

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**JUNE 30, 2019**

EAST ISLIP UNION FREE SCHOOL DISTRICT

TABLE OF CONTENTS

I INDEPENDENT AUDITOR'S REPORT MANAGEMENT LETTER

NYO 7/17/14 DE ABBAMS, ROBERT S.

*Opinions*

In our opinion the financial statements referred to above present fairly the financial position of the company as at 31st December 1961 and the results of its operations for the year then ended in accordance with the accounting principles applied in the preparation of the financial statements for the corresponding year.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2010, on

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

The following is a discussion and analysis of the East Islip Union Free School District's (the District's) financial performance for the fiscal year ended June 30, 2019.

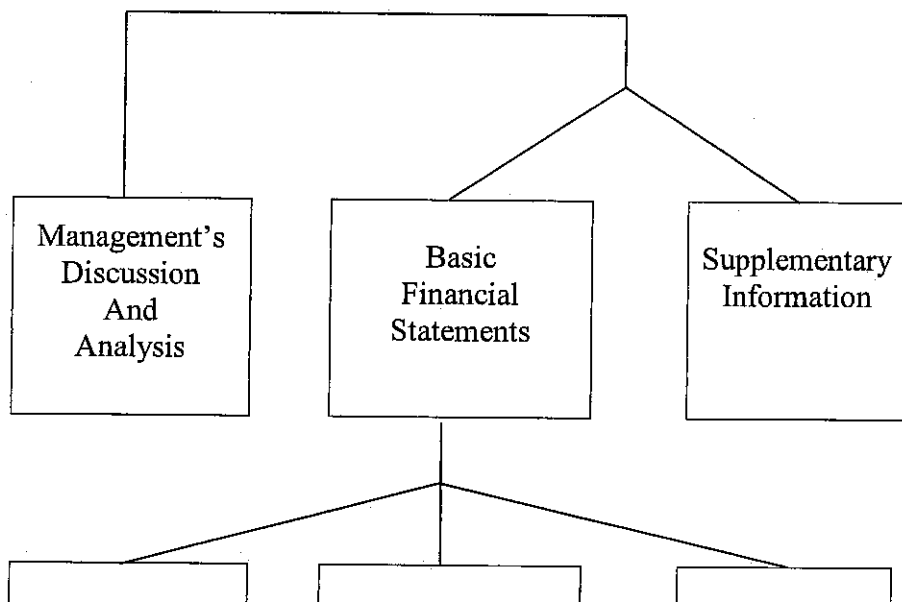
**EAST ISLIP UNION FREE SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**2. OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts: management's discussion and analysis, financial statements, and notes to the financial statements.

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Table A-1: Organization of the District's Annual Financial Report





**EAST ISLIP UNION FREE SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Exhibit 1

Table A-2: Major Features of the District-Wide and Fund Financial Statements



EAST ISLAND UNION FREE SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND FINANCIAL STATEMENTS

[REDACTED]

[REDACTED]

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**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

the addition of deferred outflows related to the total other post-employment benefits obligation as discussed in Note 17.

Other liabilities increased by \$8,094,285 or 32.81% primarily due to an increase in

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Table A-4: Change in Net Position from Operating Results - Governmental Activities Only

	Fiscal Year 2019	Fiscal Year 2018	Increase (Decrease)	Total Percentage Change
Revenues				
Program revenues				
Charges for services	\$2,631,649	\$2,751,405	(\$119,756)	-4.35%
Operating grants	2,486,623	2,825,866	(339,243)	-12.00%
Capital grants	21,375	887,716	(866,341)	-97.59%
General revenues				
<del>Real property taxes</del>				

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

The users of the District's programs financed \$2,631,649 of the cost. The federal and state governments subsidized

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**C. Governmental Activities**

Revenues for the District's governmental activities totaled \$119,129,487 while total expenses equaled \$123,888,656. Actual expenditures exceeded actual revenues by \$4,759,169.

Table A-7 presents the cost of major District activities: general support, instruction, pupil transportation, community service, debt service, and food service program. The table also



EAST ISLIP UNION FREE SCHOOL DISTRICT

Exhibit 1

4 FINANCIAL ANALYSIS OF THE DISTRICT

**EAST ISLIP UNION FREE SCHOOL DISTRICT**

**MANAGEMENT'S DISCUSSION AND FINANCIAL STATEMENTS**

A summary of the change in fund balance for all funds is as follows:

Fiscal Year	Fiscal Year	Increase	Total
2019	2018*	(Decrease)	Percentage
			Change

EAST ISLIP UNION FREE SCHOOL DISTRICT

Exhibit 1

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The expenditures and encumbrances under budget of \$7,174,966 were primarily the result of instruction, pupil transportation, and employee benefits coming in under budget. (See Supplemental Schedule #1 for detail).

