

DANSVILLE CENTRAL SCHOOL DISTRICT

BASIC FINANCIAL STATEMENTS

For Year Ended June 30, 2024



BUSINESS
ADVISORS
AND CPAS

T A B L E O F C O N T E N T S

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Dansville Central School District, New York

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Dansville Central School District, New York, 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 Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Dansville 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 opinions.

Responsibilities of Management for the Financial Statements

Dansville Central School District's 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 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.

Auditor's 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 auditor's 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 GAAS and *Government 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 GAAS 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 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 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, schedule of changes in District's total OPEB liability and related ratio, schedule of the District's proportionate share of the net pension liability, schedule of District contributions, and budgetary comparison information on pages 4-13 and 50-54 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Dansville Central School District's basic financial statements. The accompanying supplemental information as listed in the table of contents and 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 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information as listed in the table of contents and schedule of expenditures of federal awards 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. Such 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 supplementary information as listed in the table of contents and schedule of expenditures of federal awards is 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 23, 2024 on our consideration of Dansville 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 solely 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 the effectiveness of 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 Dansville Central School District's internal control over financial reporting and compliance.

Mengel, Metzger, Baw & Co. LLP

Rochester, New York
September 23, 2024

**Dansville Central School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024**

The following is a discussion and analysis of the School District's financial performance for the fiscal year ended June 30, 2024. This section is a summary of the School District's financial activities based on currently known facts, decisions, and/or conditions. It is also based on both the government-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section.

Financial Highlights

At the close of the fiscal year, the total assets plus deferred outflows (what the district owns) (net position) exceeded its total liabilities plus deferred inflows (what the district owes) by \$15,262,958 an increase of \$4,427,935 from the prior year.

General revenues which include Property Taxes, State and Federal Aid, Investment Earnings, Compensation for Loss, and Miscellaneous accounted for \$37,342,211 or 87% of all revenues. Program specific revenues in the form of Charges for Services, Operating Grants and Contributions, and Capital Grants and Contributions accounted for \$5,669,223 or 13% of total revenues.

As of the close of the fiscal year, the School District's governmental funds reported combined fund balances of \$19,210,317, an increase of \$2,501,158 in comparison with the prior year.

Overview of the Financial Statements

This management's discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report also contains individual fund statements and schedules in addition to the basic financial statements.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the School District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the School District's assets plus deferred outflow of resources and liabilities plus deferred inflow of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The *governmental* activities of the School District include instruction, pupil transportation, cost of food sales, general administrative support, community service, and interest on long-term debt.

The government-wide financial statements can be found on the pages immediately following this section as the first two pages of the basic financial statements.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All the funds of the School District can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the School District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The School District maintains six individual governmental funds: General Fund, Special Aid Fund, School Lunch Fund, Miscellaneous Special Revenue Fund, Debt Service Fund and Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, special aid fund, and the capital projects fund, which are reported as major funds. Data for the school lunch fund, the miscellaneous special revenue fund, and the debt service fund are aggregated into a single column and reported as non-major funds.

The School District adopts, and voters approve an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the budget.

The *Fiduciary Funds* are used to account for assets held by the School District in an agency capacity which accounts for assets held by the School District on behalf of others. Fiduciary funds are not reflected in the government-wide financial statement because the resources of these funds are *not* available to support the School District's programs.

The financial statements for the governmental and fiduciary funds can be found in the basic financial statement section of this report.

<u>Major Feature of the District-Wide and Fund Financial Statements</u>			
	<u>Government-Wide Statements</u>	<u>Fund Financial Statements</u>	
		<u>Governmental Funds</u>	<u>Fiduciary Funds</u>
Scope	Entire District (except fiduciary funds)	The activities of the School District that are not proprietary or fiduciary, such as special education, scholarship programs, and building maintenance	Instances in which the School District administers resources on behalf of someone else, such as student activities monies
Required financial statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balance	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 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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the basic financial statement section of this report.

Government-Wide Statements

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

The two government-wide statements report the District's net position and how they have changed. Net position, the difference between the District's assets plus deferred outflow of resources and liabilities plus deferred inflow of resources, is one way to measure the District's financial health or position. Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively. Additional non-financial factors such as changes in the District's property tax base and the condition of the school buildings and facilities must also be considered to assess the District's overall health.

All the District's services are reported in the government-wide financial statements as governmental activities. Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes, federal and state aid, and investment earnings finance most of these activities.

Financial Analysis of the School District As A Whole

Net Position

The District's combined net position were more on June 30, 2024, than they were the year before, increasing to \$15,262,958 as shown in table below.

	<u>Governmental Activities</u>		<u>Total</u>
	<u>2024</u>	<u>2023</u>	<u>Variance</u>
<u>ASSETS:</u>			
Current and Other Assets	\$ 22,422,653	\$ 19,893,155	\$ 2,529,498
Capital Assets	49,669,998	51,316,154	(1,646,156)
Total Assets	\$ 72,092,651	\$ 71,209,309	\$ 883,342
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Deferred Outflows of Resources	\$ 10,391,156	\$ 15,135,479	\$ (4,744,323)
<u>LIABILITIES:</u>			
Long-Term Debt Obligations	\$ 37,643,546	\$ 40,655,510	\$ (3,011,964)
Other Liabilities	2,487,519	2,399,257	88,262
Total Liabilities	\$ 40,131,065	\$ 43,054,767	\$ (2,923,702)
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Deferred Inflows of Resources	\$ 27,089,784	\$ 32,454,998	\$ (5,365,214)
<u>NET POSITION:</u>			
Net Investment in Capital Assets	\$ 35,827,825	\$ 36,881,176	\$ (1,053,351)
<u>Restricted For:</u>			
Employment Retirement System	2,156,993	2,047,866	109,127
Capital Projects	-	1,267,780	(1,267,780)
Unemployment Insurance Reserve	3,671,423	3,547,845	123,578
Capital Reserve	4,750,670	1,549,050	3,201,620
Other Purposes	4,370,278	3,029,080	1,341,198
Unrestricted	(35,514,231)	(37,487,774)	1,973,543
Total Net Position	\$ 15,262,958	\$ 10,835,023	\$ 4,427,935

Key Variances

- Deferred Outflows of Resources decreased \$4,744,323 as a result of changes to the assumptions and differences between projected and actual earnings on investments for the pension systems.
- Deferred Inflows of Resources decreased \$5,365,214 as a result of changes to the assumptions and expected and actual experience for the OPEB reporting.

The District's financial position is the product of many factors.

By far, the largest component of the School District's net position reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The School District uses these capital assets to provide services to the students and consequently, these assets are not available for future spending. Although the School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

There are five restricted net position balances, Reserve for Employee Retirement, Unemployment Insurance Reserve, Capital Reserves and other purposes. The remaining balance is unrestricted net position, which is a deficit of \$35,514,231.

Changes in Net Position

The District's total revenue increased 6% to \$43,011,434. State and federal aid (61%) and property taxes (22%) accounted for most of the District's revenue. The remaining (17%) of the revenue comes from operating grants, capital grants, charges for services, investment earnings, compensation for loss, and miscellaneous revenues.

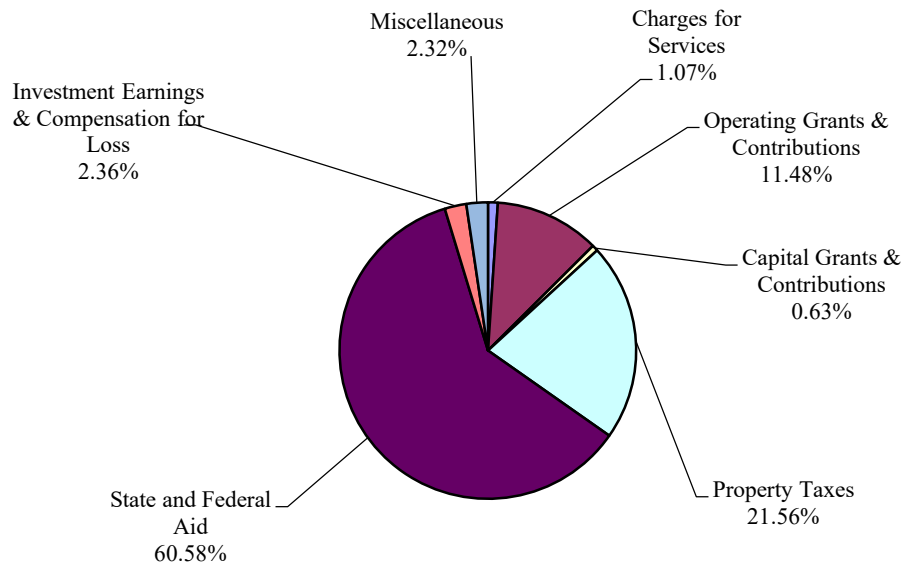
The total cost of all the programs and services increased 14% to \$38,583,499. The District's expenses are predominately related to education and caring for the students (Instruction) 71%. General support which included expenses associated with the operation, maintenance and administration of the District accounted for 15% of the total costs. See table below:

	<u>Governmental Activities</u>		<u>Total</u>
	<u>2023</u>	<u>2023</u>	<u>Variance</u>
<u>REVENUES:</u>			
<u>Program -</u>			
Charges for Service	\$ 460,818	\$ 572,372	\$ (111,554)
Operating Grants & Contributions	4,937,265	5,726,104	(788,839)
Capital Grants & Contributions	271,140	38,534	232,606
Total Program	<u>\$ 5,669,223</u>	<u>\$ 6,337,010</u>	<u>\$ (667,787)</u>
<u>General -</u>			
Property Taxes	\$ 9,272,181	\$ 9,149,404	\$ 122,777
State and Federal Aid	26,057,247	23,334,801	2,722,446
Investment Earnings	973,503	424,175	549,328
Compensation for Loss	42,205	11,596	30,609
Miscellaneous	997,075	1,292,593	(295,518)
Total General	<u>\$ 37,342,211</u>	<u>\$ 34,212,569</u>	<u>\$ 3,129,642</u>
TOTAL REVENUES	<u>\$ 43,011,434</u>	<u>\$ 40,549,579</u>	<u>\$ 2,461,855</u>
<u>EXPENSES:</u>			
General Support	\$ 5,867,964	\$ 5,519,756	\$ 348,208
Instruction	27,350,349	23,120,001	4,230,348
Pupil Transportation	3,574,628	3,305,370	269,258
School Lunch	1,287,201	1,191,925	95,276
Interest	503,357	598,328	(94,971)
TOTAL EXPENSES	<u>\$ 38,583,499</u>	<u>\$ 33,735,380</u>	<u>\$ 4,848,119</u>
INCREASE IN NET POSITION	<u>\$ 4,427,935</u>	<u>\$ 6,814,199</u>	
NET POSITION, BEGINNING			
OF YEAR	<u>\$ 10,835,023</u>	<u>\$ 4,020,824</u>	
NET POSITION, END OF YEAR	<u>\$ 15,262,958</u>	<u>\$ 10,835,023</u>	

