

**WEST VALLEY CENTRAL
SCHOOL DISTRICT**

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**

**WEST VALLEY CENTRAL SCHOOL DISTRICT
FOR THE YEAR ENDED JUNE 30, 2024
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INDEPENDENT AUDITORS' REPORT

To the Board of Education
West Valley Central School District
West Valley, New York 14171

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of the West Valley Central School District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the West Valley Central School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the West Valley Central School District as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the West Valley Central School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the West Valley Central School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the West Valley Central School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the West Valley Central School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the West Valley Central School District's basic financial statements. The accompanying other supplementary information, as listed in the table of contents, and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information, as listed in the table of contents, and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2024, on our consideration of the West Valley Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering West Valley Central School District's internal control over financial reporting and compliance.

Springville, New York
September 30, 2024

R. A. MERCER & CO., P.C.

R. A. Mercer & Co. P.C.

**WEST VALLEY CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

As management of the West Valley Central School District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the West Valley Central School District for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with the balance of our annual report.

Financial Highlights

The following are the financial highlights experienced by the West Valley Central School District during the fiscal year ending June 30, 2024:

- Overall net assets of the District increased by \$1,951,789 during the 2023-24 fiscal year. Increases (decreases) occurred in the following areas:

Total Government Funds	\$ 1,270,002
Long Term Debt	689,190
Capital Related Items	(7,403)
Total	<u>\$ 1,951,789</u>

- Total general fund equity increased by \$1,157,335 during the 2023-24 fiscal year.
- Total general fund unassigned fund balance at the close of the fiscal year was \$395,128.
- The District's PreK-12 enrollment, as of the end of the school year, was 203 students as compared with 213 students in the prior year.

Overview of the Financial Statement

This annual report consists of three parts: the Management Discussion and Analysis (this section), the basic financial statements, and the required supplementary information. The basic financial statements include two types of statements that present different views of the School District:

- The first two statements are *district-wide* financial statements that provide both *short-term* and *long-term* information about the School District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the School District. The fund financial statements report the School District's operations in *more detail* than the district-wide statements. The fund financial statements concentrate on the School District's most significant funds listing them in a columnar format.
- The *governmental fund statements* tell how basic services such as regular and special education were financed in the *short term* as well as what remains for future spending.
- *Fiduciary fund* statements provide information about the financial relationships in which the School District acts solely as a *trustee* or *agent* for the benefit of others.

The financial statements also include notes that explain information contained in the statements. In addition, the notes provide additional data about the District. The financial statements are followed by a section of required supplementary information that further explain and support the financial statements.

Figure A-1 summarizes the major features of the School District's financial statements, including the portion of the School District's activities they cover and the types of information they contain. The remainder of this section highlights the structure and contents of each statement.

Major Features of the District-Wide and Fund Financial Statements

Figure A-1		Fund Financial Statements	
	District-Wide	Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the School District that are not proprietary or fiduciary, such as regular education programs and building maintenance	Instances in which the School District administers resources on behalf of someone else, such as scholarship programs.
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities and changes in net position 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities are included	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

District-Wide Statements

The district-wide statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the School District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities and changes in net position regardless of when cash is received or paid.

The two district-wide statements report the School District's net position and how it has changed. Net position, the difference between the School District's assets and liabilities, is one way to measure the School District's financial health or *position*. Over time, increases or decreases in the School District's net position are an indicator of whether its financial position is improving or deteriorating, respectively. To assess the District's overall health, you need to consider additional non-financial factors such as changes in the School District's property tax base and the condition of school buildings and other facilities.

In the district-wide financial statements, the District's activities are shown as *Governmental Activities*. Most of the School District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state aid finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the School District's funds, focusing on its most significant or "major" funds – not the School District as a whole. Funds are accounting devices the School District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by State law and by bond covenants. The School District establishes other funds to control and to manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as Federal grants). The District has two kinds of funds:

- **Governmental Funds:** Most of the School District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements can explain the relationship (or differences) between them.
- **Fiduciary Funds:** The School District is the trustee, or fiduciary, for assets that belong to others, such as scholarship funds. The School District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The School District excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

Financial Analysis of the School District Taken as a Whole

Figure A-2 presents a Condensed Statement of Net Position showing the School District has a net position of \$7,476,874. The components of the net position include; net investment in capital assets of \$5,368,120; restricted net position of \$6,260,881; and, unrestricted net position of \$(4,152,127). While the District's overall net position is positive there still exists significant post-retirement health insurance liabilities resulting in the negative unrestricted net position.

Figure A-2 Condensed Statement of Net Position			
	2023-2024	2022-2023	% Change
Current and Other Assets	\$ 8,010,706	\$ 6,649,875	20%
Net Pension Asset	0	0	n/a
Capital Assets	8,401,125	8,408,529	0%
Total Assets	16,411,831	15,058,404	9%
Deferred Outflows of Resources	2,469,998	3,204,434	-23%
Total Assets and Deferred Outflows of Resources	18,881,829	18,262,838	3%
Long-Term Liabilities	7,822,030	8,612,786	-9%
Other Liabilities	813,828	723,342	12%
Total Liabilities	8,635,858	9,336,128	-7%
Deferred Inflows of Resources	2,769,097	3,401,625	-19%
Total Liabilities and Deferred Inflows of Resources	11,404,955	12,737,753	-10%
Net Position			
Net Investment in Capital Assets	5,368,120	5,151,310	4%
Restricted	6,260,881	5,282,858	18%
Unrestricted (Deficit)	(4,152,127)	(4,909,083)	-15%
Total Net Position	\$ 7,476,874	\$ 5,525,085	35%

Figure A-3 presents the Changes in Net Position from Operating Results. The total change for the 2023-2024 fiscal year was an increase of \$1,951,789. The changes were a result of the following:

- The excess of revenues and other sources over expenditures and other uses in the amount of \$1,157,335 in the General Fund.
- The deficit of revenues below expenditures in the Cafeteria Fund in the amount of \$760.
- The excess of revenues over expenditures and other sources in the amount of \$113,087 in the Capital Fund.
- The net increase in the Debt Service Fund of \$340 due to interest earned.
- Net decrease due to depreciation, dispositions, and other adjustments in excess of capital outlay in the amount of \$7,403.
- Changes in the recognition of long-term debt due to the implementation of GASB 34, 68 and 75 resulting in an increase of \$689,190. Additional information can be found in Schedule 8, Reconciliation of Governmental Funds Revenue, Expenditures and Changes in Fund Equity to the Statement of Activities.

Figure A-3 Changes in Net Position from Operating Results			
Revenues	2023-2024	2022-2023	% Change
Program Revenues			
Charges for Services	\$ 16,236	\$ 42,928	-62%
Operating Grants	1,312,498	1,073,987	22%
General Revenues			
Property Taxes	2,686,796	2,566,490	5%
Other Tax Items	642,671	664,225	-3%
State Formula Aid	5,876,572	4,934,775	19%
Federal Aid and Medicaid	36,745	47,223	-22%
Interest Earnings	270,990	165,482	64%
Miscellaneous/Sale of Property	139,299	124,133	12%
Total Revenues	10,981,807	9,619,243	14%
Expenses			
General Support	2,128,298	1,537,116	38%
Instruction	3,496,196	3,670,879	-5%
Transportation	343,743	360,157	-5%
Employee Benefits	2,238,069	2,032,756	10%
Debt Service	134,101	192,253	-30%
Cost of Sales – Cafeteria	157,783	171,767	-8%
Depreciation	531,828	526,852	1%
Loss on Disposition of Equipment	0	0	n/a
Total Expenses	9,030,018	8,491,780	6%
Increase (Decrease) in Net Position	\$ 1,951,789	\$ 1,127,463	73%

Figures A-4 and A-5 further depict the various sources of revenue and expense in the government-wide financial statements:

Figure A-4 Sources of Revenue for the Year Ended June 30, 2024

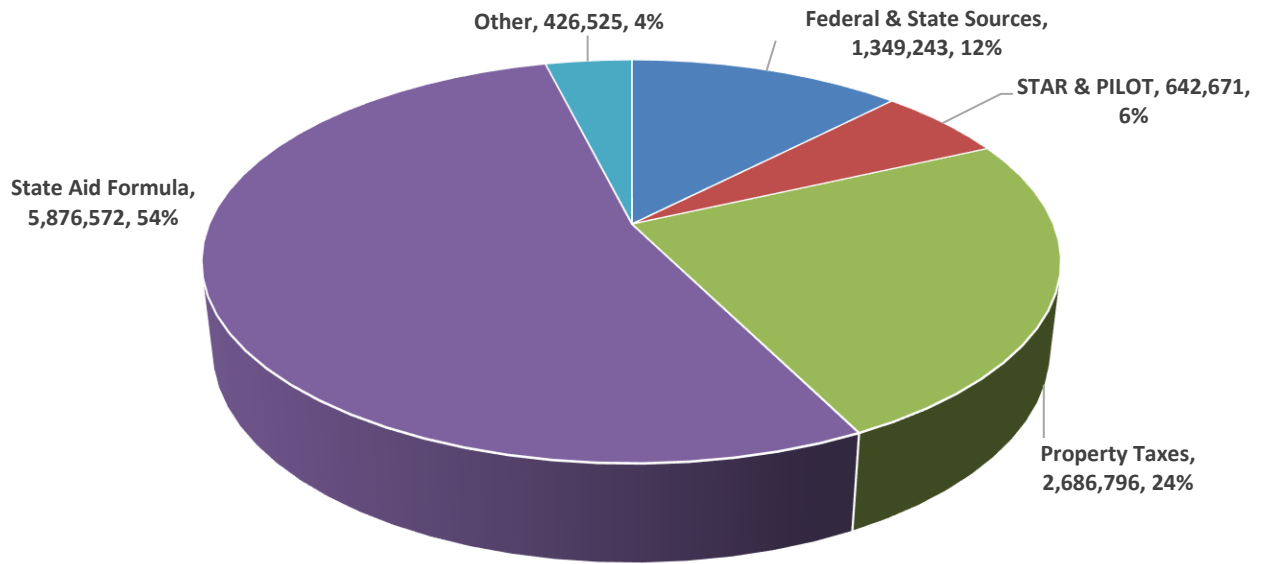
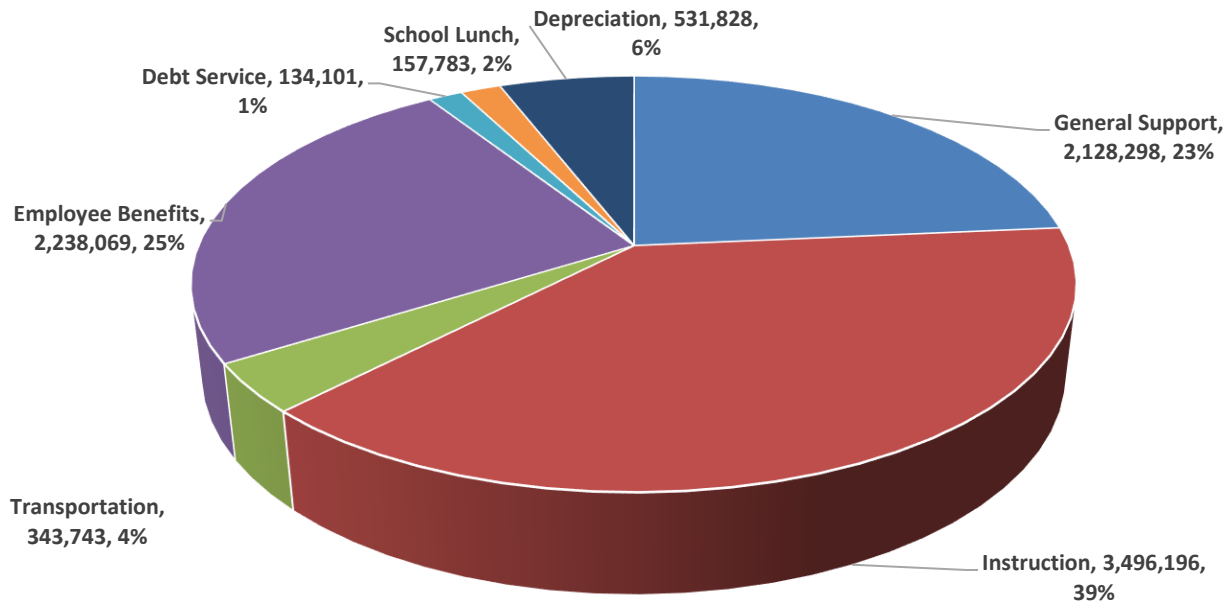


Figure A-5 Expenses for the Year Ended June 30, 2024



Financial Analysis of the School District's Funds

General Fund

In 2023-2024 General Fund revenues exceeded its expenses by \$1,234,086. In addition, \$100,000 was transferred to the Capital Fund to cover the local share of capital projects and \$23,249 was transferred back from the Capital Fund. As a result, General Fund equity increased by \$1,157,335 resulting in beginning fund equity of \$5,734,641 increasing to \$6,891,976 for the year ended June 30, 2024. The following table represents the components of fund equity:

	2023-2024	2022-2023
Restricted for Unemployment	411,513	245,761
Restricted for Capital	134,192	128,865
Restricted for Capital 2022	1,579,754	1,517,049
Restricted for Transportation	358,358	503,545
Restricted for Employee Benefits	787,938	756,662
Restricted for Employees Retirement System	1,954,282	1,167,121
Restricted for Workers Compensation	172,204	102,842
Restricted for TRS Retirement Contribution	286,069	284,782
Assigned for Encumbrances	57,044	44,170
Assigned for Subsequent Year's Expenses	755,494	605,955
Unassigned	395,128	377,889
Total General Fund Equity	<u>\$6,891,976</u>	<u>\$5,734,641</u>

Special Aid Fund

The District's Special Aid Fund which receives its funding from Federal, State, and local grants recognized revenues in the amount of \$1,154,715. In order to recognize the revenues, the District must expend an equal amount to support the specific programs for which the grant monies are received.

