUCATION					
Board of education	\$ 38,735	\$ 47,178	\$ 47,175	\$ -	\$ 3
District clerk	38,456	37,956	37,352	215	389
District meeting	12,100	9,621	9,447	-	174
Total Board of Education	89,291	94,755	93,974	215	566
CENTRAL ADMINISTRATION					
Chief school administrator	347,350	362,088	360,739	930	419
FINANCE					
Business administration	498,598	479,611	479,068	-	543
Auditing	51,050	77,825	77,825	-	-
Treasurer	8,982	8,982	8,982	-	-
Total Finance	558,630	566,418	565,875	-	543
STAFF					
Legal	51,000	181,736	180,013	-	1,723
Personnel	84,625	81,088	80,836	-	252
Records management	5,754	5,828	5,828	-	-
Public information and services	61,638	57,258	55,863	1,010	385
Total Staff	203,017	325,910	322,540	1,010	2,360

CENTRAL SERVICES

Operation of plant	2,146,644	2,072,825	2,006,918	5	65,902
Maintenance of plant	959,622	1,289,648	927,527	341,625	20,496
Central data processing - BOCES	121,100	101,453	101,325	-	128
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Central Services	3,227,366	3,463,926	3,035,770	341,630	86,526

SPECIAL ITEMS

Unallocated insurance	252,500	239,631	239,631	-	-
Judgments and claims	-	736,569	736,569	-	-
Assessments on school property	46,000	46,000	45,767	-	233
Refunds of real property taxes	-	42,252	42,251	-	1
Capital expenditures - BOCES	49,412	49,412	49,412	-	-
Administrative charge - BOCES	172,737	172,737	172,737	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Special Items	520,649	1,286,601	1,286,367	-	234

Total General Support

4,946,303	6,099,698	5,665,265	343,785	90,648
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

INSTRUCTION**INSTRUCTION, ADMINISTRATION AND IMPROVEMENT**

Curriculum development and supervision	11,000	179,825	179,316	-	509
Supervision - Regular school	1,695,140	1,688,289	1,678,475	242	9,572
In-service training	53,249	54,479	35,465	1,913	17,101
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Instruction, Administration and Improvement	1,759,389	1,922,593	1,893,256	2,155	27,182

TEACHING - REGULAR SCHOOL

13,303,833	13,202,134	13,091,104	33,464	77,566
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

PROGRAMS FOR STUDENTS WITH DISABILITIES

7,872,849	7,477,319	7,402,600	473	74,246
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

OCCUPATIONAL EDUCATION

179,162	213,785	213,785	-	-
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

(Continued)

Pleasantville Union Free School District, New York

General Fund

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

Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget Positive (Negative)
INSTRUCTION (Continued)					
INSTRUCTIONAL MEDIA					
School library and audiovisual	\$ 411,284	\$ 414,296	\$ 411,599	\$ -	\$ 2,697
Educational television	28,720	33,768	33,313	-	455
Computer assisted instruction	1,535,187	1,389,911	1,384,433	1,460	4,018
Total Instructional Media	1,975,191	1,837,975	1,829,345	1,460	7,170
PUPIL SERVICES					
Guidance - Regular school	901,533	972,812	969,420	-	3,392
Health services - Regular school	332,903	351,623	347,529	-	4,094
Psychological services - Regular school	820,557	847,348	846,604	-	744
Co-curricular activities - Regular school	229,524	225,320	221,347	-	3,973
Interscholastic athletics - Regular school	816,331	851,577	846,470	580	4,527
Total Pupil Services	3,100,848	3,248,680	3,231,370	580	16,730
Total Instruction	28,191,272	27,902,486	27,661,460	38,132	202,894
PUPIL TRANSPORTATION					
District transportation services	33,227	43,709	43,708	-	1
Contract and public carrier transportation	620,000	565,748	565,463	-	285
Transportation from BOCES	12,000	9,445	8,366	-	1,079
Total Pupil Transportation	665,227	618,902	617,537	-	1,365
COMMUNITY SERVICES					
Census	3,000	-	-	-	-

