



**Manhasset UFSD
Presentation to the
Board of Education
November 5, 2020**

**Review of Audited
Financial Statements
and Reserves
For the year ended
June 30, 2020**

MANHASSET UNION FREE SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2020

Exhibit 2

ASSETS	
Current assets	
Cash	
Unrestricted	\$18,261,179
Restricted	7,139,677
Receivables	
Taxes receivable	2,996,190
State and federal aid	1,292,398
Due from other governments	1,489,596
Due from fiduciary funds	77,593
Accounts receivable	11,286
Prepaid expenditures	
Non-current assets	
Capital assets not being depreciated	1,421,877
Capital assets being depreciated, net of accumulated depreciation	71,894,176
Net pension asset - proportionate share - teachers' retirement system	<u>6,543,704</u>
TOTAL ASSETS	<u>111,127,676</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	25,152,514
Other postemployment benefits	43,187,792
Deferred charges on library and district debt refunding	<u>224,363</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>68,564,669</u>
LIABILITIES	
Payables	
Accounts payable	1,317,757
Accrued liabilities	395,052
Accrued interest payable	224,713
Due to fiduciary funds	13,910
Due to other governments	223,367
Due to teachers' retirement system	4,204,189
Due to employees' retirement system	380,398
Compensated absences payable	189,182
Tax anticipation note payable	6,100,000
Long-term liabilities	
Due and payable within one year	
Due to employees' retirement system	101,936
Energy performance debt	256,053
Bonds payable	2,590,000
Workers' compensation claims payable	8,004
Due and payable after one year	
Due to employees' retirement system	595,472
Energy performance debt	799,090
Bonds payable	24,990,000
Workers' compensation claims payable	10,398
Total other postemployment benefits obligation	186,784,477
Net pension liability - proportionate share - employees' retirement system	<u>4,783,980</u>
TOTAL LIABILITIES	<u>233,967,978</u>
DEFERRED INFLOWS OF RESOURCES	
Pensions	9,109,032
Other postemployment benefits	13,689,686
Premium on library and district debt	<u>1,674,000</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>24,472,718</u>
NET POSITION	
Net investment in capital assets	<u>45,093,941</u>
Restricted	
Repair	279,737
Capital	4,983,356
Debt service	183,147
	<u>5,446,240</u>
Unrestricted (deficit)	<u>(129,288,532)</u>
TOTAL NET POSITION (DEFICIT)	<u>(\$78,748,351)</u>

**MANHASSET UNION FREE SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2020**

	General	Special Aid	School Lunch	Debt Service	Capital Projects	Totals Governmental Funds
ASSETS						
Cash and cash equivalents						
Unrestricted	\$17,460,503	\$156,760	\$643,916			\$18,261,179
Restricted	5,263,093			\$157,307	\$1,719,277	7,139,677
Receivables						
Taxes receivable	2,996,190					2,996,190
State and federal aid	287,101	848,081			157,216	1,292,398
Due from other governments	1,489,596					1,489,596
Due from other funds	956,164		185,902	25,840	827,962	1,995,868
Due from fiduciary funds	77,593					77,593
Accounts receivable	10,525		761			11,286
TOTAL ASSETS	\$28,540,765	\$1,004,841	\$830,579	\$183,147	\$2,704,455	\$33,263,787
LIABILITIES						
Payables						
Accounts payable	\$918,928	\$48,016	\$44,742		\$306,071	\$1,317,757
Accrued liabilities	243,411	661	150,980			395,052
Due to other governments	223,367					223,367
Due to other funds	1,003,427	956,164			36,277	1,995,868
Due to fiduciary funds	13,910					13,910
Due to teachers' retirement system	4,204,189					4,204,189
Due to employees' retirement system	380,398					380,398
Compensated absences	189,182					189,182
Tax anticipated notes	6,100,000					6,100,000
TOTAL LIABILITIES	13,276,812	1,004,841	195,722	-	342,348	14,819,723
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	109,708					109,708
TOTAL DEFERRED INFLOWS OF RESOURCES	109,708	-	-	-	-	109,708
FUND BALANCES						
Restricted						
Repair	279,737					279,737
Capital - 2010	4,913,634					4,913,634
Capital - 2018	69,722					69,722
Debt service				183,147		183,147
Unspent bond proceeds					1,862,668	1,862,668
Assigned						
Appropriated fund balance	724,067					724,067
Unappropriated fund balance	792,181		634,857		499,439	1,926,477
Designated for COVID-19 reopening plan	4,348,511					4,348,511
Unassigned	4,026,393					4,026,393
TOTAL FUND BALANCES	15,154,245	-	634,857	183,147	2,362,107	18,334,356
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$28,540,765	\$1,004,841	\$830,579	\$183,147	\$2,704,455	\$33,263,787

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MANHASSET UNION FREE SCHOOL DISTRICT
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF PROJECT EXPENDITURES- CAPITAL PROJECTS FUND
 JUNE 30, 2020

Project Title	Original Appropriation		Revised Appropriation		Expenditures to Date			Unexpended Balance	Proceeds of Obligations	Methods of Financing		Total	Fund Balance June 30, 2020
					Prior Year's	Current Year	Total			Federal & State Aid	Local Sources		
2014 Capital Projects Bond	\$22,609,870		\$22,609,870		\$20,676,391	\$100,967	\$20,777,358	\$1,832,512	\$19,493,194	-	\$3,116,676	\$22,609,870	\$1,832,512
2018 Smart Schools Bond Act	93,767		144,324		87,108	57,216	144,324	-	-	\$144,324	-	144,324	-
2019 Security Vestibules	156,410		161,106		\$156,410	4,696	161,106	-	-	100,000	61,106	161,106	-
2019 Capital Projects	5,830,000		5,830,000		-	1,177,370	1,177,370	4,652,630	-	-	5,830,000	5,830,000	4,652,630
TOTAL	\$28,690,047		\$28,745,300		\$20,919,909	\$1,340,249	\$22,260,158	\$6,485,142	\$19,493,194	\$244,324	\$9,007,782	\$28,745,300	6,485,142
									Insurance Claim				30,156 *
									Future Transfer from 2010 Capital Reserve				(4,153,191)
									Fund Balance				<u>\$2,362,107</u>

* The District received an insurance reimbursement for expenditures associated with the 2014 Capital Projects Bond

MANHASSET UNION FREE SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	General	Special Aid	School Lunch	Debt Service	Capital Projects	Totals Governmental Funds
REVENUES						
Real property taxes	\$ 87,647,531					\$ 87,647,531
Other tax items - including STAR reimbursement and PILOTs	2,919,654					2,919,654
Charges for services	1,085,517					1,085,517
Use of money and property	241,341		\$ 4,892	\$ 22,857		269,090
Sale of property and compensation for loss	165,043					165,043
Miscellaneous	81,365				\$ 2,300	83,665
Library debt service reimbursement	1,013,104					1,013,104
State sources	5,444,457	\$ 429,126	5,283		57,216	5,936,082
Medicaid reimbursements	24,432					24,432
Federal sources	27,030	917,456	82,659			1,027,145
Sales			909,382			909,382
TOTAL REVENUES	98,649,474	1,346,582	1,002,216	22,857	59,516	101,080,645
EXPENDITURES						
General support	9,678,095					9,678,095
Instruction	53,671,059	1,457,342				55,128,401
Pupil transportation	4,160,134	104,419				4,264,553
Employee benefits	22,100,785					22,100,785
Debt service - principal				2,826,065		2,826,065
Debt service - interest	61,603			988,387		1,049,990
Cost of sales			927,304			927,304
Capital outlay			44,105		1,340,249	1,384,354
TOTAL EXPENDITURES	89,671,676	1,561,761	971,409	3,814,452	1,340,249	97,359,547
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	8,977,798	(215,179)	30,807	(3,791,595)	(1,280,733)	3,721,098
OTHER FINANCING SOURCES AND (USES)						
Operating transfers in		215,179	75,906	3,814,452	773,860	4,879,397
Operating transfers (out)	(4,879,397)					(4,879,397)
TOTAL OTHER FINANCING SOURCES AND (USES)	(4,879,397)	215,179	75,906	3,814,452	773,860	-
NET CHANGE IN FUND BALANCES	4,098,401	-	106,713	22,857	(506,873)	3,721,098
FUND BALANCES - BEGINNING OF YEAR	11,055,844	-	528,144	160,290	2,868,980	14,613,258
FUND BALANCES - END OF YEAR	\$ 15,154,245	\$ -	\$ 634,857	\$ 183,147	\$ 2,362,107	\$ 18,334,356