Cafeteria Fund

The District's cafeteria expenses exceeded its revenues by \$760. Total Cafeteria Fund equity at June 30, 2024 is \$47,035.

Capital Fund

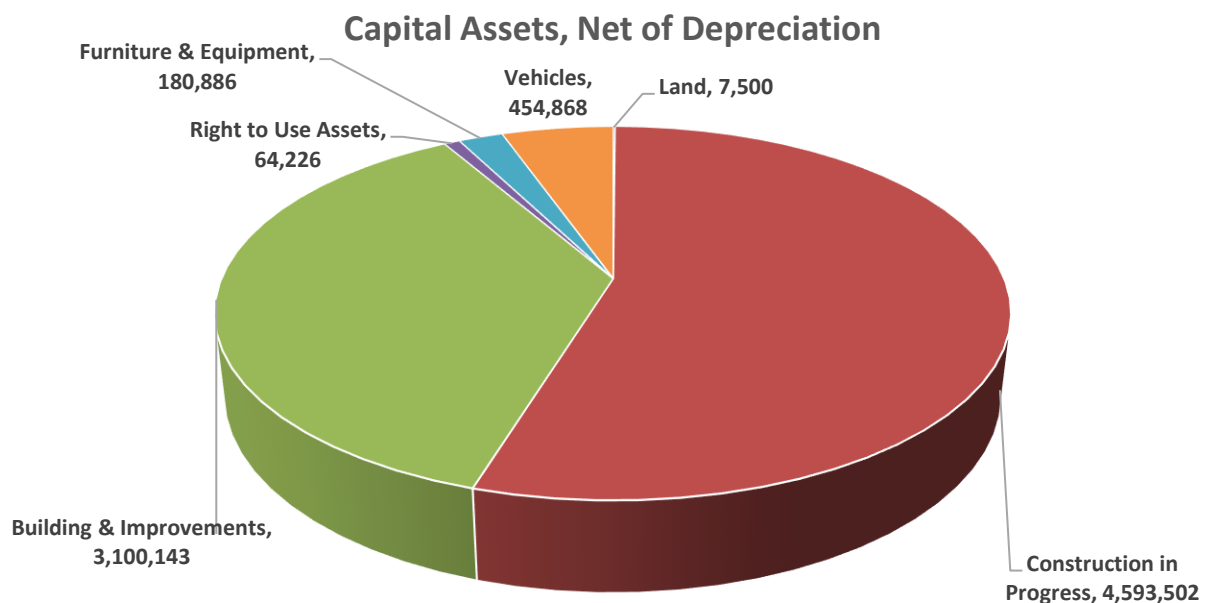
The beginning fund deficit of \$426,247 increased to a deficit of \$313,160 for the year ending June 30, 2024. The fund increase is the net result of capital outlay project and expenses of \$277,247, offset by proceeds from a \$100,000 inter-fund transfer from the General Fund to cover the local share of the capital outlay expenses and decreased by \$23,249 returned to the General Fund. Over time fund balances are increased and decreased as capital outlays are made and revenues are recognized for debt service payments made in the General Fund.

General Fund Budgetary Highlights

Figure A-6 General Fund – Budget vs. Actual (in thousands of dollars)							
							Actual
		Revised					Over
		Budget		Actual		Encumbrances	(Under)
Revenue							
Local sources	\$	3,357	\$	3,750	\$		\$ 393
State sources		5,319		5,558			239
Federal sources		20		37			17
Operating transfers		145		23			(122)
Total Revenue	\$	8,841	\$	9,368	\$		\$ 527
Expenditures							
General support	\$	2,125	\$	1,911	\$	39	\$ (175)
Instruction		3,900		3,262		18	(620)
Transportation		718		596			(122)
Employee benefits		2,265		1,983			(282)
Debt service		370		359			(11)
Operating transfers		113		100			(13)
Total Expenditures	\$	9,491	\$	8,211	\$	57	\$ (1,223)

Capital Assets

The West Valley Central School District's investment in capital assets for its governmental activities as of June 30, 2024 amounts to \$8,401,125 net of accumulated depreciation. The investment in capital assets includes land, building and building improvements, equipment, and vehicles. The decrease from the prior year was \$7,403. The following is a graphical depiction of the components of investment in capital assets, net of accumulated depreciation:



Long-Term and Short-Term Debt

As of June 30, 2024, the District's total outstanding bonded debt was \$2,705,000. The District will be reimbursed by the State of New York in the form of building aid at a rate of 85% on the bonds issued in 2010 and 2023.

In the past the District has used Bond Anticipation Notes to purchase buses. Currently, we are using funds allocated to the Transportation Reserve. As of June 30, 2024, there was no outstanding balance for bus BANs.

New York State Local Finance Law limits the amount of general obligation debt a school district can issue to 10% of its full valuation. The current debt limit for the District is \$22,390,885. Currently the District is at approximately 14% of its debt limit.

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future:

- Uncertainty of revenues associated with school aid to be received from New York State in future years
- Limits placed on the ability of the District to raise tax revenue as a result of New York State's property tax levy limit
- The potential for declining enrollment due to lack of economic growth in the local area
- Unknown economic outcomes due to the current United States and global economy

Request for Information

This financial report is designed to provide the West Valley Central School District's citizens, taxpayers, customers, investors, and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the West Valley Central School Business Office, 5359 School St., West Valley, New York, 14171.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

WEST VALLEY CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

Schedule 1

Assets

Cash		
Unrestricted Cash	\$	1,084,717
Restricted Cash		5,978,242
Receivables		
Accounts Receivable, Other		2,452
State and Federal Aid Receivable		927,426
Due from Fiduciary Funds		11,258
Due from Other Governments		791
Inventory		5,820
Capital Assets, Net of Accumulated Depreciation		8,401,125
Total Assets		16,411,831

Deferred Outflows of Resources

Deferred Outflows - OPEB		949,957
Deferred Outflows - ERS		323,173
Deferred Outflows - TRS		1,196,868

Total Deferred Outflows of Resources **2,469,998**

Total Assets and Deferred Outflows of Resources **\$ 18,881,829**

Liabilities

Payables		
Accounts Payable	\$	211,216
Accrued Liabilities		79,350
Student Deposits		22,172
Due to Other Governments		59
Due to Employees' Retirement System		30,061
Due to Teachers' Retirement System		302,846
Unearned Credits		
Unearned Revenues		168,124
Long-Term Liabilities		
Due and payable within one year		
Bonds Payable		205,000
Postemployment Benefits Payable - OPEB		371,606
Compensated Absences		50,000
Due and payable after one year		
Bonds Payable		2,828,005
Net Pension Liability, TRS Proportionate Share		163,278
Net Pension Liability, ERS Proportionate Share		334,521
Compensated Absences		299,806
Postemployment Benefits Payable - OPEB		3,569,814
Total Liabilities		8,635,858

Deferred Inflows of Resources

Deferred Inflows - OPEB		2,503,253
Deferred Inflows - ERS		187,666
Deferred Inflows - TRS		78,178

Total Deferred Inflows of Resources **2,769,097**

Net Position

Invested in Capital Assets, Net of Related Debt		5,368,120
Restricted		6,260,881
Unrestricted (Deficit)		(4,152,127)
Total Net Position		7,476,874

Total Liabilities, Deferred Inflows of Resources and Net Position **\$ 18,881,829**

See Accompanying Independent Auditors' Report and Notes to Financial Statements.

WEST VALLEY CENTRAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024

Schedule 2

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Position
			Charges for Services	Operating Grants	
General Support	\$ 2,128,298	\$ 134,843	\$ -	\$ -	\$ (2,263,141)
Instruction	3,496,196	2,434,764	16,236	1,154,715	(4,760,009)
Pupil Transportation	343,743	200,290	-	-	(544,033)
Community Services	-	-	-	-	-
Employee Benefits	2,238,069	(2,238,069)	-	-	-
Debt Service	134,101	-	-	-	(134,101)
School Lunch Program	157,783	-	-	157,783	-
Depreciation	531,828	(531,828)	-	-	-
Total Functions and Programs	\$ 9,030,018	\$ -	\$ 16,236	\$ 1,312,498	(7,701,284)
General Revenues					
Property Taxes					2,686,796
Other Tax Items					642,671
Use of Money and Property					270,990
Sale of Property and Compensation for Loss					19,384
Miscellaneous					114,287
Interfund Revenues					-
State Sources					5,876,572
Medicaid Reimbursements					36,745
Federal Sources					-
Sales (Cafeteria)					5,628
Total General Revenues					9,653,073
Change in Net Position					1,951,789
Total Net Position - Beginning of Year					5,525,085
Total Net Position - End of Year					\$ 7,476,874

See Accompanying Independent Auditors' Report and Notes to Financial Statements.

FUND FINANCIAL STATEMENTS

WEST VALLEY CENTRAL SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
AS OF JUNE 30, 2024

Schedule 3

	GOVERNMENTAL FUND TYPES					
	General	Capital Projects	Special Aid	Cafeteria	Debt Service	(Memo Only) Total
ASSETS						
Cash						
Unrestricted Cash	\$ 654,548	\$ 406,888	\$ 120	\$ 23,161	\$ -	\$ 1,084,717
Restricted Cash	5,684,310	-	-	-	293,932	5,978,242
Receivables						
Accounts Receivable, Other	2,452	-	-	-	-	2,452
State and Federal Aid Receivable	469,099	-	430,257	28,070	-	927,426
Due from Other Funds	726,174	3,573	23,836	-	287,064	1,040,647
Due from Fiduciary Funds	11,258	-	-	-	-	11,258
Due from Other Governments	791	-	-	-	-	791
Inventory	-	-	-	5,820	-	5,820
Total Assets	\$ 7,548,632	\$ 410,461	\$ 454,213	\$ 57,051	\$ 580,996	\$ 9,051,353
LIABILITIES						
Payables						
Accounts Payable	\$ 211,216	\$ -	\$ -	\$ -	\$ -	\$ 211,216
Accrued Liabilities	73,400	-	-	406	-	73,806
Student Deposits	22,172	-	-	-	-	22,172
Due to Other Governments	-	-	-	59	-	59
Due to Other Funds	16,943	723,621	286,107	9,551	4,425	1,040,647
Due to Employees' Retirement System	30,061	-	-	-	-	30,061
Due to Teachers' Retirement System	302,846	-	-	-	-	302,846
Unearned Credits						
Unearned Revenues	18	-	168,106	-	-	168,124
Total Liabilities	656,656	723,621	454,213	10,016	4,425	1,848,931
FUND BALANCES						
Nonspendable						
Reserved for Inventories & Supplies	-	-	-	5,820	-	5,820
Restricted						
Unemployment	411,513	-	-	-	-	411,513
Debt Service Reserve	-	-	-	-	576,571	576,571
Capital	134,192	-	-	-	-	134,192
Capital Improvement Reserve Fund	1,579,754	-	-	-	-	1,579,754
Transportation Reserve	358,358	-	-	-	-	358,358
Employee Benefit Accrued Liability Reserve	787,938	-	-	-	-	787,938
Retirement Contribution	1,954,282	-	-	-	-	1,954,282
Workers Compensation	172,204	-	-	-	-	172,204
TRS Retirement Contribution	286,069	-	-	-	-	286,069
Assigned						
Cafeteria	-	-	-	41,215	-	41,215
Central Services	38,757	-	-	-	-	38,757
Teaching - Regular School	17,298	-	-	-	-	17,298
Pupil Services	989	-	-	-	-	989
Appropriated Fund Balance	755,494	-	-	-	-	755,494
Unassigned	395,128	(313,160)	-	-	-	81,968
Total Fund Balances	6,891,976	(313,160)	-	47,035	576,571	7,202,422
Total Liabilities and Fund Balances	\$ 7,548,632	\$ 410,461	\$ 454,213	\$ 57,051	\$ 580,996	\$ 9,051,353

See Accompanying Independent Auditors' Report and Notes to Financial Statements.

WEST VALLEY CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Schedule 4

	Governmental Fund Types					(Memo Only) Total
	General	Capital Projects	Special Aid	Cafeteria	Debt Service	
Revenues						
Real Property Taxes	\$ 2,686,796	\$ -	\$ -	\$ -	\$ -	\$ 2,686,796
Other Tax Items	642,671	-	-	-	-	642,671
Charges for Services	16,236	-	-	-	-	16,236
Use of Money and Property	270,644	-	-	6	340	270,990
Sale of Property and Compensation for Loss	19,384	-	-	-	-	19,384
Miscellaneous	114,287	-	9,568	(167)	-	123,688
State Sources	5,558,384	313,583	76,933	32,638	-	5,981,538
Medicaid Reimbursements	36,745	-	-	-	-	36,745
Federal Sources	-	-	1,068,214	129,917	-	1,198,131
Sales (Cafeteria)	-	-	-	5,628	-	5,628
Total Revenues	9,345,147	313,583	1,154,715	168,022	340	10,981,807
Expenditures						
General Support	1,911,537	-	375,036	-	-	2,286,573
Instructional	3,261,838	-	779,679	-	-	4,041,517
Pupil Transportation	595,994	-	-	-	-	595,994
Community Services	-	-	-	-	-	-
Employee Benefits	1,983,035	-	-	-	-	1,983,035
Debt Service - Principal	175,000	-	-	-	-	175,000
Debt Service - Interest	183,657	-	-	-	-	183,657
Cost of Sales	-	-	-	168,782	-	168,782
Capital Outlay	-	277,247	-	-	-	277,247
Total Expenditures	8,111,061	277,247	1,154,715	168,782	-	9,711,805
Excess (Deficit) of Revenues over Expenditures	1,234,086	36,336	-	(760)	340	1,270,002
OTHER SOURCES AND (USES)						
Issuance of Serial Bonds	-	-	-	-	-	-
Premium on Serial Bonds	-	-	-	-	-	-
Fiscal Agent Fees on Serial Bonds	-	-	-	-	-	-
Interfund Revenues	23,249	100,000	-	-	-	123,249
Interfund Expenditures	(100,000)	(23,249)	-	-	-	(123,249)
Total Other Sources and (Uses)	(76,751)	76,751	-	-	-	-
Excess (Deficit) of Revenues and Other Sources Over Expenditures and Other Uses	1,157,335	113,087	-	(760)	340	1,270,002
Fund Balance (Deficit), Beginning of Year	5,734,641	(426,247)	-	47,795	576,231	5,932,420
Fund Balance (Deficit), End of Year	\$ 6,891,976	\$ (313,160)	\$ -	\$ 47,035	\$ 576,571	\$ 7,202,422

See Accompanying Independent Auditors' Report and Notes to Financial Statements.

