



ARLINGTON CENTRAL SCHOOL DISTRICT

EXECUTIVE SUMMARY OF AUDIT

June 30, 2021

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**ARLINGTON CENTRAL SCHOOL DISTRICT
EXECUTIVE SUMMARY OF AUDIT
FOR THE YEAR ENDED JUNE 30, 2021**

Report Title	Description of Report and Findings								
Basic Financial Statements									
Independent Auditor's Report. (P. 1-2)	<p>Unmodified Opinion on the District's basic financial statements for the year ended June 30, 2021</p> <p>No matters were noted with regard to Management's Discussion and Analysis budget comparison, and other reports required by NYSED. Unmodified Report issued for the Schedule of Expenditures of Federal Awards in relation to basic financial statements taken as a whole.</p>								
<p>Report on Internal Control Over Financial Reporting and on Compliance Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. (P.56)</p>	<p>Report issued for the District's compliance with laws and regulations that may have a direct and material effect on the basic financial statements, and on Districts' internal control structure, policies and procedures based on the auditors' understanding of the internal control structure and assessment of control risk obtained as part of the audit of the basic financial statements. This report identified the following:</p> <ul style="list-style-type: none"> • No material instances of noncompliance • No material weaknesses over internal controls over compliance 								
Single Audit (Uniform Guidance) Report									
<p>Report on Compliance with Requirements for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance. (P. 57-58)</p>	<p>Report issued for each major program's compliance and internal controls that could have a direct and material effect on these programs. The OMB Compliance Supplement identifies several compliance areas that are required to be tested in addition to other laws, regulations, contract, and grant agreements. This report identified no material internal control weaknesses regarding compliance in accordance with the Uniform Guidance.</p> <p>The federal award program expenditures totaled \$4,396,039. We identified the following programs as major based on a risk based approach:</p> <p><u>U.S. Department of Education</u></p> <table> <tr> <td>COVID-19 Economic Stabilization Fund</td> <td style="text-align: right;">\$ 845,890</td> </tr> </table> <p><u>U.S. Department of Agriculture</u></p> <table> <tr> <td>Child Nutrition Cluster</td> <td style="text-align: right;"><u>301,728</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$ <u>1,147,618</u></td> </tr> <tr> <td>Percentage of Total</td> <td style="text-align: right;"><u>26%</u></td> </tr> </table>	COVID-19 Economic Stabilization Fund	\$ 845,890	Child Nutrition Cluster	<u>301,728</u>	Total	\$ <u>1,147,618</u>	Percentage of Total	<u>26%</u>
COVID-19 Economic Stabilization Fund	\$ 845,890								
Child Nutrition Cluster	<u>301,728</u>								
Total	\$ <u>1,147,618</u>								
Percentage of Total	<u>26%</u>								

Report Title	Description of Report and Findings
Required Communication with Those Charged with Governance (Separate Letter)	<p>A letter that specifically addresses certain required communication to the Board of Education in accordance with professional standards – there were no comments of concern to be reported regarding the following:</p> <ul style="list-style-type: none"> • Significant Accounting Policies Accounting Estimates – GASB 84, <i>Fiduciary Activities</i> • Difficulties Encountered in Performing the Audit • Corrected and Uncorrected Misstatements • Conversion Entries for District-Wide Statements • Disagreements with Management • Management Representations • Management Consultations with Other Independent Accountants • Other Audit Findings or Issues <p>The letter identifies comments regarding the following:</p> <p>Material Weaknesses:</p> <ul style="list-style-type: none"> • None noted. <p>Significant Deficiencies:</p> <ul style="list-style-type: none"> • None noted. <p>Disposition of Prior Year Comments:</p> <p>Material Weaknesses:</p> <ul style="list-style-type: none"> • None noted. <p>Significant Deficiencies:</p> <ul style="list-style-type: none"> • None noted.
Report of Independent Auditors on Extraclassroom Activity Funds	Qualified opinion on the School District’s Extraclassroom Activity Fund financial statements for the year ended June 30, 2021.