**MANHASSET UNION FREE SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL- GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Final Budget Variance with Budgetary Actual</u>
REVENUES				
Local Sources				
Real property taxes	\$89,003,370	\$89,003,370	\$87,647,531	(1,355,839)
Other tax items, including STAR reimb. and PILOTs	1,669,963	1,669,963	2,919,654	1,249,691
Charges for services	1,155,468	1,155,468	1,085,517	(69,951)
Use of money & property	245,026	245,026	241,341	(3,685)
Sale of property and compensation for loss	30,000	30,000	165,043	135,043
Miscellaneous	122,000	122,000	81,365	(40,635)
Library debt service reimbursement	1,083,019	1,083,019	1,013,104	(69,915)
State Sources				
Basic formula	4,171,388	4,171,388	3,953,305	(218,083)
Lottery aid			112,519	112,519
BOCES aid	634,654	634,654	609,504	(25,150)
Tuition for students with disabilities	397,103	397,103	404,346	7,243
Textbook aid	291,631	291,631	206,264	(85,367)
Computer software aid			60,655	60,655
Library A/V loan program aid			25,306	25,306
Other state aid	60,000	60,000	72,558	12,558
Federal Sources				
Grants	26,000	26,000	27,030	1,030
Medicaid reimbursements	12,499	12,499	24,432	11,933
TOTAL REVENUES AND OTHER SOURCES	98,902,121	98,902,121	\$98,649,474	(\$252,647)
Appropriated fund balance	595,120	595,120		
Appropriated reserves	655,745	1,429,605		
TOTAL REVENUES & APPROPRIATED FUND BALANCE AND RESERVES	\$100,152,986	\$100,926,846		

Note to Required Supplementary Information

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

Details of 2019-20 Revenue and Fund Balance

	2019-20 Budget	2019-20 Revenue Earned	2019-20 Over/(Under) Bud.	NOTES:
Real Property Taxes	87,634,980	87,647,531	12,551	Additional taxes received from TONH
Other Tax Items, including STAR and PILOTs	3,034,353	2,919,654	(114,699)	LIPA PILOTs under budget, and continue to vary widely from year to year
Interest on Property Taxes	4,000	0	(4,000)	
Health Service for Other Districts	725,000	730,846	5,846	Billings for health services for non-resident students attending in-district NPS
Day School Tuition-Other Districts	254,278	182,192	(72,086)	Billings to other districts for special ed services to NPS students; in 19-20, fewer students receiving services and also impact of COVID-19
Day School Tuition- Individuals	134,190	157,229	23,039	Boundary properties designated to Manhasset (146K) and non-resident tuition (11K)
Other Student Fees & Charges	10,000	7,510	(2,490)	
Driver Education Tuition	32,000	7,740	(24,260)	Impacted by COVID-19
Interest and Earnings	205,026	216,379	11,353	Due to higher interest rates on account balances
Rental of Real Property	40,000	24,962	(15,038)	Impacted by COVID-19
Commissions	-	-	-	
Insurance Recoveries- Other	30,000	165,043	135,043	Worker's Comp recoveries and, in 19-20, 130K life insurance recovery for former Superintendent
E Rate Aid	10,000	12,225	2,225	
Refund of Prior Year Expense- Other	60,000	44,796	(15,204)	Recovery of utility overcharges (7.5K), reverse prior year expenses (37.3K)
Gifts and Donations	50,000	19,418	(30,582)	Gifts fr. community orgs for club/athletic/enrichment stipends and gifts from the SCA for outdoor education
Other Misc. Revenues	2,000	4,926	2,926	
Indirect Revenue - Grants	26,000	27,030	1,030	Title I, Sp. Ed. Summer, TRC recovery of benefits
Total Operational Revenues, excluding State Aid	92,251,827	92,167,481	(84,346)	
State Aid- Basic Formula	4,171,388	3,953,305	(218,083)	58K deferred by state
State Aid- Lottery	-	112,519	112,519	
State Aid- BOCES	634,654	609,504	(25,150)	This is an expense based aid; 52K deferred by state
State Aid- Textbook	205,649	206,264	615	
State Aid- Computer Software	60,669	60,655	(14)	
State Aid- Library Materials	25,313	25,306	(7)	
State Aid - Other	10,000	25,000	15,000	General Aid Grant (\$25K)
State Aid- Prior Year	50,000	47,558	(2,442)	Nassau Cty reimbursement for CPSE Adm.
Total State Aid, excluding Intermediate Care Facility	5,157,673	5,040,111	(117,562)	Students enrolled in out of district schools, budgeted for MUFSD, and offset on the expense side. The budget reflected 2 students at the ICF, there is only 1 student. Revenue reduction is offset on the expense side. In addition, includes unbudgeted recoveries for residential students placed in CRP schools from 16-17, 17-18 and 18-19 of 164K.
State Aid- Intermediate Care Facility/Children's Res. Proj.	397,103	404,346	7,243	
Total State Aid	5,554,776	5,444,457	(110,319)	Refunding in 18-19 lowered debt service payments made by the Library, offset on the expense side
Federal Aid- Medicaid Assistance	12,499	24,432	11,933	
Interfund Revenues - Library	1,083,019	1,013,104	(69,915)	
Total Revenues and Fund Balance	98,902,121	98,649,474	(252,647)	Includes \$773,860 transfer from the 2010 Capital Reserve to the Capital Projects Fund pursuant to proposition approved by the voters on May 21, 2019
Assigned Appropriated Fund Balance	595,120	1,368,980		
Total Revenues, Appropriated Reserves and Fund Balance	99,497,241	100,018,454		

MANHASSET UNION FREE SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL- GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Final Budget	Actual (Budgetary Basis)	Year-End Encumbrances	Final Budget Variance with Budgetary Actual and Encumbrances
EXPENDITURES					
General Support					
Board of education	\$114,372	\$128,459	\$124,415		\$4,044
Central administration	358,129	348,316	346,282		2,034
Finance	1,015,102	1,019,122	986,154	\$26,504	6,464
Staff	982,530	1,078,200	1,058,849		19,351
Central services	7,029,917	6,750,710	6,341,220	125,549	283,941
Special items	827,386	821,386	821,175		211
Total General Support	10,327,436	10,146,193	9,678,095	152,053	316,045
Instructional					
Administration, and improvement	2,957,530	2,915,147	2,733,804	10,432	170,911
General education	29,878,617	30,084,534	28,927,124	202,946	954,464
Special education	13,208,478	12,815,913	12,228,991		586,922
Occupational education	52,602	57,402	57,360		42
Summer school	26,200	21,030	11,419		9,611
Instructional media	3,890,146	4,321,960	3,878,236	380,253	63,471
Pupil services	6,533,248	6,557,424	5,834,125	46,497	676,802
Total Instructional	56,546,821	56,773,410	53,671,059	640,128	2,462,223
Pupil transportation	5,202,542	5,172,196	4,160,134	-	1,012,062
Employee benefits	23,588,819	23,573,819	22,100,785	-	1,473,034
Debt service					
Debt service - interest	158,000	158,000	61,603		96,397
TOTAL EXPENDITURES	95,823,618	95,823,618	89,671,676	792,181	5,359,761
Other Financing Uses					
Transfers to other funds	4,329,368	5,103,228	5,004,397		98,831
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$100,152,986	\$100,926,846	94,676,073	\$792,181	\$5,458,592
NET CHANGE IN FUND BALANCES			3,973,401		
TRANSFER TO REPAIR RESERVE			125,000		
FUND BALANCES - BEGINNING OF YEAR			11,055,844		
FUND BALANCES - END OF YEAR			\$15,154,245		

