



ARLINGTON CENTRAL SCHOOL DISTRICT

EXECUTIVE SUMMARY OF AUDIT

June 30, 2022

**ARLINGTON CENTRAL SCHOOL DISTRICT
EXECUTIVE SUMMARY OF AUDIT
FOR THE YEAR ENDED JUNE 30, 2022**

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, 2022.</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>								
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>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									
Report on Compliance with Requirements for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance. (P. 57-58)	<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 \$12,488,911. 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 Education Stabilization Fund</td><td style="text-align: right;">\$ 6,100,600</td></tr> <tr> <td>Special Education Cluster (IDEA)</td><td style="text-align: right;"><u>2,162,450</u></td></tr> <tr> <td>Total</td><td style="text-align: right;"><u>\$ 8,263,050</u></td></tr> <tr> <td>Percentage of Total</td><td style="text-align: right;"><u>66%</u></td></tr> </table>	COVID-19 Education Stabilization Fund	\$ 6,100,600	Special Education Cluster (IDEA)	<u>2,162,450</u>	Total	<u>\$ 8,263,050</u>	Percentage of Total	<u>66%</u>
COVID-19 Education Stabilization Fund	\$ 6,100,600								
Special Education Cluster (IDEA)	<u>2,162,450</u>								
Total	<u>\$ 8,263,050</u>								
Percentage of Total	<u>66%</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 87, Leases • 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, 2022.

Summary Government Wide - Statement of Net Position

	2022	(Restated) 2021	Increase/ (Decrease)	Percentage Change
Current and Other Assets	\$ 57,576,638	\$ 52,235,888	\$ 5,340,750	10.2%
Net Pension Asset - Proportionate Share	87,829,063		87,829,063	100.0%
Capital and Lease Assets, Net	<u>164,424,117</u>	<u>168,701,438</u>	<u>(4,277,321)</u>	(2.5%)
Total Assets	<u>309,829,818</u>	<u>220,937,326</u>	<u>88,892,492</u>	40.2%
Deferred Outflows of Resources	<u>194,990,387</u>	<u>244,073,478</u>	<u>(49,083,091)</u>	(20.1%)
Current and Other Liabilities	16,741,115	15,618,448	1,122,667	7.2%
Net Pension Liability - Proportionate Share		13,053,093	(13,053,093)	(100.0%)
Other Noncurrent Liabilities	<u>783,115,959</u>	<u>1,056,995,045</u>	<u>(273,879,086)</u>	(25.9%)
Total Liabilities	<u>799,857,074</u>	<u>1,085,666,586</u>	<u>(285,809,512)</u>	(26.3%)
Deferred Inflows of Resources	<u>428,186,315</u>	<u>98,564,086</u>	<u>329,622,229</u>	334.4%
Net Position				
Net Investment in Capital Assets	98,066,014	90,980,696	7,085,318	7.8%
Restricted	21,003,313	19,436,789	1,566,524	8.1%
Unrestricted (Deficit)	<u>(842,292,511)</u>	<u>(829,637,353)</u>	<u>(12,655,158)</u>	(1.5%)

Summary of Noncurrent Liabilities

Description	Beginning			Ending	
	Balance	Issued	Paid	Balance	Due Within One Year
Bonds Payable					
Serial Bonds	\$ 57,037,000	\$	\$ 8,852,000	\$ 48,185,000	\$ 9,480,000
Unamortized Bond Premiums	3,955,546		735,280	3,220,266	618,153
Energy Performance Contract	14,654,233		1,289,987	13,364,246	1,326,011
Other Liabilities					
Lease Liability	1,431,382	659,579	850,429	1,240,532	618,215
Other Postemployment Benefits	958,373,382		266,291,093	692,082,289	
Net Pension Liability - Proportionate Share	13,053,093		13,053,093		
Compensated Absences	<u>21,543,502</u>	<u>3,480,124</u>		<u>25,023,626</u>	
Total Noncurrent Liabilities	<u>\$ 1,070,048,138</u>	<u>\$ 4,139,703</u>	<u>\$ 291,071,882</u>	<u>\$ 783,115,959</u>	<u>\$ 12,042,379</u>