Summary Government Wide - Statement of Net Position

	2021	(Restated) 2020	Increase/ (Decrease)	Percentage Change
Current and Other Assets	\$ 52,235,888	\$ 47,278,148	\$ 4,957,740	10.5%
Net Pension Asset - Proportionate Share	0	12,105,728	(12,105,728)	(100.0%)
Capital Assets, Net of Accumulated Depreciation	<u>166,557,600</u>	<u>162,786,644</u>	<u>3,770,956</u>	2.3%
Total Assets	<u>218,793,488</u>	<u>222,170,520</u>	<u>(3,377,032)</u>	(1.5%)
Deferred Outflows of Resources	<u>244,073,478</u>	<u>316,480,688</u>	<u>(72,407,210)</u>	(22.9%)
Current and Other Liabilities	15,618,448	15,917,127	(298,679)	(1.9%)
Net Pension Liability - Proportionate Share	13,053,093	16,272,871	(3,219,778)	(19.8%)
Noncurrent Liabilities	<u>1,055,563,663</u>	<u>1,103,786,149</u>	<u>(48,222,486)</u>	(4.4%)
Total Liabilities	<u>1,084,235,204</u>	<u>1,135,976,147</u>	<u>(51,740,943)</u>	(4.6%)
Deferred Inflows of Resources	<u>98,564,086</u>	<u>16,905,658</u>	<u>81,658,428</u>	483.0%
Net Position				
Net Investment in Capital Assets	90,268,240	87,718,865	2,549,375	2.9%
Restricted	19,436,789	17,771,564	1,665,225	9.4%
Unrestricted (Deficit)	<u>(829,637,353)</u>	<u>(719,721,026)</u>	<u>(109,916,327)</u>	(15.3%)
Total Net Position (Deficit)	<u>\$ (719,932,324)</u>	<u>\$ (614,230,597)</u>	<u>\$ (105,701,727)</u>	(17.2%)

Summary of Noncurrent Liabilities

Description	Beginning Balance	Issued	Paid	Ending Balance	Due Within One Year
Bonds Payable					
Serial Bonds	\$ 53,800,000	\$ 9,602,000	\$ 6,365,000	\$ 57,037,000	\$ 8,852,000
Unamortized Bond Premiums	4,634,998	185,000	864,452	3,955,546	735,280
Energy Performance Contract	15,909,215		1,254,982	14,654,233	1,289,987
Other Liabilities					
Other Postemployment Benefits	1,009,500,307		51,126,925	958,373,382	
Net Pension Liability - Proportionate Share	16,272,871		3,219,778	13,053,093	
Compensated Absences	<u>19,941,629</u>	<u>1,601,873</u>		<u>21,543,502</u>	
Total Noncurrent Liabilities	<u>\$ 1,120,059,020</u>	<u>\$ 11,388,873</u>	<u>\$ 62,831,137</u>	<u>\$ 1,068,616,756</u>	<u>\$ 10,877,267</u>