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

Details of 2019-20 Expenditures and Fund Balance

	2019-20 Original Budget	Transfer to Capital Projects fund and 2019-20 Rollover POs	Final Budget 2019-20 Budget w/ 2018-19 Rollover POs	2019-20 Actual Expenses, incl. Actual for 2017-18 Rollover POs	2019-20 Rollover POs	2019-20 Actual Expenses and 2019-20 Rollover POs	(Over)/Under Final Budget
Compensation	51,839,650		51,839,650	50,423,094		50,423,094	1,416,556
Equipment	1,517,504	153,996	1,671,500	1,247,865	396,171	1,644,036	27,464
Contract Transportation	5,050,044		5,050,044	4,004,127		4,004,127	1,045,917
Special Education Tuition	2,820,823		2,820,823	2,233,918		2,233,918	586,905
Special Education Contract Therapists	1,575,240		1,575,240	1,257,267		1,257,267	317,973
Legal Service, Special Education	125,000		125,000	40,440		40,440	84,560
Legal Services, Retainer	61,200		61,200	61,200		61,200	-
Legal Services, General	134,480		134,480	158,014		158,014	(23,534)
Legal Services, Labor Relations	75,000		75,000	202,133		202,133	(127,133)
Repairs, Maintenance, Misc. Contractual, BOCES	7,216,637	255,125	7,471,762	6,757,708	311,266	7,068,974	402,788
Supplies	1,005,476	246,624	1,252,100	1,123,523	84,744	1,208,267	43,833
Tax Anticipation Note - Interest	158,000		158,000	61,603		61,603	96,397
Employee Benefits	23,588,819		23,588,819	22,100,785		22,100,785	1,488,034
Transfer to Special Aid Fund	270,000		270,000	215,179		215,179	54,821
Transfer to Debt Service Fund	3,884,368		3,884,368	3,814,452		3,814,452	69,916
Transfer to Capital Projects Fund		773,860	773,860	773,860		773,860	-
Transfer to Cafeteria Fund	50,000		50,000	75,905		75,905	(25,905)
Transfer to Repair Reserve	125,000		125,000	125,000		125,000	-
Total Expenditures and Fund Balance	99,497,241	1,429,605	100,926,846	94,676,073	792,181	95,468,254	5,458,592

Total Special Ed. Fund balance 989,438

Facilities Repairs and Maintenance

See separate analysis of benefits

**Analysis of 2019-20 Active Healthcare Fund Balance Projection
As of June 30, 2020**

<u>Type of Coverage</u>	<u>Budgeted # of Employees</u>	<u>Budget - Premium</u>	<u>Actual - Premium</u>	<u>Total Projected 2019-2020 Fund Balance</u>
Individual Coverage	136.00	13,062	12,448	1,692,931
Family Coverage	290.20	30,220	28,802	8,358,507
FB related to change in rate	426.20	10,546,363	10,051,437	494,925
<u>Type of Coverage</u>	<u>Actual # of Employees</u>			
Individual Coverage	128.50		12,448	1,599,571
Family Coverage	283.49		28,802	8,164,963
FB related to changes in coverage	411.99		9,764,534	286,903
Employee Contributions & COBRA Reimbursements		(2,124,956)	(2,081,368)	(43,588)
Total		8,421,407	7,683,166	738,241

1 Premium increases for calendar 2020 were assumed to be 7.5% for individual and for family coverage. The actual DECREASES were 1.0% and 1.1% respectively.

**Analysis of 2019-20 Retiree Healthcare Fund Balance Projection
As of June 30, 2020**

<u>Type of Coverage</u>	<u>Budgeted # of Retirees</u>	<u>Budget - Premium</u>	<u>Actual - Premium</u>	<u>Total Projected 2019-2020 Fund Balance</u>
Individual Coverage	12.00	156,740	12,437	149,244
Family Coverage	21.00	634,619	28,777	604,315
HIP	1.00	14,714	14,366	14,366
Medicare - Individual Coverage	170.00	858,663	4,737	805,214
Medicare - Family Coverage - 1 Med	21.00	466,393	21,076	442,604
Medicare - Family Coverage - 2 Med	157.00	2,229,080	13,376	2,099,961
FB related to change in rate	382.00	4,360,210	4,115,704	244,505
<u>Type of Coverage</u>	<u>Actual # of Retirees</u>			
Individual Coverage	9.00		12,437	111,933
Family Coverage	13.58		28,777	390,790
HIP	1.00		14,366	14,366
Medicare - Individual Coverage	172.50		4,737	817,055
Medicare - Family Coverage - 1 Med	21.75		21,076	458,412
Medicare - Family Coverage - 2 Med	157.25		13,376	2,103,305
FB related to changes in coverage	375.08		3,895,861	219,843
Retiree Contributions		(506,635)		23,753
Total		3,853,575	3,365,473	488,101

1 Premium increases for calendar 2020 were assumed to be 7.5% for Medicare - individual, family 1 and family 2. The actual DECREASES were 3.6%, 1.6% and 2.9%, respectively.

Sources and Uses of 2019-20 of Excess Unassigned Fund Balance

Unassigned Fund Balance at July 1, 2019 3,979,890

Sources of Unassigned Fund Balance in 2019-20

Total 2019-20 Revenues and Transfers in Excess of Budget (252,647)

Total 2019-20 Unspent Appropriations 5,458,592

Total Excess Unassigned Fund Balance Available for Assignment 5,205,945

Uses of Unassigned Fund Balance in 2019-20

Designated to 2020-21 Tax Levy (724,067)

Transfer to 2018 Capital Reserve .

Transfer from 2010 Capital Reserve 773,860

Transfer to Capital Projects Fund (773,860)

Transfer from fund balance (budgeted) (125,000)

Transfer to Repair Reserve 125,000

Transfer from Nonspendable Fund Balance 6,765

Interest Allocated to Reserves, net (93,629)

Total Uses of Excess Unassigned Fund Balance (810,931)

Unassigned Fund Balance at June 30, 2020 8,374,904

2020-21 Budget 100,659,820

Unassigned Fund Balance at June 30, 2020 as a % of 2020-21 Budget 8.32% *

*Of which \$4,348,511 or 4.32% is designated for the COVID-19 Reopening Plan in 2020-2021

**MANHASSET UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Fiscal Year 2020	Fiscal Year 2019	Increase (Decrease)	Total Percentage Change
General Fund				
Nonspendable		\$6,765	(\$6,765)	-100.00%
Restricted:				
Repair	\$279,737	152,277	127,460	83.70%
Capital (2010)	4,913,634	5,597,433	(683,799)	-12.22%
Capital (2018)	69,722	68,614	1,108	1.61%
Assigned:				
General support	152,053	584,867	(432,814)	-74.00%
Instructional	640,128	70,878	569,250	803.14%
Designated for subsequent year's expenditures	724,067	595,120	128,947	21.67%
Designated for COVID-19 reopening plan	4,348,511		4,348,511	
Unassigned (See 5.B for further detail)	4,026,393	3,979,890	46,503	1.17%
Total Fund Balance - General Fund	<u>15,154,245</u>	<u>11,055,844</u>	<u>4,098,401</u>	<u>37.07%</u>
School Lunch Fund				
Nonspendable		307	(307)	-100.00%
Assigned - unappropriated	634,857	527,837	107,020	20.28%
Total Fund Balance - School Lunch Fund	<u>634,857</u>	<u>528,144</u>	<u>106,713</u>	<u>20.21%</u>
Debt Service Fund				
Restricted	183,147	160,290	22,857	14.26%
Capital Projects Fund				
Assigned - unappropriated	499,439	905,345	(405,906)	-44.83%
Restricted for unspent bond proceeds	1,862,668	1,963,635	(100,967)	-5.14%
Total Fund Balance- Capital Projects Fund	<u>2,362,107</u>	<u>2,868,980</u>	<u>(506,873)</u>	<u>-17.67%</u>
Total Fund Balances - All Funds	<u>\$18,334,356</u>	<u>\$14,613,258</u>	<u>\$3,721,098</u>	<u>25.46%</u>

As of June 30, 2020, the District's combined governmental funds reported a total fund balance of \$18,334,356, which is a net increase of \$3,721,098 from the prior year:

A. General Fund

The net change in general fund – fund balance is a net increase of \$4,098,401. This net increase includes allocated interest of \$93,629 and is primarily due to transfers to the designation of \$4,348,511 to the expenses associated with the 2020-2021 COVID-19 Reopening Plan discussed below. The assigned portion of the general fund's fund balance to be used for subsequent year's expenditures is \$724,067 at June 30, 2020 and increase of \$128,947 over the prior year designation. The amount assigned to pay those expenses encumbered in 2019-20 but paid in 2020-21 is \$792,181, an increase of \$136,436 and relates primarily to facilities related encumbrances for repairs and maintenance projects at all three buildings, instructional materials and instructional technology equipment and related expenses. The District's unassigned fund balance at June 30, 2020 is \$4,026,393 after the designation of \$4,348,511 of unassigned fund balance as assigned for the specific

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purpose of covering the expenses associated with the COVID-19 Reopening Plan in 2020-2021. These unanticipated expenses were not provided for in the general fund budget for 2020-2021. This assigned and designated fund balance is 4.32% of next year's budget. After such designation, unassigned fund balance of \$4,026,393 is 4.00% of next year's budget, an increase of \$46,503. When combined, these components of fund balance are 8.32%, which is above the 4% statutory maximum permitted by New York State Real Property Tax Law.

The 19-20 budget provided for the transfer of \$125,000 to the Repair Reserve.

On May 21, 2019, the voters approved a Capital Projects proposition for \$5,830,000 to be funded from a transfer from the 2010 Capital Reserve (\$4,924,625), a transfer from General Fund unassigned fund balance in 2018-19 (\$811,000) and gifts from the community (\$94,345). The bulk of the projects will be completed in Summer 2020 and Summer 2021. \$773,860 was transferred in 2019-2020 from the 2010 Capital Reserve to the capital projects fund pursuant to these projects.

B. School Lunch Fund

The net change in the school lunch fund balance is a net increase of \$106,713 primarily reflecting the net profit of the program after an interfund transfer from the general fund of \$75,906, offset by capital outlays for equipment and improvements in the District's cafeterias. The program's profitability was adversely impacted by the closure of schools because of the COVID-19 pandemic.

C. Debt Service Fund

The debt service fund restricted fund balance had a net increase of \$22,857, due to interest income in the current year.

D. Capital Projects Fund

The net change in the capital projects fund balance is a decrease of \$506,873. This net decrease is primarily due to transfers from general fund of \$773,860 pursuant to the 2019 Capital Projects Proposition, and receipt of a New York State grant of \$57,216, less expenditures of \$1,340,249 pursuant to the 2014 Capital Projects Bond Referendum and the 2019 Capital Projects proposition.

5. GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2019-20 Budget

The District's general fund adopted budget for the year ended June 30, 2020 was \$99,497,241. This amount was increased by encumbrances carried over from the prior year in the amount of \$655,745.

The budget was funded through a combination of revenues and assigned fund balance. The majority of this funding source was \$90,673,333 in budgeted real property taxes and other tax items, plus interest earnings thereon. In addition, a transfer to the Capital Project Fund of \$773,860 was funded through a transfer from the 2010 Capital Reserve in 2019-20.

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B. Change in the General Fund Unassigned Fund Balance

The general fund unassigned fund balance is the component of total fund balance that is the cumulative residual of prior years’ excess revenues over expenditures, net of transfers to restricted fund balances and designations to fund the subsequent year’s budget. It is this balance that is commonly referred to as the “fund balance”. The components of the change in this balance in 2019-20 follow:

Opening unassigned fund balance	\$3,979,890
Revenues under budget	(252,647)
Expenditures and encumbrances under budget	5,458,592
Transfer from nonspendable fund balance	6,765
Transfer from fund balance (budgeted)	(125,000)
Transfer to repair reserve	125,000
Designated for COVID-19 Reopening Plan	(4,348,511)
Transfer from 2010 capital reserve	773,860
Transfer to capital projects fund	(773,860)
Interest allocated to reserves	(93,629)
Appropriated for next year's budget	<u>(724,067)</u>
Closing unassigned fund balance	<u>\$4,026,393</u>

Opening Unassigned Fund Balance

The \$3,979,890 shown in the table is the portion of the District’s June 30, 2019 fund balance that was retained as unassigned. This unassigned portion was 4% of the 2019-20 budget, and thus was at the 4% statutory maximum per New York State Real Property Tax Law.

Revenues Over Budget

The 2019-20 final general fund budget for revenues was \$98,902,121. Actual revenues received in 2019-20 were \$98,649,474. The shortfall of actual 2019-20 revenue over budgeted revenue was \$252,647, due to several factors. Property taxes less than budget by \$106,148 were paid to the District, primarily LIPA PILOTs. The District received \$110,319 less state aid than budgeted. District charges for services were less than budget by \$69,951, and include borderline properties whose taxes are designated for Manhasset, billings related to the provision of special education and health service to non-resident students attending non-public schools located in Manhasset and collection of tuition from non-resident students. Miscellaneous revenues include recoveries related to prior years, which were less than budget by \$40,635 and include reversals of accruals and payables from prior years, and gifts and donations. Finally, insurance recoveries in excess of budget by \$135,043 were received primarily related to recoveries of \$131,940 under a life insurance policy for a former superintendent.

Expenditures and Encumbrances Under Budget

The 2019-20 final budget for expenditures was \$100,926,846. Actual expenditures as of June 30, 2020 were \$94,676,073 and outstanding encumbrances were \$792,181. Combined, the expenditures plus encumbrances for 2019-20 were \$95,468,254. The final budget was under-expended by \$5,458,592 primarily due to under expenditures across all categories as a result of the closure of

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schools from March 16, 2020 to the end of the school year as a result of the COVID-19 pandemic including instruction (\$2,462,223), employee benefits (\$1,473,034) primarily in pension expense, employer payroll taxes and health insurance benefits costing less than projected, and transportation (\$1,012,062).

Change in Nonspendable Fund Balance

Fund balance was designated as nonspendable to fund prepaid expenditures of \$6,765 as of June 30, 2019. There is no nonspendable fund balances as of June 30, 2020

Transfer to Repair Reserve

The 2019-20 Budget provided for the transfer of \$125,000 to the general fund's Repair Reserve.

Designated for COVID-19 Reopening Plan

Unassigned fund balance in the general fund of \$4,348,511 was assigned and designated to fund expenditures associated with the COVID-19 Reopening Plan for 2020-21. Expenditures include staff and related benefits costs, upgrades to ventilation systems at all buildings, personal protective equipment for staff and students, instructional materials and supplies, instructional technology equipment and related expenses and staff development and support.

Transfer from 2010 Capital Reserve and Transfer to Capital Projects Fund

In 2019-20 \$773,860 was transferred to the Capital Projects Fund pursuant to the 2019 Capital Projects referendum discussed in Section 4A above.

Transfer to 2018 Capital Reserve

In June 2020, the Board of Education approved a resolution to transfer up to \$5,000,000 to the 2018 Capital Reserve, of which \$0 was transferred as of June 30, 2020.

Interest allocated to Reserves

Interest allocated to reserves was \$93,629.

Assigned – Designated Fund Balance

The District determined to use \$724,067 of its unassigned fund balance to partially fund the 2020-21 operating budget. As such, the unassigned portion of the June 30, 2020 fund balance must be reduced by this amount.

Closing Unassigned Fund Balance

Based upon the summary changes shown in the above table, the District will begin the 2020-21 fiscal year with an unassigned fund balance of \$4,026,393, after the designation of \$4,348,511 to the COVID-19 Reopening Plan for 2020-2021 discussed above. This is an increase of \$46,503 over the unassigned balance from the prior year, is 4.00% of next year's budget. Combined with the amount

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assigned and designated for COVID-19 expenses, the Districts unassigned fund balance of 8.32% was above the statutory maximum of 4% permitted by New York State and Real Property Tax Law.