The change in designated for other government represents the change in the amount of fund balance that has been designated in the 2019-2020 budget for recoupment of state aid overpayments.

The District appropriated an additional \$104,820 for use of the unemployment insurance reserve.

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**6 CAPITAL ASSET AND DEBT ADMINISTRATION**

**A. Capital Assets**

The District had for each of the years ended June 30, 2019, 2018, and 2017:

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**7. FACTORS BEARING ON THE DISTRICT'S FUTURE**

- A. On July 2, 2019, the District issued a bond anticipation note in the amount of \$5,551,890, which is due July 2, 2020, and bears an interest rate of 3.00%.

EAST ISLIP UNION FREE SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2019

Exhibit 2

ASSETS

Current assets

Cash

Unrestricted

\$22,207,873

Taxes receivable

10,368

Accounts receivable

250,224

State and federal aid

2,970,110

Due from other governments

2,489,013

Due from fiduciary funds

511,389

Inventories

9,247

Non-current assets

Capital assets

Not being depreciated

11,450,496





EAST ISLIP UNION FREE SCHOOL DISTRICT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2019

ASSETS  
Cash

<u>General</u>	<u>Special Aid</u>	<u>School Food Service</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
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EAST ISLIP UNION FREE SCHOOL DISTRICT  
RECONCILIATION OF GOVERNMENTAL FUNDS

Total Governmental Fund Balances

\$7,947,093

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Special	Food	Debt	Capital	Governmental
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**EAST ISLIP UNION FREE SCHOOL DISTRICT**  
**RECONCILIATION OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES TO THE STATEMENTS OF ACTIVITIES**

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2019**

Private

Private

**ASSETS**

Cash - restricted		\$944,625
Accounts receivable		11,818
Due from agency funds	\$12,278	
<b>TOTAL ASSETS</b>	<u>\$12,278</u>	<u>\$956,443</u>

**LIABILITIES**

Due to governmental funds		\$511,389
Due to private purpose trust funds		12,278
Extraclassroom activity balance		248,915
Other liabilities		183,861
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>\$956,443</u>

**NET POSITION**

Restricted for scholarships		\$12,278
<b>TOTAL NET POSITION</b>	<u>\$12,278</u>	

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

	<u>Trust Fund</u>
<b>ADDITIONS</b>	
Gifts and contributions	\$6,650
<b>TOTAL ADDITIONS</b>	<u>6,650</u>
<b>DEDUCTIONS</b>	
Scholarships and awards	9,350
<b>TOTAL DEDUCTIONS</b>	<u>9,350</u>
<b>CHANGE IN NET POSITION</b>	(2,700)
<b>NET POSITION - BEGINNING OF YEAR</b>	14,070

EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of East Islip Union Free School District are prepared in accordance with generally accepted accounting principles (GAAP) for governmental entities. The following is a summary of the significant accounting policies used in the preparation of the financial statements.

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**~~FOR THE FINANCIAL YEAR ENDED JUNE 30, 2011~~**



**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

ii) Fund Financial Statements:

The Fund Financial Statements provide information about the District's funds,

**EAST ISLIP UNION FREE SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

**D) Measurement focus and basis of accounting:**

The District Wide Financial Statements and Fiduciary Fund Financial Statements

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**G) Interfund transactions:**

The operations of the District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The District typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditure and revenues to provide financing or other services.

EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

K Inventories and prepaid items:

EAST ISLIP UNION FREE SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

N) Deferred outflows and inflows of resources

In addition to assets, the Statement of Net Position will sometimes report a separate section

EAST ISLIP UNION FREE SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Consistent with GASB Statement No. 16, Accounting for Governmental Assets

**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

BANs issued for capital purposes be converted to long-term financing within five years after the original issue date.

Payables, accrued liabilities and long-term obligations are reported in the District-Wide Financial Statements. In the governmental funds, payables and accrued liabilities are paid

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

maintained intact. Non-spendable fund balance includes the inventory recorded in the school food service fund of \$9,247.

- 2) **Restricted** fund balance - includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

Workers' Compensation Reserve

Workers' compensation reserve (GML §6-j), is used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Act.



