

# Chappaqua Central School District, New York

## Auditors' Report

### Year Ended June 30, 2019

Alan Kassay, Partner

October 15, 2019

**KNOW  
GREATER  
VALUE**



# 2018-19 External Audit

**Preliminary Fieldwork – May 28-29, 2019**

**Audit Planning Meeting – May 29, 2019**

**Audit – Week of July 29, 2019**

**Post-Audit Meeting – September 17, 2019**

**Audit Report – October 15, 2019**

- Summary of Communication
- Summary of Financial Statements
- Management Letter- Communication of Internal Control Matters Identified in the Audit to Those Charged With Governance and Management
- Other Comments

# Summary of Communications

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

- **Forming and Expressing an Opinion on the Financial Statements Based on Audit**
- **Obtain Reasonable, Rather Than Absolute Assurance That the Financial Statements are Free of Material Misstatement.**
- **Maintain Professional Skepticism**
- **Conduct the Audit in Accordance with Auditing Standards Generally Accepted in the United States (US GAAS)**
- **No Material Errors, Fraudulent Financial Reporting or Misappropriation of Assets Noted.**
- **No Instances/Suspicion or Allegations of Fraud were Noted during Conduct of Audit**

## Management's Responsibilities

- **Establish and Maintain Effective Internal Control – No Material Weaknesses Noted**
- **Comply With Laws, Regulations, Grants and Contracts**
- **Adequate Management Judgments and Accounting Estimates**
- **No Significant Audit Adjustments**

- **No Disagreements with Management**
- **No Unresolved Difficulties Encountered in Performing Audit**
- **No Consultation by Management with Other Accountants**
- **PKF O'Connor Davies is Independent with Respect to CCSD in Accordance with Relevant Professional Standards**
- **No Irregularities or Illegal Acts Noted**

- **Bids – it was noted that of sample selected, 2 of the bids selected did not have a signed statement of non collusion.**





# General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual June 30, 2019

	Original Budget	Final Budget	Actual	Variance to Budget
Revenues				
Real Property Taxes	\$ 104,107,172	\$ 104,110,848	\$ 104,110,848	\$ -
Other Tax Items	4,895,369	4,895,369	4,895,369	-
State Aid	8,865,760	8,865,760	9,341,391	475,631
Other	2,135,869	2,165,576	3,965,033	1,799,457
Total Revenues	<u>120,004,170</u>	<u>120,037,553</u>	<u>122,312,641</u>	<u>2,275,088</u>
Expenditures				
General Support	16,226,141	17,290,447	15,917,139	1,373,308
Instruction	69,935,672	69,151,578	68,060,500	1,091,078
Pupil Transportation	6,846,518	6,782,268	6,498,428	283,840
Community Services	21,235	21,978	21,978	-
Employee Benefits	27,368,477	25,758,355	25,417,824	340,531
Debt Service	6,482,566	7,954,577	7,953,455	1,122
Total Expenditures	<u>126,880,609</u>	<u>126,959,203</u>	<u>123,869,324</u>	<u>3,089,879</u>
Excess (Deficiency) of Revenues Over Expenditures	(6,876,439)	(6,921,650)	(1,556,683)	5,364,967
Other Financing Uses	<u>(265,000)</u>	<u>(219,789)</u>	<u>(219,789)</u>	<u>-</u>
Net Change in Fund Balance	(7,141,439)	(7,141,439)	(1,776,472)	5,364,967
Fund Balance				
Beginning of Year	<u>7,141,439</u>	<u>7,141,439</u>	<u>23,942,751</u>	<u>16,801,312</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,166,279</u>	<u>\$ 22,166,279</u>

# General Fund Balance Sheet – June 30, 2019

## ASSETS

Cash and Equivalents	\$ 24,531,535	
Receivables	3,947,307	
Prepaid Expenditures	1,376,648	
Total Assets	<u>\$ 29,855,490</u>	

## LIABILITIES AND FUND BALANCES

Accounts Payable and Accrued Liabilities	\$ 1,186,500	
Due to Retirement Systems	6,318,852	
Other Liabilities	183,859	
Total Liabilities	<u>7,689,211</u>	

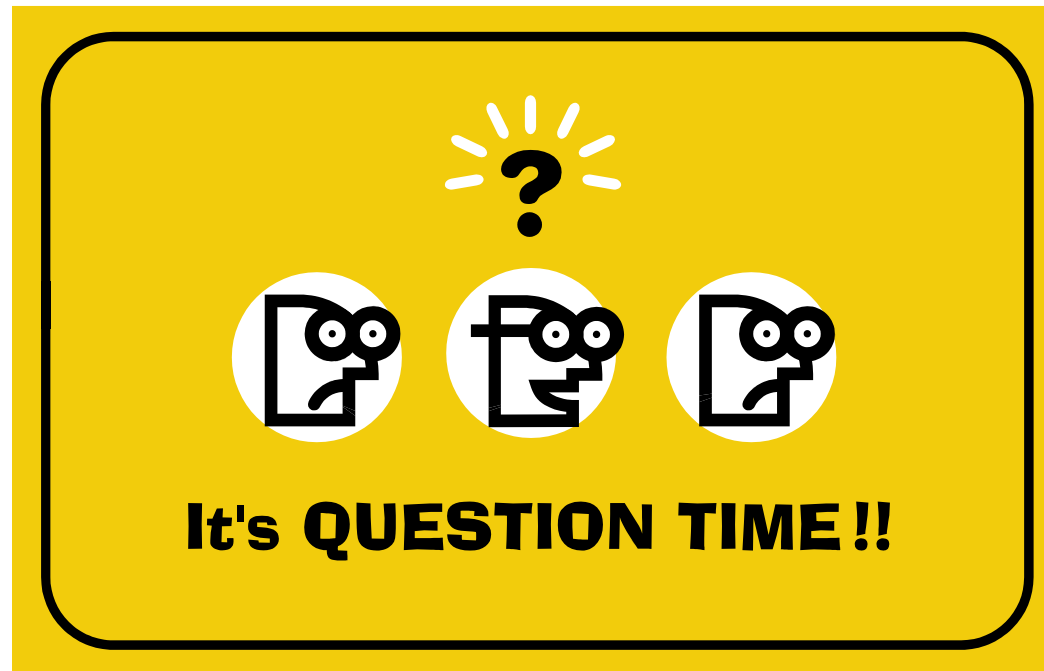
## Fund Balance:

Nonspendable (prepaid expenditures)	<u>1,376,648</u>	
Restricted		
Tax Certiorari	2,822,668	
Employee Benefit Accrued Liability	2,611,001	
ERS Retirement Contributions	1,468,229	
Future Capital Projects	1,568,229	
Other	<u>1,486,157</u>	<u>9,956,284</u>
Assigned		
Encumbrances	2,039,327	
Subsequent Year's Expenditures	<u>3,812,954</u>	<u>5,852,281</u>
Unassigned - 4% of 2019/2020 Budget	<u>4,981,066</u>	
Total Liabilities and Fund Balance	<u>\$ 29,855,490</u>	

# Other Comments - Summary

- **Unmodified (Clean) Opinion on Financial Statements**
- **No Material Weaknesses Noted**
- **School District's Rating from Moody's; AAA**
- **Appropriated Fund Balance \$3.8 Million, an increase of \$1.5 Million for 2018**

# Questions



**THANK YOU  
CHAPPAQUA BOARD OF EDUCATION,  
MANAGEMENT AND STAFF**

**[www.pkfod.com](http://www.pkfod.com)**

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