Reserve Rollover

	June 30 2009	Sources 2009-2010	Uses 2009-2010	Other Changes in Reserves in 2009	June 30 2010	Sources 2010-2011	Uses 2010-2011	Other Changes in Reserves in 10-11	June 30 2011	Sources 2011-12	Uses 2011-12	Other Changes in Reserves in 11-12
Restricted Reserves												
Reserve for Workers' Compensation	523,170		(235,000)	288,362	576,532		(199,923)	166,960	543,569		(447,499)	356,356
Reserve for Employee Benefit Accrued Liability	0				0				0			
Reserve for Retirement Contribution	300,000			1,735,205	2,035,205		(805,173)	1,162,913	2,392,945		(1,083,680)	2,888
Reserve for Repairs	147,502				147,502			276	147,778			178
Reserve for Unemployment Insurance					0				0			
Nonspendable Fund Balance												
2006 Capital Reserve	3,313,264	13,361	(330,289)		2,996,336		(2,998,149)	1,813	0			
Reserve for Insurance	2,110,333	8,401	(2,118,734)	2,118,734	2,118,734			3,969	2,122,703		(339,162)	2,274
2010 Capital Reserve												
2018 Capital Reserve												
Liability Reserve	2,215,177	8,933	(2,224,110)	4,142,301	0		(4,003,245)	1,335,931	5,206,995	0	(1,870,341)	361,696
Total Restricted Reserves	8,609,446	30,695	(4,908,133)	7,874,309	0	0	(4,003,245)	1,335,931	5,206,995	0	(1,870,341)	361,696
Assigned Reserves												
Reserve for Encumbrances	518,170		(518,170)	582,610	582,610		(582,610)	187,652	187,652		(187,652)	239,112
Designated for COVID-19 Reopening Plan												
Designated for Next Year's Budget	700,000		(700,000)	1,475,000 *	1,475,000		(1,475,000)	1,000,000	1,000,000		(1,000,000)	936,714
Total Assigned Reserves	1,218,170		(1,218,170)	2,057,610	2,057,610	0	(2,057,610)	1,187,652	1,187,652	0	(1,187,652)	1,175,826
Unassigned Reserves												
Use of Fund Balance for 2011 Capital Projects	3,225,039			114,569	3,339,608			84,076	3,423,684			85,344
Excess Fund Balance - Expenses (current year)		1,509,862		(1,509,862)	0	1,863,684		(1,863,684)	0	842,960		(842,960)
Excess Fund Balance - Revenues (current year)		274,406		(274,406)	0	405,346		(405,346)	0	263,314		(263,314)
Excess Fund Balance - Revenues (prior years)		630,606		(630,606)	0				0	276,818		(276,818)
Increase for 4% Undesignated Fund Balance					0				0			
Designated for next year budget					0				0			
Designated for COVID-19 Reopening Plan					0				0			
Add to Reserve for Worker's Comp					0				0			
Add to Reserve for Retirement Contribution					0				0			
Add to 2010 Capital Reserve					0				0			
Add to 2018 Capital Reserve					0				0			
Add to Repair Reserve					0				0			
Add to Unemployment Insurance Reserve					0				0			
Add to Nonspendable Fund Balance					0				0			
Transfer Excess from DW Capital Renovations					0	18,038		(18,038)	0			
Transfer to Capital Projects Fund					0	132,939		(132,939)	0			
Transfer Excess from Capital Projects Fund					0	2,420,007		(2,335,931)	3,423,684	1,383,092	0	(1,297,748)
Total Unassigned Reserves	3,225,039	2,414,874	0	(2,300,305)	3,339,608	2,420,007	0	(2,335,931)	3,423,684	1,383,092	0	(1,297,748)
Total General Fund Balance	13,052,655	2,445,569	(6,126,303)	3,899,606	13,271,527	2,420,007	(6,060,855)	187,652	9,818,331	1,383,092	(3,057,993)	239,774
General Fund Balance as a % of Budget	16.10%				15.89%				11.47%			
General Fund Budget	2009-10				2010-11				2011-12			
Budget to Budget Increase %	81,094,279			85,512,677	85,512,677			85,592,098	85,592,098			
	0.87%			2.98%	2.98%			2.49%	2.49%			
State Aid	4,075,365			4,221,438	4,221,438			4,420,164	4,420,164			
State Aid - Gap Elimination Adjustment, net of ARRA				(850,351)	(850,351)			(887,740)	(887,740)			
State Pass thru of ARRA Funds/Education Jobs Fund				289,124	289,124							
Total State Aid	4,075,365			3,660,211	3,660,211			3,532,424	3,532,424			
State Aid - ICF	700,000			793,784	793,784			883,396	883,396			
Revenue Other than State Aid	1,400,000			1,299,827	1,299,827			1,299,827	1,299,827			
MTA Payroll tax reimbursement				157,672	157,672			159,034	159,034			
Transfer in from Library				1,096,500	1,096,500			1,096,500	1,096,500			
Transfer in from ERS Reserve	1,095,700			805,173	805,173			1,083,680	1,083,680			
Transfer in from Worker's Compensation Reserve				199,923	199,923			447,499	447,499			
Other Tax Items, including PILOTS												
Designated for Tax Levy	700,000			1,475,000	1,475,000			1,000,000	1,000,000			
	7,971,365			9,488,090	9,488,090			76,089,738	76,089,738			
Tax Levy	73,122,914			74,024,587	74,024,587			76,089,738	76,089,738			
Tax Levy Increase	0.45%			1.23%	1.23%			2.79%	2.79%			

Reserve Rollforward

	June 30 2012	Sources 2012-13	Uses 2012-13	Other Changes in Reserves in 12-13	June 30 2013	Sources 2013-14	Uses 2013-14	Other Changes in Reserves 13-14	June 30 2014	Sources 2014-15	Uses 2014-15	Other Changes in Reserves 14-15
Restricted Reserves												
Reserve for Workers' Compensation	452,426		(452,426)		0	25,000	(25,000)		0			
Reserve for Employee Benefit Accrued Liability	0				0				0			
Reserve for Retirement Contribution	1,312,153		(1,303,444)	10	8,719	(8,729)	(8,729)	10	0			
Reserve for Repairs	147,956		(95,448)	101	52,609	95,448	139	139	148,196			167
Reserve for Unemployment Insurance	0				0	200,000			200,000	5,812		230
Nonspendable Fund Balance												
2006 Capital Reserve	0				0				0			
Reserve for Insurance	0				0				0			
2010 Capital Reserve	1,785,815		(845,000)	1,479	942,294	2,000,000	(942,471)	177	2,000,000	2,205,170	(1,750,000)	2,233
2018 Capital Reserve												
Liability Reserve	0				0				0			
Total Restricted Reserves	3,698,350	0	(2,696,318)	1,590	1,003,622	2,320,448	(976,200)	326	2,348,196	2,210,982	(1,750,000)	2,630
Assigned Reserves												
Reserve for Encumbrances	239,112		(239,112)	313,293	313,293		(313,293)	557,708	557,708		(557,708)	402,711
Designated for COVID-19 Reopening Plan												
Designated for Next Year's Budget	936,714		(936,714)	216,234	216,234		(216,234)	308,000	308,000		(308,000)	426,748
Total Assigned Reserves	1,175,826	0	(1,175,826)	529,527	529,527	0	(529,527)	865,708	865,708	0	(865,708)	829,459
Unassigned Reserves												
Use of Fund Balance for 2011 Capital Projects	3,509,028		(1,638)	413,762	3,921,152		(326)	2,312	3,923,138		(2,630)	(304,930)
Excess Fund Balance - Expenses (current year)	0		(279,269)	279,269	0				0			
Excess Fund Balance - Revenues (current year)	0	119,308		(119,308)	0	1,828,899		(1,828,899)	0	1,131,628		(1,131,628)
Excess Fund Balance - Revenues (prior year)	0	256,860		(256,860)	0	570,866		(570,866)	0	406,790		(406,790)
Excess Fund Balance - Revenues (prior years)	0	533,097		(533,097)	0	230,992		(230,992)	0	794,382		(794,382)
Increase for 4% Undesignated Fund Balance	0				0				0			
Designated for next year' budget	0				0				0			
Designated for COVID-19 Reopening Plan												
Add to Reserve for Worker's Comp	0				0				0			
Add to Reserve for Retirement Contribution	0				0				0			
Add to 2010 Capital Reserve	0				0				0			
Add to 2018 Capital Reserve	0				0				0			
Add to Repair Reserve	0				0				0			
Add to Unemployment Insurance Reserve	0				0				0			
Add to Nonspendable Fund Balance	0				0				0			
Transfer Excess from DW Capital Renovations	0				0				0			
Transfer to Capital Projects Fund	0				0				0			
Transfer Excess from Capital Projects Fund	0				0				0			
Total Unassigned Reserves	3,509,028	909,265	(280,907)	(216,234)	3,921,152	2,630,757	(326)	(2,628,445)	3,923,138	2,332,800	(2,630)	(2,637,730)
Total General Fund Balance	8,383,204	909,265	(4,153,051)	314,883	5,454,301	4,951,205	(1,506,053)	(1,762,411)	7,137,042	4,543,782	(2,618,338)	
General Fund Balance as a % of Budget	9.63%				6.33%				8.12%			
General Fund Budget	87,069,424				85,176,319				87,953,150			
Budget to Budget Increase %	1.73%				-1.03%				2.04%			
State Aid	4,430,233				4,322,483				4,425,862			
State Aid - Gap Elimination Adjustment, net of ARRA	(861,499)				(761,499)				(653,900)			
State Pass thru of ARRA Funds/Education Jobs Fund												
Total State Aid	3,568,734				3,560,984				3,771,962			
State Aid - ICF	713,520				710,897				700,000			
Revenue Other than State Aid	1,200,481				1,226,200				1,256,000			
Revenue Other than State Aid												
MTA Payroll tax reimbursement	1,051,969				1,053,444				1,058,169			
Transfer in from Library	1,303,444				8,709							
Transfer in from ERS Reserve	452,426				25,000							
Transfer in from Worker's Compensation Reserve												
Other Tax Items, Including PILOTS												
Designated for Tax Levy	936,714				216,234				308,000			
	9,227,288				6,801,468				7,094,131			
Tax Levy	77,842,136				79,374,951				80,839,019			
Tax Levy Increase	2.30%				1.97%				1.84%			

