

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED  
JUNE 30, 2024  
INCLUDING REPORTS ON FEDERAL AWARDS  
AND EXTRACLASSROOM ACTIVITY FUNDS

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
JUNE 30, 2024  
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## INDEPENDENT AUDITOR'S REPORT

To the President and Members  
of the Board of Education of the  
Rondout Valley Central School District  
Accord, New York 12404

### ***Opinions***

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the fiduciary fund, of the Rondout Valley Central School District, as of June 30, 2024, and the respective changes in financial position 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Rondout Valley Central School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management for the Financial Statements***

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

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

***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 generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental information on pages 4 through 16 and 74 through 78 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 the Rondout Valley Central School District's basic financial statements. The supplemental schedules on pages 79 through 81 are required by the New York State Education Department and are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules on pages 78 through 80 and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2024 on our consideration of the Rondout Valley Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the Rondout Valley Central School District's 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 Rondout Valley Central School District's internal control over financial reporting and compliance.

***Nugent & Haussler PC***

Montgomery, New York

October 8, 2024

## RONDOUT VALLEY CENTRAL SCHOOL DISTRICT

### **Management Discussion and Analysis**

#### **Introductory Section**

The following is a discussion and analysis of Rondout Valley Central School District's financial performance for the year ended June 30, 2024. The section is a summary of the Rondout Valley Central School District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the district-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 District's financial statements, which immediately follow this section.

#### **Financial Highlights**

Key financial highlights for the year ended June 30, 2024 are as follows:

At the time these financial statements were prepared and audited, the District was aware of certain existing circumstances that could significantly affect its financial health in the future. The current ongoing review of the Foundation Aid formula by the New York State Education Department has yet to be completed and its outcome is unknown. There is a reasonable possibility that the District will be impacted by a reduction in future state aid revenues. Conversely, expenses continue to rise particularly those that relate to the costs of employee benefits and contractual obligations to both employees and vendors. Additionally, the continued implementation and compliance of Ed Law 2D, which provides the required services to ensure that sensitive data is secure and protected from cyber threats demands increased financial resources.

The Environmental Protection Agency, Bipartisan Infrastructure Law (BIL) provides \$5 billion for the Clean School Bus (CSB) Program to replace existing buses with clean and zero-emission school buses. The EPA's 2022 Clean School Bus Rebates are not directly available to private bus fleet companies. As the District contracts the bus services to First Student, the District applied for the rebate on behalf of First Student. The District was the recipient of \$9,375,000 for the 2022 EPA Clean School Bus Rebate and as part of the grant agreement, the District was required to transfer the funds to First Student. These funds are to be used by First Student for the purchase of 25 new electric buses and \$500,000 for eligible charging infrastructure to serve Rondout Valley Central School District Transportation needs. First Student is in possession of the funds and has ordered the buses, which were supposed to be delivered in July 2024 however they are on backorder and are scheduled to be received in May 2025. First Student will also be installing charging infrastructure on their property, as part of the grant agreement.

## RONDOUT VALLEY CENTRAL SCHOOL DISTRICT

### **Management Discussion and Analysis (Continued)**

#### **Overview of the Financial**

This annual report consists of three parts: MD&A (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by sections of required supplementary information and supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year among other schedules.

The following table summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of MD&A highlights the structure and contents of each of the statements.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT

**Management Discussion and Analysis  
(Continued)**

Major Features of the District-Wide and Fund Financial Statements			
	District-Wide	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the District administers resources on behalf of someone else, such as scholarship programs
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Fiduciary Net Position</li> <li>• Statement of Changes in Fiduciary Net Position</li> </ul>
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/deferred outflows of resources/liability/deferred inflows of resources information	All assets, deferred outflows of resources, liabilities and deferred inflows of resources both financial and capital, short-term and long-term	Generally, assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due or available during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows of resources (if any), liabilities, and deferred inflows of resources (if any) both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/out flow 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



## RONDOUT VALLEY CENTRAL SCHOOL DISTRICT

### **Management Discussion and Analysis (Continued)**

#### **District-Wide Financial Statements**

The district-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 of the District's assets and liabilities. All of 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 district-wide statements report the District's net position and how it has changed. Net position, the difference between the District's assets and liabilities, is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

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

#### **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and to manage money for particular purposes (such as repaying its long-term debt) or to show that it is properly using certain revenues (such as Federal grants).