ARLINGTON CENTRAL SCHOOL DISTRICT
FUND BALANCES - ALL FUNDS
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>	<u>Increase/ (Decrease)</u>
General Fund			
Nonspendable	\$ 16,296	\$ 19,653	\$ (3,357)
Restricted			
Unemployment Insurance	0	0	
Retirement Contribution - ERS	4,558,966	4,558,513	453
Retirement Contribution - TRS	2,060,022	2,059,817	205
Liability	54,006	54,001	5
Tax Certiorari	318,505	1,097,556	(779,051)
Employee Benefit Accrued Liability	920,032	919,940	92
Capital	4,744,438	3,244,064	1,500,374
Total Restricted	<u>12,655,969</u>	<u>11,933,891</u>	<u>722,078</u>
Assigned			
Appropriated for Subsequent Year's Budget	7,193,000	7,403,000	(210,000)
Encumbrances	<u>2,029,688</u>	<u>1,277,182</u>	<u>752,506</u>
Total Assigned	<u>9,222,688</u>	<u>8,680,182</u>	<u>542,506</u>
Unassigned			
Reserve for Tax Reduction	1,889,902	1,889,714	188
Unassigned	<u>9,126,791</u>	<u>9,151,838</u>	<u>(25,047)</u>
Total Unassigned	<u>11,016,693</u>	<u>11,041,552</u>	<u>(24,859)</u>
Total General Fund	<u>32,911,646</u>	<u>31,675,278</u>	<u>1,236,368</u>
School Lunch Fund			
Nonspendable	110,008	150,431	(40,423)
Assigned	<u>1,571,231</u>	<u>356,962</u>	<u>1,214,269</u>
Total School Lunch Fund	<u>1,681,239</u>	<u>507,393</u>	<u>1,173,846</u>
Miscellaneous Special Revenue			
Restricted for Scholarships	<u>423,722</u>	<u>431,190</u>	<u>(7,468)</u>
Debt Service Fund			
Restricted	<u>4,319,332</u>	<u>4,319,332</u>	
Capital Projects Fund			
Restricted	3,604,290	3,183,566	420,724
Unassigned (Deficit)	<u>(2,885,136)</u>	<u>(3,470,677)</u>	<u>585,541</u>
Total Capital Projects Fund	<u>719,154</u>	<u>(287,111)</u>	<u>1,006,265</u>
Total Fund Balances	<u>\$ 40,055,093</u>	<u>\$ 36,646,082</u>	<u>\$ 3,409,011</u>