WEST VALLEY CENTRAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2024

Schedule 5

	<u>Custodial</u>	<u>Private Purpose Trusts</u>	<u>(Memo Only) Total</u>
ASSETS			
Cash, Restricted	\$ 157,464	\$ -	\$ 157,464
Due From Custodial	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Total Assets	<u>\$ 157,464</u>	<u>\$ 5,000</u>	<u>\$ 162,464</u>
LIABILITIES			
Other Liabilities	\$ 22,003	\$ -	\$ 22,003
Due to Other Funds	11,258	-	11,258
Due to Private Purpose Trusts	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total Liabilities	<u>38,261</u>	<u>-</u>	<u>38,261</u>
NET POSITION			
Restricted for Other Purposes	<u>119,203</u>	<u>5,000</u>	<u>124,203</u>
Total Net Position	<u>119,203</u>	<u>5,000</u>	<u>124,203</u>
Total Liabilities and Net Position	<u>\$ 157,464</u>	<u>\$ 5,000</u>	<u>\$ 162,464</u>

See Accompanying Independent Auditors' Report and Notes to Financial Statements.

WEST VALLEY CENTRAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024

Schedule 6

Additions

Gifts and Donations	\$ 5,250
Total Additions	<u>5,250</u>

Deductions

Scholarships Awarded	5,500
Total Deductions	<u>5,500</u>

Change in Net Position	(250)
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Net Position - Beginning of Year	<u>124,453</u>
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Net Position - End of Year	<u><u>\$ 124,203</u></u>
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See Accompanying Independent Auditors' Report and Notes to Financial Statements.

WEST VALLEY CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

Schedule 7

	Total Governmental Funds	Long-Term Assets, Liabilities	Reclassifications and Eliminations	Statement of Net Position Totals
ASSETS				
Cash				
Unrestricted Cash	\$ 1,084,717	\$ -	\$ -	\$ 1,084,717
Restricted Cash	5,978,242	-	-	5,978,242
Receivables				
Accounts Receivable, Other	2,452	-	-	2,452
State and Federal Aid Receivable	927,426	-	-	927,426
Due from Other Funds	1,040,647	-	(1,040,647)	-
Due from Fiduciary Funds	11,258	-	-	11,258
Due from Other Governments	791	-	-	791
Inventories	5,820	-	-	5,820
Capital Assets, Net	-	8,401,125	-	8,401,125
Total Assets	9,051,353	8,401,125	(1,040,647)	16,411,831
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows - OPEB	-	949,957	-	949,957
Deferred Outflows - ERS	-	323,173	-	323,173
Deferred Outflows - TRS	-	1,196,868	-	1,196,868
Total Deferred Outflows of Resources	-	2,469,998	-	2,469,998
Total Assets and Deferred Outflows of Resources	\$ 9,051,353	\$ 10,871,123	\$ (1,040,647)	\$ 18,881,829
LIABILITIES				
Payables				
Accounts Payable	\$ 211,216	\$ -	\$ -	\$ 211,216
Accrued Liabilities	73,806	5,544	-	79,350
Student Deposits	22,172	-	-	22,172
Due to Other Funds	1,040,647	-	(1,040,647)	-
Due to Other Governments	59	-	-	59
Due to Employees' Retirement System	30,061	-	-	30,061
Due to Teachers' Retirement	302,846	-	-	302,846
Unearned Credits				
Unearned Revenues	168,124	-	-	168,124
Long-Term Liabilities				
Bonds Payable	-	2,705,000	-	2,705,000
Premium on Serial Bonds	-	328,005	-	328,005
Net Pension Liability, TRS Proportionate Share	-	163,278	-	163,278
Net Pension Liability, ERS Proportionate Share	-	334,521	-	334,521
Compensated Absences	-	349,806	-	349,806
Postemployment Benefits Payable - OPEB	-	3,941,420	-	3,941,420
Total Liabilities	1,848,931	7,827,574	(1,040,647)	8,635,858
Deferred Inflows of Resources				
Deferred Inflows - OPEB	-	2,503,253	-	2,503,253
Deferred Inflows - ERS	-	187,666	-	187,666
Deferred Inflows - TRS	-	78,178	-	78,178
Total Deferred Inflows of Resources	-	2,769,097	-	2,769,097
FUND BALANCE/NET POSITION	7,202,422	274,452	-	7,476,874
Total Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position	\$ 9,051,353	\$ 10,871,123	\$ (1,040,647)	\$ 18,881,829

Reconciliation:

Total Fund Balance/Net Position - Governmental Funds **\$ 7,202,422**

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported as assets in governmental funds. Capital assets consist of the following at year end:

Cost of the assets including right-to-use assets	18,570,942	
Accumulated depreciation and amortization	(10,169,817)	8,401,125

(Increases) decreases in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds:

Teachers' Retirement System	955,412	
Employees' Retirement System	(199,014)	756,398

Liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of the following:

Accrued interest payable	(5,544)	
Premium on Serial Bonds	(328,005)	
Bonds payable	(2,705,000)	
Compensated absences	(349,806)	
Postemployment benefits - OPEB (GASB 75)	(5,494,716)	(8,883,071)

Total Net Position - Governmental Activities **\$ 7,476,874**

See Accompanying Independent Auditors' Report and Notes to Financial Statements.

WEST VALLEY CENTRAL SCHOOL DISTRICT **Schedule 8**
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES TO STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	Total Governmental Funds	Long-Term Debt Transactions	Capital Related Items	Reclassification and Eliminations	Statement of Activities Total
Revenues					
Real Property Taxes	\$ 2,686,796	\$ -	\$ -	\$ -	\$ 2,686,796
Other Tax Items	642,671	-	-	-	642,671
Charges for Services	16,236	-	-	(16,236)	-
Use of Money and Property	270,990	-	-	-	270,990
Sale of Property and Compensation for Loss	19,384	-	-	-	19,384
Miscellaneous	123,688	-	-	(9,401)	114,287
State Sources	5,981,538	-	-	(104,966)	5,876,572
Medicaid Reimbursements	36,745	-	-	-	36,745
Federal Sources	1,198,131	-	-	(1,198,131)	-
Sales (Cafeteria)	5,628	-	-	-	5,628
Total Revenues	10,981,807	-	-	(1,328,734)	9,653,073
Expenditures					
General Support	2,286,573	(132,476)	(25,799)	134,843	2,263,141
Instruction	4,041,517	(535,153)	(10,168)	1,263,813	4,760,009
Pupil Transportation	595,994	(52,039)	(200,212)	200,290	544,033
Community Services	-	-	-	-	-
Employee Benefits	1,983,035	255,034	-	(2,238,069)	-
Debt Service - Principal	175,000	(175,000)	-	-	-
Debt Service - Interest	183,657	(49,556)	-	-	134,101
Cost of Sales	168,782	-	(10,999)	(157,783)	-
Capital Outlay	277,247	-	(277,247)	-	-
Depreciation	-	-	531,828	(531,828)	-
Total Expenditures	9,711,805	(689,190)	7,403	(1,328,734)	7,701,284
Excess Revenues Over (Under) Expenditures	1,270,002	689,190	(7,403)	-	1,951,789
Other Sources and (Uses)					
Issuance of Serial Bonds	-	-	-	-	-
Premium on Serial Bonds	-	-	-	-	-
Fiscal Agent Fees on Serial Bonds	-	-	-	-	-
Interfund Revenues	123,249	-	-	(123,249)	-
Interfund Expenditures	(123,249)	-	-	123,249	-
Total Other Sources (Uses)	-	-	-	-	-
Net Change For the Year	\$ 1,270,002	\$ 689,190	\$ (7,403)	\$ -	\$ 1,951,789
Reconciliation:					
Total net change in fund balances - Governmental Funds					\$ 1,270,002
Amounts reported for Governmental Activities in the Statement of Activities are different because:					
Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense is more than capital outlays, adjusted for the dispositions and other adjustments in the period.					
Capital Outlays				524,425	
Depreciation and Amortization Expense				(531,828)	(7,403)
Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position. The proceeds of permanent financing is a revenue in the governmental funds, but the debt increases long-term liabilities in the Statement of Net Position. Repayment by the General Fund of temporary financing is a revenue in the Capital Fund in the Governmental Funds, but the repayment reduces liabilities in the Statement of Net Position.					
Proceeds of Serial Bonds including Bond Premium					
Repayment of Serial Bonds Principal					175,000
(Increases) decreases in proportionate share of net pension asset/liability reported in the Statement of Activities to provide for or require the use of current financial resources and, therefore, are not reported as revenues or expenditures in the government funds.					
Teachers' Retirement System				(202,080)	
Employees' Retirement System				(52,954)	(255,034)
Interest expense is an expenditure in the Governmental Funds when paid. However, in the Statement of Activities, interest is recorded on the accrual basis.					
					49,556
(Increases) decreases in accrued compensated absences reported in the Statement of Activities do not provide for or require the use of current financial resources and, therefore, are not reported as expenditures in the Governmental Funds.					
					25,459
On the Statement of Activities, the actual and projected long-term expenditures for post employment benefits are reported, whereas, on the government funds only the actual expenditures are recorded for post employment benefits.					
					694,209
Change in net assets of Governmental Activities					\$ 1,951,789

See Accompanying Independent Auditors' Report and Notes to Financial Statements.

**WEST VALLEY CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of **West Valley Central School District** have been prepared in conformity with generally accepted accounting principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Certain significant accounting principles utilized by the District are described below:

A. Reporting Entity

The **West Valley Central School District** is governed by the laws of New York State. The District is an independent entity governed by an elected Board of Education consisting of seven members. The President of the Board serves as the Chief Fiscal Officer and the Superintendent is the Chief Executive Officer. The Board is responsible for, and controls all activities related to public school education within the District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

The reporting entity of the District is based upon criteria set forth by GASB Statement 14, *The Financial Reporting Entity*, as amended by GASB Statement 39, *Component Units*. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the District. The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief description of certain entities included in the District's reporting entity.

The Extraclassroom Activity Funds

The Extraclassroom Activity Funds of the **West Valley Central School District** represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the District with respect to its financial transactions and the designation of student management. The cash and investment balances are reported in the General Fund of the District. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds are included at the end of these financial statements.

B. Joint Venture

The **West Valley Central School District** is a component school district in the Cattaraugus-Allegany Board of Cooperative Education Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that share planning, services, and programs which provide educational and support activities. There is no authority or process by which a school district can terminate its status as a BOCES component.

BOCES are organized under Section 1950 of the New York State Education Law. A BOCES Board is considered a corporate body. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of Section 1950 of the Education Law. All BOCES property is held by the BOCES Board as a corporation (Section 1950(6)). In addition, BOCES Boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under Section 119-n (a) of the General Municipal Law.

A BOCES budget is comprised of separate budgets for administrative, program, and capital costs. Each component school district's share of administrative and capital cost is determined by resident public school district enrollment as defined in Education Law, Section 1950(4)(b)(7). In addition, component school districts pay tuition or a service fee for programs in which its students participate.

During the year ended June 30, 2024, the **West Valley Central School District** was billed \$1,611,094 for BOCES administrative and program costs.

Participating school districts issue debt on behalf of BOCES. During the year ended June 30, 2024, the **West Valley Central School District** issued no serial bonds on behalf of BOCES. As of June 30, 2024, the District had no outstanding BOCES debt.

General-purpose financial statements for Cattaraugus-Allegany BOCES are available from the BOCES administrative office.

The District's share of BOCES aid and services refunds amounted to \$834,013.

C. Basis of Presentation

1. District-wide statements:

The Statement of Net Position and the Statement of Activities present financial information about the District's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, State aid, intergovernmental revenues, and other exchange and non-exchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to payroll expended for those areas. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. Fund financial statements:

The fund statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major Governmental Funds, each displayed in a separate column.

The District reports the following major Governmental Funds.

General - is the general operating fund and is used to account for all financial transaction except those required to be accounted for in another fund.

Capital Projects - is used to account for the financial resources used for acquisition, construction, or major repair of capital facilities. For these funds, each capital project is assessed to determine whether it is a major or non-major fund. Those capital projects that are determined to be major are reported in separate columns in the financial statements. Those that are determined to be non-major are reported separately or in the aggregate.

Special Aid - is used to account for the proceeds of specific revenue sources such as Federal and State grants that are legally restricted to expenditures for specified purposes and other activities whose funds are restricted as to use. These legal restrictions may be imposed by either governments that provide the funds or outside parties.

Cafeteria – is used to account for the operations of the cafeteria. Inventory of purchased food is stated at cost, determined on the first in-first out basis.