ARLINGTON CENTRAL SCHOOL DISTRICT
FUND BALANCES - ALL FUNDS
June 30, 2021 and 2020

	<u>2021</u>	<u>(Restated) 2020</u>	<u>Increase/ (Decrease)</u>
General Fund			
Nonspendable	\$ 19,653	\$ 34,423	\$ (14,770)
Restricted			
Unemployment Insurance	0	0	
Retirement Contribution - ERS	4,558,513	4,556,790	1,723
Retirement Contribution - TRS	2,059,817	1,280,786	779,031
Liability	54,001	53,980	21
Tax Certiorari	1,097,556	575,884	521,672
Employee Benefit Accrued Liability	919,940	919,593	347
Capital	3,244,064	3,243,712	352
Total Restricted	<u>11,933,891</u>	<u>10,630,745</u>	<u>1,303,146</u>
Assigned			
Appropriated for Subsequent Year's Budget	7,403,000	7,403,000	
Encumbrances	<u>1,277,182</u>	<u>1,250,762</u>	<u>26,420</u>
Total Assigned	<u>8,680,182</u>	<u>8,653,762</u>	<u>26,420</u>
Unassigned			
Reserve for Tax Reduction	1,889,714	1,889,000	714
Unassigned	<u>9,151,838</u>	<u>7,763,429</u>	<u>1,388,409</u>
Total Unassigned	<u>11,041,552</u>	<u>9,652,429</u>	<u>1,389,123</u>
Total General Fund	<u>31,675,278</u>	<u>28,971,359</u>	<u>2,703,919</u>
 School Lunch Fund			
Nonspendable	150,431	208,909	(58,478)
Assigned	<u>356,962</u>	<u>112,891</u>	<u>244,071</u>
Total School Lunch Fund	<u>507,393</u>	<u>321,800</u>	<u>185,593</u>
 Special Aid Fund			
Unassigned (Deficit)	<u> </u>	<u>(159,260)</u>	<u>159,260</u>
 Miscellaneous Special Revenue			
Restricted for Scholarships	<u>431,190</u>	<u>442,829</u>	<u>(11,639)</u>
 Debt Service Fund			
Restricted	<u>4,319,332</u>	<u>4,319,332</u>	<u> </u>
 Capital Projects Fund			
Restricted	3,183,566	2,821,486	362,080
Unassigned (Deficit)	<u>(3,470,677)</u>	<u>(8,360,717)</u>	<u>4,890,040</u>
Total Capital Projects Fund	<u>(287,111)</u>	<u>(5,539,231)</u>	<u>5,252,120</u>
 Total Fund Balances	<u>\$ 36,646,082</u>	<u>\$ 28,356,829</u>	<u>\$ 8,289,253</u>