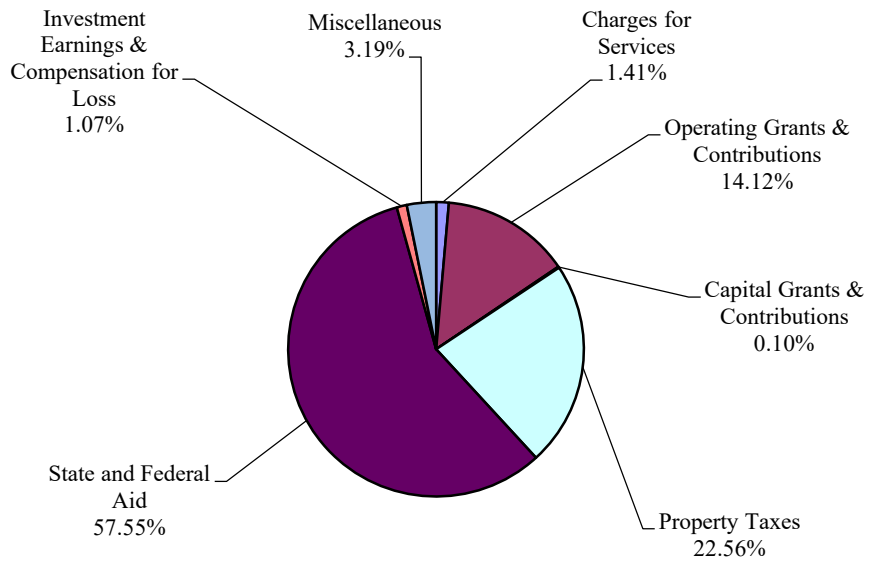
Key Variances

- State and Federal Aid increased \$2,722,446 as a result of changes to the foundation and formula aid
- Instruction increased \$4,230,348 as a result of the impact of the changes to the pension systems and special education spending

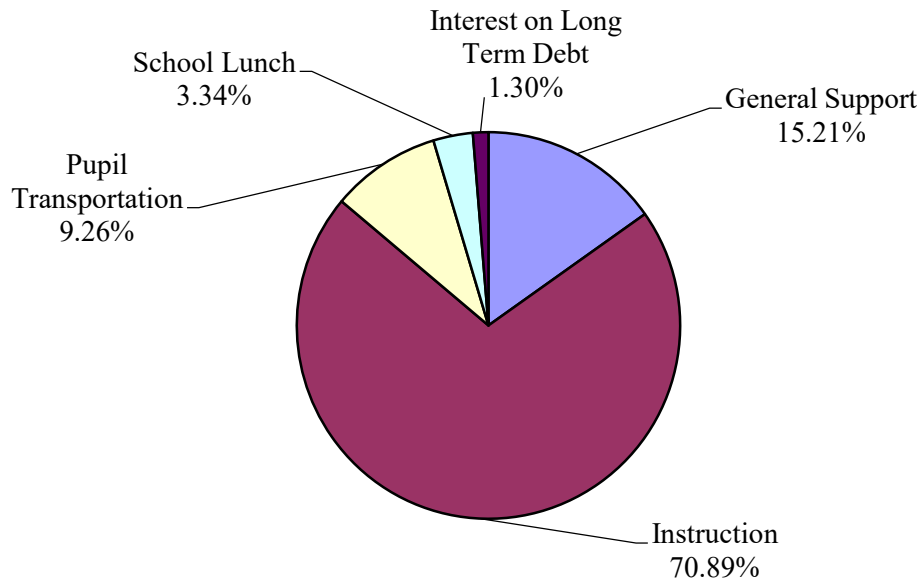
Sources of Revenue for 2023-24



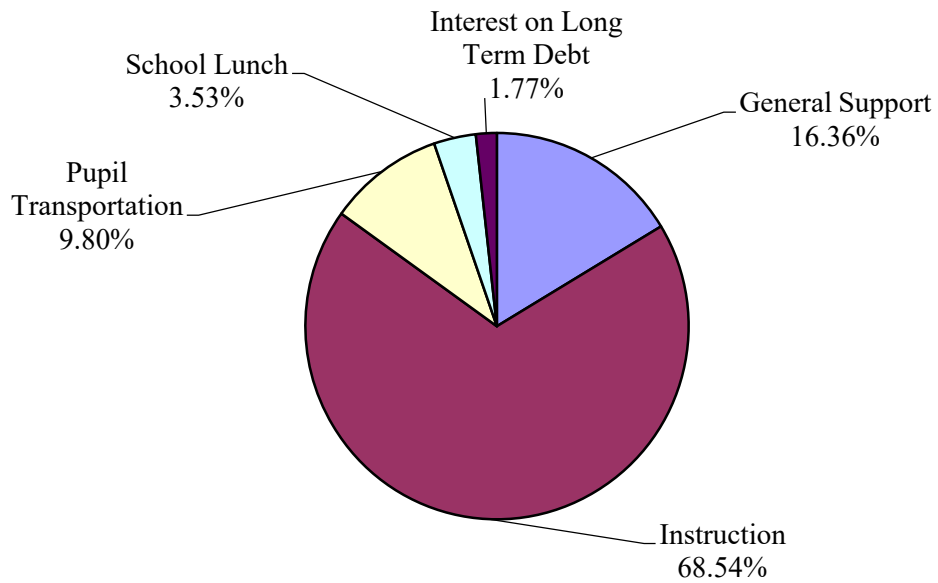
Sources of Revenue for 2022-23



Expenses for 2023-24



Expenses for 2022-23



Financial Analysis of the School District's Funds

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported combined fund balances of \$19,210,317 which is more than last year's ending fund balance of \$16,709,159.

The General Fund is the chief operating fund of the District. At the end of the current year, the total fund balance of the General Fund was \$16,215,827. Fund balance for the General Fund increased by \$3,683,288 compared with the prior year. See table below:

<u>General Fund Balances:</u>	<u>2024</u>	<u>2023</u>	<u>Total Variance</u>
Nonspendable	\$ -	\$ 269,523	\$ (269,523)
Restricted	12,375,541	8,854,363	3,521,178
Assigned	2,206,137	1,826,464	379,673
Unassigned	1,634,149	1,582,189	51,960
Total General Fund Balances	<u>\$ 16,215,827</u>	<u>\$ 12,532,539</u>	<u>\$ 3,683,288</u>

The District appropriated funds from the following reserves for the 2024-25 budget:

	<u>Total</u>
Unemployment Costs	\$ 862,860
ERS Retirement Contribution	750,000
TRS Retirement Contribution	225,000
Reserve for Debt	390,000
Capital Reserve Transportation	195,000
Employee Benefit Accrued Liability	20,000
Total	<u>\$ 2,442,860</u>

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was \$326,464. This change is attributable to \$326,464 of carryover encumbrances from the 2022-23 school year.

The key factors for budget variances in the general fund are listed below along with explanations for each.

Expenditure Items:	Budget Variance Original Vs. Amended	Explanation for Budget Variance
General Support	\$627,911	Due to overage in Computer Services – BOCES
Instructional	(\$273,623)	Mainly due to overage in Computer Services – BOCES funds transferred
Employee Benefits	(\$459,268)	Mainly due to overage in Computer Services – BOCES funds transferred

	Budget Variance Amended Vs. Actual	
Revenue Items:		Explanation for Budget Variance
Use of Money and Property	\$926,473	Increase in interest rates and charges for related services to the responsible Counties
State Sources	\$836,323	Increase in transportation aid
Transfers-In	(\$359,342)	Did not utilize Debt Service transfer, offset by transfer of unspent capital project balances.
Expenditure Items:	Budget Variance Amended Vs. Actual	Explanation for Budget Variance
General Support	\$984,292	Staffing partly in ARPA grants
Instructional	\$1,627,477	Staffing partly in ARPA grants and less utilization of Special Ed. BOCES.
Pupil Transportation	\$464,625	Transportation contracts not fully utilized.
Employee Benefits	\$1,755,622	Allocation of salaries that affect benefits and actual benefits in grants.

Capital Asset and Debt Administration

Capital Assets

By the end of the 2024 fiscal year, the District had invested \$49,189,783 in a broad range of capital assets, including land, work in progress, buildings and improvements, and machinery and equipment. The change in capital assets, net of accumulated depreciation, is reflected below:

	<u>2024</u>	<u>2023</u>
<u>Capital Assets:</u>		
Land	\$ 72,708	\$ 72,708
Work in Progress	336,248	15,029,690
Buildings and Improvements	44,763,645	32,080,650
Machinery and Equipment	4,017,182	3,552,818
Total Capital Assets	<u>\$ 49,189,783</u>	<u>\$ 50,735,866</u>
<u>Lease Assets:</u>		
Equipment	\$ 461,082	\$ 580,288
Software	19,133	-
Total Lease Assets	<u>\$ 480,215</u>	<u>\$ 580,288</u>

More detailed information can be found in the notes to the financial statements.

Long-Term Debt

At year end, the District had \$37,643,546 general obligation bonds and other long-term debt outstanding as follows:

<u>Type</u>	<u>2024</u>	<u>2023</u>
Serial Bonds	\$ 13,435,000	\$ 14,970,000
Unamortized Bond Premium	436,430	470,002
Lease Liability	114,171	66,277
OPEB	19,693,088	19,652,301
Net Pension Liability	3,041,158	4,332,602
Retainage	-	186,110
Teachers' Retirement Incentive	287,500	277,500
Compensated Absences	636,199	700,718
Total Long-Term Obligations	<u>\$ 37,643,546</u>	<u>\$ 40,655,510</u>

More detailed information can be found in the notes to the financial statements.

Factors Bearing on the District's Future

The District continues to experience increased expenses for employee health insurance as rates continue to increase. The increased cost of educating students with disabilities in the District as well as those students going to public and private placements requiring tuition as Dansville continues to have an influx of students with disabilities. The expense in relation to the challenge of employing qualified teaching staff amid the teacher shortage that is happening nationwide. Aging facilities require upgrades and renovations including new roofs, plumbing, boilers, lighting, plumbing fixtures, phone system upgrades, and HVAC upgrades.

