



# Chappaqua Central School District

## Auditors' Report Year Ended June 30, 2011

Alan Kassay, Partner



O'Connor Davies Munns & Dobbins, llp  
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# 2010-11 External Audit

**Audit Planning Meeting – July 14, 2011**

**Audit – Week of August 1, 2011**

**Post-Audit Meeting – September 8, 2011**

**Audit Report – October 11, 2011**



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# Audit Report

- **Summary of Communications**
- **Management Letter**
- **Summary of Financial Statements**
- **Other Comments**



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# Summary of Communications

## Auditors' Responsibility Under Auditing Standards Generally Accepted in the USA

- **Unqualified Opinion on Financial Statements**
- **No Change in Scope of Audit**
- **No Material Errors**
- **No Fraud or Illegal Acts Identified**
- **No Instances/Suspicion or Allegations of Fraud were Noted during Conduct of Audit**



# Summary of Communications (continued)

- **Internal Accounting Controls - No Material Weaknesses**
- **Appropriate Significant Accounting Policies**
- **Adequate Management Judgments and Accounting Estimates**
- **No Significant Audit Adjustments**
- **Other Information in Documents Containing Audited Financial Statements - Reasonable**



# Summary of Communications (continued)

- **No Disagreements with Management**
- **No Unresolved Difficulties Encountered in Performing Audit**
- **No Consultation by Management with Other Accountants**
- **No Management Consulting Services**
- **Independence**
- **No Irregularities or Illegal Acts**



# Management Letter Comments:

- **School Lunch**
  - Outstanding Receivables
- **Special Purpose Fund**
  - Inactive Account
- **Agency Fund**
  - Inactive Scholarship Accounts



# Management Letter Comments:

- **Encumbrances**
  - Misclassification of Accrued Liabilities
- **Cash Receipts**
  - Timeliness of Deposits
- **Claim Cycle**
  - Purchase Order Documentation





**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**JUNE 30, 2011**

	Original Budget	Final Budget	Actual	Encumbrances	Variance to Final Budget
<b>Revenues</b>					
Real Property Taxes	\$ 90,382,154	\$ 90,382,154	\$ 90,386,852	\$	\$ 4,698
Other Tax Items	7,751,351	7,751,351	7,667,463		(83,888)
Non Property Taxes	675,000	675,000	764,290		89,290
Charges for Services	441,691	441,691	685,401		243,710
Use of money and property	330,000	330,000	275,091		(54,909)
State Aid	6,717,851	6,717,851	6,411,892		(305,959)
Federal Aid	-	-	425,356		425,356
Miscellaneous	440,000	567,913	1,090,110		522,197
<b>Total Revenues</b>	<u>106,738,047</u>	<u>106,865,960</u>	<u>107,706,455</u>		<u>840,495</u>
<b>Expenditures</b>					
General Support	13,260,477	14,279,350	13,008,393	1,041,351	229,606
Instruction	63,961,880	64,109,005	61,652,322	690,576	1,766,107
Pupil Transportation	6,134,132	6,134,651	5,858,352	1,600	274,699
Community Services	18,977	18,977	18,977		-
Employee Benefits	22,159,821	22,952,590	21,516,170	-	1,436,420
Debt Service Interest	175,000	253,333	162,797	-	90,536
<b>Total Expenditures</b>	<u>105,710,287</u>	<u>107,747,906</u>	<u>102,217,011</u>	<u>1,733,527</u>	<u>3,797,368</u>
<b>Excess of Revenues Over Expenditures</b>	<u>1,027,760</u>	<u>(881,946)</u>	<u>5,489,444</u>	<u>(1,733,527)</u>	<u>4,637,863</u>
<b>Other Financing Sources (Uses)</b>					
Transfers out	(5,552,964)	(4,776,036)	(4,725,968)	-	50,068
<b>Net Change in Fund Balance</b>	<u>(4,525,204)</u>	<u>(5,657,982)</u>	<u>763,476</u>	<u>\$ (1,733,527)</u>	<u>\$ 4,687,931</u>
<b>Fund Balance</b>					
Beginning of Year	<u>4,525,204</u>	<u>5,657,982</u>	<u>19,320,709</u>		
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,084,185</u>		