ARLINGTON CENTRAL SCHOOL DISTRICT
BALANCE SHEET - GENERAL FUND
June 30, 2021 to 2017

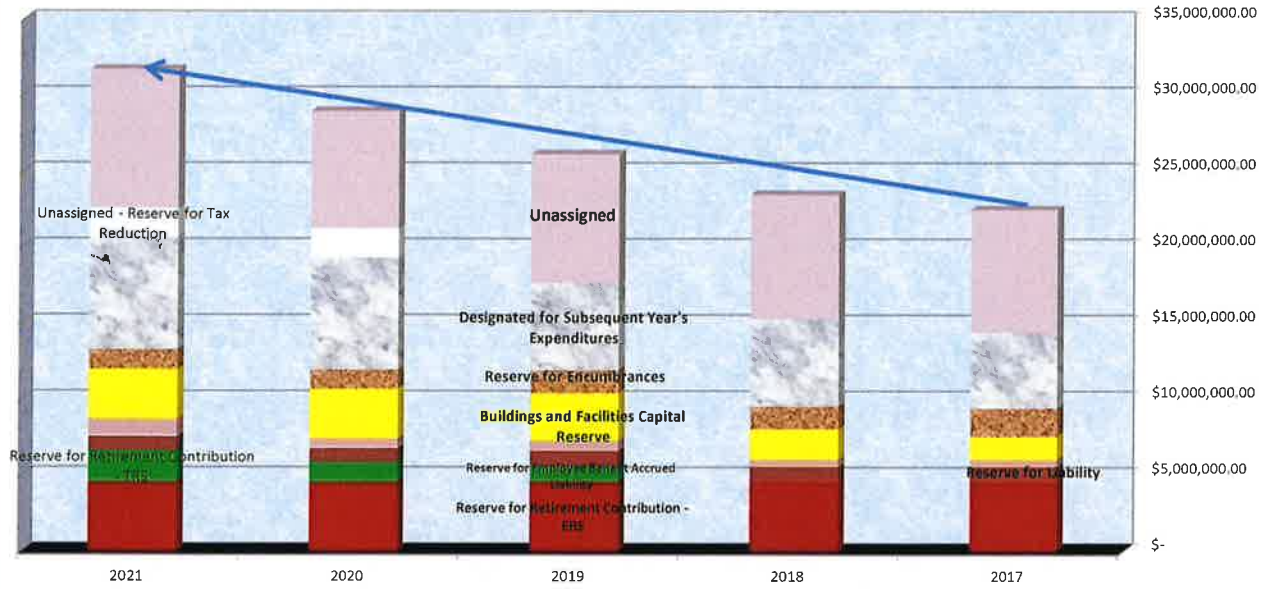
<u>Assets</u>	2021	2020	2019	2018	2017
Cash	\$ 34,238,028	\$ 31,594,216	\$ 29,690,913	\$ 27,263,775	\$ 27,860,147
Accounts Receivable	1,098,931	832,792	949,515	669,825	647,425
Due From Other Funds	1,477,416	1,918,575	1,586,992	1,423,763	1,174,482
Due From State and Federal	2,344,297	2,413,478	2,327,420	1,720,856	1,555,400
Due From Other Governments	3,997,404	2,469,190	1,799,116	1,745,090	1,674,266
Prepaid Expenditures	19,653	34,423	52,195	22,589	22,005
Total Assets	\$ 43,175,729	\$ 39,262,674	\$ 36,406,151	\$ 32,845,898	\$ 32,933,725
 <u>Liabilities and Fund Balances</u>					
Liabilities					
Accounts Payable	\$ 412,274	\$ 358,900	\$ 0	\$ 0	\$ 0
Accrued Liabilities	341,377	682,744	697,939	571,087	616,150
Due To Other Governments	1,406,822	0	0	0	0
Due To Teachers' Retirement System	8,272,549	7,475,582	8,604,443	7,912,447	9,007,685
Due To Employees' Retirement System	1,039,657	794,357	805,840	804,966	787,694
Unearned Revenues	27,772	3,198	112,524	88,006	80,632
Total Liabilities	11,500,451	9,314,781	10,220,746	9,376,506	10,492,161
 Deferred Revenue - Unavailable State Aid		976,534			
 Fund Balances					
Nonspendable	19,653	68,846	104,390	45,178	0
Restricted					
Reserve for Retirement Contribution - ERS	4,558,513	4,556,790	4,570,343	4,536,207	4,535,257
Reserve for Retirement Contribution - TRS	2,059,817	1,280,786	1,000,000	0	0
Reserve for Employee Benefit Accrued Liability	919,940	919,593	914,302	907,473	906,596
Reserve for Unemployment Insurance	0	0	132,086	131,100	131,040
Reserve for Liability	54,001	53,980	53,670	53,269	53,229
Reserve for Tax Certiorari	1,097,556	575,884	602,597	397,605	392,708
Buildings and Facilities Capital Reserve	3,244,064	3,243,712	3,105,062	2,001,438	1,515,941
Assigned					
Reserve for Encumbrances	1,277,182	1,250,762	1,480,717	1,476,362	1,842,021
Designated for Subsequent Year's Expenditures	7,403,000	7,403,000	5,743,000	5,743,000	5,000,000
Unassigned - Reserve for Tax Reduction	1,889,714	1,889,000	0	0	0
Unassigned	9,151,838	7,729,006	8,479,238	8,177,760	8,064,772
Total Fund Balances	31,675,278	28,971,359	26,185,405	23,469,392	22,441,564
Total Liabilities and Fund Balances	\$ 43,175,729	\$ 39,262,674	\$ 36,406,151	\$ 32,845,898	\$ 32,933,725

Current Assets to Liabilities	3.75	4.22	3.56	3.50	3.14
Total Fund Balances Percentage of Total Exp.	15%	14%	13%	12%	12%
Unassigned Fund Balance to Total Exp.	4%	4%	4%	4%	4%