Contacting the School District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office at:

Dansville Central School District,
337 Main Street,
Dansville, New York 14437-1199

DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK

Statement of Net Position

June 30, 2024

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 17,142,549
Accounts receivable	5,261,428
Inventories	18,676
Capital Assets:	
Land	72,708
Work in progress	336,248
Other capital assets (net of depreciation)	49,261,042
TOTAL ASSETS	<u>\$ 72,092,651</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources	<u>\$ 10,391,156</u>
 LIABILITIES	
Accounts payable	\$ 479,562
Accrued liabilities	303,808
Unearned revenues	47,627
Due to other governments	300,153
Due to teachers' retirement system	1,199,307
Due to employees' retirement system	144,782
Other Liabilities	12,280
Long-Term Obligations:	
Due in one year	1,500,128
Due in more than one year	36,143,418
TOTAL LIABILITIES	<u>\$ 40,131,065</u>
 DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources	<u>\$ 27,089,784</u>
 NET POSITION	
Net investment in capital assets	\$ 35,827,825
Restricted For:	
Reserve for employee retirement system	2,156,993
Unemployment insurance reserve	3,671,423
Capital reserves	4,750,670
Other purposes	4,370,278
Unrestricted	(35,514,231)
TOTAL NET POSITION	<u>\$ 15,262,958</u>

DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK
Statement of Activities
For The Year Ended June 30, 2024

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Capital</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants and</u>	<u>Grants and</u>	<u>Changes in</u>
			<u>Contributions</u>	<u>Contributions</u>	<u>Net Position</u>
					<u>Governmental</u>
					<u>Activities</u>
<u>Primary Government -</u>					
General support	\$ 5,867,964	\$ -	\$ -	\$ -	\$ (5,867,964)
Instruction	27,350,349	371,661	3,791,522	271,140	(22,916,026)
Pupil transportation	3,574,628	-	-	-	(3,574,628)
School lunch	1,287,201	89,157	1,145,743	-	(52,301)
Interest	503,357	-	-	-	(503,357)
Total Primary Government	\$ 38,583,499	\$ 460,818	\$ 4,937,265	\$ 271,140	\$ (32,914,276)
General Revenues:					
Property taxes					\$ 9,272,181
State and federal aid					26,057,247
Investment earnings					973,503
Compensation for loss					42,205
Miscellaneous					997,075
Total General Revenues					\$ 37,342,211
Changes in Net Position					\$ 4,427,935
Net Position, Beginning of Year					10,835,023
Net Position, End of Year					\$ 15,262,958

DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK

Balance Sheet

Governmental Funds

June 30, 2024

	General Fund	Special Aid Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 13,880,109	\$ 363,039	\$ 1,727,130	\$ 1,172,271	\$ 17,142,549
Receivables	3,601,852	1,213,340	377,157	69,079	5,261,428
Inventories	-	-	-	18,676	18,676
Due from other funds	1,938,187	-	-	585,458	2,523,645
TOTAL ASSETS	<u>\$ 19,420,148</u>	<u>\$ 1,576,379</u>	<u>\$ 2,104,287</u>	<u>\$ 1,845,484</u>	<u>\$ 24,946,298</u>

LIABILITIES DEFERRED INFLOWS AND FUND BALANCES

Liabilities -

Accounts payable	\$ 440,371	\$ 315	\$ 38,534	\$ 342	\$ 479,562
Accrued liabilities	264,045	-	-	19,972	284,017
Due to other funds	98,928	1,533,892	890,825	-	2,523,645
Due to other governments	300,000	-	-	153	300,153
Due to TRS	1,199,307	-	-	-	1,199,307
Due to ERS	144,782	-	-	-	144,782
Other liabilities	12,280	-	-	-	12,280
Unearned revenue	-	42,172	-	5,455	47,627
TOTAL LIABILITIES	<u>\$ 2,459,713</u>	<u>\$ 1,576,379</u>	<u>\$ 929,359</u>	<u>\$ 25,922</u>	<u>\$ 4,991,373</u>

Deferred Inflows -

Deferred inflows of resources	\$ 744,608	\$ -	\$ -	\$ -	\$ 744,608
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Fund Balances -

Nonspendable	\$ -	\$ -	\$ -	\$ 18,676	\$ 18,676
Restricted	12,375,541	-	1,174,928	1,542,323	15,092,792
Assigned	2,206,137	-	-	258,563	2,464,700
Unassigned	1,634,149	-	-	-	1,634,149
TOTAL FUND BALANCE	<u>\$ 16,215,827</u>	<u>\$ -</u>	<u>\$ 1,174,928</u>	<u>\$ 1,819,562</u>	<u>\$ 19,210,317</u>

TOTAL LIABILITIES

**DEFERRED INFLOWS AND
FUND BALANCES**

	<u>\$ 19,420,148</u>	<u>\$ 1,576,379</u>	<u>\$ 2,104,287</u>	<u>\$ 1,845,484</u>	
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Amounts reported for governmental activities in the

Statement of Net Position are different because:

Capital assets/right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds. 49,669,998

Interest is accrued on outstanding bonds in the statement of net position but not in the funds. (19,791)

The following long-term obligations are not due and payable in the current period and therefore are not reported in the governmental funds:

Serial bonds payable	(13,435,000)
Unamortized bond premiums	(436,430)
Leases	(114,171)
OPEB	(19,693,088)
Compensated absences	(636,199)
Teachers' retirement incentive	(287,500)
Deferred outflow - pension	6,852,942
Deferred outflow - OPEB	3,538,214
Net pension liability	(3,041,158)
Deferred inflow - pension	(1,670,893)
Deferred inflow - OPEB	(24,674,283)

Net Position of Governmental Activities

\$ 15,262,958

DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For The Year Ended June 30, 2024

	General Fund	Special Aid Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Real property taxes and tax items	\$ 9,272,181	\$ -	\$ -	\$ -	\$ 9,272,181
Charges for services	371,661	-	-	-	371,661
Use of money and property	1,187,353	-	-	171,424	1,358,777
Sale of property and compensation for loss	42,205	-	-	-	42,205
Miscellaneous	601,489	-	-	10,312	611,801
State sources	25,953,038	980,037	271,140	232,436	27,436,651
Federal sources	104,209	2,811,485	-	913,307	3,829,001
Sales	-	-	-	89,157	89,157
TOTAL REVENUES	\$ 37,532,136	\$ 3,791,522	\$ 271,140	\$ 1,416,636	\$ 43,011,434
EXPENDITURES					
General support	\$ 4,838,590	\$ 47,918	\$ -	\$ -	\$ 4,886,508
Instruction	15,903,301	3,124,931	-	-	19,028,232
Pupil transportation	2,273,760	60,875	797,737	-	3,132,372
Employee benefits	8,414,530	598,132	-	267,596	9,280,258
Debt service - principal	1,583,722	-	-	-	1,583,722
Debt service - interest	540,171	-	-	-	540,171
Cost of sales	-	-	-	574,638	574,638
Other expenses	-	-	-	471,569	471,569
Capital outlay	-	-	1,109,422	-	1,109,422
TOTAL EXPENDITURES	\$ 33,554,074	\$ 3,831,856	\$ 1,907,159	\$ 1,313,803	\$ 40,606,892
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	\$ 3,978,062	\$ (40,334)	\$ (1,636,019)	\$ 102,833	\$ 2,404,542
OTHER FINANCING SOURCES (USES)					
Transfers - in	\$ 30,658	\$ 40,334	\$ 285,000	\$ 65,300	\$ 421,292
Transfers - out	(325,432)	-	(95,860)	-	(421,292)
Proceeds from obligations	-	-	96,616	-	96,616
TOTAL OTHER FINANCING SOURCES (USES)	\$ (294,774)	\$ 40,334	\$ 285,756	\$ 65,300	\$ 96,616
NET CHANGE IN FUND BALANCE	\$ 3,683,288	\$ -	\$ (1,350,263)	\$ 168,133	\$ 2,501,158
FUND BALANCE, BEGINNING OF YEAR	12,532,539	-	2,525,191	1,651,429	16,709,159
FUND BALANCE, END OF YEAR	\$ 16,215,827	\$ -	\$ 1,174,928	\$ 1,819,562	\$ 19,210,317

(See accompanying notes to financial statements)

DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to Statement of Activities
For The Year Ended June 30, 2024

NET CHANGE IN FUND BALANCES -
TOTAL GOVERNMENTAL FUNDS

\$ 2,501,158

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following are the amounts by which capital outlays and additions of assets in excess depreciation in the current period:

Capital Outlay	\$ 1,109,422	
Additions to Assets, Net	189,452	
Depreciation and Amortization	<u>(2,945,030)</u>	
		(1,646,156)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term obligations in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position. The following details these items as they effect the governmental activities:

Debt Repayments	\$ 1,583,722	
Proceeds from Bond Issuance	(96,616)	
Unamortized Bond Premium	<u>33,572</u>	
		1,520,678

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 3,242

The retainage liability does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds. 186,110

The net OPEB liability does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds. 3,268,323

(Increase) decrease 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	(893,435)
Employees' Retirement System	(566,504)

In the Statement of Activities, vacation pay, teachers' retirement incentive and judgments and claims are measured by the amount accrued during the year. In the governmental funds, expenditures for these items are measured by the amount actually paid. The following provides the differences of these items as presented in the governmental activities:

Compensated Absences	\$ 64,519	
Retiree Incentives	<u>(10,000)</u>	
		<u>54,519</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 4,427,935

DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK

Statement of Fiduciary Net Position

June 30, 2024

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	\$ 115,253
TOTAL ASSETS	<u>\$ 115,253</u>
NET POSITION	
Restricted for individuals, organizations and other governments	\$ 115,253
TOTAL NET POSITION	<u>\$ 115,253</u>

Statement of Changes in Fiduciary Net Position

For The Year Ended June 30, 2024

	<u>Custodial Funds</u>
ADDITIONS	
Library taxes	\$ 593,739
Student activity	146,909
TOTAL ADDITIONS	<u>\$ 740,648</u>
DEDUCTIONS	
Student activity	\$ 137,438
Library taxes	593,739
TOTAL DEDUCTIONS	<u>\$ 731,177</u>
CHANGE IN NET POSITION	\$ 9,471
NET POSITION, BEGINNING OF YEAR	<u>105,782</u>
NET POSITION, END OF YEAR	<u>\$ 115,253</u>

DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK

Notes To The Basic Financial Statements

June 30, 2024

I. Summary of Significant Accounting Policies

The financial statements of the Dansville Central School District, New York (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Reporting Entity

The Dansville 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* and GASB Statement No. 61, *The Financial Reporting Entity*. 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 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 review of certain entities included in the District's reporting entity.

1. Extraclassroom Activity Funds

The extraclassroom activity funds of the 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. Separate audited financial statements (cash basis) of the extraclassroom activity funds can be found at the District's business office. The District accounts for assets held as an agency for various student organizations in an agency fund.

(I.) (Continued)

B. Joint Venture

The District is a component of the Genesee Valley Board of Cooperative Educational Services (BOCES). The BOCES is a voluntary, cooperative association of school districts in a geographic area that shares 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 §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 §1950 of the New York State Education Law. All BOCES property is held by the BOCES Board as a corporation (§1950(6)). In addition, BOCES Boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under §119-n(a) of the New York State 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 districts pay tuition or a service fee for programs in which its students participate.

During the year, the District was billed \$4,847,747 for BOCES administrative and program costs.

The District's share of BOCES aid amounted to \$2,087,346

Financial statements for the BOCES are available from the BOCES administrative office.

C. Basis of Presentation

1. Districtwide 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 program expenses and 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 the 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.

(I.) (Continued)

2. **Fund 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. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following governmental funds:

a. **Major Governmental Funds**

General Fund - This is the District's primary operating fund. It accounts for all financial transactions that are not required to be accounted for in another fund.

Capital Projects Fund - Used to account for the acquisition construction or major repair of capital facilities.

Special Aid Fund - This fund accounts for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties.

b. **Nonmajor Governmental** - The other funds which are not considered major are aggregated and reported as nonmajor governmental funds as follows:

School Lunch Fund - Used to account for transactions of the District's lunch, breakfast and milk programs.