ARLINGTON CENTRAL SCHOOL DISTRICT
BALANCE SHEET - GENERAL FUND
June 30, 2022 to 2018

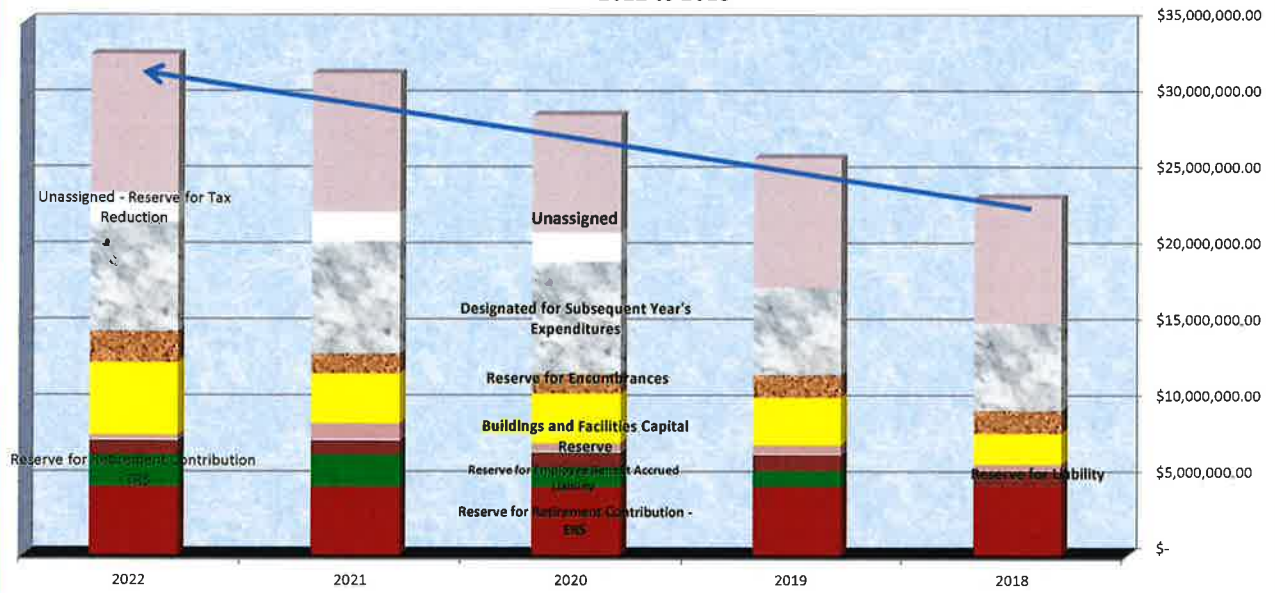
<u>Assets</u>	2022	2021	2020	2019	2018
Cash	\$ 37,861,761	\$ 34,238,028	\$ 31,594,216	\$ 29,690,913	\$ 27,263,775
Accounts Receivable	656,620	1,098,931	832,792	949,515	669,825
Due From Other Funds	2,451,720	1,477,416	1,918,575	1,586,992	1,423,763
Due From State and Federal	2,468,565	2,344,297	2,413,478	2,327,420	1,720,856
Due From Other Governments	2,448,743	3,997,404	2,469,190	1,799,116	1,745,090
Prepaid Expenditures	16,296	19,653	34,423	52,195	22,589
<u>Total Assets</u>	<u>\$ 45,903,705</u>	<u>\$ 43,175,729</u>	<u>\$ 39,262,674</u>	<u>\$ 36,406,151</u>	<u>\$ 32,845,898</u>
<u>Liabilities and Fund Balances</u>					
<u>Liabilities</u>					
Accounts Payable	\$ 1,031,676	\$ 412,274	\$ 358,900	\$ 0	\$ 0
Accrued Liabilities	650,411	341,377	682,744	697,939	571,087
Due To Other Governments	1,406,822	1,406,822	0	0	0
Due To Teachers' Retirement System	9,048,265	8,272,549	7,475,582	8,604,443	7,912,447
Due To Employees' Retirement System	799,780	1,039,657	794,357	805,840	804,966
Unearned Revenues	55,105	27,772	3,198	112,524	88,006
<u>Total Liabilities</u>	<u>12,992,059</u>	<u>11,500,451</u>	<u>9,314,781</u>	<u>10,220,746</u>	<u>9,376,506</u>
Deferred Inflows - Unavailable State Aid			976,534		
<u>Fund Balances</u>					
Nonspendable	16,296	39,306	68,846	104,390	22,589
Restricted					
Reserve for Retirement Contribution - ERS	4,558,966	4,558,513	4,556,790	4,570,343	4,536,207
Reserve for Retirement Contribution - TRS	2,060,022	2,059,817	1,280,786	1,000,000	0
Reserve for Employee Benefit Accrued Liability	920,032	919,940	919,593	914,302	907,473
Reserve for Unemployment Insurance	0	0	0	132,086	131,100
Reserve for Liability	54,006	54,001	53,980	53,670	53,269
Reserve for Tax Certiorari	318,505	1,097,556	575,884	602,597	397,605
Buildings and Facilities Capital Reserve	4,744,438	3,244,064	3,243,712	3,105,062	2,001,438
Assigned					
Reserve for Encumbrances	2,029,688	1,277,182	1,250,762	1,480,717	1,476,362
Designated for Subsequent Year's Expenditures	7,193,000	7,403,000	7,403,000	5,743,000	5,743,000
Unassigned - Reserve for Tax Reduction	1,889,902	1,889,714	1,889,000	0	0
Unassigned	9,126,791	9,132,185	7,729,006	8,479,238	8,200,349
<u>Total Fund Balances</u>	<u>32,911,646</u>	<u>31,675,278</u>	<u>28,971,359</u>	<u>26,185,405</u>	<u>23,469,392</u>
<u>Total Liabilities, Deferred Inflows, and Fund Balances</u>	<u>\$ 45,903,705</u>	<u>\$ 43,175,729</u>	<u>\$ 39,262,674</u>	<u>\$ 36,406,151</u>	<u>\$ 32,845,898</u>