EMPLOYEE BENEFITS

State retirement	510,000	477,101	467,178	-	9,923
Teachers' retirement	2,187,497	2,100,458	2,100,437	-	21
Social security	1,958,900	1,893,184	1,890,660	-	2,524
Workers' compensation benefits	174,612	174,612	173,465	-	1,147
Life insurance	57,600	55,272	55,272	-	-
Unemployment benefits	10,000	30,000	28,292	-	1,708
Hospital, medical and dental insurance	6,815,100	6,180,812	6,176,811	-	4,001
Other benefits	76,000	36,880	36,880	-	-

Total Employee Benefits	11,789,709	10,948,319	10,928,995	-	19,324
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DEBT SERVICE

Principal					
Serial Bonds	2,560,000	2,560,000	2,560,000	-	-
Energy Performance Contract	47,288	47,288	47,288	-	-

	2,607,288	2,607,288	2,607,288	-	-
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Interest					
Serial Bonds	1,769,785	1,769,784	1,769,784	-	-
Energy Performance Contract	16,010	16,010	16,010	-	-

	1,785,795	1,785,794	1,785,794	-	-
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	4,393,083	4,393,082	4,393,082	-	-
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TOTAL EXPENDITURES	49,988,594	49,962,487	49,266,339	381,917	314,231
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OTHER FINANCING USES

Transfers out					
Special Aid Fund	95,000	96,107	96,107	-	-
Capital Fund	-	25,000	25,000	-	-

TOTAL OTHER FINANCING USES	95,000	121,107	121,107	-	-
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TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 50,083,594</u>	<u>\$ 50,083,594</u>	<u>\$ 49,387,446</u>	<u>\$ 381,917</u>	<u>\$ 314,231</u>
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See independent auditors' report.

Pleasantville Union Free School District, New York

Capital Projects Fund
Comparative Balance Sheet
June 30,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	<u>\$ 564</u>	<u>\$ 1,735</u>
LIABILITIES AND FUND DEFICIT		
Liabilities		
Due to other funds	\$ 8,740	\$ 1,735
Fund deficit		
Unassigned	<u>(8,176)</u>	<u>-</u>
Total Liabilities and Fund Deficit	<u>\$ 564</u>	<u>\$ 1,735</u>

Pleasantville Union Free School District, New York

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

	<u>2019</u>	<u>2018</u>
REVENUES		
Miscellaneous income	\$ 35,000	\$ -
EXPENDITURES		
Capital outlay	<u>68,176</u>	<u>152,379</u>
Deficiency of Revenues Over Expenditures	<u>(33,176)</u>	<u>(152,379)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	25,000	-
Transfers out	<u>-</u>	<u>(183,512)</u>
Total Other Financing Sources (Uses)	<u>25,000</u>	<u>(183,512)</u>
Net Change in Fund Balance	(8,176)	(335,891)
FUND BALANCE (DEFICIT)		
Beginning of Year	<u>-</u>	<u>335,891</u>
End of Year	<u><u>\$ (8,176)</u></u>	<u><u>\$ -</u></u>

Pleasantville Union Free School District, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project Through June 30, 2019

PROJECT	Authorization	Expenditures and Transfers to Date		Unexpended Balance
		Current Year	Total	
2019 Various Projects - HS	\$ 2,966,667	\$ 5,000	\$ 5,000	\$ 2,961,667
2019 Various Projects - MS	2,966,667	5,000	5,000	2,961,667
2019 Various Projects - BRS	2,966,666	5,000	5,000	2,961,666
Parkway Field Bleacher Upgrade	<u>260,000</u>	<u>53,176</u>	<u>53,176</u>	<u>206,824</u>
Totals	<u>\$ 9,160,000</u>	<u>\$ 68,176</u>	<u>\$ 68,176</u>	<u>\$ 9,091,824</u>

See independent auditors' report.