Debt Service Fund - This fund accounts for the accumulation of resources and the payment of principal and interest on long-term obligations for governmental activities.

Miscellaneous Special Revenue Fund – used to account for and report those revenues that are restricted or committed to expenditures for specified purposes.

c. **Fiduciary** - 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.

Custodial Funds - These funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the District as agent for various student groups or extraclassroom activity funds and for payroll or employee withholding.

(I.) (Continued)

D. Measurement Focus and Basis of Accounting

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 fund financial 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.

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

Real property taxes are levied annually by the Board of Education no later than September 1, and become a lien on August 8, 2023. Taxes are collected during the period September 1 to October 31, 2023.

Uncollected real property taxes are subsequently enforced by the Counties of Steuben and Livingston (the Counties), in which the District is located. The Counties pay an amount representing uncollected real property taxes transmitted to the Counties for enforcement to the 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 position 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.

(I.) (Continued)

G. Interfund Transactions

The operations of the District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowing. 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 expenditures 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.

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 VI 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 Cash Equivalents

The District's cash and cash equivalents consist of cash on hand, demand deposits, and ben-term investments with original maturities of three months or less from the 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. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and Districts.

(I.) (Continued)

J. Receivables

Receivables are shown net of an allowance for uncollectible accounts, when applicable.

In addition, the District will report a receivable relating to a lease arrangement. The receivable is recorded at the present value of the future payments and recognized over the life of the lease.

No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

K. Inventory and Prepaid Items

Inventories of food and/or supplies for school lunch 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 inventorable 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 non-spendable fund balance for these non-liquid assets (inventories and prepaid items) has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

L. Capital Assets

In the District-wide financial statements, capital assets are accounted for at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their acquisition value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives and capitalization threshold by type of assets is as follows:

<u>Class</u>	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings	\$ 50,000	SL	15-50 Years
Machinery and Equipment	\$ 5,000	SL	5-25 Years

The investment in infrastructure type assets have not been segregated for reporting purposes since all costs associated with capital projects are consolidated and reported as additions to buildings and improvements.

(I.) (Continued)

M. Right To Use Assets

The District-wide financial statements, right-to-use-assets are reported within the major class of the underlying asset and valued at the future minimum lease payment. Amortization is between 3 and 5 years based on the contract terms and/or estimated replacement of the assets.

N. 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.

O. 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 (expenses/expenditure) until then.

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.

P. Vested Employee Benefits

1. Compensated Absences

Compensated absences consist of unpaid accumulated annual sick leave, vacation, and sabbatical time.

Sick leave eligibility and accumulation is specified in negotiated labor contracts, and in individual employment contracts. Upon retirement, resignation or death, employees may contractually receive a payment based on unused accumulated sick leave.

Certain 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.

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.

(I.) (Continued)

In the funds' 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

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

District employees may choose to participate in the District's elective deferred compensation plans established under Internal Revenue Code Sections 403(b) and 457.

In addition to providing pension benefits, the District provides post-employment health coverage to retired employees 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. The cost of providing post-retirement benefits may be 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 an expenditure.

R. Short-Term Debt

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

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

1. District-Wide Statements

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

(I.) (Continued)

a. **Net Investment in Capital Assets** - consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.

b. **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 or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

On the Statement of Net Position, the following balances represent the restricted for other purposes:

	<u>Total</u>
Retirement Contribution - TRS	\$ 1,100,020
Repair	105,194
Debt	1,296,957
Capital Projects	1,031,500
Miscellaneous	245,366
Employee Benefit Accrued Liability	<u>591,241</u>
Total Net Position - Restricted for Other Purposes	<u>\$ 4,370,278</u>

c. **Unrestricted Net Position** - reports the balance of net position that does not meet the definition of the above two classifications . The reported deficit of \$35,514,231 at year end is the result of full implementation of GASB #75 regarding retiree health obligations and the New York State Pension system unfunded pension obligation.

2. **Fund Statements**

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

a. **Nonspendable Fund Balance** – Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance includes:

	<u>Total</u>
Inventory in School Lunch	\$ 18,676
Total Nonspendable Fund Balance	<u>\$ 18,676</u>

b. **Restricted Fund Balances** – 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 District has established the following restricted fund balances:

(I.) (Continued)

Capital Reserve - According to Education Law §3651, must be used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of the reserve, 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 required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. The Reserve is accounted for in the General Fund under restricted fund balance. Year end balances are as follows:

<u>Name of Reserve</u>	<u>Maximum Funding</u>	<u>Total Funding Provided</u>	<u>Total Year to Date Balance</u>
Capital Bus Reserve	\$ 2,000,000	\$ 1,242,760	\$ 391,359
Capital Building Reserve-2016	\$ 5,000,000	\$ 4,076,968	\$ 48
Capital Building Reserve-2018	\$ 10,000,000	\$ 5,199,376	\$ 3,867,513
Capital Bus Reserve-2022	\$ 2,000,000	\$ 485,000	\$ 491,750

Reserve for Debt Service - According to General Municipal Law §6-1, the 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 the sale. Also, earnings on project monies invested together with unused proceeds are reported here.

Employee Benefit Accrued Liability Reserve - According to General Municipal Law §6-p, must be used for the payment of accrued employee benefits due to 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.

Teachers' Retirement Reserve – General Municipal Law §6-r was amended to include a Teachers' Retirement Reserve (TRS) sub-fund. The reserve has an annual funding limit of 2% of the prior year TRS salaries and a maximum cumulative total balance of 10% of the previous year's TRS salary.

Repair Reserve - According to General Municipal Law §6-d, must be used to pay the cost of repairs to capital improvements or equipment, which repairs are of a type not recurring annually. The Board of Education, without voter approval, may establish a repair reserve fund by a majority vote of its members. Voter approval is required to fund this reserve (Opinion of the New York State Comptroller 81-401). Expenditures from this reserve may be made only after a public hearing has been held, except in emergency situations. If no hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years.

(I.) (Continued)

Retirement Contribution Reserve - According to General Municipal Law §6-r, must be used financing retirement contributions. The 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.

Unemployment Insurance Reserve - According to General Municipal Law §6-m, 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 net postthe next succeeding fiscal year's budget. If the District elects to convert to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund.

Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments of expenditures are recorded for budgetary control purposes in order to reserve applicable appropriations, is employed as a control in preventing over-expenditure of established appropriations. Open encumbrances are reported as restricted fund balance in all funds other than the General Fund and School Lunch Fund, since they do not constitute expenditures or liabilities and will be honored through budget appropriations in the subsequent year.

Restricted fund balances include the following:

	<u>Total</u>
<u>General Fund -</u>	
Unemployment Costs	\$ 3,671,423
Retirement Contribution - ERS	2,156,993
Retirement Contribution - TRS	1,100,020
Repair	105,194
Capital Reserves	4,750,670
Employee Benefit Accrued Liability	591,241
<u>Capital Fund -</u>	
Capital Projects	1,174,928
<u>Misc Spec Rev Fund -</u>	
Scholarships	245,366
<u>Debt Service Fund -</u>	
Debt Service	1,296,957
Total Restricted Fund Balance	<u>\$ 15,092,792</u>

(I.) (Continued)

The District appropriated and/or budgeted funds from the following reserves for the 2024-25 budget:

	<u>Total</u>
Unemployment Costs	\$ 862,860
ERS Retirement Contribution	750,000
TRS Retirement Contribution	225,000
Reserve for Debt	390,000
Capital Reserve Transportation	195,000
Employee Benefit Accrued Liability	20,000
Total	<u>\$ 2,442,860</u>

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

d. **Assigned Fund Balance** – Includes amounts that are constrained by the District’s intent to be used for specific purposes but are neither restricted nor committed. All encumbrances of the General Fund are classified as assigned fund balance. Encumbrances represent purchase commitments made by the District’s purchasing agent through their authorization of a purchase order prior to year-end. The District assignment is based on the functional level of expenditures.

Management has determined significant encumbrances for the General Fund to be \$50,000, the Capital Projects Fund to be \$4,000, the School Lunch Fund to be \$6,000, and the Special Aid Fund to be \$10,000. The District reports the following significant encumbrances:

General Fund -

General Support	\$ 346,523
Instruction	\$ 538,392
Pupil Transportation	\$ 71,223

Capital Projects Fund -

Bus Purchases	\$ 835,524
Capital Improvements	\$ 35,527

Special Aid Fund -

Instruction	\$ 63,228
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(I.) (Continued)

Assigned fund balances include the following:

	<u>Total</u>
General Fund - Encumbrances	\$ 956,137
General Fund - Appropriated for Taxes	1,250,000
School Lunch Fund - Year End Equity	258,563
Total Assigned Fund Balance	<u>\$ 2,464,700</u>

e. **Unassigned Fund Balance** –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.

NYS Real Property Tax Law 1318 limits the amount of unexpended surplus funds a school district can retain to no more than 4% of the District's budget for the general fund for the ensuing fiscal year. Nonspendable and restricted fund balance of the general fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances are also excluded from the 4% limitation.

3. **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 first and 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, 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 all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At June 30, 2024, the District implemented the following new standards issued by GASB:

GASB has issued Statement No. 99, *Omnibus 2022 (financial guarantees and derivative instruments)*.

GASB has issued Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*.

V. **Future Changes in Accounting Standards**

GASB has issued Statement No. 101, *Compensated Absences*, which will be effective for fiscal years beginning after December 15, 2023.

(I.) (Continued)

GASB has issued Statement No. 102, *Certain risk Disclosures*, which will be effective for fiscal years beginning after June 15, 2024.

GASB has issued Statement No. 103, *Financial Reporting Model Improvements*, which will be effective for fiscal years beginning after June 15, 2025.

The District will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

II. Stewardship, Compliance and Accountability

By its nature as a local government unit, the District is subject to various federal, state, and local laws and contractual regulations. An analysis of the District's compliance with significant laws and regulations and demonstration of its stewardship over District resources follows.

A. Budgets

The District administration prepares a proposed budget for approval by the Board of Education for the General Fund.

The voters of the District approved the proposed appropriation budget.

Appropriations established by adoption of the budget constitute a limitation on expenditures (and encumbrances) which 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 restriction, if the Board approves them because of a need which exists which was not determined at the time the budget was adopted. During the 2023-24 fiscal year, the budget was increased by \$326,424 for prior year encumbrances.

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.

Budgets are established and used for individual capital projects fund 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.

(I.) (Continued)

B. 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.

III. Cash and Cash Equivalents

Credit risk: In compliance with the State Law, District investments are limited to obligations of the United States of America, obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America, obligations of the State, time deposit accounts and certificates of deposit issued by a bank or trust company located in, and authorized to do business in, the State, and obligations issued by other municipalities and authorities within the State.

Concentration of Credit risk: To promote competition in rates and service cost, and to limit the risk of institutional failure, District deposits and investments are placed with multiple institutions. The District's investment policy limits the amounts that may be deposited with any one financial institution.

Interest rate risk: The District has an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from rising interest rates.