Current Assets to Liabilities	3.53	3.75	4.22	3.56	3.50
Total Fund Balances Percentage of Total Exp.	15%	15%	14%	13%	12%
Unassigned Fund Balance to Total Exp.	4%	4%	4%	4%	4%

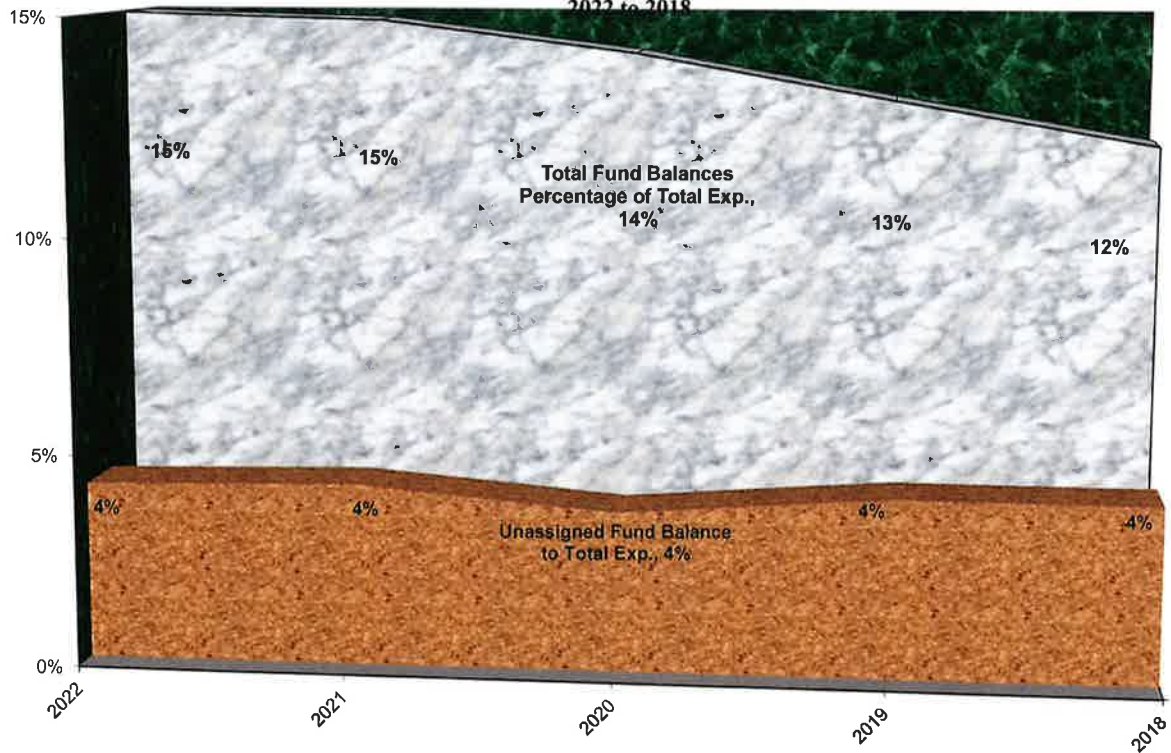
ARLINGTON CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Five Years Ended June 30, 2022 to 2018