<u>Methods of Financing</u>			Fund Balance (Deficit) at June 30, 2019
<u>Transfers</u>	<u>Miscellaneous</u>	<u>Total Revenues</u>	
\$ -	\$ -	\$ -	\$ (5,000)
-	-	-	(5,000)
-	-	-	(5,000)
<u>25,000</u>	<u>35,000</u>	<u>60,000</u>	<u>6,824</u>
<u>\$ 25,000</u>	<u>\$ 35,000</u>	<u>\$ 60,000</u>	<u>\$ (8,176)</u>

Pleasantville Union Free School District, New York

Special Aid Fund
Comparative Balance Sheet
June 30,

	<u>2019</u>	<u>2018</u>
ASSETS		
State and Federal aid receivables	\$ 286,649	\$ 261,154
Due from other governments	<u>5,727</u>	<u>11,348</u>
Total Assets	<u>\$ 292,376</u>	<u>\$ 272,502</u>
LIABILITIES		
Accounts Payable	\$ 16,376	\$ -
Due to other funds	<u>276,000</u>	<u>272,502</u>
Total Liabilities	<u>\$ 292,376</u>	<u>\$ 272,502</u>

Pleasantville Union Free School District, New York**Special Aid Fund****Comparative Schedule of Revenues, Expenditures and****Changes in Fund Balance - Budget and Actual****Years Ended June 30,**

	2019			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Charges for services	\$ 159,394	\$ 159,394	\$ 159,395	\$ 1
State aid	450,157	450,157	447,227	(2,930)
Federal aid	444,774	458,111	446,795	(11,316)
Total Revenues	1,054,325	1,067,662	1,053,417	(14,245)
EXPENDITURES				
Current				
Instruction	1,149,325	1,163,769	1,149,524	14,245
Deficiency of Revenues Over Expenditures	(95,000)	(96,107)	(96,107)	-
OTHER FINANCING SOURCES				
Transfers in	95,000	96,107	96,107	-
Net Change in Fund Balance	-	-	-	-
FUND BALANCE				
Beginning of Year	-	-	-	-
End of Year	\$ -	\$ -	\$ -	\$ -

See independent auditors' report.

2018			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 158,948	\$ 158,948	\$ 158,948	\$ -
382,426	382,426	382,426	-
432,414	432,414	432,414	-
973,788	973,788	973,788	-
1,068,788	1,072,542	1,066,883	5,659
(95,000)	(98,754)	(93,095)	5,659
95,000	98,754	93,095	(5,659)
-	-	-	-
-	-	-	-
\$ -	\$ -	\$ -	\$ -

Pleasantville Union Free School District, New York

Debt Service Fund
Comparative Balance Sheet
June 30,

	<u>2019</u>	<u>2018</u>
ASSETS		
Due from other funds	<u>\$ 1,887,455</u>	<u>\$ 1,887,450</u>
FUND BALANCE		
Restricted	<u>\$ 1,887,455</u>	<u>\$ 1,887,450</u>

Pleasantville Union Free School District, New York

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

	2019			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Use of money and property	\$ -	\$ -	\$ 5	\$ 5
EXPENDITURES				
Debt service				
Principal				
Serial bonds	-	-	-	-
Energy performance contract	-	-	-	-
	-	-	-	-
Interest				
Serial bonds	-	-	-	-
Energy performance contract	-	-	-	-
	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	5	5
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(400,000)	(400,000)	-	400,000
Total Other Financing Sources	(400,000)	(400,000)	-	400,000
Net Change in Fund Balance	(400,000)	(400,000)	5	400,005
FUND BALANCE				
Beginning of Year	400,000	400,000	1,887,450	1,487,450
End of Year	\$ -	\$ -	\$ 1,887,455	\$ 1,887,455