The District's aggregate bank balances (disclosed in the financial statements), included balances not covered by depository insurance at year end, collateralized as follows:

Uncollateralized	\$ -
Collateralized with Securities held by the Pledging Financial Institution	17,386,518
Total	<u>\$ 17,386,518</u>

Restricted cash represents cash where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes \$11,263,280 within the governmental funds and \$115,253 in the fiduciary funds.

IV. Investment Pool

The District participates in a multi-municipal cooperative investment pool agreement pursuant to New York State General Municipal Law Article 5-G, §119-O, 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 investments of the cooperative as of year-end are \$328,601 which consisted of \$53,956 in repurchase agreements, \$225,157 in U.S. Treasury Securities, \$6,441 in FDIC insured bank deposits and \$43,047 in collateralized bank deposits, with various interest rates and due dates.

(IV.) (Continued)

The following amounts are included as unrestricted and restricted cash:

<u>Fund</u>	<u>Book Amount</u>	<u>Carrying Amount</u>	<u>Description of Investment</u>
General Fund	\$ 328,601	\$ 328,601	CLASS

V. Receivables

A. Receivables at June 30, 2024 for individual major funds and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

<u>Description</u>	<u>Governmental Activities</u>				<u>Total</u>
	<u>General Fund</u>	<u>Special Aid Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Funds</u>	
Accounts Receivable	\$ 245,186	\$ -	\$ -	\$ 1,651	\$ 246,837
Due From State and Federal	1,672,752	1,213,340	377,157	67,428	3,330,677
Due From Other Governments	939,306	-	-	-	939,306
Lease Receivable	744,608	-	-	-	744,608
Total Receivables	\$ 3,601,852	\$ 1,213,340	\$ 377,157	\$ 69,079	\$ 5,261,428

District management has deemed the amounts to be fully collectible.

B. Lease Receivable – The District has entered into a lease of their classroom space which terminates in 2033. The future principal and interest collections are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 68,093	\$ 30,763
2026	74,111	27,710
2027	80,485	24,391
2028	87,232	20,790
2029	94,372	16,891
2030-33	340,315	24,060
Total	\$ 744,608	\$ 144,605

VI. Interfund Receivables, Payables, Revenues and Expenditures

Interfund Receivables, Payables, Revenues and Expenditures at June 30, 2024 were as follows:

	Interfund			
	<u>Receivables</u>	<u>Payables</u>	<u>Revenues</u>	<u>Expenditures</u>
General Fund	\$ 1,938,187	\$ 98,928	\$ 30,658	\$ 325,432
Special Aid Fund	-	1,533,892	40,334	-
Capital Projects Fund	-	890,825	285,000	95,860
Nonmajor Funds	585,458	-	65,300	-
Total	\$ 2,523,645	\$ 2,523,645	\$ 421,292	\$ 421,292

Interfund receivables and payables between governmental activities 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. All interfund payables are not necessarily expected to be repaid within one year.

Transfers are used to finance certain special aid programs, support capital project expenditures, school lunch programs and debt service expenditures.

VII. Capital Assets

A. Capital Assets

Capital asset balances and activity were as follows:

<u>Type</u>	<u>Balance 7/1/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2024</u>
<u>Governmental Activities:</u>				
<u>Capital Assets that are not Depreciated -</u>				
Land	\$ 72,708	\$ -	\$ -	\$ 72,708
Work in progress	15,029,690	555,556	15,248,998	336,248
Total Nondepreciable	\$ 15,102,398	\$ 555,556	\$ 15,248,998	\$ 408,956
<u>Capital Assets that are Depreciated -</u>				
Buildings and Improvements	\$ 66,330,809	\$ 14,789,286	\$ -	\$ 81,120,095
Machinery and equipment	8,632,648	1,080,632	507,728	9,205,552
Total Depreciated Assets	\$ 74,963,457	\$ 15,869,918	\$ 507,728	\$ 90,325,647
<u>Less Accumulated Depreciation -</u>				
Buildings and Improvements	\$ 34,250,159	\$ 2,106,291	\$ -	\$ 36,356,450
Machinery and equipment	5,079,830	603,968	495,428	5,188,370
Total Accumulated Depreciation	\$ 39,329,989	\$ 2,710,259	\$ 495,428	\$ 41,544,820
Total Capital Assets Depreciated, Net of Accumulated Depreciation	\$ 35,633,468	\$ 13,159,659	\$ 12,300	\$ 48,780,827
Total Capital Assets	\$ 50,735,866	\$ 13,715,215	\$ 15,261,298	\$ 49,189,783

(VII.) (Continued)

B. Lease Assets

A summary of the lease asset activity during the year ended June 30, 2024 is as follows:

	<u>Type</u>	<u>Balance</u> <u>7/1/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/24</u>
<u>Lease Assets:</u>					
Equipment		\$ 842,431	\$ 117,204	\$ 100,352	\$ 859,283
Software		-	28,245	-	28,245
<i>Total Lease Assets</i>		<u>\$ 842,431</u>	<u>\$ 145,449</u>	<u>\$ 100,352</u>	<u>\$ 887,528</u>
<u>Less Accumulated Amortization -</u>					
Equipment		\$ 262,143	\$ 225,659	\$ 89,601	\$ 398,201
Software		-	9,112	-	9,112
<i>Total Accumulated Amortization</i>		<u>\$ 262,143</u>	<u>\$ 234,771</u>	<u>\$ 89,601</u>	<u>\$ 407,313</u>
<i>Total Lease Assets, Net</i>		<u>\$ 580,288</u>	<u>\$ (89,322)</u>	<u>\$ 10,751</u>	<u>\$ 480,215</u>

C. Other capital assets (net depreciation and amortization):

Depreciated Capital Assets (net)	\$ 48,780,827
Amortized Lease Assets (net)	480,215
Total Other Capital Assets (net)	<u>\$ 49,261,042</u>

D. Depreciation/Amortization expense for the period was charged to functions/programs as follows:

<u>Governmental Activities:</u>	<u>Depreciation</u>	<u>Amortization</u>	<u>Total</u>
General Government Support	\$ 106,503	\$ -	\$ 106,503
Instruction	2,239,131	234,771	2,473,902
School Lunch	44,103	-	44,103
Pupil Transportation	320,522	-	320,522
Total Depreciation and Amortization Expense	<u>\$ 2,710,259</u>	<u>\$ 234,771</u>	<u>\$ 2,945,030</u>

VIII. Long-Term Debt Obligations

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

	<u>Balance 7/1/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2024</u>	<u>Due Within One Year</u>
<u>Governmental Activities:</u>					
<u>Bonds and Notes Payable -</u>					
Serial Bonds	\$ 14,970,000	\$ -	\$ 1,535,000	\$ 13,435,000	\$ 1,260,000
Unamortized bond premium	470,002	-	33,572	436,430	33,572
Lease Liability	66,277	96,616	48,722	114,171	47,506
Total Bonds and Notes Payable	\$ 15,506,279	\$ 96,616	\$ 1,617,294	\$ 13,985,601	\$ 1,341,078
<u>Other Liabilities -</u>					
Net Pension Liability	\$ 4,332,602	\$ -	\$ 1,291,444	\$ 3,041,158	\$ -
OPEB	19,652,301	40,787	-	19,693,088	-
Teachers' Retirement Incentive	277,500	10,000	-	287,500	-
Compensated Absences	700,718	-	64,519	636,199	159,050
Retainage	186,110	-	186,110	-	-
Total Other Liabilities	\$ 25,149,231	\$ 50,787	\$ 1,542,073	\$ 23,657,945	\$ 159,050
Total Long-Term Obligations	\$ 40,655,510	\$ 147,403	\$ 3,159,367	\$ 37,643,546	\$ 1,500,128

The General Fund has typically been used to liquidate long-term liabilities such as compensated absences.

Existing serial and statutory bond obligations:

<u>Description</u>	<u>Original Amount</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount Outstanding 6/30/2024</u>
<u>Serial Bonds -</u>					
Building Reconstruction	\$ 3,430,000	2015	2030	2%-3%	\$ 1,420,000
Bus Bond	\$ 155,000	2021	2025	0.50%-1.61%	35,000
Building Reconstruction	\$ 6,270,000	2021	2036	2.00%	5,135,000
Bus Bond	\$ 495,000	2022	2026	1.5%-2.0%	190,000
Building Reconstruction	\$ 5,725,000	2022	2037	5.00%	5,170,000
Bus Bond	\$ 520,000	2023	2028	3.50%-4.36%	425,000
Building Reconstruction	\$ 1,100,000	2023	2038	5.00%	1,060,000
Total Serial Bonds					\$ 13,435,000
<u>Leases -</u>					
Leases - copiers	\$ 10,826	2021	2025	1.70%	587
Leases - copiers	\$ 7,049	2021	2025	1.70%	1,452
Leases - copiers	\$ 37,812	2022	2025	1.70%	9,737
Leases - copiers	\$ 40,133	2022	2026	1.70%	19,629
Leases - copiers	\$ 13,416	2022	2025	1.70%	4,184
Leases - copiers	\$ 69,523	2024	2028	4.80%	56,055
Leases - copiers	\$ 24,396	2024	2029	4.80%	22,527
Total Leases					\$ 114,171

(VIII.) (Continued)

The following is a summary of debt service requirements:

<u>Year</u>	<u>Serial Bonds</u>		<u>Leases</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 1,260,000	\$ 474,983	\$ 47,506	\$ 3,517
2026	1,270,000	434,649	31,854	2,179
2027	1,215,000	392,964	23,393	1,065
2028	1,245,000	350,714	8,327	270
2029	1,165,000	306,400	3,091	46
2030-34	4,720,000	990,700	-	-
2035-38	2,560,000	195,850	-	-
Total	\$ 13,435,000	\$ 3,146,260	\$ 114,171	\$ 7,077

Interest on long-term debt for June 30, 2024 was composed of:

Interest Paid	\$ 540,171
Less: Interest Accrued in the Prior Year	(23,033)
Plus: Interest Accrued in the Current Year	19,791
Less: Amortization of Bond Premiums	(33,572)
Total Long-Term Interest Expense	\$ 503,357

IX. Deferred Inflows/Outflows of Resources

The following is a summary of the deferred inflows/outflows of resources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Leases	\$ -	\$ 744,608
Pension	6,852,942	1,670,893
OPEB	3,538,214	24,674,283
Total	\$ 10,391,156	\$ 27,089,784

X. Pension Plans

A. General Information

The District participates in the New York State Teacher's Retirement System (TRS) and the New York State and Local Employee's 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.

B. 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 NYSTRS, 10 Corporate Woods Drive, Albany, New York 12211-2395 or by referring to the TRS Comprehensive Annual Financial report, which can be found on the System's website at www.nystrs.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, Office 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.

C. Funding Policies

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent 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 percent 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.