The District has two types of funds:

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

# RONDOUT VALLEY CENTRAL SCHOOL DISTRICT

## **Management Discussion and Analysis (Continued)**

### **Financial Analysis of the District as a Whole**

Net position increased by \$9,345,516 from (\$86,608,290), as restated to (\$77,262,774). The District's net position at June 30, 2024 is (\$77,262,774). The following table provides a summary of the District's net position:

#### Summary of Net Position

	School District Activities			
	As Restated		Increase/ (Decrease)	% Change
	June 30, 2024	June 30, 2023		
Current Assets	\$ 34,273,147	\$ 39,416,790	\$ (5,143,643)	-13.05%
Non Current Assets	104,363,765	95,963,521	8,400,244	8.75%
Total Assets	138,636,912	135,380,311	3,256,601	2.41%
Deferred Outflows of Resources	23,185,269	36,652,993	(13,467,724)	-36.74%
Current Liabilities	9,882,045	64,594,758	(54,712,713)	-84.70%
Long-Term Liabilities	183,383,732	136,401,076	46,982,656	34.44%
Total Liabilities	193,265,777	200,995,834	(7,730,057)	-3.85%
Deferred Inflows of Resources	45,819,178	57,645,760	(11,826,582)	-20.52%
Net Position:				
Net Investment in Capital Assets	53,273,189	47,656,561	5,616,628	11.79%
Restricted	20,374,661	27,348,965	(6,974,304)	-25.50%
Unrestricted, (As Restated)	(150,910,624)	(161,613,816)	10,703,192	6.62%
Total Net Position	\$ (77,262,774)	\$ (86,608,290)	\$ 9,345,516	10.79%

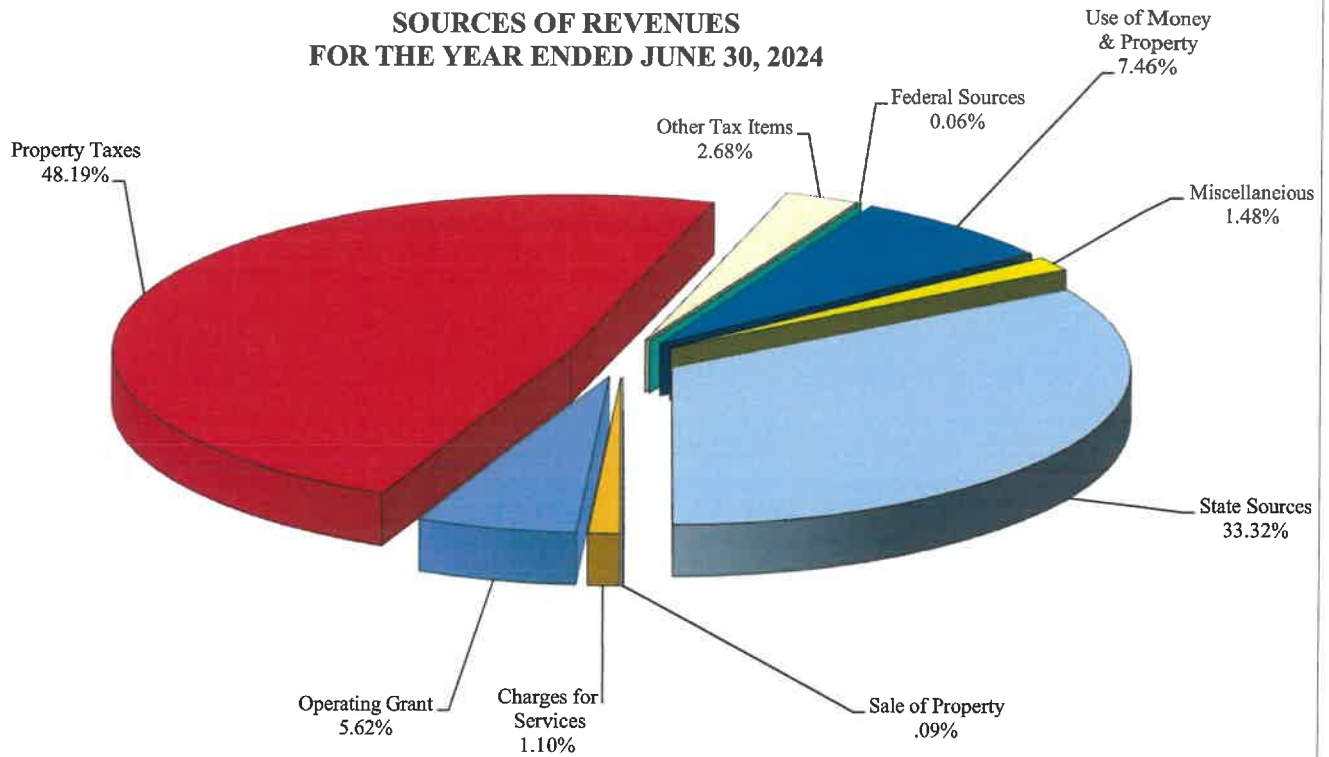
The following table and supporting graphs provides a summary of revenues, expenses and changes in net position for the year ended June 30, 2024 and 2023:

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
STATEMENT OF ACTIVITIES  
SUMMARY OF CHANGES IN NET POSITION

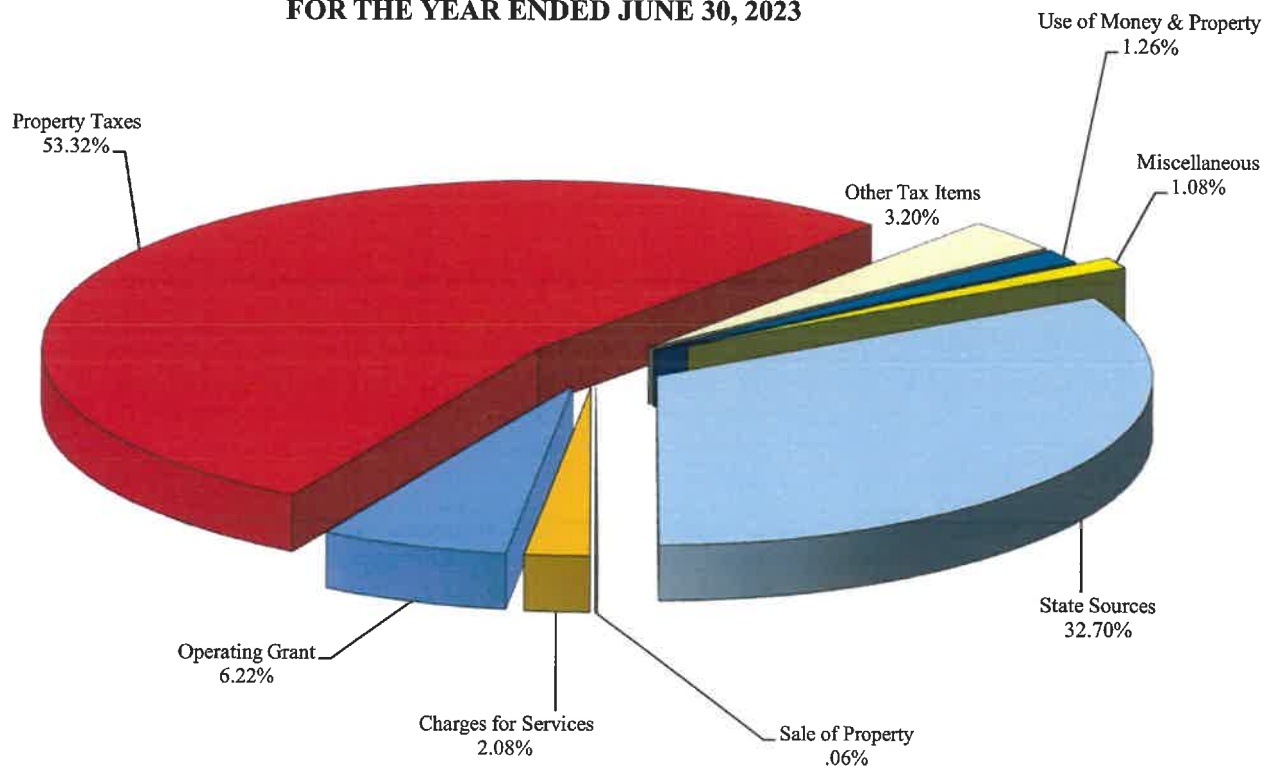
	FOR THE YEAR ENDED JUNE 30, 2024	%	FOR THE YEAR ENDED JUNE 30, 2023	%	\$ Change	% Change
<u>REVENUES</u>						
PROGRAM REVENUES:						
Charges for Services	\$ 947,926	1.10%	\$ 1,560,101	2.08%	\$ (612,175)	-39.24%
Operating Grants	4,831,474	5.62%	4,674,331	6.22%	157,143	3.36%
GENERAL REVENUES:						
Property Taxes	41,454,697	48.19%	40,068,760	53.32%	1,385,937	3.46%
Other Tax Items	2,306,119	2.68%	2,405,369	3.20%	(99,250)	-4.13%
Use of Money & Property	6,420,393	7.46%	946,177	1.26%	5,474,216	578.56%
Sale of Property	73,610	0.09%	44,016	0.06%	29,594	67.23%
Miscellaneous	1,276,577	1.48%	808,531	1.08%	468,046	57.89%
State Sources	28,659,584	33.32%	24,565,203	32.70%	4,094,381	16.67%