Reserve Rollforward

	June 30 2015	Sources 2015-16	Uses 2015-16	Other Changes In Reserves 15-16	June 30 2016	Sources 2016-17	Uses 2016-17	Other Changes In Reserves 16-17	June 30 2017	Sources 2017-18	Uses 2017-18	Other Changes In Reserves 17-18
Restricted Reserves												
Reserve for Workers' Compensation	0	0	0	0	0	0	0	0	0	0	0	0
Reserve for Employee Benefit Accrued Liability	0	0	0	0	0	0	0	0	0	0	0	0
Reserve for Retirement Contribution	0	0	0	0	0	0	0	0	0	0	0	0
Reserve for Repairs	148,363	180	148,543	180	148,543	308	(206,720)	308	148,851	0	0	788
Reserve for Unemployment Insurance	206,042	250	206,292	250	206,292	428		428	0	0	0	0
Nonspendable Fund Balance	0	0	0	0	0	0	0	0	0	0	0	0
2006 Capital Reserve	0	0	0	0	0	0	0	0	0	0	0	0
Reserve for Insurance	2,457,403	541,307	(650,000)	2,508	2,351,218	1,340,175		211,599	3,902,992	948,885		20,662
2010 Capital Reserve	0	0	0	0	0	0	0	0	0	0	0	0
2018 Capital Reserve	0	0	0	0	0	0	0	0	0	0	0	0
Liability Reserve	2,811,808	541,307	(650,000)	2,938	2,706,053	1,340,175	(206,720)	212,335	4,051,343	948,885	0	21,450
Total Restricted Reserves	3,615,578	1,204,140	(1,479,459)	(1,139,365)	3,680,353	2,016,187	0	(1,940,910)	3,755,630	1,664,622	0	(1,565,455)
General Fund Fund Balance	7,256,845	1,745,447	(1,479,459)	(241,460)	7,281,373	3,356,362	(1,101,687)	(547,857)	8,988,191	2,613,507	(1,180,718)	(471,366)
Total Unassigned Reserves	3,615,578	1,204,140	0	(1,139,365)	3,680,353	2,016,187	0	(1,940,910)	3,755,630	1,664,622	0	(1,565,455)
General Fund Balance as a % of Budget	8.03%				7.91%				9.57%			
General Fund Budget	90,389,827				92,008,827				93,897,748			
Budget to Budget Increase %	2.79%				1.79%				2.05%			
State Aid	4,595,753				4,670,338				4,885,612			
State Aid - Gap Elimination Adjustment, net of ARRA	(426,748)				517,988				311,259			
State Pass thru of ARRA Funds/Education Jobs Fund					1,434,567				1,557,572			
Total State Aid	4,169,005				4,670,338				4,885,612			
State Aid - ICF	543,400				517,988				311,259			
Revenue Other than State Aid	1,310,500				1,434,567				1,557,572			
MTA Payroll tax reimbursement												
Transfer in from Library												
Transfer in from ERS Reserve	1,063,269				1,072,269				1,074,444			
Transfer in from Worker's Compensation Reserve												
Other Tax Items, Including PILOTS	1,579,926				1,470,057				1,558,360			
Designated for Tax Levy	426,748				595,120				595,120			
	9,092,848				9,760,339				9,982,367			
Tax Levy	81,296,779				82,248,488				83,908,381			
Tax Levy Increase	2.52%				1.17%				2.02%			

Reserve Rollforward

	June 30 2018	Sources 2018-19	Uses 2018-19	Other Changes In Reserves 18-19	June 30 2019	Sources 2019-20	Uses 2019-20	Other Changes In Reserves 19-20	June 30 2020	12 Year Average
Restricted Reserves										
Reserve for Workers' Compensation	0	0	0	0	0	0	0	0	0	0
Reserve for Employee Benefit Accrued Liability	0	0	0	0	0	0	0	0	0	0
Reserve for Retirement Contribution	149,639	2,638	0	0	152,277	127,460	0	0	279,737	0
Reserve for Unemployment Insurance	0	6,765	0	0	6,765	(6,765)	0	0	0	0
Nonspendable Fund Balance	0	0	0	0	0	0	0	0	0	0
2006 Capital Reserve	0	0	0	0	0	0	0	0	0	0
Reserve for Insurance	4,872,539	639,007	0	85,887	5,597,433	90,061	(773,860)	0	4,913,634	0
2010 Capital Reserve	0	68,614	0	0	68,614	1,108	0	0	69,722	0
2018 Capital Reserve Liability Reserve	0	0	0	0	0	0	0	0	0	0
Total Restricted Reserves	5,022,178	717,024	0	85,887	5,825,089	218,629	(780,625)	0	5,263,093	
Assigned Reserves										
Reserve for Encumbrances	477,519	0	(477,519)	655,745	655,745	(655,745)	0	792,181	792,181	0
Designated for COVID-19 Reopening Plan	595,120	0	(595,120)	595,120	595,120	(595,120)	0	724,067	4,348,511	0
Designated for Next Year's Budget	1,072,639	0	(1,072,639)	1,250,865	1,250,865	(1,250,865)	0	1,516,248	724,067	0
Total Assigned Reserves	3,854,797	0	0	125,093	3,979,890	0	0	46,503	4,026,393	
Unassigned Reserves										
Use of Fund Balance for 2011 Capital Projects	0	528,259	0	(528,259)	0	5,458,592	0	0	5,458,592	0
Excess Fund Balance - Expenses (current year)	0	1,805,865	0	(1,805,865)	0	(252,647)	0	0	(252,647)	0
Excess Fund Balance - Revenues (current year)	0	0	0	0	0	(46,503)	0	0	(46,503)	0
Excess Fund Balance - Revenues (prior years)	0	0	0	0	0	(724,067)	0	0	(724,067)	0
Increase for 4% Undesignated Fund Balance	0	0	0	0	0	(4,348,511)	0	0	(4,348,511)	0
Designated for next year budget	0	0	0	0	0	0	0	0	0	0
Designated for COVID-19 Reopening Plan	0	0	0	0	0	0	0	0	0	0
Add to Reserve for Worker's Comp	0	0	0	0	0	(90,061)	0	0	(90,061)	0
Add to Reserve for Retirement Contribution	0	0	0	0	0	(1,108)	0	0	(1,108)	0
Add to 2010 Capital Reserve	0	0	0	0	0	(2,460)	0	0	(2,460)	0
Add to 2018 Capital Reserve	0	0	0	0	0	6,765	0	0	6,765	0
Add to Repair Reserve	0	0	0	0	0	0	0	0	0	0
Add to Unemployment Insurance Reserve	0	0	0	0	0	0	0	0	0	0
Add to Nonspendable Fund Balance	0	0	0	0	0	0	0	0	0	0
Transfer Excess from DW Capital Renovations	0	0	0	0	0	0	0	0	0	0
Transfer to Capital Projects Fund	0	0	0	0	0	0	0	0	0	0
Transfer Excess from Capital Projects Fund	0	0	0	0	0	0	0	0	0	0
Total Unassigned Reserves	3,854,797	2,334,124	0	(2,209,031)	3,979,890	0	0	46,503	4,026,393	
Total General Fund Balance	9,949,614	3,051,148	(1,072,639)	(872,279)	11,055,844	4,567,140	(2,031,490)	1,562,751	15,154,245	
General Fund Balance as a % of Budget	10.32%				11.11%				15.05%	
General Fund Budget	96,369,335				99,497,281				100,659,820	
Budget to Budget Increase %	2.64%				3.25%				1.17%	1.90%
State Aid	4,985,113				5,157,673				4,893,591	
State Aid - Gap Elimination Adjustment, net of ARRA										
State Pass thru of ARRA Funds/Education Jobs Fund										
Total State Aid	4,985,113				5,157,673				4,893,591	
State Aid - ICF	88,130				397,103				189,496	
Revenue Other than State Aid	1,471,175				1,590,993				1,547,783	
MTA Payroll tax reimbursement										
Transfer in from Library	1,080,019				1,083,019				1,022,625	
Transfer in from ERS Reserve										
Transfer in from Worker's Compensation Reserve										
Other Tax Items, including PILOTS	1,729,035				1,669,963				1,584,832	
Designated for Tax Levy	595,120				595,120				724,067	
	9,948,692				10,493,871				9,962,394	
Tax Levy	86,421,243				89,003,370				90,697,426	
Tax Levy Increase	2.99%				2.99%				1.90%	2.01%