The District's share of the required contributions, based on covered payroll paid for the District's year ended June 30, 2024:

<u>Contributions</u>	<u>ERS</u>	<u>TRS</u>
2024	\$ 577,867	\$ 1,199,307

(X.) (Continued)

D. 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 TRS and ERS Systems in reports provided to the District.

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2024	June 30, 2023
Net pension assets/(liability)	\$ (2,357,360)	\$ (683,798)
District's portion of the Plan's total net pension asset/(liability)	0.016%	0.060%

For the year ended June 30, 2024, the District recognized pension expenses of \$1,132,000 for ERS and \$1,987,038 for TRS. At June 30, 2024 the District's reported deferred outflows of resources and deferred inflows of resources related to premiums from the following resources:

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>
Differences between expected and actual experience	\$ 759,304	\$ 1,658,028	\$ 64,279	\$ 4,098
Changes of assumptions	891,265	1,472,196	-	320,857
Net difference between projected and actual earnings on pension plan investments	-	349,544	1,151,558	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	297,642	183,495	60,116	69,985
Subtotal	\$ 1,948,211	\$ 3,663,263	\$ 1,275,953	\$ 394,940
District's contributions subsequent to the measurement date	144,782	1,096,686	-	-
Grand Total	\$ 2,092,993	\$ 4,759,949	\$ 1,275,953	\$ 394,940

(X.) (Continued)

District contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year</u>	<u>ERS</u>	<u>TRS</u>
2024	\$ -	\$ 322,023
2025	(333,749)	(312,343)
2026	519,404	2,759,315
2027	724,974	212,988
2028	(238,371)	172,236
Thereafter	-	114,104
Total	\$ 672,258	\$ 3,268,323

E. 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
Interest rate	5.90%	6.95%
Salary scale	4.50%	5.18%-1.95%
Decrement tables	April 1, 2016- March 31, 2020 System's Experience	July 1, 2015- June 30, 2020 System's Experience
Inflation rate	2.90%	2.40%
COLA's	1.50%	1.30%

For ERS, annuitant mortality rates are based on April 1, 2016 – March 31, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2021. For TRS, annuitant mortality rates are based on plan member experience adjustments for mortality improvements based on Society of Actuaries Scale MP-2021.

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 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 as of March 31, 2024 are summarized as follows:

(X.) (Continued)

Long Term Expected Rate of Return		
	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2024	June 30, 2023
<u>Asset Type -</u>		
Domestic equity	4.00%	6.80%
International equity	6.65%	7.60%
Global equity	0.00%	7.20%
Private equity	7.25%	10.10%
Real estate	4.60%	6.30%
Opportunistic portfolios	5.25%	0.00%
Real assets	5.79%	0.00%
Global bonds	0.00%	1.60%
Cash	0.25%	30.00%
Private debt	0.00%	6.00%
Real estate debt	0.00%	3.20%
High-yield bonds	0.00%	4.40%
Domestic fixed income	0.00%	2.20%
Fixed income	1.50%	0.00%
Credit	5.40%	0.00%

The real rate of return is net of the long-term inflation assumption of 2.9% for ERS and 2.4% for TRS.

* Excludes equity-oriented long-only funds. For investment management purposes, these funds are included in domestic equity and internal equity.

F. Discount Rate

The discount rate used to calculate the total pension liability was 5.90% 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.

G. Sensitivity of the Net Pension Liability to the Discount Rate Assumption

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 5.90% 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-percentagepoint lower (4.90% for ERS and 5.95% for TRS) or 1-percentage-point higher (6.90% for ERS and 7.95% for TRS) than the current assumption :

(X.) (Continued)

		Current	
	1% Decrease	Assumption	1% Increase
	<u>(4.90%)</u>	<u>(5.90%)</u>	<u>(6.90%)</u>
<u>ERS</u>			
Employer's proportionate share of the net pension asset (liability)	\$ (7,411,780)	\$ (2,357,360)	\$ 1,864,130
		Current	
	1% Decrease	Assumption	1% Increase
	<u>(5.95%)</u>	<u>(6.95%)</u>	<u>(7.95%)</u>
<u>TRS</u>			
Employer's proportionate share of the net pension asset (liability)	\$ (10,414,586)	\$ (683,798)	\$ 7,500,216

H. **Pension Plan Fiduciary Net Position**

The components of the current year net pension asset/(liability) of the employers as of the respective valuation dates, were as follows:

	(In Thousands)	
	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2024	June 30, 2023
Employers' total pension liability	\$ 240,696,851	\$138,365,121,961
Plan net position	225,972,801	137,221,536,942
Employers' net pension asset/(liability)	<u>\$ (14,724,050)</u>	<u>\$ (1,143,585,019)</u>
Ratio of plan net position to the employers' total pension asset/(liability)	93.88%	99.20%

I. **Payables to the Pension Plan**

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 \$144,782.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2024 are 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 \$1,199,307.

XI. 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 and life insurance 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 March 31, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	198
Active Employees	254
Total	452

B. Total OPEB Liability

The District’s total OPEB liability of \$ \$19,693,088 was measured as of March 31, 2024, and was determined by an actuarial valuation reported as of June 30, 2024.

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:

Inflation	2.42 percent
Salary Increases	3.42 percent, average, including inflation
Discount Rate	3.98 percent
Healthcare Cost Trend Rates	Initial rate of 5.10%, decreasing to an ultimate rate of 3.86%
Retirees' Share of Benefit-Related Costs	Varies between 8 and 15 percent depending on contract

The discount rate was based on tax exempt, Fidelity Municipal Go AA 20-Year Bond Rate.

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables, Headcount-Weighted, distinct for Teachers, General, and Safety, without separate Contingent Survivor mortality, fully generational using Scale MP-2021.

(XI.) (Continued)

C. Changes in the Total OPEB Liability

Balance at June 30, 2023	\$ 19,652,301
<u>Changes for the Year -</u>	
Service cost	\$ 583,259
Interest	728,720
Differences between expected and actual experience	221,499
Changes in assumptions or other inputs	(535,428)
Benefit payments	(957,263)
Net Changes	\$ 40,787
Balance at June 30, 2024	\$ 19,693,088

There were no changes of benefit terms.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.78% effective July 1, 2023 and 3.98% effective June 30, 2024.

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 (2.98%) or 1 percentage-point higher (4.98%) than the current discount rate:

	Discount		
	1% Decrease	Rate	1% Increase
	(2.98%)	(3.98%)	(4.98%)
Total OPEB Liability	\$ 22,289,746	\$ 19,693,088	\$ 17,564,346

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – Healthcare costs can be subject to considerable volatility over time. The following exhibit demonstrates the effect on liabilities of a 1% change in healthcare cost trend rates.

	Healthcare		
	1% Decrease	Cost Trend Rates	1% Increase
	(4.10%	(5.10%	(6.10%
	Decreasing	Decreasing	Decreasing
	to 2.86%)	to 3.86%)	to 4.86%)
Total OPEB Liability	\$ 17,274,682	\$ 19,693,088	\$ 22,712,609

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 of (\$2,415,355). At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

(XI.) (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,134,740	\$ 16,861,301
Changes of assumptions	164,814	7,812,982
Contributions after measurement date	238,660	-
Total	\$ 3,538,214	\$ 24,674,283

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</u>	
2025	\$ (3,697,389)
2026	(4,436,502)
2027	(4,268,031)
2028	(4,268,029)
2029	(4,222,519)
Thereafter	(482,259)
Total	\$ (21,374,729)

XII. Risk Management

A. General Information

The District is exposed to various risks of loss related to injuries to employees, theft, damages, natural disasters, etc. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past two years.

B. Health Plan

The District incurs costs related to the Genesee Valley Area Health Care Plan (Plan) sponsored by the Genesee Valley Board of Cooperative Educational Services (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. Membership in the Plan may be offered to any component district of the BOCES with the unanimous approval of the Board of Directors. Voluntary withdrawal from the Plan may be effective only once annually on the last day of the Plan year as may be established by the Board of Directors. Notice of Intention to Withdraw must be given in writing to the Chairman of the Board of Directors and the Treasurer not less than 60 days prior to end of the Plan year. Plan members include twenty-four districts with the Dansville Central School District, New York bearing an equal proportionate share of the Plan's assets and claim liabilities. Pursuant to the Municipal Cooperative Agreement, signed by all participants, all monies paid to the Treasurer shall be pooled and administered as a common fund. No refunds shall be made to a participant and no assessments are charged to a participant other than the annual premium equivalent. If surplus funds exist at the end of any fiscal year, the distribution of such funds shall be determined by the Board of Directors.

(XII.) (Continued)

The Plan purchases, on an annual basis, stop-loss insurance policies to limit its exposure for claims paid within any one fiscal year.

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 expenses in the periods in which they are made. During the year ended June 30, 2024, the District incurred premiums or contribution expenditures totaling \$5,464,967.

The Plan is audited on an annual basis and is available at the BOCES administrative offices. The most recent audit available for year ended June 30, 2023, revealed that the Plan is fully funded.

C. Workers' Compensation

The District incurs costs related to the Genesee Valley Workers' Compensation Plan (Plan) sponsored by the Genesee Valley Board of Cooperative Educational Services and its component districts. The Plan's objectives are to furnish workers' compensation benefits to participating districts at a significant cost savings. Membership in the Plan may be offered to any component district of the Genesee Valley BOCES with the approval of the Board of Directors. Voluntary withdrawal from the Plan may be effective only once annually on the last day of the Plan year as may be established by the Board of Directors. Notice of the Intention to Withdraw must be given in writing to the Chairman of the Board of Directors and the Treasurer not less than one year prior to the end of the Plan year.

Plan membership is currently comprised of BOCES and eleven districts. If a surplus of participants' assessments exists after the close of a Plan year, the Board may retain from such surplus an amount sufficient to establish and maintain a claim contingency fund. Surplus funds in excess of the amount transferred to or included in such contingency fund shall be applied in reduction of the next annual assessment or to the billing of Plan participants. All monies paid to the Treasurer by participants shall be commingled and administered as a common fund. No refunds shall be made to a participant and no assessments shall be charged to a participant other than the annual assessment. However, if it appears to the Board of Directors that the liabilities of the Plan will exceed its cash assets, after taking into account any "excess insurance", the Board shall determine the amount needed to meet such deficiency and shall assess such amount against all participants pro-rata per enrollee.

The Plan purchases, on an annual basis, stop-loss insurance to limit exposure for claims paid.

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 expenses in the period in which they are made. During the year ended June 30, 2024, the District incurred premiums or contribution expenditures totaling \$121,429.

(XII.) (Continued)

The Plan is audited on an annual basis and is available at the BOCES administrative offices. The most recent audit available for the year ended June 30, 2023, revealed that the Plan is fully funded.

D. Unemployment

District employees are entitled to coverage under the New York State Unemployment Insurance Law. The District has elected to discharge its liability to the New York State Unemployment Insurance Fund (the Fund) by the benefit reimbursement method, a dollar-for-dollar reimbursement to the fund for benefits paid from the fund to former employees. The District has established a self-insurance fund to pay these claims. The claim and judgment expenditures of this program for the 2023-24 fiscal year totaled \$21,942. The balance of the fund at June 30, 2024 was \$3,671,423 and is recorded in the General Fund as an Unemployment Insurance Reserve. In addition, as of June 30, 2024, no loss contingencies existed or were considered probable or estimable for incurred but not reported claims payable.

XIII. Commitments and Contingencies

A. Litigation

There is a claim pending against the District which management expects to be covered by its insurers.