Federal Sources	53,321	0.06%	60,833	0.08%	(7,512)	-12.35%
					-	
TOTAL REVENUES	<u>86,023,701</u>	100.00%	<u>75,133,321</u>	100.00%	<u>10,890,380</u>	
<u>EXPENSES</u>						
General Support	8,397,104	10.95%	7,434,155	10.19%	962,949	12.95%
Instruction	35,968,305	46.91%	36,159,914	49.54%	(191,609)	-0.53%
Pupil Transportation	4,743,432	6.19%	5,348,809	7.33%	(605,377)	-11.32%
Employee Benefits	21,897,004	28.54%	19,918,996	27.30%	1,978,008	9.93%
Debt Service Interest	2,731,251	3.56%	1,510,207	2.07%	1,221,044	80.85%
Depreciation	1,813,508	2.37%	1,804,249	2.47%	9,259	0.51%
Capital Outlay	2,821	0.01%	0	0.00%	2,821	0%
School Lunch Program	1,124,760	1.47%	799,107	1.10%	325,653	40.75%
TOTAL EXPENSES	<u>76,678,185</u>	100.00%	<u>72,975,437</u>	100.00%	<u>3,702,748</u>	5.07%
CHANGES IN NET POSITION	<u>\$ 9,345,516</u>		<u>\$ 2,157,884</u>		<u>\$ 7,187,632</u>	