Debt Service - is used to account for the accumulation of resources and the payment of general long-term principal and interest on long-term general obligation debt of governmental activities.

3. Fiduciary Fund Types:

Fiduciary activities are those in which the District acts as trustee or agent for resources that belong to others. These activities are not included in the District-wide financial statements, because their resources do not belong to the District, and are not available to be used. There are two classes of fiduciary funds:

Private purpose trust funds: These funds are used to account for trust arrangements in which income benefits annual third-party awards and scholarships for students.

Custodial funds: These funds are strictly custodial in nature. Assets are held by the District as agent for various student groups or scholarships.

D. Basis of Accounting and Measurement Focus

Accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The District-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Governmental Fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the Governmental Funds to be available if the revenues are collected within one year after the end of the fiscal year, except for real property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in Governmental Funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

E. Property Taxes

1. Calendar

Real property taxes are levied annually by the Board of Education no later than September 1 and become a lien on October 31. Taxes were collected during the period September 1, 2023 through October 31, 2023.

2. Enforcement

Uncollected real property taxes are subsequently enforced by the County of Cattaraugus. An amount representing uncollected real property taxes transmitted to the County for the enforcement is paid by the County to the School District no later than the following April 1.

F. Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the District's policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these Notes.

G. Interfund Transactions

The operations of the District include transactions between funds. These transactions may be temporary in nature, such as with inter-fund 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.

In the District-wide statements, the amounts reported on the Statement of Net Position for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all interfund receivables and payables between the funds, with the exception of those due from or to the fiduciary funds.

The Governmental Funds report all interfund transactions as originally recorded. Interfund receivables and payables may be netted on the accompanying Governmental Funds balance sheet when it is the District's practice to settle these amounts at a net balance based upon the right of legal offset.

Refer to Note V, Interfund Transactions, for a detailed disclosure by individual fund for interfund receivables, payables, expenditures, and revenues activity.

H. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities and useful lives of long-lived assets.

I. Cash and Investments

The District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Investments are stated at fair value.

J. Receivables

All receivables are reported at their gross value and, when appropriate, are reduced by the estimated portion that is expected to be uncollectible. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

K. Inventories and Prepaid Items

Inventories of food in the Cafeteria Fund are recorded at cost on a first in-first out basis or in the case of surplus food, at stated value which approximates market. Purchases of inventoriable items in other funds are recorded as expenditures at the time of purchase and are considered immaterial in amount.

Prepaid items represent payments made by the District for which benefits extend beyond year end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the district-wide and fund financial statements. These items are reported as assets on the statement of net position or balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

A portion of the fund balance in the amount of these non-liquid assets (inventories and prepaid items) has been identified as not available for other subsequent expenditures.

L. Other Assets

In the District-wide financial statements, bond discounts and premiums, and any prepaid bond insurance costs are deferred and amortized over the life of the debt issue. In the fund statements these same costs are recognized as an expense in the period incurred.

M. Capital Assets

Capital assets are reported at actual cost for acquisitions subsequent to June 30, 2002. For assets acquired prior to June 30, 2002, estimated historical costs, based on an appraisal were used. Donated assets are reported at estimated fair market value at the time received.

The District's capitalization threshold, the dollar value above which asset acquisitions are added to the capital asset accounts, is \$5,000. Capitalization thresholds, depreciation methods, and estimated useful lives of capital assets reported in the District-wide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings	\$ 5,000	Straight-Line	40
Building Improvements	5,000	Straight-Line	20-40
Site Improvements	5,000	Straight-Line	15-20
Furniture and Equipment	5,000	Straight-Line	5-15
Vehicles	5,000	Straight-Line	8

N. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. If applicable, the District has four items that qualify for reporting in this category. First is the deferred charge on refunding reported in the Government-Wide Statement of Net Position.

A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The third item is the District contributions to the pension systems (TRS and ERS Systems) subsequent to the measurement date. The fourth item relates to OPEB reporting in the district wide Statement of Net Position. This represents the effect of the net change in the actual and expected experience.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. If applicable, the District has four items that qualify for reporting in this category. First arises only under a modified accrual basis of accounting and is reported as unavailable revenue – property taxes. The second item is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability (ERS System) and the difference during the measurement periods between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The third item is revenues from grants received that have met all other eligibility requirements except those related to time restrictions. The fourth item is related to OPEB reported in the District-Wide Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs.

O. Unearned Revenue

The District reports unearned revenues on its Statement of Net Position and its Balance Sheet. On the Statement of Net Position, unearned revenue arises when resources are received by the District before it has legal claim to them, as when grant monies are received prior to incurrence of qualifying expenditures. In subsequent periods, when the District has legal claim to resources, the liability for unearned revenue is removed and revenue is recognized.

P. Vested Employee Benefits – Compensated Absences

The District employees are granted vacation in varying amounts, based primarily on length of service and service position. Some earned benefits may be forfeited if not taken within varying time periods.

Sick leave eligibility and accumulation is specified in negotiated labor contracts, and in individual employment contracts. Sick leave use is based on a last in-first out (LIFO) basis. Teachers are paid annually \$100 for each unused sick day in excess of 180 days if the District has employed them for 25 or more years.

Consistent with GASB Statement 16, *Accounting for Compensated Absences*, the liability has been calculated using the vesting/termination method and an accrual for that liability is included in the District-Wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year end.

In the fund statements only the amount of matured liabilities is accrued within the General Fund based upon expendable and available financial resources. These amounts are expensed on a pay-as-you go basis.

Q. Other Benefits

Eligible District employees participate in the New York State Employees' Retirement System and the New York State Teachers' Retirement System.

The District offers its employees a deferred compensation plan created in accordance with the Internal Revenue Service Code Section 403(b) – Tax Sheltered Annuities. The plan is available to all school employees and permits them to defer taxation on a portion of their salary until future years. The deferred portion is withheld by the District and disbursed to the employees' plan administrator. The plans are owned by the individuals and held in trust by the plan administrator. The District has a fiduciary responsibility for the funds withheld and remittance to trustees. The assets in the plan remain the property of the District until paid subject only to the claims of the District's creditors.

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provision of various employment contracts in effect at the time of retirement.

Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. In certain cases, the cost of providing post-retirement benefits is shared between the District and the retired employee. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as expenditure.

R. Short-Term Debt

The District may issue Revenue Anticipation Notes (RAN) and Tax Anticipation Notes (TAN), in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent a liability that will be extinguished by the use of expendable, available resources of the fund.

The District may issue budget notes up to an amount not to exceed 5% of the amount of the annual budget during any fiscal year for expenditures for which there is an insufficient or no provision made in the annual budget. The budget note must be repaid no later than the close of the second fiscal year succeeding the year in which the note was issued.

The District may issue Bond Anticipation Notes (BAN), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date.

The District may issue deficiency notes up to an amount not to exceed 5% of the amount of that same year's annual budget in any fund or funds arising from revenues being less than the amount estimated in the budget for that fiscal year. The deficiency notes may mature no later than the close of the fiscal year following the fiscal year in which they were issued. However, they may mature no later than the close of the second fiscal year after the fiscal year in which they were issued, if the notes were authorized and issued after the adoption of the budget for the fiscal year following the year in which they were issued.

S. Accrued Liabilities and Long-Term Obligations

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 in a timely manner and in full from current financial resources. Claims and judgments, other postemployment benefits payable, and compensated absences that will be paid from Governmental Funds, are reported as a liability in the funds financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from Governmental Funds are recognized as a liability in the fund financial statements when due.

Long-term obligations represent the District's future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the Statement of Net Position.

T. Equity Classifications

District-wide statements: In the District-wide statements there are three classes of net position:

Net investment in capital assets – consists of the net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.

Restricted net position – reports net position when constraints placed on the assets or deferred outflows of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – reports the balance of net position that does not meet the definition of the above two classifications and is deemed to be available for general use by the District.

Funds Statements

In the fund basis statements there are five classifications of fund balance:

Nonspendable fund balance – Includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Nonspendable fund balance includes inventory recorded in the Cafeteria Fund of \$5,820.

Restricted – 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. All encumbrances of funds other than the General Fund are classified as restricted fund balance. The School District has established the following restricted fund balances:

1. Unemployment Insurance Reserve

According to General Municipal Law Section 6-m, the reserve must be used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the employer has elected to use the benefit reimbursement method. The reserve may be established by board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. If the District elects to convert to tax (contribution) basis, excess of fund over sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the General Fund and was \$411,513 as of June 30, 2024.

2. Reserve for Debt Service

According to General Municipal Law Section 6-1, the Mandatory Reserve for Debt Service must be established for the purpose of retiring the outstanding obligations upon the sale of District property or capital improvement that was financed by obligations that remain outstanding at the time of sale. The funding of the reserve is from the proceeds of the sale of School District property or capital improvement. This reserve is accounted for in the Debt Service Fund and was \$576,571 as of June 30, 2024.

3. Capital Reserves

According to General Municipal Law Section 3651, the reserves must be used to pay the cost of any object or purpose for which bonds may be issued. The creation of capital reserve funds require authorization by a majority of the voters establishing the purpose of the reserves, the ultimate amount, its probable term and the source of the funds. Expenditures may be made from the reserve only for a specific purpose further authorized by the 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 Section 3651 of the Education Law. During the year ended June 30, 2022 the voters approved a resolution to establish an additional Capital Improvement Reserve Fund in an amount up to \$1,500,000 of which \$633,084 was funded during the year ended June 30, 2022 and the balance of \$866,916 during the year ended June 30, 2023. These reserves are accounted for in the General Fund under Restricted Fund Balance and were \$134,192 and \$1,579,754 as of June 30, 2024.

During the year ended June 30, 2021 the voters approved a resolution to establish a Transportation Reserve of \$750,000. Expenditures may be made from the reserve only for a specific purpose further authorized by the 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 Section 3651 of the Education Law. This reserve is accounted for in the General Fund under Restricted Fund Balance and was \$358,358 as of June 30, 2024.

4. Employee Benefit Accrued Liability Reserve

According to General Municipal law Section 6-p, the reserve must be used for the payment of accrued employee benefit due an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board, and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. The reserve is accounted for in the General Fund and was \$787,938 as of June 30, 2024.

5. Tax Certiorari Reserve

According to Education Law Section 3651.1a, the reserve must be used to establish a reserve fund for tax certiorari and to expend from the fund without voter approval. The monies held in the reserve shall not exceed the amount which might reasonably be deemed necessary to meet anticipated judgments and claims arising out of tax certiorari proceedings. Any resources deposited to the reserve which are not expended for tax certiorari proceedings in the year such monies are deposited must be returned to the General Fund on or before the first day of the fourth fiscal year after deposit of these monies. The reserve is accounted for in the General Fund and was \$0 as of June 30, 2024.

6. Retirement Contribution Reserves

According to General Municipal Law Section 6-r, the reserves must be used for the purpose of financing retirement contributions. The Retirement Contribution reserve must be accounted for separate and apart from all other funds, and a detailed report of the operation and condition of the fund must be provided to the Board. The reserve is accounted for in the General Fund and was \$1,954,282 as of June 30, 2024.

During the year ended June 30, 2019 the Board approved a resolution to establish a TRS Reserve as a sub-fund to the Retirement Contribution Reserve. Annual contributions to this sub-fund may not exceed 2% of the total compensation paid during the prior fiscal year to teachers employed by the District who are members of retirement system. The balance in the sub-fund may not exceed 10% of the total compensation paid during the prior fiscal year to teachers employed by the District who are members of retirement system. The reserve is accounted for in the General Fund and was \$286,069 as of June 30, 2024.

7. Workers' Compensation Reserve

According to General Municipal Law Section 6-m, the reserve must be used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law, and for the payment of expenses of administering this self-insurance program. The reserve may be established by Board action, and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. There were no payments out of the reserve during the year ended June 30, 2024. The Reserve is accounted for in the General Fund and was \$172,204 as of June 30, 2024.

Committed - Includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision making authority, i.e., the Board of Education. The School District has no committed fund balances as of June 30, 2024.

Assigned - Includes amounts that are constrained by the School District's intent to be used for specific purposes but are neither restricted nor committed. The purpose of the constraint must be narrower than the purpose of the General Fund, and in funds other than General Fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balance also includes an amount appropriated to partially fund the subsequent year's budget, as well as encumbrances not classified as restricted at the end of the fiscal year. General Fund encumbrances were \$57,044 as of June 30, 2024. In addition, the amount of \$755,494 has been appropriated to reduce taxes in the subsequent year. The Cafeteria Fund assigned fund balance was \$41,215.

Unassigned – Includes all other General Fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the School District and could report a surplus or a deficit. In funds other than the General Fund, the unassigned classification is used to report a deficit fund balance resulting from over spending for specific purposes for which amounts had been restricted or assigned. The total unassigned fund balance of the District as of June 30, 2024 was a positive \$81,968 composed of \$395,128 of General Fund surplus fund balance and a deficit fund balance of \$313,160 in the Capital Projects Fund.

NYS Real Property Tax Law Section 1318 limits the amount of unexpended surplus funds a school district can retain to no more than 4% of the school district's budget for the ensuing fiscal year. Nonspendable and restricted fund balance of the general fund are excluded from the 4% limitation as well as amounts appropriated for the subsequent year and encumbrances. As of June 30, 2024, the District's unassigned fund balance did not exceed the allowed 4%.

Order of Use of Fund Balance

The District's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, nonspendable fund balances are determined firsthand then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the General Fund are classified as restricted fund balance. In the General Fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

U. New Accounting Standards

The District has adopted and implemented all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable including the following:

-GASB Statement No. 100, *Accounting Changes and Error Corrections-an amendment of GASB Statement No. 62*, effective for the District in the year ending June 30, 2024.