B. Grants

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 a return of funds. Based on prior years' experience, the District's administration believes disallowances, if any, will be immaterial.

XIV. Tax Abatement

The County of Livingston IDA, and the District enter into various property tax abatement programs for the purpose of Economic Development. As a result the District property tax revenue was reduced \$198,642. The District received payment in lieu of tax (PILOT) payment totaling \$144,565 to help offset the property tax reduction.

Required Supplementary Information
DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK
Schedule of Changes in District's Total OPEB Liability and Related Ratio
For The Year Ended June 30, 2024

	TOTAL OPEB LIABILITY							
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Service cost	\$ 583,259	\$ 1,352,837	\$ 1,397,539	\$ 1,334,779	\$ 1,306,577	\$ 1,482,217	\$ 1,388,885	\$ 1,373,722
Interest	728,720	1,354,051	1,067,198	1,059,057	1,416,050	1,940,814	1,820,453	1,569,817
Changes in benefit terms	-	-	627,335	(576,891)	-	-	-	-
Differences between expected and actual experiences	221,499	(23,473,577)	3,484,233	2,871,485	(8,233,004)	(15,712,884)	2,455,821	2,787,229
Changes of assumptions or other inputs	(535,428)	(6,074,503)	(4,326,592)	824,074	8,053,322	865,611	1,364,564	(3,586,992)
Benefit payments	<u>(957,263)</u>	<u>(1,371,819)</u>	<u>(1,266,025)</u>	<u>(1,031,495)</u>	<u>(998,018)</u>	<u>(1,267,567)</u>	<u>(1,112,478)</u>	<u>(1,073,718)</u>
Net Change in Total OPEB Liability	\$ 40,787	\$ (28,213,011)	\$ 983,688	\$ 4,481,009	\$ 1,544,927	\$ (12,691,809)	\$ 5,917,245	\$ 1,070,058
Total OPEB Liability - Beginning	<u>\$ 19,652,301</u>	<u>\$ 47,865,312</u>	<u>\$ 46,881,624</u>	<u>\$ 42,400,615</u>	<u>\$ 40,855,688</u>	<u>\$ 53,547,497</u>	<u>\$ 47,630,252</u>	<u>\$ 46,560,194</u>
Total OPEB Liability - Ending	<u><u>\$ 19,693,088</u></u>	<u><u>\$ 19,652,301</u></u>	<u><u>\$ 47,865,312</u></u>	<u><u>\$ 46,881,624</u></u>	<u><u>\$ 42,400,615</u></u>	<u><u>\$ 40,855,688</u></u>	<u><u>\$ 53,547,497</u></u>	<u><u>\$ 47,630,252</u></u>
Covered Employee Payroll	\$ 13,108,005	\$ 12,085,955	\$ 11,501,875	\$ 11,119,369	\$ 11,425,482	\$ 11,069,058	\$ 10,714,411	\$ 10,714,411
Total OPEB Liability as a Percentage of Covered Employee Payroll	150.24%	162.60%	416.15%	421.62%	371.11%	369.10%	499.77%	444.54%

10 years of historical information is not available, and will be added each year subsequent to the year of implementation until 10 years of historical data is present.

Required Supplementary Information
DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK
Schedule of the District's Proportionate Share of the Net Pension Liability
For The Year Ended June 30, 2024

NYSERS Pension Plan										
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability (assets)	0.0160%	0.0147%	0.1183%	0.0110%	0.0072%	0.0102%	0.0106%	0.0103%	0.0110%	0.0113%
Proportionate share of the net pension liability (assets)	\$ 2,357,360	\$ 3,145,323	\$ (967,280)	\$ 10,979	\$ 2,652,438	\$ 721,408	\$ 342,997	\$ 964,599	\$ 1,760,789	\$ 381,227
Covered-employee payroll	\$ 4,912,694	\$ 4,522,292	\$ 4,072,684	\$ 3,737,383	\$ 3,463,862	\$ 3,303,606	\$ 3,353,601	\$ 3,100,294	\$ 3,147,844	\$ 3,111,996
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	47.985%	69.552%	-23.750%	0.294%	76.575%	21.837%	10.228%	31.113%	55.936%	12.250%
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%
NYSTRS Pension Plan										
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability (assets)	0.0598%	0.0619%	0.0604%	0.0608%	0.0606%	0.0640%	0.0646%	0.0648%	0.0676%	0.0659%
Proportionate share of the net pension liability (assets)	\$ 683,798	\$ 1,187,279	\$ (10,467,439)	\$ 1,678,911	\$ (1,574,148)	\$ (1,157,466)	\$ (490,787)	\$ 694,544	\$ (7,019,186)	\$ (7,343,965)
Covered-employee payroll	\$ 11,236,536	\$ 11,062,259	\$ 10,824,476	\$ 10,215,269	\$ 10,514,483	\$ 10,660,521	\$ 10,830,631	\$ 10,561,360	\$ 10,126,196	\$ 10,314,659
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	6.085%	10.733%	-96.702%	16.435%	-14.971%	-10.857%	-4.531%	6.576%	-69.317%	-71.199%
Plan fiduciary net position as a percentage of the total pension liability	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%

(See Independent Auditors' Report)

Required Supplementary Information
DANVILLE CENTRAL SCHOOL DISTRICT, NEW YORK
Schedule of District Contributions
For The Year Ended June 30, 2024

NYSERS Pension Plan										
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 577,867	\$ 478,763	\$ 597,011	\$ 487,375	\$ 463,891	\$ 462,834	\$ 477,259	\$ 461,854	\$ 564,071	\$ 585,303
Contributions in relation to the contractually required contribution	(577,867)	(478,763)	(597,011)	(487,375)	(463,891)	(462,834)	(477,259)	(461,854)	(564,071)	(585,303)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 4,912,694	\$ 4,522,292	\$ 4,072,684	\$ 3,737,383	\$ 3,463,862	\$ 3,303,606	\$ 3,353,601	\$ 3,100,294	\$ 3,147,844	\$ 3,111,996
Contributions as a percentage of covered-employee payroll	11.76%	10.59%	14.66%	13.04%	13.39%	14.01%	14.23%	14.90%	17.92%	18.81%
NYSTRS Pension Plan										
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 1,199,307	1,227,853	\$ 1,141,765	\$ 1,051,193	\$ 1,002,100	\$ 1,202,020	\$ 1,138,147	\$ 1,323,049	\$ 1,424,982	\$ 1,852,643
Contributions in relation to the contractually required contribution	(1,199,307)	(1,227,853)	(1,141,765)	(1,051,193)	(1,002,100)	(1,202,020)	(1,138,147)	(1,323,049)	(1,424,982)	(1,852,643)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 11,236,536	\$ 11,062,259	\$ 10,824,476	\$ 10,215,269	\$ 10,514,483	\$ 10,660,521	\$ 10,830,631	\$ 10,561,360	\$ 10,126,196	\$ 10,314,659
Contributions as a percentage of covered-employee payroll	10.67%	11.10%	10.55%	10.29%	9.53%	11.28%	10.51%	12.53%	14.07%	17.96%

(See Independent Auditors' Report)

Required Supplementary Information
DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual - General Fund
For The Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Current Year's Revenues</u>	<u>Over (Under) Revised Budget</u>
REVENUES				
Local Sources -				
Real property taxes	\$ 7,744,000	\$ 7,744,000	\$ 7,845,747	\$ 101,747
Real property tax items	1,531,450	1,531,450	1,426,434	(105,016)
Charges for services	356,380	356,380	371,661	15,281
Use of money and property	260,880	260,880	1,187,353	926,473
Sale of property and compensation for loss	81,000	81,000	42,205	(38,795)
Miscellaneous	435,400	435,400	601,489	166,089
State Sources -				
Basic formula	23,033,895	23,033,895	20,459,332	(2,574,563)
Lottery aid	-	-	3,140,231	3,140,231
BOCES	1,912,590	1,912,590	2,087,346	174,756
Textbooks	71,704	71,704	72,696	992
All Other Aid -				
Computer software	40,941	40,941	42,720	1,779
Library loan	7,585	7,585	7,775	190
Handicapped students	50,000	50,000	121,808	71,808
Other aid	-	-	21,130	21,130
Federal Sources	100,000	100,000	104,209	4,209
TOTAL REVENUES	<u>\$ 35,625,825</u>	<u>\$ 35,625,825</u>	<u>\$ 37,532,136</u>	<u>\$ 1,906,311</u>
Other Sources -				
Transfer - in	\$ 390,000	\$ 390,000	\$ 30,658	\$ (359,342)
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 36,015,825</u>	<u>\$ 36,015,825</u>	<u>\$ 37,562,794</u>	<u>\$ 1,546,969</u>
Appropriated reserves	\$ 2,038,910	\$ 2,038,910		
Appropriated fund balance	\$ 1,500,000	\$ 1,500,000		
Prior year encumbrances	\$ 326,464	\$ 326,464		
TOTAL REVENUES AND APPROPRIATED RESERVES/ FUND BALANCE	<u><u>\$ 39,881,199</u></u>	<u><u>\$ 39,881,199</u></u>		

Required Supplementary Information
DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual - General Fund
For The Year Ended June 30, 2024

	<u>Original</u>	<u>Amended</u>	<u>Current</u>		<u>Unencumbered</u>
	<u>Budget</u>	<u>Budget</u>	<u>Year's</u>	<u>Encumbrances</u>	<u>Balances</u>
EXPENDITURES			<u>Expenditures</u>		
General Support -					
Board of education	\$ 40,740	\$ 35,490	\$ 25,676	\$ 3,198	\$ 6,616
Central administration	288,905	293,955	285,645	1,232	7,078
Finance	655,310	721,465	594,293	107,065	20,107
Staff	184,040	187,040	157,818	7,000	22,222
Central services	3,787,133	4,351,064	3,204,279	228,027	918,758
Special items	585,365	580,390	570,879	-	9,511
Instructional -					
Instruction, administration and improvement	1,500,652	1,623,630	1,351,628	156,255	115,747
Teaching - regular school	7,520,467	7,109,862	6,494,934	41,982	572,946
Programs for children with handicapping conditions	5,086,003	5,323,804	4,854,589	292,957	176,258
Occupational education	1,240,145	1,247,260	1,234,011	5,580	7,669
Teaching - special schools	220,735	137,371	87,173	-	50,198
Instructional media	654,789	666,651	639,109	3,136	24,406
Pupil services	2,120,002	1,960,592	1,241,857	38,482	680,253
Pupil Transportation	2,704,628	2,809,608	2,273,760	71,223	464,625
Employee Benefits	10,629,420	10,170,152	8,414,530	-	1,755,622
Debt service - principal	1,670,000	1,670,000	1,583,722	-	86,278
Debt service - interest	654,865	654,865	540,171	-	114,694
TOTAL EXPENDITURES	<u>\$ 39,543,199</u>	<u>\$ 39,543,199</u>	<u>\$ 33,554,074</u>	<u>\$ 956,137</u>	<u>\$ 5,032,988</u>
Other Uses -					
Transfers - out	\$ 338,000	\$ 338,000	\$ 325,432	\$ -	\$ 12,568
TOTAL EXPENDITURES AND OTHER USES	<u>\$ 39,881,199</u>	<u>\$ 39,881,199</u>	<u>\$ 33,879,506</u>	<u>\$ 956,137</u>	<u>\$ 5,045,556</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,683,288</u>		
FUND BALANCE, BEGINNING OF YEAR	<u>12,532,539</u>	<u>12,532,539</u>	<u>12,532,539</u>		
FUND BALANCE, END OF YEAR	<u><u>\$ 12,532,539</u></u>	<u><u>\$ 12,532,539</u></u>	<u><u>\$ 16,215,827</u></u>		

Note to Required Supplementary Information:

A reconciliation is not necessary since encumbrances are presented in a separate column on this schedule.