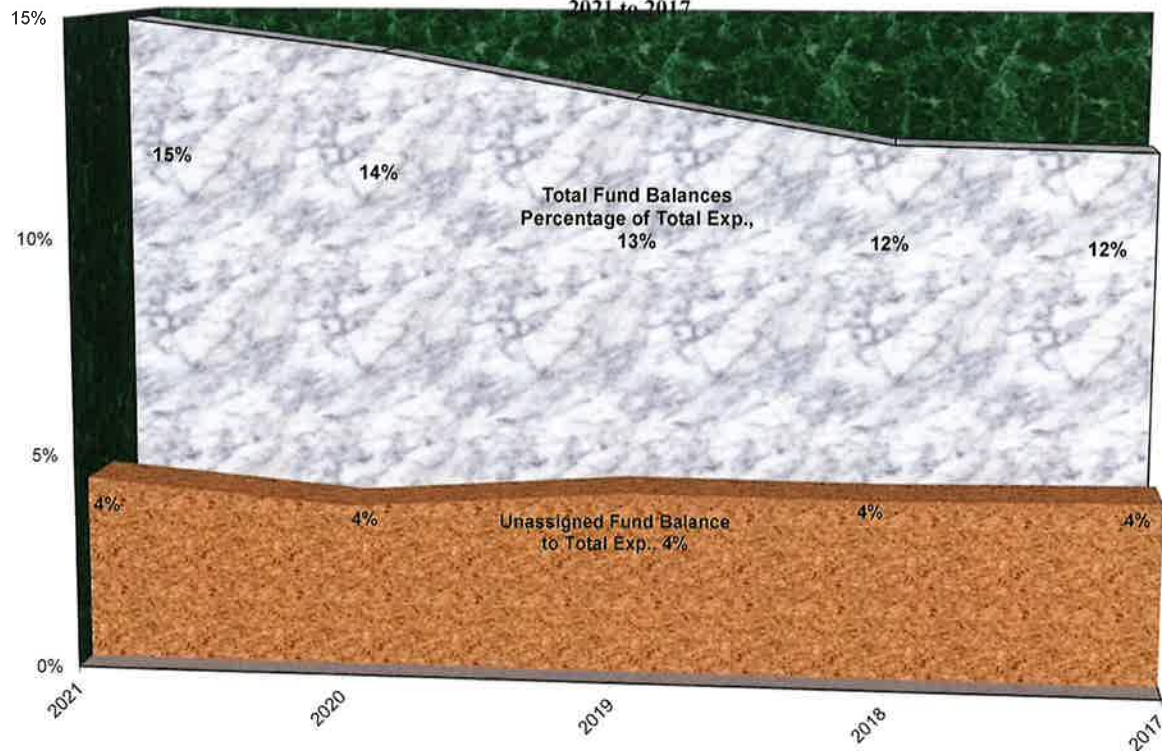
ARLINGTON CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Five Years Ended June 30, 2021 to 2017

	2021	2020	2019	2018	2017
REVENUES					
Real Property Taxes	\$ 134,975,121	\$ 130,893,106	\$ 126,256,693	\$ 122,674,449	\$ 120,434,986
Other Real Property Tax Items	11,174,972	11,696,212	13,250,750	13,923,005	14,057,393
Charges for Services	1,999,800	1,971,968	1,974,614	1,968,475	2,217,474
Use of Money and Property	126,562	817,372	1,466,828	787,368	715,735
Sale of Property and Compensation for Loss	41,217	2,059,996	69,962	7,623	169,200
Miscellaneous	4,350,322	604,089	1,028,122	1,354,494	1,367,276
State Sources	64,319,780	62,826,176	62,286,165	59,959,838	57,136,679
Federal Sources	911,165	246,957	189,855	136,493	75,749
Total Revenues	<u>217,898,939</u>	<u>211,115,876</u>	<u>206,522,989</u>	<u>200,811,745</u>	<u>196,174,492</u>
Expenditures					
General Support	21,139,011	17,291,991	14,774,363	14,488,183	14,551,776
Instruction	109,265,297	106,676,771	106,108,227	102,385,724	100,928,635
Pupil Transportation	9,301,976	10,392,377	10,532,869	10,699,321	10,340,616
Employee Benefits	59,933,074	57,896,880	56,709,281	54,555,696	50,282,258
Debt Service	14,189,668	13,918,073	13,937,004	14,669,804	14,125,299
Total Expenditures	<u>213,829,026</u>	<u>206,176,092</u>	<u>202,061,744</u>	<u>196,798,728</u>	<u>190,228,584</u>
Excess Revenues Over Expenditures	<u>4,069,913</u>	<u>4,939,784</u>	<u>4,461,245</u>	<u>4,013,017</u>	<u>5,945,908</u>
Other Financing Sources (Uses)					
Interfund Transfers From	1,852,175	1,288,580	82,941	16,699	777,297
Interfund Transfers To	(3,218,169)	(3,442,410)	(1,828,173)	(2,888,469)	(12,077,407)
Total Other Financing Sources (Uses)	<u>(1,365,994)</u>	<u>(2,153,830)</u>	<u>(1,745,232)</u>	<u>(2,871,770)</u>	<u>(11,300,110)</u>
Excess Revenues Over Expenditures and Other Financing Sources (Uses)	<u>\$ 2,703,919</u>	<u>\$ 2,785,954</u>	<u>\$ 2,716,013</u>	<u>\$ 1,141,247</u>	<u>\$ (5,354,202)</u>