**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. This reserve is accounted for in the general fund under restricted fund balance.

Restricted for capital in the capital projects fund includes the fund balance for projects that are funded by the capital reserve.

Unspent bond proceeds

Unspent long-term bond proceeds are recorded as restricted fund balance because they are subject to external constraints contained in the debt agreement. These restricted funds are accounted for in the capital projects fund.

Debt Service

The unexpended balances of proceeds of borrowing for capital projects, interest and earnings from investing proceeds of borrowing, and borrowing premiums can be recorded as amounts restricted for debt service. These restricted amounts

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

the result of the District not obtaining permanent financing on capital improvement projects.

NYS Real Property Tax Law 1318 limits the amount of unexpended surplus funds

a school district can retain to no more than 4% of the District's budget for the

EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

A) **Total fund balances of governmental funds vs. net position of governmental activities:**

Total fund balances of the District's governmental funds differ from "net position" of governmental activities reported in the Statement of Net Position. The difference primarily results from additional long-term economic focus of the Statement of Net Position versus

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

- A) Uncollateralized;
- B) Collateralized with securities held by the pledging financial institution in the District's name; or
- C) Collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

The District had \$1,031 in deposits which were not covered by depository insurance or collateralized with securities held by the pledging financial institution in the District's name at year end.

Restricted cash

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash at June 30, 2010 included \$12,901,445 within the governmental

EAST ISLIP UNION FREE SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

State and federal aid receivable at June 30, 2010 consists of:

**EAST ISLIP UNION FREE SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 8 - CAPITAL ASSETS:**

Capital asset balances and activity for the year ended June 30, 2019 were as follows:

	Beginning Balance, as Restated	Additions	Retirements/ Reclassifications	Ending Balance
<b>Governmental activities:</b>				
<b>Capital assets that are not depreciated:</b>				
Land	\$2,161,500			\$2,161,500
Construction in progress	10,633,527	\$7,733,598	(\$9,078,129)	9,288,996
<b>Total capital assets not being depreciated</b>	<b>12,795,027</b>	<b>7,733,598</b>	<b>(9,078,129)</b>	<b>11,450,496</b>
<b>Capital assets that are depreciated:</b>				
Buildings & improvements	104,095,509		9,078,129	113,173,638
Furniture, equipment & vehicles	7,216,299	419,013	(80,219)	7,555,093
<b>Total capital assets being depreciated</b>	<b>111,311,808</b>	<b>419,013</b>	<b>8,997,910</b>	<b>120,728,731</b>
<b>Less accumulated depreciation:</b>				
Buildings & improvements	52,149,876	3,816,478		55,966,354
Furniture, equipment & vehicles	5,062,674	584,447	(79,394)	5,567,727
<b>Total accumulated depreciation</b>	<b>57,212,550</b>	<b>4,400,925</b>	<b>(79,394)</b>	<b>61,534,081</b>
<b>Total capital assets being depreciated, net</b>	<b>54,099,258</b>	<b>(3,981,912)</b>	<b>9,077,304</b>	<b>59,194,650</b>
<b>Total capital assets, net</b>	<b>\$66,894,285</b>	<b>\$3,751,686</b>	<b>(\$825)</b>	<b>\$70,645,146</b>



**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Certain assets acquired prior to June 30, 2018 were not properly depreciated in prior fiscal years.

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 10 - SHORT-TERM DEBT:**

Transactions in short-term debt for the year are summarized below:

	<u>Maturity</u>	<u>Effective Interest Rate</u>	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
TAN	6/28/2019	2.020588%	\$ -	\$ 19,000,000	\$ 19,000,000	\$ -
RAN	12/20/2018	1.5200000%	15,427,500		15,427,500	

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 12 – LONG-TERM LIABILITIES:**