2018			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 4,348	\$ 4,348
2,460,000	2,460,000	2,460,000	-
45,045	45,045	45,045	-
2,505,045	2,505,045	2,505,045	-
1,868,088	1,868,088	1,868,088	-
18,254	18,254	18,253	1
1,886,342	1,886,342	1,886,341	1
4,391,387	4,391,387	4,391,386	1
(4,391,387)	(4,391,387)	(4,387,038)	4,349
4,391,387	4,391,387	4,480,172	88,785
(400,000)	(400,000)	(45,000)	355,000
3,991,387	3,991,387	4,435,172	443,785
(400,000)	(400,000)	48,134	448,134
400,000	400,000	1,839,316	1,439,316
\$ -	\$ -	\$ 1,887,450	\$ 1,887,450

Pleasantville Union Free School District, New York

Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2019
(With Comparative Totals for 2018)

			Total Non-Major Governmental Funds	
	School Lunch	Special Purpose	2019	2018
ASSETS				
Cash and equivalents	\$ 60,574	\$ -	\$ 60,574	\$ 127,103
Investments	-	100,410	100,410	101,028
Receivables				
Accounts receivable	166	-	166	-
State and Federal aid	5,443	-	5,443	5,143
Due from other funds	198,549	81,563	280,112	245,504
	204,158	81,563	285,721	250,647
Total Assets	<u>\$ 264,732</u>	<u>\$ 181,973</u>	<u>\$ 446,705</u>	<u>\$ 478,778</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 43,627	\$ 11,040	\$ 54,667	\$ 44,047
Due to other governments	537	-	537	394
Unearned revenues	26,630	-	26,630	22,721
Total Liabilities	70,794	11,040	81,834	67,162
Fund balances				
Restricted	-	170,933	170,933	200,312
Assigned	193,938	-	193,938	211,304
Total Fund Balances	193,938	170,933	364,871	411,616
Total Liabilities and Fund Balances	<u>\$ 264,732</u>	<u>\$ 181,973</u>	<u>\$ 446,705</u>	<u>\$ 478,778</u>

Pleasantville Union Free School District, New York**Combining Statement of Revenues, Expenditures and Changes
in Fund Balances****Non-Major Governmental Funds****Year Ended June 30, 2019****(With Comparative Totals for 2018)**

	School Lunch	Special Purpose	Total Non-Major Governmental Funds	
			2019	2018
REVENUES				
Use of money and property	\$ 1,865	\$ 3,281	\$ 5,146	\$ 5,263
State aid	4,290	-	4,290	4,415
Federal aid	59,655	-	59,655	60,603
Food sales	474,793	-	474,793	442,303
Miscellaneous	694	116,717	117,411	86,427
Total Revenues	<u>541,297</u>	<u>119,998</u>	<u>661,295</u>	<u>599,011</u>
EXPENDITURES				
Current				
Cost of food sales	558,663	-	558,663	483,215
Other	-	129,377	129,377	97,150
Total Expenditures	<u>558,663</u>	<u>129,377</u>	<u>688,040</u>	<u>580,365</u>
Excess (Deficiency) of Revenues Over Expenditures	(17,366)	(9,379)	(26,745)	18,646
OTHER FINANCING USES				
Transfers out	-	(20,000)	(20,000)	-
Net Change in Fund Balances	(17,366)	(29,379)	(46,745)	18,646
FUND BALANCES				
Beginning of Year	<u>211,304</u>	<u>200,312</u>	<u>411,616</u>	<u>392,970</u>
End of Year	<u>\$ 193,938</u>	<u>\$ 170,933</u>	<u>\$ 364,871</u>	<u>\$ 411,616</u>

Pleasantville Union Free School District, New York

School Lunch Fund
Comparative Balance Sheet
June 30,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	<u>\$ 60,574</u>	<u>\$ 127,103</u>
Receivables		
Accounts	166	-
State and Federal aid	5,443	5,143
Due from other funds	<u>198,549</u>	<u>134,977</u>
	<u>204,158</u>	<u>140,120</u>
Total Assets	<u><u>\$ 264,732</u></u>	<u><u>\$ 267,223</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 43,627	\$ 32,804
Due to other governments	537	394
Unearned revenues	<u>26,630</u>	<u>22,721</u>
Total Liabilities	70,794	55,919
Fund balance		
Assigned	<u>193,938</u>	<u>211,304</u>
Total Liabilities and Fund Balance	<u><u>\$ 264,732</u></u>	<u><u>\$ 267,223</u></u>