	2022	2021	2020	2019	2018
REVENUES					
Real Property Taxes	\$ 137,129,363	\$ 134,975,121	\$ 130,893,106	\$ 126,256,693	\$ 122,674,449
Other Real Property Tax Items	10,606,521	11,174,972	11,696,212	13,250,750	13,923,005
Charges for Services	1,733,256	1,999,800	1,971,968	1,974,614	1,968,475
Use of Money and Property	89,305	126,562	817,372	1,466,828	787,368
Sale of Property and Compensation for Loss	108,532	41,217	2,059,996	69,962	7,623
Miscellaneous	3,900,206	4,350,322	604,089	1,028,122	1,354,494
State Sources	69,520,451	64,319,780	62,826,176	62,286,165	59,959,838
Federal Sources	350,220	911,165	246,957	189,855	136,493
Total Revenues	<u>223,437,854</u>	<u>217,898,939</u>	<u>211,115,876</u>	<u>206,522,989</u>	<u>200,811,745</u>
Expenditures					
General Support	20,221,456	21,139,011	17,291,991	14,774,363	14,488,183
Instruction	112,635,697	109,265,297	106,676,771	106,108,227	102,385,724
Pupil Transportation	11,236,443	9,301,976	10,392,377	10,532,869	10,699,321
Employee Benefits	59,993,861	59,933,074	57,896,880	56,709,281	54,555,696
Debt Service	15,817,771	14,189,668	13,918,073	13,937,004	14,669,804
Total Expenditures	<u>219,905,228</u>	<u>213,829,026</u>	<u>206,176,092</u>	<u>202,061,744</u>	<u>196,798,728</u>
Excess Revenues Over Expenditures	<u>3,532,626</u>	<u>4,069,913</u>	<u>4,939,784</u>	<u>4,461,245</u>	<u>4,013,017</u>
Other Financing Sources (Uses)					
Interfund Transfers From	1,472,217	1,852,175	1,288,580	82,941	16,699
Interfund Transfers To	(3,768,475)	(3,218,169)	(3,442,410)	(1,828,173)	(2,888,469)
Total Other Financing Sources (Uses)	<u>(2,296,258)</u>	<u>(1,365,994)</u>	<u>(2,153,830)</u>	<u>(1,745,232)</u>	<u>(2,871,770)</u>
Excess Revenues Over Expenditures and Other Financing Sources (Uses)	<u>\$ 1,236,368</u>	<u>\$ 2,703,919</u>	<u>\$ 2,785,954</u>	<u>\$ 2,716,013</u>	<u>\$ 1,141,247</u>

ARLINGTON CENTRAL SCHOOL DISTRICT FUND BALANCE HISTORY 2022 to 2018



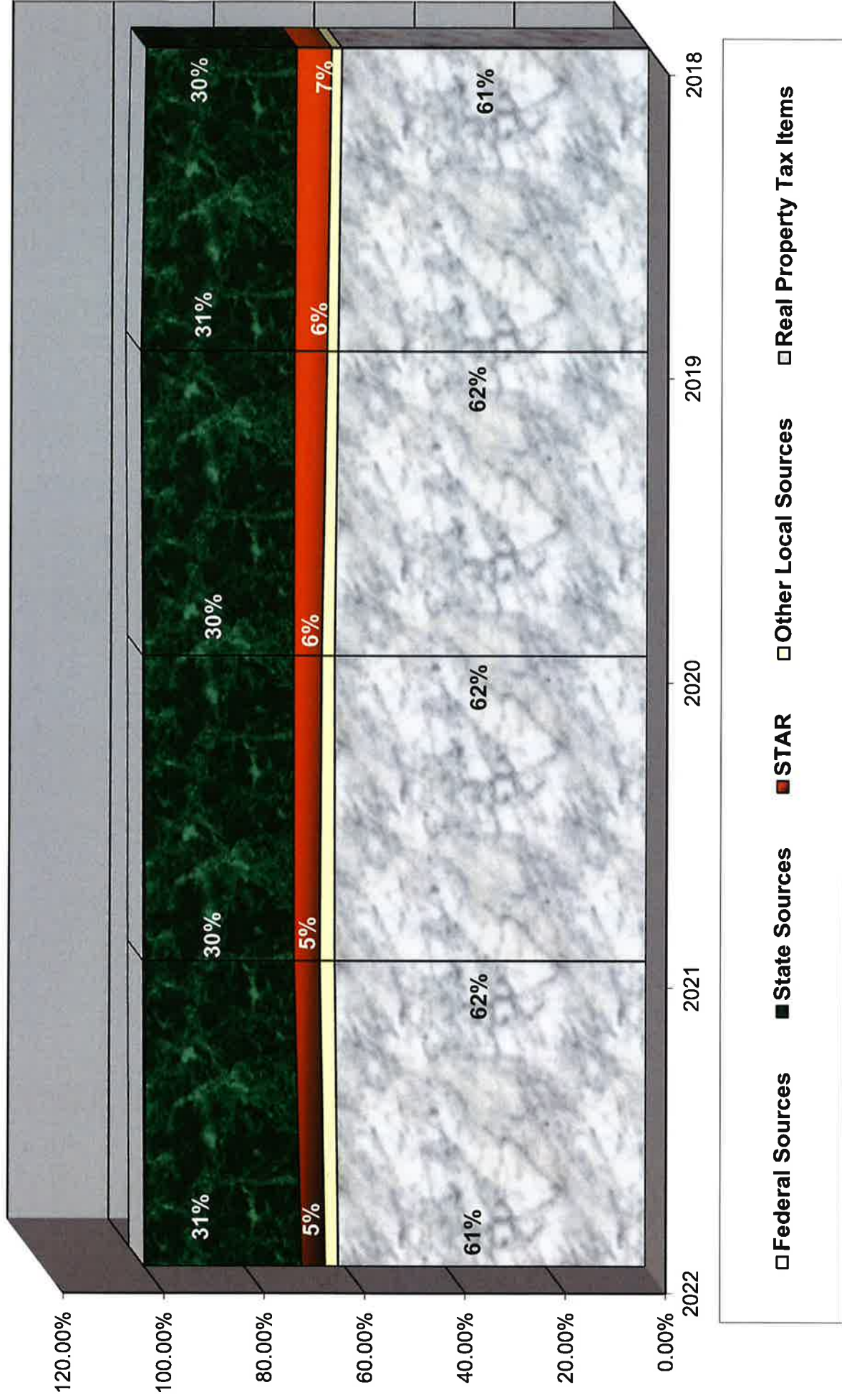
ARLINGTON CENTRAL SCHOOL DISTRICT UNASSIGNED FUND BALANCE PERCENTAGE OF BUDGET 2022 to 2018