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK

**SOURCES OF REVENUES  
FOR THE YEAR ENDED JUNE 30, 2024**

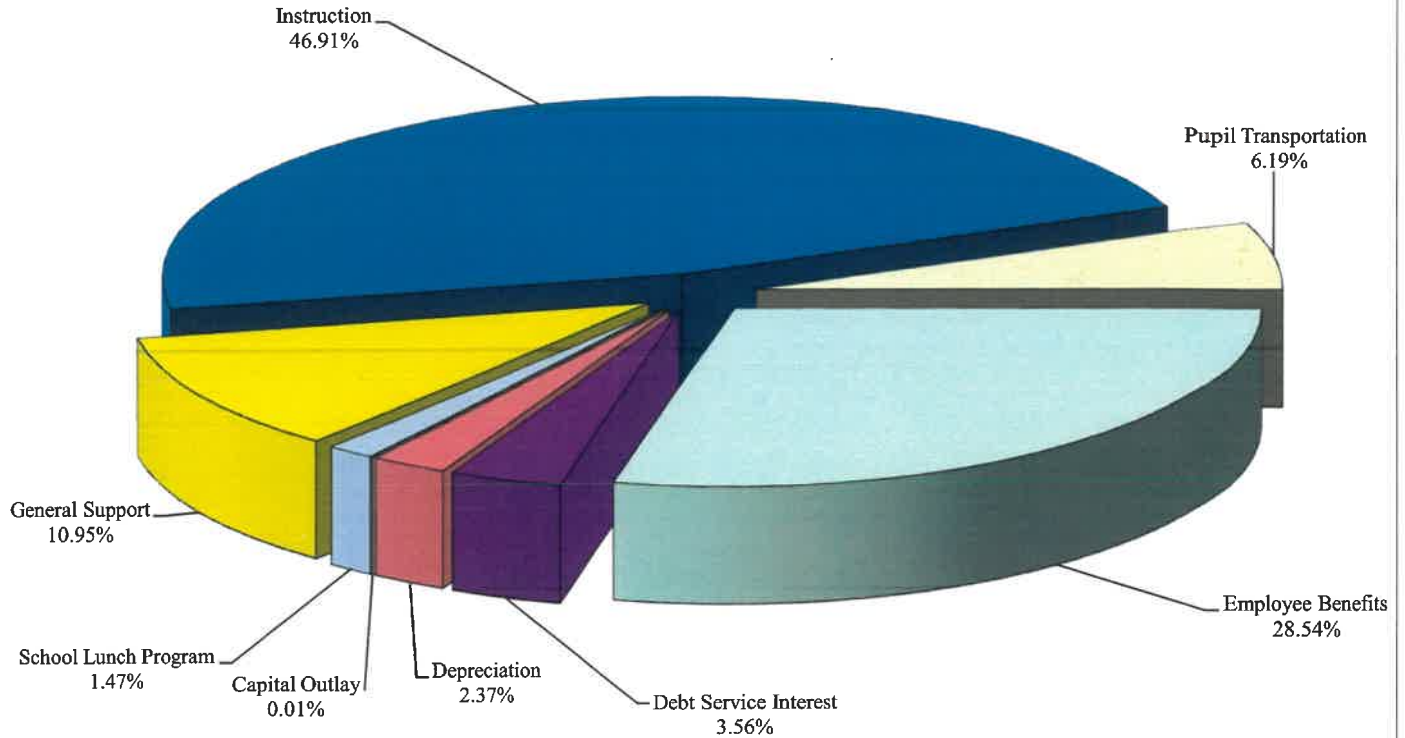


**SOURCES OF REVENUES  
FOR THE YEAR ENDED JUNE 30, 2023**

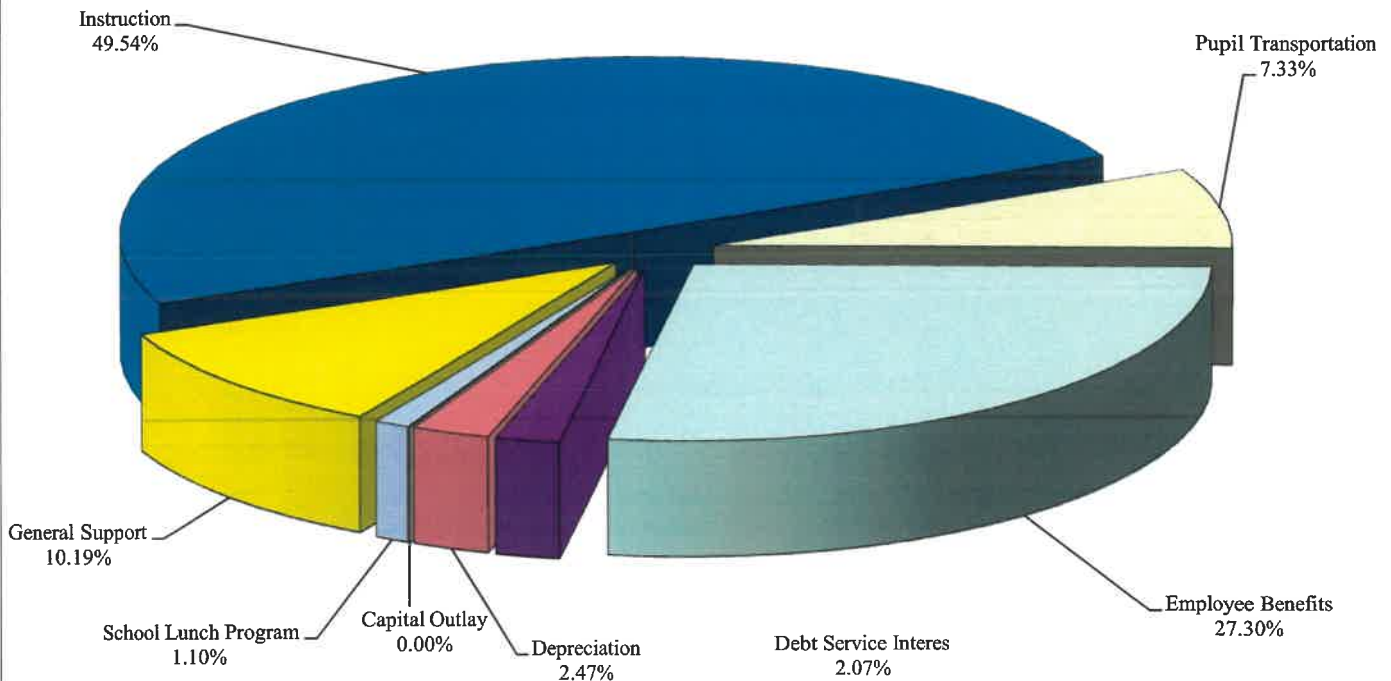


RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK

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



**EXPENSES FOR THE YEAR ENDED JUNE 30, 2023**

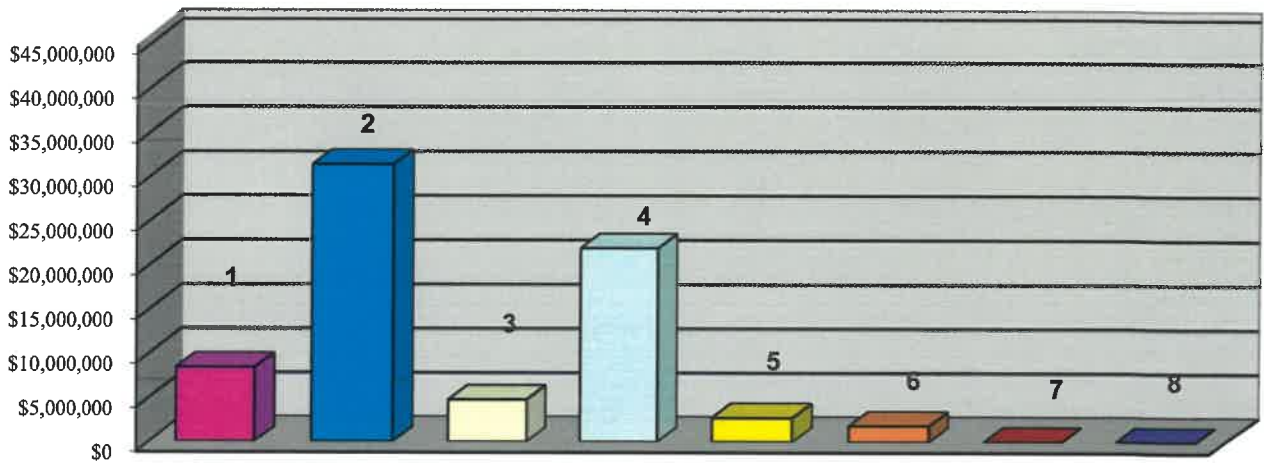


**RONDOUT VALLEY CENTRAL SCHOOL DISTRICT**  
**ACCORD, NEW YORK**  
**STATEMENT OF ACTIVITIES**  
**NET COSTS**

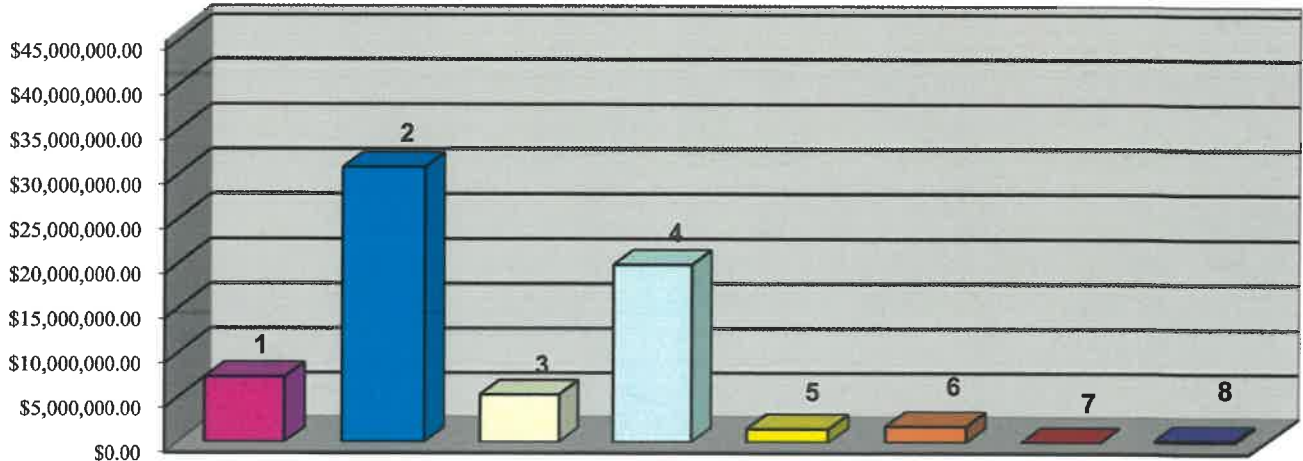
The following information is provided to disclose the net cost of governmental activities:

		TOTAL COST OF SERVICES 2023-2024	NET COST OF SERVICES 2023-2024	TOTAL COST OF SERVICES 2022-2023	NET COST OF SERVICES 2022-2023