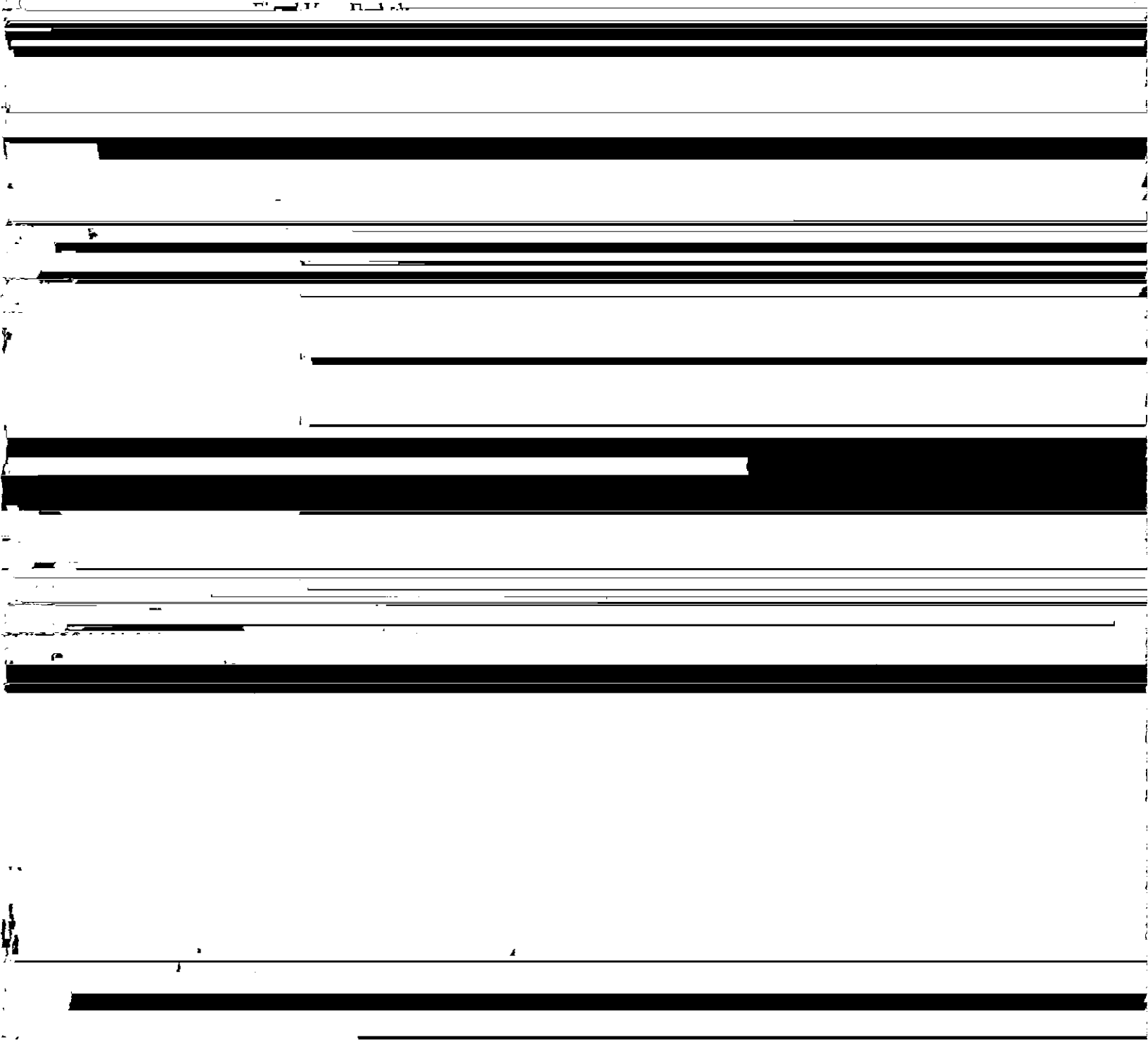
Long-term liability balances and activity for the year are summarized below:

	Beginning		Ending	Due Within
Long term debt:				
Bonds payable	\$18,360,000		\$5,475,000	\$12,885,000
Add: unamortized premium	1,209,530		394,539	814,991
	<u>19,569,530</u>	-	<u>5,869,539</u>	<u>13,699,991</u>
			13,699,991	6,119,539

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

On May 15, 2018 voters approved a bond authorization for \$57,996,334 for District-wide construction and improvements. As of June 30, 2019, the District has not obtained permanent financing for this project. On October 12, 2018, the District issued a BAN in the amount of \$7,666,815 to provide short term cash flow in the capital projects fund for the Middle School fields and High School roof.

The following is a summary of debt service requirements for bonds payable:



EAST ISLIP UNION FREE SCHOOL DISTRICT

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is permanent. ~~System, the election is permanent.~~

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Pursuant to Article 11 of the Education Law, the New York State Teachers' Retirement Board establishes rates annually for TRS. The District's contribution rate for the TRS' fiscal year ended June 30, 2019, is 10.00% of the employee's salary.