V. Future Changes in Accounting Standards

-GASB Statement No. 101, *Compensated Absences*, effective for the year ending June 30, 2025.

The District will evaluate the impact that any new pronouncement may have on its financial statements and will implement them as applicable and when material.

II. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used in the Governmental Fund statements and the District-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources focus of the Governmental Funds.

A) Total fund balances of Governmental Funds vs. net assets of governmental activities:

Total fund balances of the District's Governmental Funds differs from "net assets" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets, as applied to the reporting of capital assets and long-term liabilities, including pensions.

B) Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities:

Differences between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of three broad categories. The amounts shown below represent:

i) Long-term revenue differences:

Long-term revenue differences arise because Governmental Funds report revenues only when they are considered "available", whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because Governmental Funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.

ii) Capital related differences:

Capital related differences include the difference between proceeds for the sale of capital assets reported on Governmental Fund statements and the gain or loss on the sale of assets as reported on the Statement of Activities, and the difference between recording an expenditure for the purchase of capital items in the Governmental Fund statements and depreciation expense on those items as recorded in the Statement of Activities.

iii) Long-term debt transaction differences:

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the Governmental Fund statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

iv) Pension differences:

Pension differences occur as a result of changes in the District's proportion of the collective net pension asset/liability and differences between the District's contributions and its proportionate share of the total contributions to the pension systems.

v) OPEB differences:

OPEB differences occur as a result of changes in the District's total OPEB liability and differences between the District's contributions and OPEB expense.

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets

The District administration prepares a proposed budget for approval by the Board of Education for the General Fund which is required to have a legal (appropriated) budget adopted.

The voters of the District approved the proposed appropriation budget for the General Fund for the year ended June 30, 2024.

Appropriations are adopted at the program line item level.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. No supplemental appropriations occurred during the year.

Budgets are adopted annually on a basis consistent with GAAP. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year. The General Fund is the only fund with a legally approved budget for the fiscal year ended June 30, 2024.

Budgets are established and used for individual capital project funds expenditures as approved by a special referendum of the District's voters. The maximum project amount authorized is based primarily upon the cost of the project, plus any requirements for external borrowings, not annual appropriations. These budgets do not lapse and are carried over to subsequent fiscal years until the completion of the projects.

Encumbrances

Encumbrance accounting is used for budget control and monitoring purposes and is reported as a part of the Governmental Funds. Under this method, purchase orders, contracts and other commitments for the expenditure of monies are recorded to reserve applicable appropriations. Outstanding encumbrances as of year-end are presented as reservations of fund balance and do not represent expenditures or liabilities. These commitments will be honored in the subsequent period. Related expenditures are recognized at that time, as the liability is incurred or the commitment is paid.

Unassigned Fund Balance

The portion of the District's fund balance subject to the New York State Real Property Tax Law Section 1318 limit did not exceed the amount allowable, which is 4% of the District's budget for the upcoming school year.

Deficit Fund Balance

The Capital Projects Fund had a deficit fund balance of \$313,160. This will be funded with a combination of either permanent financing, state aid or local sources.

Special Aid Fund

Individual budgets are all adopted based on each federal, state, and local grant award. Transfers among budgetary line items are made as deemed necessary after approval by the grantor agency. Appropriations lapse at the end of the grant period versus the District's fiscal year end.

IV. CASH AND CASH EQUIVALENTS-CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE AND FOREIGN CURRENCY RISKS

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the District may not recover its deposits. While the District does not have a specific policy for custodial credit risk, New York State statutes govern the District's investment policies, as discussed previously in these Notes.

The District's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The District's investment and deposit policy authorizes the reporting entity to purchase interest bearing demand deposits, certificates of deposit, obligations of the United States Treasury and United States Agencies and obligations of New York State and its localities.

The District's aggregate bank balances included balances not covered by depository insurance at year-end, collateralized as follows: (A) none, (B) \$2,287,651.

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

In addition to the above bank balances, the District also participates in a multi-municipal cooperative investment pool agreement pursuant to New York State General Municipal Law Article 5-G Section 119-0, whereby it holds a portion of the investments in cooperation with other participants. The investments are highly liquid and are considered to be cash equivalents. Total investment at the cooperative as of June 30, 2024 was \$5,164,162. The District owns a pro rata share of the underlying collateral consisting of \$101,218 in FDIC insured bank deposits, \$676,505 in collateralized bank deposits, \$847,955 in collateralized repurchase agreements and \$3,538,484 in collateralized U.S. Treasury Securities, with various interest rate and due dates. The cost of the investment pool shares are considered to approximate market value. The investment pool is categorically exempt from the New York State collateral agreements. Additional information concerning the cooperative is presented in the annual report of New York Cooperative Liquid Assets Securities System (NYCLASS).

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 as of June 30, 2024 includes \$5,978,242 within the Governmental Funds and \$157,464 in the fiduciary funds.

V. INTERFUND TRANSACTIONS

Interfund balances at June 30, 2024 are as follows:

	<u>Interfund</u>		<u>Interfund</u>	
	<u>Receivable</u>	<u>Payable</u>	<u>Revenues</u>	<u>Expenditures</u>
General Fund	\$ 737,432	\$ 16,943	\$ 23,249	\$ 100,000
Special Aid Fund	23,836	286,107	-	-
Cafeteria Fund	-	9,551	-	-
Debt Service Fund	287,064	4,425	-	-
Capital Projects Fund	<u>3,573</u>	<u>723,621</u>	<u>100,000</u>	<u>23,249</u>
Total Governmental Funds	1,051,905	1,040,647	<u>\$ 123,249</u>	<u>\$ 123,249</u>
Fiduciary	<u>-</u>	<u>11,258</u>		
Totals	<u>\$ 1,051,905</u>	<u>\$1,051,905</u>		

Interfund receivables and payables, other than between governmental activities and fiduciary funds, are eliminated on the Statement of Net Position.

The District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues.

The District transferred \$100,000 from the General Fund to the Capital Projects Fund during the fiscal year ended June 30, 2024 to fund capital projects.

The District transferred \$23,249 from the Capital Projects Fund to the General Fund during the fiscal year ended June 30, 2024 to return prior transfers.

All interfund payables are expected to be repaid within one year.

VI. CAPITAL ASSETS

Capital asset balances and activity for the fiscal year ended June 30, 2024 were as follows:

	Balance 6/30/2023	Additions	Retirements/ Reclassifications	Balance 6/30/2024
Capital Assets, Not Being Depreciated/Amortized:				
Land	\$ 7,500	-	-	\$ 7,500
Construction in Progress	<u>4,316,256</u>	<u>277,246</u>	<u>-</u>	<u>4,593,502</u>
Capital Assets, Not Being Depreciated/Amortized	<u>4,323,756</u>	<u>277,246</u>	<u>-</u>	<u>4,601,002</u>
Capital Assets, Being Depreciated/Amortized:				
Buildings and Improvements	12,011,499	-	-	12,011,499
Right to Use Assets	244,335	600	(112,502)	132,433
Furniture and Equipment	691,096	46,366	-	737,462
Vehicles	<u>888,334</u>	<u>200,212</u>	<u>-</u>	<u>1,088,546</u>
Capital Assets, Being Depreciated/Amortized	<u>13,835,264</u>	<u>247,178</u>	<u>(112,502)</u>	<u>13,969,940</u>
Less Accumulated Depreciation/Amortization:				
Buildings and Improvements	8,553,417	357,939	-	8,911,356
Right to Use Assets	131,826	48,883	(112,502)	68,207
Furniture and Equipment	529,364	27,212	-	556,576
Vehicles	<u>535,884</u>	<u>97,794</u>	<u>-</u>	<u>633,678</u>
Total Accumulated Depreciation/Amortization	<u>9,750,491</u>	<u>531,828</u>	<u>(112,502)</u>	<u>10,169,817</u>
Capital Assets, Being Depreciated/Amortized, Net	<u>4,084,773</u>	<u>(284,650)</u>	<u>-</u>	<u>3,800,123</u>
Governmental Activities Capital Assets, Net	<u>\$8,408,529</u>	<u>\$ (7,404)</u>	<u>\$ -</u>	<u>\$8,401,125</u>

Depreciation/Amortization expense was charged to governmental functions as follows:

General Support	\$ 97,898
Instructional	395,474
Pupil Transportation	<u>38,456</u>
Total Depreciation/Amortization Expense	<u>\$531,828</u>

VII. SHORT-TERM DEBT

a. Bond Anticipation Notes

Notes issued in anticipation of proceeds from the subsequent sale of bonds are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of the bonds. State law requires that bond anticipation notes issued for capital purposes be converted to long-term financing within five years after the original issue date.

b. Short-Term Debt Interest

Interest on short-term debt for the year was composed of:

Interest paid	\$ -
Less: interest accrued in the prior year	-
Plus: interest accrued in the current year	-
Total interest expense on short-term debt	<u>\$ -</u>

c. There was no short-term debt activity during the year.

VIII. LONG-TERM DEBT OBLIGATIONS

a. Debt Limit

At June 30, 2024, the total outstanding indebtedness represented approximately 14% of its debt limit.

b. Long-Term Debt Interest

Interest on long-term debt for the year was composed of:

Interest paid	\$183,657
Less: interest accrued in the prior year	(5,887)
Less: bond premium amortization	(49,213)
Plus: interest accrued in the current year	<u>5,544</u>
Total interest expense on long-term debt	<u>\$134,101</u>

c. Long-Term liability activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Issued / Additions	Retired / Reductions	Ending Balance	Amounts Due Within One Year
Serial Bonds	\$ 2,880,000	\$ -	\$ 175,000	\$ 2,705,000	\$ 205,000
Premium on Serial Bonds	377,218	-	49,213	328,005	-
Bonds Payable, Net	<u>3,257,218</u>	<u>-</u>	<u>224,213</u>	<u>3,033,005</u>	<u>205,000</u>
Other Long-Term Liabilities:					
Net Pension Liability	814,058	-	316,259	497,799	-
Compensated Absences	375,265	-	25,459	349,806	50,000
Accrued Post-Employment Benefits	4,166,244	-	224,824	3,941,420	371,606
Total Other Liabilities	<u>5,355,567</u>	<u>-</u>	<u>566,542</u>	<u>4,789,025</u>	<u>421,606</u>
Governmental Activities					
Long-Term Liabilities	<u>\$ 8,612,785</u>	<u>\$ -</u>	<u>\$ 790,755</u>	<u>\$ 7,822,030</u>	<u>\$ 626,606</u>

d. Maturity

1) The following is a summary of existing long-term liabilities:

Description of Issue	Issue Date	Final Maturity	Interest Rate	Outstanding June 30, 2024
Serial Bond	2010	2025	4.50%	<u>\$ 70,000</u>
Serial Bond including premium	2023	2038	5.00%	<u>\$ 2,963,005</u>
Compensated Absences	N/A	N/A	N/A	<u>\$ 349,806</u>
Accrued Post-Employment Benefits	N/A	N/A	N/A	<u>\$ 3,941,420</u>
Net Pension Liability	N/A	N/A	N/A	<u>\$ 497,799</u>

2) The following is a summary of maturing long-term debt service requirements:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 205,000	\$134,900	\$ 339,900
2026	140,000	125,000	265,000
2027	145,000	118,000	263,000
2028	155,000	110,750	265,750
2029	165,000	103,000	268,000
2030-2034	950,000	383,750	1,333,750
2035-2039	945,000	121,000	1,066,000
No fixed repayment schedule	<u>4,789,025</u>	<u>-</u>	<u>4,789,025</u>
Total	<u>\$7,494,025</u>	<u>\$1,096,400</u>	<u>\$8,590,425</u>

e. Debt Issuance Costs, Premium and Amortization

Net premiums resulting from bond refinancing are being amortized over the life of the related debt. These premiums are accordingly included in the outstanding principal balance of the bonds. Debt issuance costs related to the bonds are expensed in accordance with GASB 65.

IX. PENSION PLANS

General Information

The District participates in the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS). These are cost-sharing multiple employer public employee retirement systems. The Systems offer a wide range of plans and benefits, which are related to years of service and final average salary, vesting of retirement benefits, death, and disability.

Provisions and Administration

A 10-member Board of Trustees of the New York State Teachers' Retirement Board administers TRS. TRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law (NYSRSSL). Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. TRS issues a publicly available financial report that contains financial statements and required supplementary information. The report may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSSTR Comprehensive Annual Financial report which can be found on the System's website at www.nystsr.org.

ERS provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. NYSRSSL govern obligations of employers and employees to contribute, and benefits to employees. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The District also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. ERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to NYSERS, Offices of the State Comptroller, 110 State Street, Albany, New York 12244 or by referring to the ERS Comprehensive Annual Report, which can be found at www.osc.state.ny.us/retire/publications/index.php.

Funding Policies

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0% to 3.5% of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education law. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions for the ERS' fiscal year ended March 31. The District paid 100% of the required contributions as billed by the TRS and ERS for the current year and each of the two preceding years. The District paid the ERS contribution on February 20, 2024 instead of prepaying the required contributions by December 15, 2023 to receive a \$784 discount.

Contributions were as follows:

Year	ERS	TRS
2024	\$ 109,724	\$ 271,345
2023	93,996	268,570
2022	117,548	251,865

ERS has provided additional disclosures through entities that elected to participate in Chapter 260, 57, and 105.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024 the District reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for each of the Systems. The net pension asset/(liability) was measured as of March 31, 2024 for ERS and June 30, 2023 for TRS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The District's proportion of the net pension asset/(liability) was based on a projection of the District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS Systems in reports provided to the District.