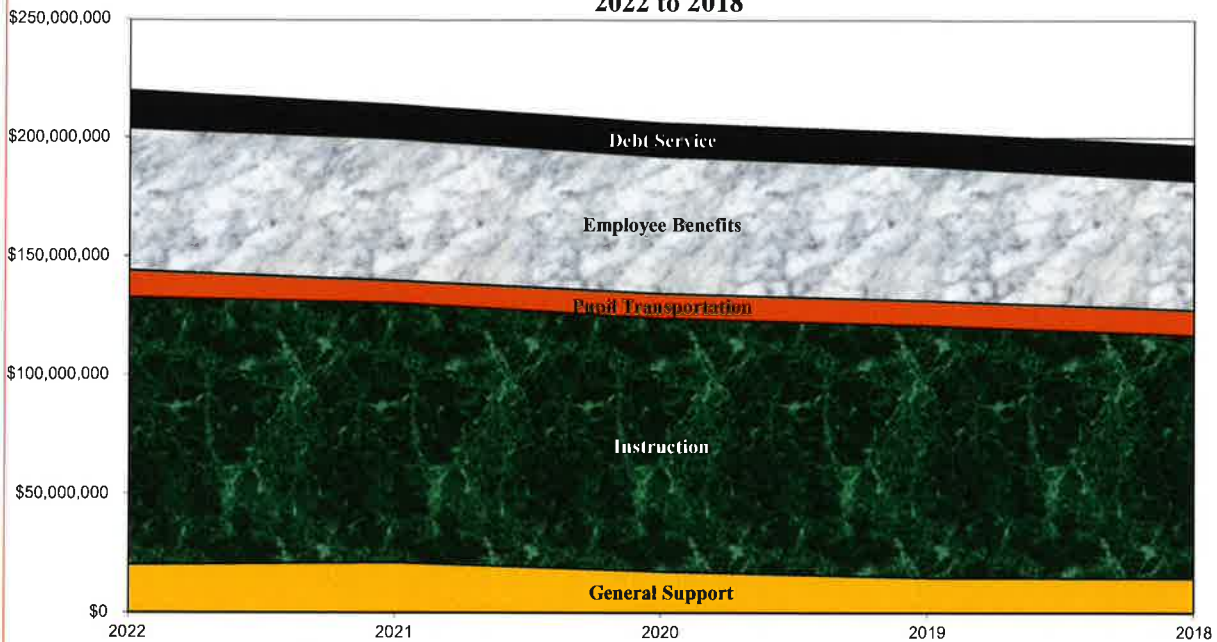
ARLINGTON CENTRAL SCHOOL DISTRICT

STATE VS. LOCAL EFFORT

2022 to 2018



**ARLINGTON CENTRAL SCHOOL DISTRICT
GENERAL FUND EXPENDITURES
2022 to 2018**



**ARLINGTON CENTRAL SCHOOL DISTRICT
EXPENDITURE PERCENTAGE OF TOTAL
2022 to 2018**