The District contributions made to the Systems were equal to 100% of the available amount.

**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Deferred Outflows of Resources      Deferred Inflows of Resources



EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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EAST ISLIP UNION FREE SCHOOL DISTRICT

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

<u>Valuation Date</u>	<u>ERS</u>		<u>TRS</u>	
	<u>April 1, 2018</u>		<u>June 30, 2017</u>	
<u>Asset type</u>	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>
Domestic equity	36%	4.55%	33%	5.8%
International equity	14%	6.25%	16%	7.25%

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

calculated using a discount rate that is 1-percentage-point lower (6.0% for ERS and 6.25% for TRS) or 1-percentage-point higher (8.0% for ERS and 8.25% for TRS) than the current rate:

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
ERS			

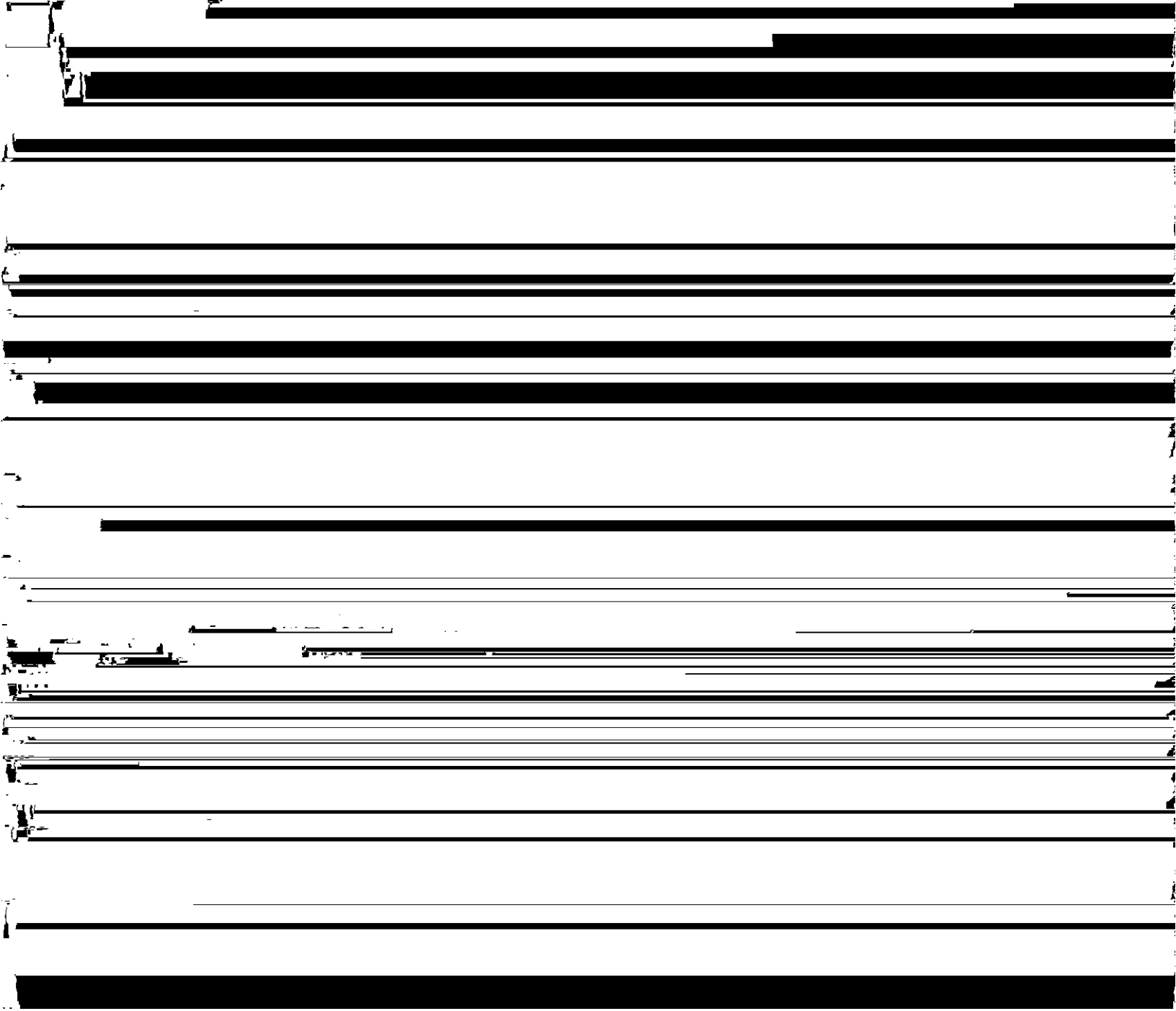
**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

For TRS, employer and employee contributions for the fiscal year ended June 30, 2019 are paid to the System in September, October and November 2019 through a state aid intercept, with a balance to be paid by the District, if necessary. Accrued retirement contributions as of June 30, 2019 represent employee and employer contributions for the fiscal year ended June 30, 2019 based on paid TRS wages multiplied by the employer's contribution rate, and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2019 amounted to \$4,895,347.