	ERS	TRS
Measurement date	March 31, 2024	June 30, 2023
District's proportionate share of the net pension asset/(liability)	\$ (334,521)	\$ (163,278)
District's portion of the Plan's total net pension asset/(liability)	0.0022719%	0.014278%
Change in proportion since prior measurement date	182,690	133,569

For the year ended June 30, 2024, the District's recognized pension expense (credit) of \$479,265 for TRS and \$169,835 for ERS. At June 30, 2024 the District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience	\$ 107,749	\$ 395,906	\$ 9,122	\$ 978
Changes of assumptions	126,475	351,533	-	76,615
Net difference between projected and actual earnings on pension plan investments	-	83,464	163,412	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	58,888	86,761	15,132	585
Subtotal	293,112	917,664	187,666	78,178
District's contributions subsequent to the measurement date	30,992	279,204	-	-
Total	\$ 324,104	\$ 1,196,868	\$ 187,666	\$ 78,178

District contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/(liability) in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	<u>ERS</u>	<u>TRS</u>
2025	\$ (43,007)	\$ 87,354
2026	80,416	(65,304)
2027	102,618	673,483
2028	(34,582)	63,365
2029	-	49,357
2030	-	31,230
	<u>\$ 105,445</u>	<u>\$ 839,485</u>

Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2024	June 30, 2023
Actuarial valuation date	April 1, 2023	June 30, 2022
Investment rate	5.9%	6.95%
Salary scale	4.4%	1.95% - 5.18%
Decrement tables	April 1, 2016- March 31, 2020 System's Experience	July 1, 2015- June 30, 2020 System's Experience
Inflation rate	2.9%	2.4%
COLA's	1.5%	1.3%

For TRS, annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021 for June 30, 2023, applied on a generational basis. For ERS, annuitant mortality rates are based on April 1, 2016 – March 31, 2020 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021.

For TRS, the actuarial assumptions used in the June 30, 2023 valuation are based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2020. For ERS, the actuarial assumptions used in the March 31, 2024 valuation are based on the results of an actuarial experience study for the period April 1, 2016 – March 31, 2020.

The long-term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

	<u>Target Allocation</u>		<u>Long-Term Expected Real Rate of Return</u>	
	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>
Measurement date			March 31, 2024	June 30, 2023
<u>Asset Class:</u>				
Domestic Equities	32.00%	33.00%	4.00%	6.80%
International Equities	15.00%	15.00%	6.65%	7.60%
Private Equities	10.00%	9.00%	7.25%	10.10%
Global Equities	-	4.00%	-	7.20%
Real Estate Equities	9.00%	11.00%	4.60%	6.30%
Opportunistic Funds/ARS	3.00%	-	5.25%	-
Real Assets	3.00%	-	5.79%	-
Bonds and Mortgages	23.00%	-	1.50%	-
Cash	1.00%	-	0.25%	-
Credit	4.00%	-	5.40%	-
Domestic Fixed Income Securities	-	16.00%	-	2.20%
Global Fixed Income Securities	-	2.00%	-	1.60%
High Yield Fixed Income Securities	-	1.00%	-	4.40%
Private Debt Fixed Income	-	2.00%	-	6.00%
Real Estate Debt Fixed Income	-	6.00%	-	3.20%
Cash Equivalents	-	1.00%	-	0.30%
	<u>100.00%</u>	<u>100.00%</u>		

Discount Rate

The discount rate used to calculate the total pension liability was 5.9% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Asset (Liability) to the Discount Rate Assumption

The following presents the District's proportionate share of the net pension asset (liability) calculated using the discount rate of 5.9% for ERS and 6.95% for TRS, as well as what the District's proportionate share of the net pension asset(liability) would be if it were calculated using a discount rate that is 1-percentage point lower (4.9% for ERS and 5.95% for TRS) or 1-percentage point higher (6.9% for ERS and 7.95% for TRS) than the current rate:

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
ERS			
Employer's proportionate share of the net pension asset (liability)	<u>\$(1,051,769)</u>	<u>\$(334,521)</u>	<u>\$264,529</u>

	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
TRS Employer's proportionate share of the net pension asset (liability)	<u>\$(2,486,807)</u>	<u>\$(163,278)</u>	<u>\$1,790,911</u>

Pension Plan Fiduciary Net Position

The components of the current year net pension liability of the employers as of the respective measurement dates, were as follows:

	ERS	TRS
Measurement Date	March 31, 2024	June 30, 2023
Employers' total pension liability	\$240,696,851,000	\$138,365,122,000
Plan fiduciary net position	<u>225,972,801,000</u>	<u>137,221,537,000</u>
Employers' net position asset (liability)	<u>\$(14,724,050,000)</u>	<u>\$ (1,143,585,000)</u>
Ratio of plan fiduciary net position to the employers' total pension liability	93.88%	99.17%

Payables to the Pension Plan

For TRS, employer and employee contributions for the fiscal year ended June 30, 2024 will be paid to the System in September, October and November 2024 through a state aid intercept. Accrued retirement contributions as of June 30, 2024 represent employee and employer contributions for the fiscal year ended June 30, 2024 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2024 amounted to \$302,846.

For ERS, employer contributions are paid annually based on the System's fiscal year, which ends on March 31st. Accrued retirement contributions as of June 30, 2024 represent the projected employer contribution for the period of April 1, 2024 through June 30, 2024 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2024 amounted to \$30,061 of employer contributions. Employee contributions are remitted monthly.

X. POSTEMPLOYMENT BENEFITS

A. General Information about the OPEB Plan

Plan Description – The District's defined benefit OPEB plan, provides OPEB for all permanent full-time general and public safety employees of the District. The plan is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided – The District provides healthcare benefits for retirees and their dependents. The benefit terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the District offices and are available upon request.

Employees Covered by Benefit Terms – At June 30, 2024, the following employees were covered by benefit terms:

Inactive employees or their beneficiaries currently receiving benefit payments	27
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>66</u>
Total	<u>93</u>

B. Total OPEB Liability

The District's total OPEB liability of \$3,941,420 as of June 30, 2024 used a June 30, 2023 measurement date and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary Increases:

For support staff employees' payroll growth is based on the NYERS valuation as of March 31, 2020.

For Teachers' and Administrators' payroll growth is based on the NYSTRS valuation as of June 30, 2021.

Years of Service	NYERS	NYSTRS
0	8.80%	12.31%
10	4.18%	4.30%
20	3.30%	2.93%
30	3.30%	2.19%
40	3.30%	1.84%

Discount Rate 4.13%

Healthcare Cost Trend Rates - 8.00% Pre-65 and 6.50% Post-65 for 2024, decreasing 0.50% and 0.25% per year to an ultimate rate of 4.50% for 2032 and later years.

Retirees' Share of Benefit-Related Costs - Retiree contributions are assumed to increase according to health care trend rates.

The discount rate was based on a yield for 20-year tax-exempt general obligation municipal bonds as of June 30, 2023 with an average rating of AA/Aa or higher tax-exempt, high quality 20-year municipal bonds.

Mortality rates for support staff employees and retirees were based on the SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021. Mortality rates for teachers and administrator employees and retirees were based on SOA Pub-2010 Teachers Headcount Weighted Mortality Table fully generational using Scale MP-2021.

The actuarial valuation reported that the assumptions used in the June 30, 2024 valuation represent a reasonable long-term expectation of future OPEB outcomes. As national economic and District experience change over time, the assumptions will be tested for ongoing reasonableness and, if necessary, updated.

C. Changes in the total OPEB Liability

Balance at June 30, 2023		\$4,166,244
Changes for the Year		
Service cost	\$ 62,188	
Interest	165,420	
Changes of benefit terms	-	
Differences between expected and actual experience	(145,019)	
Benefit payments	(371,606)	
Changes in assumptions	<u>64,193</u>	<u>(224,824)</u>
Balance at June 30, 2024		<u>\$3,941,420</u>

Changes of assumptions reflect a change in the discount rate from 4.09% in 2023 to 4.13% in 2024 and health care trend rates have been reset to an initial 8.00% decreasing by 0.50% annually to an ultimate 4.50% rate for Pre-65 benefits and an initial rate of 6.50% decreasing by 0.25% to an ultimate rate of 4.50% for Post-65 benefits.

Sensitivity of the total OPEB Liability to changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	3.13% 1% Decrease	4.13% Discount Rate	5.13% 1% Increase
Total OPEB Liability	<u>\$4,253,846</u>	<u>\$3,941,420</u>	<u>\$3,664,719</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trends that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	Healthcare 1% Decrease	Cost Trend Rates	1% Increase
	7.00%	8.00%	9.00%
	Decreasing to	Decreasing to	Increasing to
	<u>3.50%</u>	<u>4.50%</u>	<u>5.50%</u>
Total OPEB Liability	<u>\$3,636,707</u>	<u>\$3,941,420</u>	<u>\$4,289,053</u>

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the District recognized OPEB expense (recovery) of \$(365,276). At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$(2,100,352)
Contributions subsequent to the measurement date	328,934	-
Changes of assumptions	<u>621,023</u>	<u>(402,901)</u>
Total	<u>\$ 949,957</u>	<u>\$(2,503,253)</u>

District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2025	\$(417,909)
2026	(408,526)
2027	(428,771)
2028	(307,740)
2029	(307,739)
Thereafter	<u>(11,544)</u>
Total	<u>\$(1,882,229)</u>

XI. RISK MANAGEMENT

1. General Information

The **West Valley Central School District** is exposed to various risks of loss related to torts, theft, damage, injuries, errors and omissions, natural disasters, and other risks. These risks are covered by commercial insurance. Settled claims from these risks have not materially exceeded commercial insurance coverage for the past two years. Management does not believe that any ultimate settlement of outstanding claims that existed as of June 30, 2024, will result in a District expense that is material to the financial statements.

2. Medical Insurance

The **West Valley Central School District** incurs costs related to an employee health insurance plan sponsored by the Cattaraugus-Allegany BOCES and its component districts. The Plan's objectives are to formulate, develop, and administer a program of insurance to obtain lower costs for that coverage and to develop a comprehensive loss control program. There is no required minimum period of membership; a member may withdraw from the plan at any time by timely notification to the Board of Directors of the Plan. Plan members include 22 districts, with the **West Valley Central School** bearing a less than 2% share of the Plan's assets and claims liabilities.

Plan members are subjected to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, members would be responsible for the Plan's liabilities. The Plan uses a reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability for the Plan as direct insurer of the risks reinsured. The Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expenditures in the periods in which they are made. During the year ended June 30, 2024, the **West Valley Central School District** incurred premiums or contribution expenditures totaling approximately \$1,175,327 for the 2023-2024 plan year. Payments of claims and claim adjustment expenses attributable to insured events of the current fiscal year and prior fiscal years were unavailable from the claim administrators.

3. Workers' Compensation and General and Liability Plans

The **West Valley Central School District** is a participant in the Cattaraugus-Allegany BOCES Self-Funded Workers' Compensation Plan and Liability and Casualty Plan, public entity risk pools operated for the benefit of 22 individual governmental units located within Cattaraugus and Allegany Counties of New York State. The District pays an annual premium to the plans for this insurance coverage. During the year ended June 30, 2024, the West Valley Central School District incurred premiums or contribution expenditures totaling \$15,934 for workers' compensation and \$60,177 for liability and casualty. The Plans are considered self-sustaining risk pools that will provide coverage for its members. **West Valley Central School District** has essentially transferred all related risk to the Plans. As of June 30, 2024, a reserve amounting to \$172,204 has been provided for in the General Fund to pay future workers' compensation claims.

4. Unemployment Insurance

The **West Valley Central School District** provides unemployment insurance through direct billings from the New York State Unemployment Insurance Fund. The liability for unasserted claims, if any, has not been recognized as a liability and is deemed immaterial. As of June 30, 2024, a reserve amounting to \$411,513 has been provided for in the General Fund to pay future claims.

XII. COMMITMENTS AND CONTINGENCIES

The District has received grants, which are subject to audit by agencies of the State and Federal governments. Such audits may result in disallowances and a request for return of funds. Based on past audits and no known significant areas of non-compliance, the District believes disallowances, if any, would not be material.

In the normal course of operations, the District is a party to various claims and/or litigation. A review by legal counsel reported three contingencies regarding pending or threatened litigation, claims and assessments, asserted or probable to be asserted. Management believes these matters will not have a material effect on the District's financial position and results of operations.

XIII. LEASE OBLIGATIONS

BOCES leases technology equipment to the District and amortizes the leases over a five year period with no amortization in the year of acquisition. The District pays for the full cost of the equipment at the time of acquisition.

During the year ended June 30, 2024 the District acquired \$600 of new leased equipment for cash from BOCES. As of June 30, 2024 the original cost of these assets totaled \$132,433 with amortization expense of \$48,883 and accumulated amortization of \$68,207 as of June 30, 2024.

XIV. DONOR-RESTRICTED ENDOWMENTS

The District administers endowment funds, which are restricted by the donor for the purposes of scholarships.

Donor-restricted endowments are reported as cash and cash equivalents. The amount of donor-restricted endowments that is available for authorization for expenditure by the District is \$119,203 and there is also \$5,000 in non-expendable endowment funds.

The District administers expenditures from donor-restricted endowments in compliance with the wishes expressed by the donor, which varies among the unique endowments administered by the District.

XV. RELATED PARTY TRANSACTIONS

There were no material related party transactions noted during the year ended June 30, 2024.

XVI. TAX ABATEMENTS AND PAYMENTS IN LIEU OF TAX (PILOT)

In December 1980 a property reverted to the New York State Energy Research and Development Authority (NYSERDA) and became tax exempt. The District receives state assistance pursuant to Section 19-b of the Public Lands Law as long as the property is owned by the State. The District received a Payment in Lieu of Tax (PILOT) of \$280,046 on this property during the year ended June 30, 2024. The District also received \$26,824 during the year ended June 30, 2024 for a PILOT program for another property in the District that will be exempt from property taxes until December 31, 2034 through the Cattaraugus County Industrial Development Agency.