ARLINGTON CENTRAL SCHOOL DISTRICT FUND BALANCE HISTORY 2021 to 2017



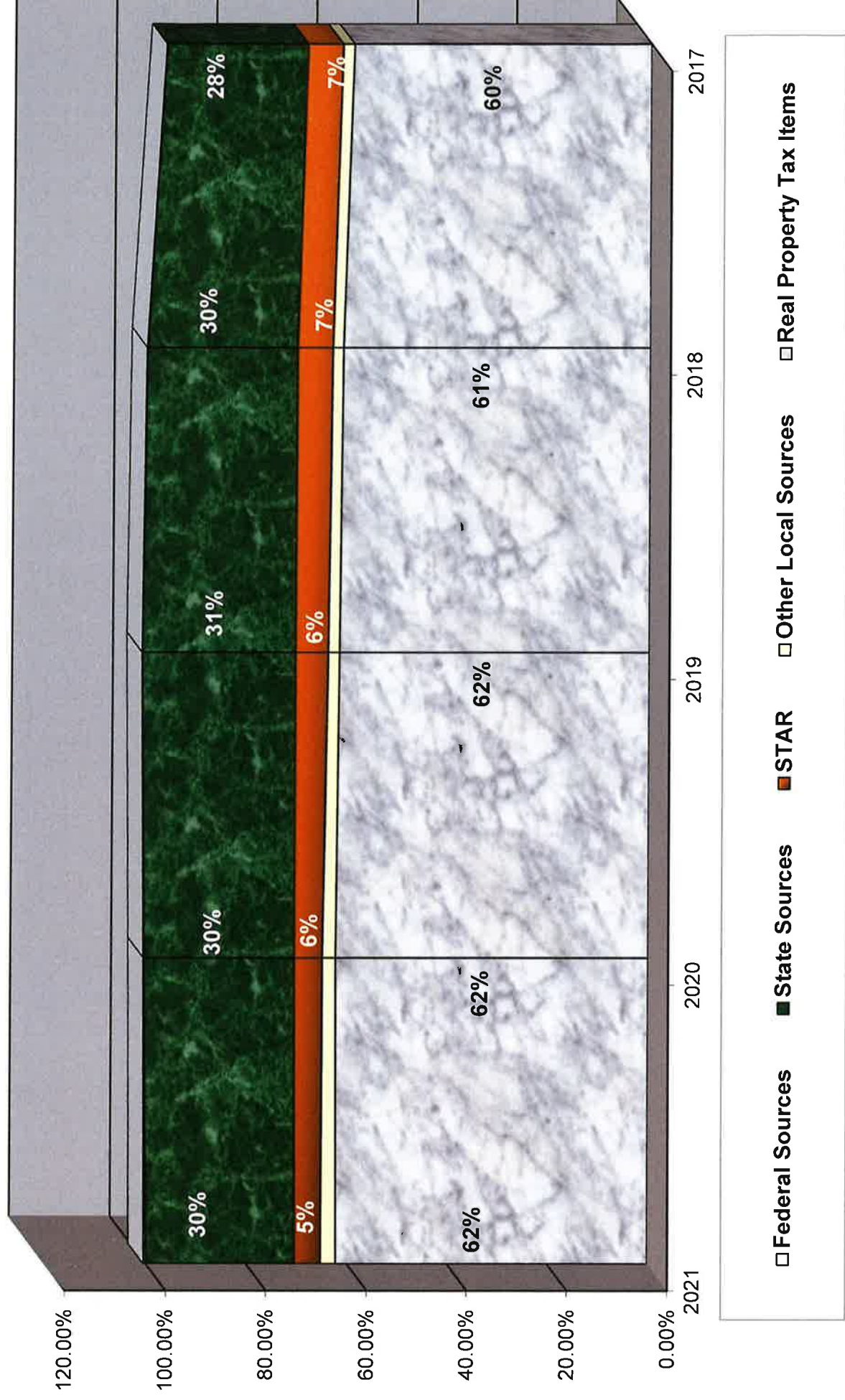
ARLINGTON CENTRAL SCHOOL DISTRICT UNASSIGNED FUND BALANCE PERCENTAGE OF BUDGET 2021 to 2017