General Support	1	\$ 8,397,104	\$ 8,397,104	\$ 7,434,155	\$ 7,335,028
Instruction	2	35,968,305	31,378,126	36,159,914	30,800,488
Pupil Transportation	3	4,743,432	4,743,432	5,348,809	5,348,809
Employee Benefits	4	21,897,004	21,897,004	19,918,996	19,918,996
Debt Service - Interest	5	2,731,251	2,731,251	1,510,207	1,510,207
Depreciation	6	1,813,508	1,813,508	1,804,249	1,804,249
Capital Outlay	7	2,821	2,821	0	0
School Lunch Program	8	1,124,760	(64,461)	799,107	260,739
		<u>\$ 76,678,185</u>	<u>\$ 70,898,785</u>	<u>\$ 72,975,437</u>	<u>\$ 66,978,516</u>

**NET COSTS 2023-2024**



**NET COSTS 2022-2023**



## RONDOUT VALLEY CENTRAL SCHOOL DISTRICT

### **Management Discussion and Analysis (Continued)**

#### **Financial Analysis of the District's Funds**

As discussed, the District's governmental funds are reported in the fund statements with a modified accrual basis that uses a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financial requirements. The major governmental funds of the District consist of the General Fund, Special Aid Fund, School Lunch Fund, Debt Service Fund, Capital Projects Fund and Miscellaneous Special Revenue Fund. The total fund balances allocated between non-spendable, restricted, assigned, and unassigned fund balance for each of these funds is as follows:

	June 30, 2024				
	<u>Nonspendable</u>	<u>Restricted</u>	<u>Assigned</u>	<u>Unassigned</u>	<u>Total</u>
General	\$ 210,771	18,027,080	\$ 1,121,343	\$ 3,145,947	\$ 22,505,141
Special Aid	0	0	0	0	0
School Lunch	0	0	0	0	0
Capital Projects	0	353,938	0	(1,153,105)	(799,167)
Debt Service	0	2,447,271	0	0	2,447,271
Miscellaneous Special Revenue	0	66,238	0	0	66,238
	<u>\$ 210,771</u>	<u>\$ 20,894,527</u>	<u>\$ 1,121,343</u>	<u>\$ 1,992,842</u>	<u>\$ 24,219,483</u>