XVII. SUBSEQUENT EVENTS

The District has evaluated subsequent events occurring after the Statement of Net Position through the date of September 30, 2024 which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

WEST VALLEY CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL-GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

Supplementary Schedule 1

	Original Budget	Final Budget	Actual (Budgetary Basis)		Final Budget Variance With Budgetary Actual
Revenues					
Local Sources					
Real Property Taxes	\$ 2,683,946	\$ 2,683,946	\$ 2,686,796		\$ 2,850
Other Tax Items	645,454	645,454	642,671		(2,783)
Charges for Services	20,000	20,000	16,236		(3,764)
Use of Money and Property	3,000	3,000	270,644		267,644
Sales of Property and Compensation for Loss	1,100	1,100	19,384		18,284
Miscellaneous	3,800	3,800	114,287		110,487
Interfund Revenues	-	-	-		-
Total Local Sources	3,357,300	3,357,300	3,750,018		392,718
State Sources	5,319,000	5,319,000	5,558,384		239,384
Federal Sources	-	-	-		0
Medicaid Reimbursements	20,000	20,000	36,745		16,745
Total Revenues	8,696,300	8,696,300	9,345,147		648,847
Other Financing Sources					
Transfers from Other Funds	145,000	145,000	23,249		(121,751)
Total Revenues and Other Financing Sources	8,841,300	8,841,300	\$ 9,368,396		\$ 527,096
Appropriated Fund Balance	605,955	605,955			
Appropriated Reserves - Encumbrances	-	44,170			
Total Revenues, Other Sources and Appropriated Fund Balance	\$ 9,447,255	\$ 9,491,425			
EXPENDITURES					
General Support					
Board of Education	\$ 27,750	\$ 30,820	\$ 26,642	\$ -	\$ 4,178
Central Administration	187,050	207,229	204,946	-	2,283
Finance	254,880	389,614	384,845	-	4,769
Staff	296,700	311,048	261,955	-	49,093
Central Services	878,300	1,054,483	915,407	38,757	100,319
Special Items	127,000	131,467	117,742	-	13,725
Total General Support	1,771,680	2,124,661	1,911,537	38,757	174,367
Instructional					
Administration and Improvement	258,950	279,762	251,321	-	28,441
Teaching - Regular School	2,077,360	1,890,469	1,623,585	17,298	249,586
Programs for Students with Disabilities	898,490	748,333	566,996	-	181,337
Occupational Education	106,690	106,690	94,482	-	12,208
Teaching - Special School	20,640	20,640	12,980	-	7,660
Instructional Media	325,720	330,545	277,419	-	53,126
Pupil Services	402,615	523,812	435,055	989	87,768
Total Instructional	4,090,465	3,900,251	3,261,838	18,287	620,126
Other Expenditures					
Pupil Transportation	653,610	718,513	595,994	-	122,519
Community Services	-	-	-	-	-
Employee Benefits	2,448,500	2,265,000	1,983,035	-	281,965
Debt Service					
Debt Service - Principal	205,000	186,343	175,000	-	11,343
Debt Service - Interest	165,000	183,657	183,657	-	-
Total Other Expenditures	3,472,110	3,353,513	2,937,686	-	415,827
Total Expenditures	9,334,255	9,378,425	8,111,061	57,044	1,210,320
Other Financing Uses					
Transfers to Other Funds	113,000	113,000	100,000	-	13,000
Total Expenditures and Other Uses	9,447,255	9,491,425	8,211,061	\$ 57,044	\$ 1,223,320
Net Change in Fund Balances	(605,955)	(650,125)	1,157,335		
Fund Balance - Beginning	5,734,641	5,734,641	5,734,641		
Fund Balance - Ending	\$ 5,128,686	\$ 5,084,516	\$ 6,891,976		

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.

WEST VALLEY CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
LAST EIGHT FISCAL YEARS
FOR THE YEAR ENDED JUNE 30, 2024

Supplementary Schedule 2

	Year Ended June 30, 2024	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017
OPEB Liability								
Total OPEB Liability - beginning of year	\$ 4,166,244	\$ 6,250,878	\$ 7,049,165	\$ 6,942,293	\$ 6,992,417	\$ 8,051,528	\$ 8,866,107	\$ 7,923,155
Service Cost	62,188	118,090	116,358	128,205	119,988	121,042	139,746	109,419
Interest	165,420	135,755	185,660	241,489	267,933	283,640	257,095	304,917
Changes of benefit terms	-	76,922	-	-	-	-	-	-
Changes in assumptions	64,193	(564,061)	272,370	1,169,820	239,266	(660,509)	(549,990)	900,500
Differences between expected and actual experience	(145,019)	(1,509,289)	(998,551)	(1,048,351)	(295,555)	(389,364)	(256,076)	-
Benefit Payments	(371,606)	(342,051)	(374,124)	(384,291)	(381,756)	(413,920)	(405,354)	(371,884)
Net change in total OPEB liability	(224,824)	(2,084,634)	(798,287)	106,872	(50,124)	(1,059,111)	(814,579)	942,952
Total OPEB liability - end of year	\$ 3,941,420	\$ 4,166,244	\$ 6,250,878	\$ 7,049,165	\$ 6,942,293	\$ 6,992,417	\$ 8,051,528	\$ 8,866,107
Plan Fiduciary Net Position								
Plan Fiduciary net position - beginning of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - employer	371,606	342,051	374,124	384,291	381,756	413,920	405,354	371,884
Contributions - retired members	-	-	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-	-	-
Benefit payments	(371,606)	(342,051)	(374,124)	(384,291)	(381,756)	(413,920)	(405,354)	(371,884)
Trust administrative expenses	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-	-	-	-
Plan Fiduciary net position - end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net OPEB Liability - end of year	\$ 3,941,420	\$ 4,166,244	\$ 6,250,878	\$ 7,049,165	\$ 6,942,293	\$ 6,992,417	\$ 8,051,528	\$ 8,866,107
Plan fiduciary net position as % of total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Covered employee payroll	\$ 3,452,077	\$ 3,367,880	\$ 3,510,047	\$ 3,424,436	\$ 3,407,597	\$ 3,324,485	\$ 3,325,117	\$ 3,282,445
Net OPEB liability as % of covered payroll	114.2%	123.7%	178.1%	205.8%	203.7%	210.3%	242.1%	270.1%

Notes to Required Supplementary Information

1. No assets are accumulated in a trust that meet the definition in paragraph 4 of GASB No. 75.
2. 10 years of historical information will not be available upon implementation.
An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical data is available.

See Paragraph on Supplementary Schedules Included in Auditors' Report.

**WEST VALLEY CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS
NYSTRS PENSION PLAN
LAST TEN FISCAL YEARS
FOR THE YEAR ENDED JUNE 30, 2024**

Supplementary Schedule 3

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 271,345	\$ 268,570	\$ 251,865	\$ 243,835	\$ 291,836	\$ 266,348	\$ 314,504	\$ 334,506	\$ 450,290	\$ 414,040
Contributions in relation to the contractually required contribution	271,345	268,570	251,865	243,835	291,836	266,348	314,504	334,506	450,290	414,040
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	2,636,973	2,740,510	2,642,864	2,752,084	2,747,988	2,717,836	2,650,175	2,523,077	2,571,397	2,529,689
Contributions as a percentage of covered-employee payroll	10.29%	9.80%	9.53%	8.86%	10.62%	9.80%	11.87%	13.26%	17.51%	16.37%

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS
NYSERS PENSION PLAN
LAST TEN FISCAL YEARS
FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 109,724	\$ 93,996	\$ 117,584	\$ 106,770	\$ 102,326	\$ 95,418	\$ 98,778	\$ 89,471	\$ 116,876	\$ 88,486
Contributions in relation to the contractually required contribution	109,724	93,996	117,584	106,770	102,326	95,418	98,778	89,471	116,876	88,486
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	881,266	842,148	743,869	752,041	721,345	648,858	638,839	579,214	555,602	503,702
Contributions as a percentage of covered-employee payroll	12.45%	11.16%	15.81%	14.20%	14.19%	14.71%	15.46%	15.45%	21.04%	17.57%

See Paragraph on Supplementary Schedules Included in Auditors' Report.

**WEST VALLEY CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY(ASSET) - TEACHERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS**

Supplementary Schedule 4

Measurement Date	Year Ended June 30,		2022	2021	2020	2019	2018	2017	2016	2015
	2024	2023	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.014278%	0.015470%	0.015571%	0.016214%	0.016463%	0.016685%	0.016348%	0.016348%	0.017100%	0.017249%
District's proportionate share of the net pension liability (asset)	\$ 163,278	\$ 296,847	\$ (2,698,271)	\$ 448,046	\$ (427,717)	\$ (301,713)	\$ (128,715)	\$ 175,094	\$ (1,776,165)	\$ (1,921,423)
District's covered employee- payroll	\$ 2,636,973	\$ 2,740,510	\$ 2,642,864	\$ 2,752,084	\$ 2,747,988	\$ 2,717,836	\$ 2,650,175	\$ 2,523,077	\$ 2,571,397	\$ 2,529,689
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	6.2%	10.8%	-102.1%	16.3%	-15.6%	-11.1%	-4.9%	6.9%	-69.1%	-76.0%
Plan fiduciary net position as a percentage of the total pension liability	99.17%	98.57%	113.25%	97.76%	102.17%	101.53%	100.66%	99.01%	100.46%	111.48%

**WEST VALLEY CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY(ASSET) - EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS**

Measurement Date	Year Ended June 30,		2022	2021	2020	2019	2018	2017	2016	2015
	2024	2023	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
District's proportion of the net pension liability (asset)	0.0022719%	0.0024119%	0.0022474%	0.0018418%	0.0020368%	0.0019173%	0.0020197%	0.0018370%	0.0020342%	0.0018469%
District's proportionate share of the net pension liability (asset)	\$ 334,521	\$ 517,211	\$ (183,715)	\$ 1,834	\$ 539,348	\$ 135,846	\$ 65,185	\$ 172,613	\$ 326,491	\$ 62,391
District's covered employee- payroll	\$ 881,266	\$ 842,148	\$ 743,869	\$ 752,041	\$ 743,869	\$ 752,041	\$ 638,839	\$ 579,214	\$ 555,602	\$ 503,702
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	38.0%	61.4%	-24.7%	0.2%	72.5%	18.1%	10.2%	29.8%	58.8%	12.4%
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

See Paragraph on Supplementary Schedules Included in Auditors' Report.

OTHER SUPPLEMENTARY INFORMATION

WEST VALLEY CENTRAL SCHOOL DISTRICT
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL PROJECTS FUND -
PROJECT EXPENDITURES AND FINANCING RESOURCES
FOR THE YEAR ENDED JUNE 30, 2024

Supplementary Schedule 5

Project Title	Number	Original Appropriation	Revised Appropriation	Expenditures to Date			Unexpended Balance	Methods of Permanent Financing to Date				Current Year Transfer to General Fund	Fund Balance (Deficit) June 30, 2024
				Prior Years'	Current Year	Total		Proceeds of Obligations	State Aid	Local Sources	Total		
Capital Outlay Project 20/21	04-02-04-04-0-001-014	\$ 94,700	\$ 94,878	\$ 94,878	\$ -	\$ 94,878	\$ -	\$ -	\$ -	94,878	\$ 94,878	\$ -	\$ -
Capital Outlay Project 21/22	04-02-04-04-0-001-016	100,000	100,000	83,700	-	83,700	16,300	-	-	83,700	83,700	-	-
Educational building 2021	04-02-04-04-0-001-015	3,875,000	3,875,000	3,810,412	58,041	3,868,453	6,547	2,745,000	-	943,173	3,688,173	-	(180,280)
Vehicles	N/A	N/A	N/A	-	-	-	N/A	-	-	9	9	-	9
Capital Outlay Project 22/23	04-02-04-04-0-001-018	100,000	100,000	4,143	95,857	100,000	-	-	-	100,000	100,000	-	-
Capital Improvement Project 24	04-02-04-04-0-001-019	-	-	-	9,536	9,536	(9,536)	-	-	-	-	-	(9,536)
Smart Schools Bond Act	04-02-04-04-7-999-001	436,946	436,946	323,123	113,813	436,936	10	-	313,583	-	313,583	-	(123,353)
Totals		\$ 4,606,646	\$ 4,606,824	\$ 4,316,256	\$ 277,247	\$ 4,593,503	\$ 13,321	\$ 2,745,000	\$ 313,583	\$ 1,221,760	\$ 4,280,343	\$ -	\$ (313,160)

**WEST VALLEY CENTRAL SCHOOL DISTRICT
SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET
AND THE REAL PROPERTY TAX LIMIT
FOR THE YEAR ENDED JUNE 30, 2024**

Supplementary Schedule 6

I. CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET -GENERAL FUND

Adopted Budget	\$ 9,447,255
Additions - Encumbrances from Prior Year	<u>44,170</u>
Original Budget	9,491,425
Budget Revision	<u>-</u>
Final Budget June 30, 2024	<u>\$ 9,491,425</u>

II. SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2024-2025 Adopted Budget	<u>\$ 9,878,455</u>
Maximum Allowed 4% of 2024-25 Budget	<u>\$ 395,138</u>
General Fund - Fund Balance Subject to Section 1318 of Real Property Tax Law	
Unrestricted Fund Balance	
Committed Fund Balance	\$ -
Assigned Fund Balance	812,538
Unassigned Fund Balance	<u>395,128</u>
Total Unrestricted Fund Balance	<u>1,207,666</u>
Less	
Appropriated Fund Balance	755,494
Encumbrances Included in Committed and Assigned Fund Balance	<u>57,044</u>
Total Adjustments	<u>812,538</u>
General Fund - Fund Balance Subject to Section 1318 of Real Property Tax Law	<u>\$ 395,128</u>
Actual Percentage	<u>4.00%</u>

See Paragraph on Supplementary Schedules Included in Auditors' Report.