Supplementary Information
DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK
Schedule of Change From Adopted Budget To Final Budget
And The Real Property Tax Limit
For The Year Ended June 30, 2024

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET:

Adopted budget	\$ 39,554,735
Prior year's encumbrances	<u>326,464</u>
Original Budget	<u>\$ 39,881,199</u>
FINAL BUDGET	<u><u>\$ 39,881,199</u></u>

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION:

2024-25 voter approved expenditure budget	\$ 40,853,725
<u>Unrestricted fund balance:</u>	
Assigned fund balance	\$ 2,206,137
Unassigned fund balance	<u>1,634,149</u>
Total Unrestricted fund balance	<u>\$ 3,840,286</u>
<u>Less adjustments:</u>	
Appropriated fund balance	\$ 1,250,000
Encumbrances included in assigned fund balance	<u>956,137</u>
Total adjustments	<u>\$ 2,206,137</u>
General fund fund balance subject to Section 1318 of	
Real Property Tax Law	<u>1,634,149</u>
ACTUAL PERCENTAGE	<u><u>4.00%</u></u>

Supplementary Information
DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK
CAPITAL PROJECTS FUND
Schedule of Project Expenditures
For The Year Ended June 30, 2024

Project Title	Expenditures					Unexpended Balance	Methods of Financing				Fund Balance
	Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total		Obligations	Local Sources	State Sources	Total	
Bus Purchases 2014-15	\$ 260,000	\$ 260,000	\$ 248,561	\$ 7,940	\$ 256,501	\$ 3,499	\$ -	\$ 256,501	\$ -	\$ 256,501	\$ -
Bus Purchases 2016-17	290,000	290,000	269,197	20,803	290,000	-	-	290,000	-	290,000	-
Bus Purchases 2017-18	360,000	360,000	346,345	13,655	360,000	-	324,000	36,000	-	360,000	-
Bus Purchase 2018-19	675,600	675,600	669,880	5,720	675,600	-	608,000	67,600	-	675,600	-
Bus Purchases 2019-20	731,000	731,000	715,959	15,041	731,000	-	656,000	75,000	-	731,000	-
Bus Purchases 2020-21	230,500	230,500	199,214	30,786	230,000	500	155,000	75,000	-	230,000	-
Bus Purchases 2022-23	685,000	685,000	-	680,485	680,485	4,515	520,000	160,485	-	680,485	-
Bus Purchases 2023-24	785,000	785,000	-	117,252	117,252	667,748	-	185,000	-	185,000	67,748
Renovations 2018-19	9,610,000	9,610,000	9,390,552	152,013	9,542,565	67,435	7,370,000	2,240,000	-	9,610,000	67,435
Property Acquisitions 2018-19	398,000	398,000	396,085	1,915	398,000	-	-	398,000	-	398,000	-
Capital Improvement 2018-19	8,225,000	8,225,000	7,772,239	376,768	8,149,007	75,993	5,725,000	2,500,000	-	8,225,000	75,993
2022 Roofing/Asbestos	5,285,000	5,285,000	123,363	112,885	236,248	5,048,752	-	1,000,000	-	1,000,000	763,752
Capital Outlay 2018-19	100,000	100,000	-	-	-	100,000	-	100,000	-	100,000	100,000
Capital Outlay 2022-23	100,000	100,000	-	100,000	100,000	-	-	100,000	-	100,000	-
Capital Outlay 2023-24	100,000	100,000	-	-	-	100,000	-	100,000	-	100,000	100,000
Smart Schools	330,000	271,200	-	271,140	271,140	60	-	-	271,140	271,140	-
Leases	96,616	96,616	-	96,616	96,616	-	96,616	-	-	96,616	-
TOTAL	\$ 28,261,716	\$ 28,202,916	\$ 20,131,395	\$ 2,003,019	\$ 22,134,414	\$ 6,068,502	\$ 15,454,616	\$ 7,583,586	\$ 271,140	\$ 23,309,342	\$ 1,174,928

(See Independent Auditors' Report)

Supplementary Information
DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Lunch Fund	Miscellaneous Special Revenue Fund	Debt Service Fund	
ASSETS				
Cash and cash equivalents	\$ 105,753	\$ 256,091	\$ 810,427	\$ 1,172,271
Receivables	69,079	-	-	69,079
Inventories	18,676	-	-	18,676
Due from other funds	98,928	-	486,530	585,458
TOTAL ASSETS	\$ 292,436	\$ 256,091	\$ 1,296,957	\$ 1,845,484
LIABILITIES AND FUND BALANCES				
<u>Liabilities</u> -				
Accounts payable	\$ 342	\$ -	\$ -	\$ 342
Accrued liabilities	9,247	10,725	-	19,972
Due to other governments	153	-	-	153
Unearned revenue	5,455	-	-	5,455
TOTAL LIABILITIES	\$ 15,197	\$ 10,725	\$ -	\$ 25,922
<u>Fund Balances</u> -				
Nonspendable	\$ 18,676	\$ -	\$ -	\$ 18,676
Restricted	-	245,366	1,296,957	1,542,323
Assigned	258,563	-	-	258,563
TOTAL FUND BALANCE	\$ 277,239	\$ 245,366	\$ 1,296,957	\$ 1,819,562
TOTAL LIABILITIES AND FUND BALANCES	\$ 292,436	\$ 256,091	\$ 1,296,957	\$ 1,845,484

Supplementary Information
DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For The Year Ended June 30, 2024

	Special Revenue Funds		Debt Service Fund	Total Nonmajor Governmental Funds
	School Lunch Fund	Miscellaneous Special Revenue Fund		
REVENUES				
Use of money and property	\$ 9,231	\$ 11,196	\$ 150,997	\$ 171,424
Miscellaneous	8,062	2,250	-	10,312
State sources	232,436	-	-	232,436
Federal sources	913,307	-	-	913,307
Sales	89,157	-	-	89,157
TOTAL REVENUES	\$ 1,252,193	\$ 13,446	\$ 150,997	\$ 1,416,636
EXPENDITURES				
Employee benefits	\$ 267,596	\$ -	\$ -	\$ 267,596
Cost of sales	574,638	-	-	574,638
Other expenses	464,769	6,800	-	471,569
TOTAL EXPENDITURES	\$ 1,307,003	\$ 6,800	\$ -	\$ 1,313,803
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (54,810)	\$ 6,646	\$ 150,997	\$ 102,833
OTHER FINANCING SOURCES (USES)				
Transfers - in	\$ 98	\$ -	\$ 65,202	\$ 65,300
TOTAL OTHER FINANCING SOURCES (USES)	\$ 98	\$ -	\$ 65,202	\$ 65,300
NET CHANGE IN FUND BALANCE	\$ (54,712)	\$ 6,646	\$ 216,199	\$ 168,133
FUND BALANCE, BEGINNING OF YEAR	331,951	238,720	1,080,758	1,651,429
FUND BALANCE, END OF YEAR	\$ 277,239	\$ 245,366	\$ 1,296,957	\$ 1,819,562

Supplementary Information
DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK
Net Investment in Capital Assets/Right to Use Assets
For The Year Ended June 30, 2024

Capital assets/Right to Use Assets, net		\$ 49,669,998
Add:		
Unspent bond proceeds	<u>\$ 143,428</u>	143,428
Deduct:		
Bond payable	\$ 13,435,000	
Capital leases	114,171	
Unamortized bond premium	<u>436,430</u>	
		<u>13,985,601</u>
Net Investment in Capital Assets/ Right to Use Assets		<u><u>\$ 35,827,825</u></u>

Supplementary Information
DANSVILLE CENTRAL SCHOOL DISTRICT, NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2024

<u>Grantor / Pass - Through Agency</u> <u>Federal Award Cluster / Program</u>	<u>Assistance</u> <u>Listing</u> <u>Number</u>	<u>Pass-Through</u> <u>Agency</u> <u>Number</u>	<u>Total</u> <u>Expenditures</u>
<u>U.S. Department of Education:</u>			
<u>Passed Through NYS Education Department -</u>			
<u>Special Education Cluster IDEA -</u>			
Special Education - Grants (IDEA, Part B)	84.027	0032-24-0339	\$ 436,610
Special Education - Grants (IDEA, Part B)	84.027	0032-23-0339	2,718
Special Education - Grants (IDEA Preschool)	84.173	0033-24-0339	18,059
<i>Total Special Education Cluster IDEA</i>			<u>\$ 457,387</u>
<u>Education Stabilization Fund -</u>			
ARP - ESSER 3-COVID-19	84.425D	5880-21-1265	1,015,839
ARP - SLR Summer Enrichment-COVID-19	84.425U	5882-21-1265	116,620
ARP - SLR Comprehensive After School-COVID-19	84.425U	5883-21-1265	109,070
ARP - SLR Learning Loss-COVID-19	84.425U	5884-21-1265	437,044
CRRSA - ESSER 2-COVID-19	84.425D	5891-21-1265	30,683
<i>Total Education Stabilization Fund</i>			<u>\$ 1,709,256</u>
Title IIA - Supporting Effective Instruction State Grant	84.367	0147-24-1265	50,119
Title IV - Student Support and Enrichment Program	84.424	0204-24-1265	40,558
Stronger Connections	84.424F	0248-24-1014	86,326
Title I - Grants to Local Educational Agencies	84.010	0021-24-1265	467,778
Title I - Grants to Local Educational Agencies	84.010	0021-23-1265	61
Total U.S. Department of Education			<u>\$ 2,811,485</u>
<u>U.S. Department of Agriculture:</u>			
<u>Passed Through NYS Education Department -</u>			
<u>Child Nutrition Cluster -</u>			
National School Lunch Program	10.555	005105	\$ 526,964
National School Lunch Program-Non-Cash Assistance (Commodities)	10.555	005105	47,624
National School Snack Program	10.555	005105	35,089
Summer Food Program	10.559	005105	58,998
National School Breakfast Program	10.553	005105	244,632
<i>Total Child Nutrition Cluster</i>			<u>\$ 913,307</u>
Total U.S. Department of Agriculture			<u>\$ 913,307</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 3,724,792</u>



BUSINESS
ADVISORS
AND CPAS

**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***

Independent Auditors' Report

To the Board of Education
Dansville Central School District, New York

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Dansville 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 District's basic financial statements, and have issued our report thereon dated September 23, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 first paragraph of this section 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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Dansville 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 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mengel, Metzger, Barw & Co. LLP

Rochester, New York
September 23, 2024