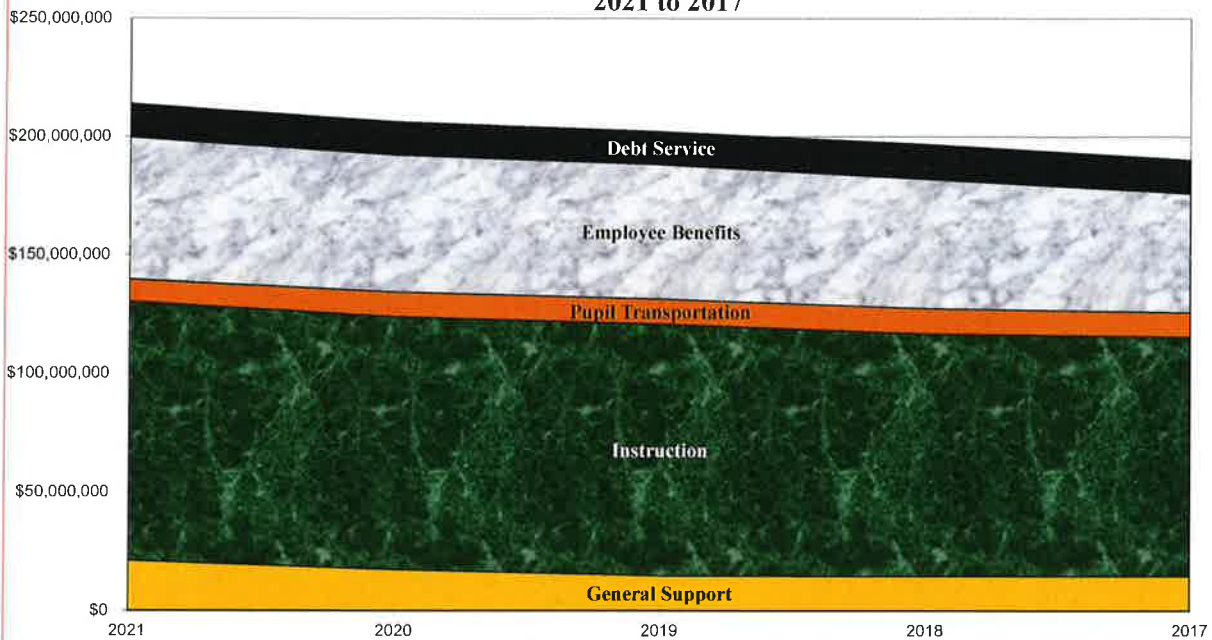
ARLINGTON CENTRAL SCHOOL DISTRICT

STATE VS. LOCAL EFFORT

2021 to 2017



**ARLINGTON CENTRAL SCHOOL DISTRICT
GENERAL FUND EXPENDITURES
2021 to 2017**



**ARLINGTON CENTRAL SCHOOL DISTRICT
EXPENDITURE PERCENTAGE OF TOTAL
2021 to 2017**