WEST VALLEY CENTRAL SCHOOL DISTRICT
SUPPLEMENTARY INFORMATION
INVESTMENT IN CAPITAL ASSETS, NET OF RELATED DEBT
FOR THE YEAR ENDED JUNE 30, 2024

Supplementary Schedule 7

Capital Assets, Net		\$ 8,401,125
Deduct:		
Premium on Serial Bonds	328,005	
Serial Bonds Payable	<u>2,705,000</u>	<u>3,033,005</u>
 Investment in Capital Assets, Net of Related Debt		 <u><u>\$ 5,368,120</u></u>

See Paragraph on Supplementary Schedules Included in Auditors' Report.

FEDERAL AWARDS INFORMATION

**WEST VALLEY CENTRAL SCHOOL DISTRICT
SCHEDULE OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

Supplementary Schedule 8

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed through to Sub-recipients	Total Federal Expenditures
U.S. Department of Agriculture:				
<i>Passed through New York State Education Department:</i>				
Child Nutrition Cluster:				
School Breakfast Program	10.553	n/a	\$ -	\$ 35,804
National School Lunch Program	10.555	n/a	-	86,174
<i>Passed through New York State Office of General Services:</i>				
Child Nutrition Cluster:				
National School Lunch Program	10.555	n/a	-	7,939
Total Child Nutrition Cluster and U.S. Department of Agriculture			-	129,917
U.S. Department of Education:				
<i>Passed through New York State Department of Education:</i>				
Title I Grants to Local Educational Agencies	84.010	0021-24-0090	-	81,458
Title I School Improvement Grants	84.010	011-24-0090	-	52,957
Special Education Cluster:				
Special Education - Grants to States	84.027	0032-24-0038	-	70,670
Special Education - Preschool Grants	84.173	0033-24-0038	-	4,233
Total Special Education Cluster			-	74,903
Rural Education	84.358	S358A203960	-	16,815
Supporting Effective Instruction State Grants	84.367	0147-24-0090	-	17,480
Student Support and Academic Enrichment Program	84.424	0204-22-0090	-	20,000
Education Stabilization Fund:				
Elementary and Secondary School Emergency Relief Fund	84.425D	5891-21-0090	*# -	69,698
American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	5880-21-0090	*# -	417,911
American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	5882-21-0090	*# -	40,956
American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	5883-21-0090	*# -	4,777
American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	5884-21-0090	*# -	271,259
Total Education Stabilization Fund			-	804,601
Total U.S. Department of Education			-	1,068,214
Total Expenditures of Federal Awards			\$ -	\$ 1,198,131

*Major Program

CARES Act Funding

The notes to the schedule of federal awards are an integral part of this schedule.

**WEST VALLEY CENTRAL SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the West Valley Central School District under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the West Valley Central School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the West Valley Central School District. The following notes were identified on the Schedule:

- A.) Includes all federal award programs of the West Valley Central School District.
- B.) Source: Federal Assistance Listing Numbers, previously known as catalog of Federal Domestic Assistance.
- C.) Pass-through entity identifying numbers are presented where available.
- D.) Prepared under accounting principles generally accepted in the United States of America and includes all federal programs.
- E.) Total federal expenditures for the District's 2023-2024 fiscal year are reconciled to Federal sources as reported in the basic financial statements as follows:

Balance per schedule of expenditures of federal awards	\$1,198,131
Medicaid reimbursement	<u>36,745</u>
Total Federal sources per financial statements	<u>\$1,234,876</u>

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are presented on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C – INDIRECT COSTS

The District does not use the 10% de minimum indirect cost rate introduced by the Uniform Guidance.

NOTE D – NON-MONETARY FEDERAL PROGRAM

The West Valley Central School District is the recipient of a federal award program that does not result in cash receipts or disbursements termed a "non-monetary program." During the year ended June 30, 2024, the West Valley Central School District used \$7,939 worth of commodities.



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Education
West Valley Central School District
West Valley, New York 14171

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the West Valley Central School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the West Valley Central School District's basic financial statements, and have issued our report thereon dated September 30, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the West Valley Central School District's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the West Valley Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the West Valley Central School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the West Valley Central 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 statements. 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*.

Purpose of this Report

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. A. MERCER & CO., P.C.

R. A. Mercer & Co. P.C.

Springville, New York
September 30, 2024



R. A. MERCER & CO., P.C.

Certified Public Accountants

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
UNIFORM GUIDANCE**

To the Board of Education
West Valley Central School District
West Valley, New York 14171

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the West Valley Central School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the West Valley Central School District's major federal programs for the year ended June 30, 2024. The West Valley Central School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the West Valley Central School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the West Valley Central School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the West Valley Central School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the West Valley Central School District's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the West Valley Central School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the West Valley Central School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the West Valley Central School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the West Valley Central School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the West Valley Central School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

R.A. MERCER & CO., P.C.

R.A. Mercer & Co. P.C.

Springville, New York
September 30, 2024

**WEST VALLEY CENTRAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

1. Material weakness(es) identified? ☐ Yes ☒ No

2. Significant deficiency(ies) identified? ☐ Yes ☒ None reported

3. Noncompliance material to the financial statements noted? ☐ Yes ☒ No

Federal Awards:

Internal control over major programs:

4. Material weakness(es) identified? ☐ Yes ☒ No

5. Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Type of auditors' report issued on compliance for major programs: Unmodified

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) (Uniform Guidance)? ☐ Yes ☒ No

7. The West Valley Central School District's major programs audited were:

<u>Name of Federal program or Cluster</u>	<u>Federal Assistance Listing Number</u>
Education Stabilization Fund	84.425

8. Dollar threshold used to distinguish between Types A and Type B programs: \$750,000

9. Auditee qualified as low-risk auditee? ☐ Yes ☒ No

II. FINANCIAL STATEMENT FINDINGS

No reportable findings noted.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No reportable findings noted.

IV. STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS

There were no reportable findings and questioned costs for the year ended June 30, 2023.

EXTRACLASSROOM ACTIVITY FUNDS



R. A. MERCER & CO., P.C.

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
West Valley Central School District
West Valley, New York 14171

Opinion

We have audited the accompanying statement of assets and liabilities arising from cash transactions and the statement of revenues collected and expenses paid of the Extraclassroom Activity Fund of the **West Valley Central School District** as of and for the year ended June 30, 2024, and the related notes to the financial statements.

In our opinion, except for the effects of any adjustments that might have been determined to be necessary had we been able to perform adequate auditing procedures in regard to receipts referred to in the basis for qualified opinion paragraph, the financial statements referred to above present fairly, in all material respects, the recorded cash transactions of the Extraclassroom Activity Fund of the **West Valley Central School District** as of and for the year ended June 30, 2024, on the basis of accounting described in Note 1.

Basis for Qualified Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Extraclassroom Activity Fund of the **West Valley Central School District**, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Matter Giving Rise to the Qualified Opinion

The records of the Extraclassroom Activity Fund of **West Valley Central School District** were not adequate to permit the application of adequate auditing procedures to indicate whether all receipts were recorded.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Extraclassroom Activity Fund of the West Valley Central School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Extraclassroom Activity Fund of the **West Valley Central School District's** internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Extraclassroom Activity Fund of the **West Valley Central School District's** ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

R. A. MERCER & CO., P.C.

R. A. Mercer & Co. P.C.

Springville, New York
September 30, 2024

WEST VALLEY CENTRAL SCHOOL DISTRICT
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
EXTRACLASROOM ACTIVITY FUND
AS OF JUNE 30, 2024

Supplementary Schedule 9

ASSETS

Cash, Checking	\$ 22,784
Total Assets	<u>\$ 22,784</u>

LIABILITIES AND FUND BALANCE

Extraclassroom Activity Balances	\$ 22,172
Other Liabilities	612
Total Liabilities	<u>22,784</u>
 Fund Equity	 <u>-</u>
 Total Liabilities and Fund Equity	 <u>\$ 22,784</u>

See accompanying independent auditors' report and notes to the Extraclassroom Activity Fund financial statements.

WEST VALLEY CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES COLLECTED AND EXPENSES PAID
EXTRACLASROOM ACTIVITY FUND
FOR THE YEAR ENDED JUNE 30, 2024

Supplementary Schedule 10

EXTRACLASROOM ACCOUNTS	<u>Balances 6/30/23</u>	<u>Total Receipts 2023-2024</u>	<u>Total Payments 2023-2024</u>	<u>Balances 6/30/24</u>
Class of 2024	\$ 2,930	\$ 14,118	\$ 15,830	\$ 1,218
Class of 2025	1,072	3,983	2,876	2,179
Class of 2026	1,528	1,179	500	2,207
Class of 2027	-	1,513	713	800
Band	5,567	2,056	1,665	5,958
Chorus	1,868	-	-	1,868
GSA Club	198	105	253	50
ICC	833	-	-	833
SADD	2,579	3,013	2,890	2,702
Sales Tax Account	681	679	854	506
Student Council	530	2,286	2,297	519
Yearbook	4,297	2,337	3,302	3,332
Totals	<u><u>\$ 22,083</u></u>	<u><u>\$ 31,269</u></u>	<u><u>\$ 31,180</u></u>	<u><u>\$ 22,172</u></u>

See accompanying independent auditors' report and notes to the Extraclassroom Activity Fund financial statements.

**WEST VALLEY CENTRAL SCHOOL DISTRICT
NOTES TO THE EXTRACLASSROOM ACTIVITY FUND
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The transactions of the Extraclassroom Activity Fund are not considered part of the reporting entity of **West Valley Central School District**. Consequently, such transactions are not included in the general purpose financial statements of the School District. However, for the year ended June 30, 2024, cash and corresponding liabilities of the Extraclassroom Activity Fund are being included in the Trust and Agency balance sheet.

The books and records of the **West Valley Central School District's** Extraclassroom Activities Fund are maintained on the cash basis of accounting. Under this basis of accounting, revenues are recognized when cash is received and expenses are recognized when cash is disbursed. Therefore, receivables and payables, inventories, long-lived assets, and accrued income and expenses, which would be recognized under generally accepted accounting principles, and which may be material in amount, are not recognized in the accompanying financial statements.

**WEST VALLEY CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
FINDINGS AND EVALUATIONS
FOR THE YEAR ENDED JUNE 30, 2024**

I. Following is a discussion of the nonmaterial findings and evaluations discovered in our examination of the extraclassroom activities fund:

Inactive Activity Funds and Former Student Account

During our audit we noted that certain activities funds (Chorus and ICC) have had no activity during the current and prior fiscal year and appeared to be inactive. We also noted that the Class of 2024 had funds remaining in its account as of June 30, 2024. We recommend that activities which are deemed to be inactive be closed out and transferred to another activity fund in accordance with the District's policy including any accounts of former students.

School District's Response: The District will encourage all student groups to have active clubs during the school year. If there are student groups that no longer are active, the District will close the organization and transfer the remaining funds as dictated by Board Policy.

II. **Prior Year Findings**

The prior year finding regarding cash receipts missing a required signature did not occur again during the year ended June 30, 2024.



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Management Letter

To the Board of Education
West Valley Central School District
West Valley, New York 14171

In planning and performing our audit of the financial statements of **West Valley Central School District** for the year ended June 30, 2024 we considered the School District's internal control structure to plan our auditing procedures in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. For the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit, we noted certain matters, which are not considered to be reportable conditions, (significant deficiencies in the design or operation of the internal control structure) but which we feel are opportunities for the School District to strengthen its internal control structure. This letter does not affect our report dated September 30, 2024, on the financial statements of **West Valley Central School District**. Our comments and recommendation, all of which have been discussed with appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Payroll Liability Account Reconciliations

During our audit we noted several payroll liability accounts that were not reconciled on a regular basis. We recommend that the District take steps to ensure that all payroll liability accounts be reconciled on a monthly basis.

School District's Response: The District will implement procedures to ensure that all payroll liability accounts be reconciled monthly.

Repayment of Interfund Balances

During our audit we noted that interfund balances have not been repaid in over one year. We recommend that the District take steps to ensure all interfund balances are repaid within one year.

School District's Response: The District will implement procedures to ensure that all interfund balances are repaid within one year.

Capital Assets

During our audit we noted that the District has not added significant capital items to the appraisal report and depreciation schedule for recent capital projects. We recommend that the District work with its appraisal company to identify any assets that may need to be added to or deleted from the appraisal report and depreciation schedules. In the future, an important step in the capital assets process is to report all additions and disposals to the appraisal company on an annual basis and review the report once updated to ensure it is complete.

School District's Response: The District will work with the appraisal company to have an inventory completed to ensure that the reporting is updated to include all capital assets owned by the District.

Bank Reconciliations

During our audit we noted that several bank reconciliations needed to be updated for additional reconciling items noted during the audit. We recommend that the District take steps to ensure all bank reconciliations are properly and timely prepared and reconciled to the general ledger on a monthly basis.

School District's Response: The District will implement procedures to ensure that all bank reconciliations are prepared properly and timely and reconciled to the general ledger.

The prior year comments regarding Form 1099 filings did not reoccur during the year.

We would like to acknowledge the cooperation received from the Business Office personnel and thank all school personnel for the assistance provided to us during the course of our examination.

This management letter is intended for the information of the School Board, management, New York State Department of Education and all applicable federal agencies. However, this report is a matter of public record and its distribution is not limited.

R. A. MERCER & CO., P.C.

R. A. Mercer & Co. P.C.

Springville, New York
September 30, 2024