Pleasantville Union Free School District, New York

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

	<u>2019</u>	<u>2018</u>
REVENUES		
Use of money and property	\$ 1,865	\$ 1,980
State aid	4,290	4,415
Federal aid	59,655	60,603
Food sales	474,793	442,303
Miscellaneous	<u>694</u>	<u>1,198</u>
Total Revenues	541,297	510,499
EXPENDITURES		
Current		
Cost of food sales	<u>558,663</u>	<u>483,215</u>
Excess (Deficiency) of Revenues Over Expenditures	(17,366)	27,284
FUND BALANCE		
Beginning of Year	<u>211,304</u>	<u>184,020</u>
End of Year	<u><u>\$ 193,938</u></u>	<u><u>\$ 211,304</u></u>

Pleasantville Union Free School District, New York

Special Purpose Fund
Comparative Balance Sheet
June 30,

	<u>2019</u>	<u>2018</u>
ASSETS		
Investments	\$ 100,410	\$ 101,028
Due from other funds	<u>81,563</u>	<u>110,527</u>
Total Assets	<u>\$ 181,973</u>	<u>\$ 211,555</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 11,040	\$ 11,243
Fund balance		
Restricted	<u>170,933</u>	<u>200,312</u>
Total Liabilities and Fund Balance	<u>\$ 181,973</u>	<u>\$ 211,555</u>

Pleasantville Union Free School District, New York

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

	<u>2019</u>	<u>2018</u>
REVENUES		
Use of money and property	\$ 3,281	\$ 3,283
Miscellaneous	<u>116,717</u>	<u>85,229</u>
Total Revenues	119,998	88,512
EXPENDITURES		
Current		
Other	<u>129,377</u>	<u>97,150</u>
Deficiency of Revenues Over Expenditures	(9,379)	(8,638)
OTHER FINANCING USES		
Transfers out	<u>(20,000)</u>	<u>-</u>
Net Change in Fund Balances	(29,379)	(8,638)
FUND BALANCE		
Beginning of Year	<u>200,312</u>	<u>208,950</u>
End of Year	<u>\$ 170,933</u>	<u>\$ 200,312</u>

Pleasantville Union Free School District, New York

General Fund

Analysis of Change from Adopted Budget to Final Budget

Year Ended June 30, 2019

Adopted Budget	\$ 49,634,114
Additions	
Encumbrances	<u>449,480</u>
Original/Final Budget	<u><u>\$ 50,083,594</u></u>

General Fund

Section 1318 of Real Property Tax Law Limit Calculation

Year Ended June 30, 2019

2019-20 Expenditure Budget	\$ <u>51,066,290</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	
Unrestricted fund balance	
Assigned fund balance	735,046
Unassigned fund balance	<u>1,953,669</u>
Total Unrestricted Fund Balance	<u>2,688,715</u>
Less	
Appropriated for subsequent year's budget	353,129
Encumbrances	<u>381,917</u>
Total Adjustments	<u>735,046</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 1,953,669</u></u>
Actual Percentage	<u><u>3.83%</u></u>

Pleasantville Union Free School District, New York

Schedule of Net Investment in Capital Assets
Year Ended June 30, 2019

Capital Assets, net		\$ 60,703,095
Less		
General obligation bonds payable	(46,360,000)	
Energy performance contract payable	(274,200)	
Unamortized portion of premium on refunding bonds	<u>(3,005,877)</u>	(49,640,077)
Plus		
Unamortized portion of loss on refunding bonds		<u>2,915,085</u>
Net Investment in Capital Assets		<u><u>\$ 13,978,103</u></u>