**MANHASSET UFSD
FUND BALANCE AND RESERVES**

CUMULATIVE COMPONENTS OF AND CHANGES TO FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2018 THROUGH JUNE 30, 2020

	June 30, 2020	June 30, 2019	2019 vs 2018 Inc./ (Dec.)	June 30, 2018	2019 vs 2018 Inc./ (Dec.)	Cumulative Inc./ (Dec.)
General Fund						
Restricted:						
Reserve for Workers' Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve for Retirement Contribution	-	-	-	-	-	-
Reserve for Retirement Contribution - TRS Sub Fund	-	-	-	-	-	-
Reserve for Repairs	279,737	152,277	127,460	149,639	2,638	130,098
Reserve for Unemployment Insurance	-	-	-	-	-	-
Capital Reserve (2010)	4,913,634	5,597,433	(683,799)	4,872,539	724,894	41,095
Capital Reserve (2018)	69,722	68,614	1,108	-	68,614	69,722
Nonspendable Fund Balance	-	6,765	(6,765)	-	6,765	-
Assigned:						
Designated for Encumbrances	792,181	655,745	136,436	477,519	178,226	314,662
Designated for subsequent year's expenditures	724,067	595,120	128,947	595,120	-	128,947
Designated for COVID-19 Reopening Plan	4,348,511	4,348,511	-	-	-	4,348,511
Unassigned	4,026,393	3,979,890	46,503	3,854,797	125,093	171,596
Total Fund Balance - General Fund	<u>15,154,245</u>	<u>11,055,844</u>	<u>4,098,401</u>	<u>9,949,614</u>	<u>1,106,230</u>	<u>5,204,631</u>
Special Aid Fund						
Assigned - unappropriated	-	-	-	-	-	-
School Lunch Fund						
Nonspendable (inventory)	-	307	(307)	440	(133)	(440)
Assigned - unappropriated	634,857	527,837	107,020	369,043	158,794	265,814
Total Fund Balance - School Lunch Fund	<u>634,857</u>	<u>528,144</u>	<u>106,713</u>	<u>369,483</u>	<u>158,661</u>	<u>265,374</u>
Debt Service Fund						
Restricted	183,147	160,290	22,857	116,785	43,505	66,362
Capital Projects Fund						
Restricted for unspent bond proceeds	1,862,668	1,963,635	(100,967)	1,623,470	340,165	239,198
Restricted for investments in capital assets	-	-	-	-	-	-
Assigned Unappropriated Fund Balance	499,439	905,345	(405,906)	-	905,345	499,439
Total Fund Balance - Capital Projects Fund	<u>2,362,107</u>	<u>2,868,980</u>	<u>(506,873)</u>	<u>1,623,470</u>	<u>1,245,510</u>	<u>738,637</u>
Total Fund Balance	<u>\$ 18,334,356</u>	<u>\$ 14,613,258</u>	<u>\$ 3,721,098</u>	<u>\$ 12,059,352</u>	<u>\$ 2,553,906</u>	<u>\$ 6,275,004</u>
General Fund Balance as a Percent of Budget	15.05%	11.11%		10.32%		

See explanatory footnotes on the following pages.

**MANHASSET UFGSD
FUND BALANCE AND RESERVES**

COMMENTS ON COMPONENTS OF AND CHANGES TO FUND BALANCE FOR THE FISCAL YEAR AND RESERVE FUNDING PLAN

Definition: A reserve fund is a separate account established by a school district to finance the cost of various objects or purposes of the school district.

General Fund Restricted Fund Balance:

1. Reserve for Workers' Compensation:

Purpose: This reserve may be used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law and for payment of expenses of administering the self insured program.

Explanation for change: The remaining balance was fully utilized in 2013-14.

Other Comments: This reserve does not require voter approval either to create or expend.

Funding: Due to the District's participation in the Nassau County Workers' Compensation Cooperative as of November 2010 and the subsequent wind-down of tail claims incurred prior to that date, there is no need to add funds to this reserve.

2. Reserve for Retirement Contribution/TRS Sub Fund:

Purpose: This reserve is used to fund retirement contributions payable to ERS--the NYS and Local Employees Retirement System and TRS--the NYS Teachers Retirement System.

Explanation for change: The remaining balance in the reserve was fully utilized in 2013-14.

Other Comments: This reserve fund does not require voter approval either to create or expend.

Funding: Because the District participates in the ERS Stable Contribution Option, it is not anticipated that the District will place additional funds in this reserve at this time. TRS contribution rates are relatively stable and funding the TRS Sub Fund is not anticipated at this time.

3. Reserve for Repairs:

Purpose: This reserve may be used to pay the cost of repairs to capital improvements or equipment of a type which does not recur annually or at shorter intervals.

Explanation for change: The 2019-20 Budget provided for a budgeted transfer of \$125,000 into the Repair Reserve, and change also includes earned interest.

Other Comments: This fund was established through voter approval for funding in 1990. Funds may be spent without voter approval, but only after a public hearing, except in emergency situations. In the case of an emergency, expenditures may be authorized by a two-thirds vote of the school Board, but the amount must be repaid to the reserve over the ensuing two years.

Funding/Usage: Voter approval is required to transfer funds to the reserve for repairs. Barring an emergency, at this time it is not anticipated that the repair reserve will be utilized in 2020-21.

4. Reserve for Unemployment Insurance:

Purpose: This reserve may be used to reimburse the State Unemployment Insurance Fund for payments made to claimants.

Explanation for Change: The remaining balance was transferred in 2016-17.

Other Comments: This reserve does not require voter approval either to create or expend.