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## General Fund Balance Sheet - June 30, 2011

### ASSETS

Cash and Equivalents	\$ 22,523,643
Receivables:	
Accounts	1,019,454
State and Federal Aid	1,154,533
Due from Other Funds	1,625,873
Prepaid Expenditures	21,892
Total Assets	<u>\$ 26,345,395</u>

### LIABILITIES AND FUND BALANCES

#### Liabilities:

Accounts Payable	\$ 188,083
Accrued Liabilities	874,994
Due to Retirement Systems	5,089,954
Due to Other Governments	100,517
Deferred Revenues	7,662
Total Liabilities	<u>6,261,210</u>

#### Fund Balances:

Nonspendable	21,892
Restricted	\$ 11,677,791
Assigned	3,937,707
Unassigned	4,446,795
Total Fund Balances	<u>20,084,185</u>

Total Liabilities and Fund Balances \$ 26,345,395



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## Statement of Net Assets June 30, 2011

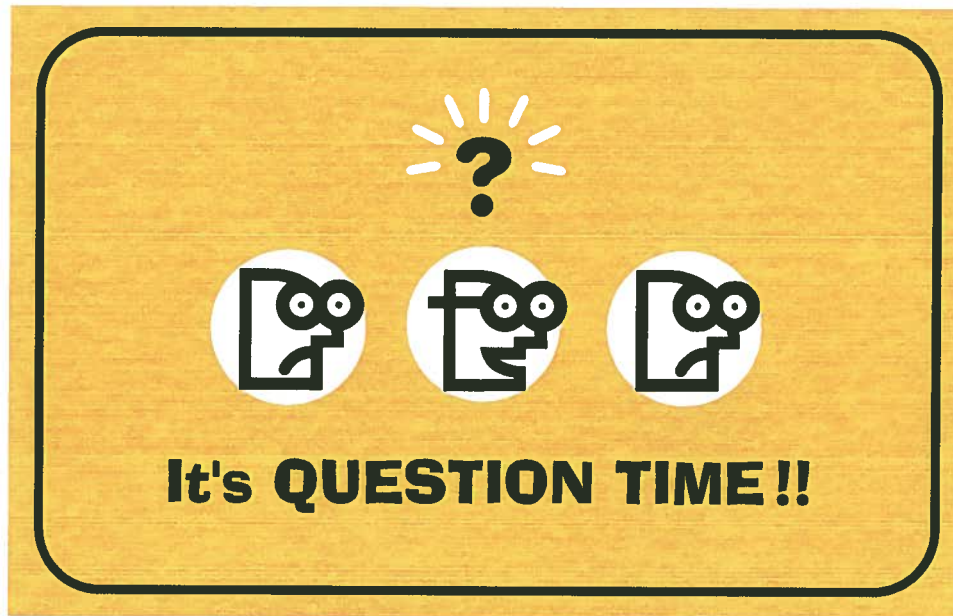
Assets	
Cash and equivalents	\$ 23,436,855
Receivables	3,785,869
Capital assets	107,293,995
Other	329,095
	<hr/>
Total Assets	134,845,814
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Liabilities	
Accounts payable, accrued liabilities & retainage paybles	1,110,322
Due to retirement systems	5,089,954
Other current liabilities	1,064,093
Non-current liabilities	59,068,561
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Total Liabilities	66,332,930
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Net Assets	
Invested in capital assets	61,186,921
Restricted assets	8,879,914
Unrestricted	(1,553,951)
Total Net Assets	<hr/> <u>\$ 68,512,884</u>



# Other Comments

- **Again, Unqualified Opinion on Financial Statements**
- **Advance Refund Reduced Debt Service \$6M over 20 Years (Present Value at \$4.6M)**
- **Net OPEB \$9M**
- **Need to Prepare for 2% Tax Cap Legislation**

# Questions



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Thank you  
Chappaqua Board of Education,  
Management and Staff



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