**NOTE 16 – PENSION PLANS - OTHER:**

**A) Tax Sheltered Annuities:**

The District has adopted a 403(b) plan covering all eligible employees. Employees may



**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

superintendents and 0% of the premiums for surviving spouses of other beneficiaries.



**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

[REDACTED]

[REDACTED]

**FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

reported claims for a total liability of \$1,150,729. The District has a workers' compensation reserve balance of \$1,355,905. Claims activity is summarized below:

	<u>2019</u>	<u>2018</u>
	\$1,010,417	\$1,026,000



**EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 21- COMMITMENTS AND CONTINGENCIES:**

**A) Encumbrances:**

All encumbrances are classified as assigned fund balance. At June 30, 2019 the District encumbered the following amounts:

General Fund:

General support	\$76,609
Instructional	69,032
Total General Fund	<u>145,641</u>

Federal Fund:

Instructional	<u>42,096</u>
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Capital Projects Fund:

Capital projects	<u>12,040,537</u>
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Total \$ 12,237,274

**B) Grants:**

EAST ISLIP UNION FREE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

D) Litigation:

The District is involved in lawsuits arising from the normal conduct of its affairs. Some of these lawsuits seek damages which may be in excess of the District's insurance coverage.

**SUPPLEMENTARY INFORMATION**

REQUIRED SUPPLEMENTARY INFORMATION

EAST ISLIP UNION FREE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS  
FOR THE LAST TWO FISCAL YEARS

Total OPEB Liability	<u>2019</u>	<u>2018</u>
Service cost	\$5,924,002	6,186,519
Interest	9,464,151	8,712,641
Changes of benefit terms	-	-

015

613363%

058,619)

226,637

47%

95%

015

611094%

653,912

726,276

48%

48%

Te #4

590

590

658

598

598

265

**EAST ISLIP UNION FREE SCHOOL DISTRICT  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET - GENERAL FUND  
AND SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION  
JUNE 30, 2019**

**CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET**

Adopted budget		\$117,081,377
Add: prior year's encumbrances		<u>412,086</u>
Original budget		117,493,463

		14,316
Insurance recoveries		26,755
Donations		<u>117,534,534</u>
Final budget		<u>117,534,534</u>

**SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION**

2019-2020 voter-approved expenditure budget		<u>\$120,334,922</u>
Maximum allowed (4% of 2019-2020 budget)		<u>\$4,813,397</u>

## General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law:

Unrestricted fund balance:		
Assigned fund balance	\$5,660,257	
Unassigned fund balance	<u>4,363,543</u>	
Total unrestricted fund balance		10,023,800
Less:		
Appropriated fund balance	\$5,064,766	
Encumbrances included in assigned fund balance	<u>145,641</u>	
Total adjustments		<u>5,210,407</u>

General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law



Module #6

nd	
nce	
2019	\$-
	186,718
	<u>186,718</u>
	1,691
	36,885
	13,495
	-
	181,959
	<u>34,030</u>
	41,349
	14,632
	<u>55,981</u>
	92,943) **
	70,083) *
	<u>77,695) *</u>
	<u>63,992)</u>

Module #6

12	
47	
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85	
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EAST ISLIP UNION FREE SCHOOL DISTRICT  
 SUPPLEMENTARY INFORMATION  
 NET INVESTMENT IN CAPITAL ASSETS  
 JUNE 30, 2019

Capital assets, net	\$70,645,146
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Short-term portion of bonds payable, inclusive of premium	\$6,119,538
Long-term portion of bonds payable, inclusive of premium	7,500,150

Less: Unspent bond proceeds	(186,718)
Bond anticipation note payable	20,932,859



## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the East Islip Union Free School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

R. S. Abrams & Co., LLP

R.S. Abrams & Co., LLP  
Islandia, NY  
September 23, 2019