Funding: The District increased staff in 2014-15 through 2017-18, and unemployment expense during the same period averaged approximately \$20,000 in each year. Therefore, effective June 30, 2017, it was determined that the District can meet its obligations for unemployment benefits out of budgeted fund and the balance in this reserve was transferred to the 2010 Capital Reserve. It is not anticipated that the District will place additional funds in this reserve at this time.

**MANHASSET UFSD
FUND BALANCE AND RESERVES**

5. 2010 Capital Reserve:

Purpose: This reserve fund may be used to pay for the cost of any object or purpose for which bonds may be issued.

Explanation for change: On May 18, 2010, the voters approved the establishment of the 2010 Capital Reserve of up to \$10 million and the Board funded the account with a \$2,118,734 transfer from the Insurance Reserve as of June 2010. On May 17, 2011, voters approved capital projects totaling \$2,405,725 to be funded from the 2010 Capital Reserve, together with unassigned fund balance of up to \$286,991. Projects were completed during Summer 2012 and in 2013. The balance at June 30, 2013 was fully expended in 2013-14, as all approved capital projects were completed. In June 2014 and October 2014, the Board authorized the transfer of \$2 million and \$400,000, respectively, to the 2010 Capital Reserve. In June 2015, the Board authorized the transfer of up to \$3.5 million to the 2010 Capital Reserve, of which \$1,805,170 was transferred as of June 30, 2015. The use of the \$2.4 million was authorized by the voters in December 2014 to partially fund \$22.6 million in capital projects over the next two years. Of this, \$1.75 million was transferred in 2014-15 and \$650,000 was transferred in 2015-16. In June 2016, the Board authorized the transfer of up to \$2 million into the 2010 Capital Reserve. The actual transfer was \$541,307 as of June 30, 2016. In June 2017, the Board authorized the transfer of up to \$2,928,500 to the 2010 Capital Reserve. The actual transfer was \$1,340,175. In addition, \$206,720 was transferred from the Reserve for Unemployment Insurance to the 2010 Capital Reserve, effective June 30, 2017. In June 2018, the Board authorized the transfer of up to \$1,500,000 to the 2010 Capital Reserve. The actual transfer was \$948,885. In June 2019, the Board authorized the transfer of up to \$639,008 to the 2010 Capital Reserve, of which \$639,007 was transferred. This completed the funding of the 2010 Capital Reserve to its total authorized amount of \$10 million. The voters approved Proposition 2 on the May 21, 2019 ballot to expend \$4.925 million of the 2010 Capital Reserve for capital projects, of which \$773,860 has been transferred to the Capital Projects Fund in 2019-20. Since its inception, interest earnings are \$214,127, and \$5,300,493 of the 2010 Capital Reserve has been utilized for capital projects authorized by the voters.

Other Comments: This reserve fund requires voter approval to create and expend. It is unknown at this time whether the District will seek approval in the near term for a new capital project.

Funding: The 2010 Capital Reserve has been fully funded.

6. 2018 Capital Reserve:

Purpose: This reserve fund may be used to pay for the cost of any object or purpose for which bonds may be issued.

Explanation for change: On May 15, 2018, the voters approved the establishment of the 2018 Capital Reserve of up to \$10 million, with a maximum funding term of 10 years. In June 2019, the Board approved a transfer of up to \$750,000 to the 2018 Capital Reserve, of which \$68,614 was transferred. In June 2020, the Board approved a transfer of up to \$5 million to the 2018 Capital Reserve, of which \$0 was transferred.

Other Comments: This reserve requires voter approval to create and expend. It is unknown at this time whether the District will seek approval in the near term for a new capital project.
Funding: The 2018 Capital Reserve will be funded generally through the transfer of surplus money, if any, from the District's General Fund unappropriated fund balance that may be available at the end of each fiscal year.

General Fund Nonspendable Fund Balance:

Purpose: Nonspendable fund balance is reserved for prepaid expenses at June 30, 2019, expended in 2019-2020.

General Fund Assigned Fund Balance:

1. Unappropriated Fund Balance - Designated for Encumbrances:

Purpose: Reserved for payment to vendors whose invoices have not yet been received.

Explanation for change: The dollar amount of payments to vendors estimated to be open for payment at the end of the school year fluctuates.

2. Appropriated Fund Balance - Designated for Subsequent Year's Expenditures:

Purpose: To be used for tax levy reduction in the next fiscal year.

Explanation for change: The 2018-19 and 2019-20 budgets applied \$595,120 to the respective tax levy. The 2020-21 budget applied \$724,067 to the 2020-21 tax levy.

Funding: The District evaluates the need for designations for subsequent year's expenditures in concert with the annual budget process.

**MANHASSET UFSD
FUND BALANCE AND RESERVES**

General Fund Unassigned Fund Balance:

Purpose: This amount is the unallocated portion of the District's fund balance. NYS Real Property Tax Law permits the retention of up to 4% of the current budget as unassigned.
Other Comments: At June 30, 2018 and 2019, the District's unassigned fund balance is at the statutory maximum of 4%. The District's unassigned fund balance at June 30, 2020 is \$4,026,393 after the designation of \$4,348,511 of unassigned fund balance as assigned for the specific purpose of covering the expenses associated with the COVID-19 Reopening Plan in 2020-21. These unanticipated expenses were not provided for in the general fund budget for 2020-21. This assigned and designated fund balance is 4.32% of next year's budget. After such designation, unassigned fund balance of \$4,026,393 is 4% of next year's budget.
Funding: The District intends to maintain Unassigned Fund Balance at the statutory maximum of 4% of current budget.

Other Funds:

Special Aid Fund:

Purpose: The fund is used to account for activities using specific revenue sources, including Federal and State grants that are legally restricted to expenditures for specified purposes.

School Lunch Fund:

Purpose: The fund is used to account for the activities of the District's school lunch activities.

Other Comments: The assigned unappropriated fund balance must be utilized in support of the school program and may include equipment upgrades and cafeteria renovations. Fund balance at June 30, 2018, 2019 and 2020 was approximately 1.88, 3.69 and 4.45 months average expenditure, respectively.

Funding: Federal regulations limit the net cash resources to be retained by the school lunch fund to 3 months average expenditure and requires a plan to expend excess funds. In 2020-21, the District plans to:

1. Purchase of pre-approved equipment items including ranges and ovens, refrigeration equipment, food preparation equipment, food warmers and service equipment.
2. Equipment repairs and service.
3. Equipment rental.
4. Materials and supplies.
5. To pay salaries for Cafeteria Monitors who have monitoring duties integral to the food service program in each of the District's elementary cafeterias.

Debt Service Fund:

Purpose: The fund is used to account for the proceeds of debt issuance, including interest earned on such proceeds. These monies must be used to pay the debt service of the obligations from which they originate.

Explanation for change: The debt service fund increased \$43,505 in 2018-19 and \$22,857 in 2019-20, primarily allocated interest.

Capital Projects Fund:

Purpose: The fund is used to pay for certain specific capital projects authorized by the voters.

Explanation for change: On December 3, 2014, the District voters approved a Capital Projects Bond Referendum for projects totaling \$22,690,870, which was funded by up to \$19,493,194 of bonds and a transfer from the general fund of \$466,676, \$2.4 million of 2010 Capital Reserve funds and a \$250,000 gift from the Manhasset School Community Association. The net change in the capital projects fund balance in fiscal 2019 is an increase of \$1,245,510. This net increase is primarily due to new debt issuance proceeds of \$643,194, offset by expenditures of \$459,439 pursuant to the 2014 Capital Projects Bond Referendum and construction of security vestibules, a transfer from the general fund of \$867,410, including \$811,000 pursuant to the 2019 Capital Project Proposition, receipt of a grant of \$100,000 for security related projects and gifts of 94,345 related to the 2019 Capital Projects Proposition. The net change in fiscal 2020 is a decrease of \$506,873, due to expenditures of \$1,340,249 pursuant to the 2014 Capital Projects Bond Referendum, the 2018 Smart Schools Bond Act, construction of security vestibules and the 2019 Capital Projects, offset by grants of \$57,216 related to New York State's Smart Schools Bond Act, a transfer from the 2010 Capital Reserve of \$773,860 pursuant to the 2019 Capital Projects Proposition and earned interest.