	June 30, 2023				
	<u>Nonspendable</u>	<u>Restricted</u>	<u>Assigned</u>	<u>Unassigned</u>	<u>Total</u>
General	406,127	\$ 13,258,450	\$ 1,279,667	\$ 3,002,333	\$ 17,946,577
Special Aid	0	0	0	0	-
School Lunch	1,435	0	0	(149,139)	(147,704)
Capital Projects	497,931	11,561,173	0	(55,776,675)	(43,717,571)
Debt Service	0	2,529,342	0	0	2,529,342
Miscellaneous Special Revenue	0	0	0	0	-
	<u>\$ 905,493</u>	<u>\$ 27,348,965</u>	<u>\$ 1,279,667</u>	<u>\$ (52,923,481)</u>	<u>\$ (23,389,356)</u>

#### General Fund Budgetary Highlights

In the General Fund, for the year ended June 30, 2024, actual revenues were greater than revised budgeted revenues by \$3,196,831 or 4.30% primarily due to \$1,486,614 additional funds received from interest over budget, \$1,470,389 of operating transfers in & charges for services of \$845,376. Actual expenditures and encumbrances were less than the revised budgeted expenditures by \$2,968,001 (3.9%). Costs within various budget codes were less than budgeted amounts in particular; the areas of Programs for Children with Handicapping Conditions were less than budgeted by \$1,161,234, Transportation was less than budgeted by \$664,090, Teaching Regular School was less than budgeted by \$380,856, and Pupil Services was less than budgeted by \$331,113.

For year 2024-2025, the District has appropriated \$981,154 of fund balance to reduce the tax levy.

Factors that continue to affect the budget process are as follows:

- New York State Aid revenues are being impacted due to statewide budget constraints.
- Employee Costs and Benefits, such as, teachers and employees retirement continue to rise.
- Changes in legislation regarding school finance.
- Impending changes in educational standards.
- Energy costs that are significantly being increased.

## RONDOUT VALLEY CENTRAL SCHOOL DISTRICT

### **Management Discussion and Analysis (Continued)**

Management believes that the budget adopted for 2024-2025 is reasonably adaptable to any adverse changes that may arise based on the above factors.

The New York State Legislature enacted legislation, Chapter 97 of the Laws of 2011 that establishes a “property tax cap” on the amount that a school district’s property tax levy can increase each year. This legislation specifies that property taxes levied by a school district generally cannot increase by more than two percent, or the rate of inflation, whichever is less. The law does allow school districts to levy an additional amount for certain excludable expenditures. School districts can adopt a tax levy that exceeds the statutory limit, if the budget that is presented to the public is approved by sixty percent of the votes cast.

#### Other Fund Highlights

The Special Aid Fund ended the year with a fund balance of \$0. The revenues of this fund are expenditure driven meaning that the District receives funds based on the amount of expenditures for each grant. The District is responsible for paying 20% of the expenditures of the Summer Handicap program and as such transferred \$135,489 from the General Fund budgeted amounts to the Special Aid Fund to cover these costs for the current year.

The School Lunch Program Fund ended the year with a fund balance of \$0. The expenditures exceeded revenues by \$97,389. The General Fund transferred \$245,093 to cover the shortfall and the prior year’s negative fund balance.

The Capital Projects Fund ended the year with a fund balance of (\$799,167). The District issued bonds in the amount of \$46,185,000 during the current year to pay off BANS outstanding for construction projects. Capital expenditures for the fiscal year totaled \$10,442,067.

The Debt Service Fund ended the year with a fund balance of \$2,447,271. This fund balance will be appropriated in future years to offset principal and interest payments.

The Miscellaneous Special Revenue Fund ended the year with a fund balance of \$66,238. Revenues exceeded expenditures by \$13,442.

#### Capital Asset and Debt Administration

##### Capital Assets

The District’s investment in capital assets, net of accumulated depreciation and amortization, as of June 30, 2024 was \$104,363,765. The total increase in this net investment was 9.01% for the District as a whole (see schedule on page 15). The District’s investment in capital assets, net of accumulated depreciation and amortization as of June 30, 2023, as restated was \$95,963,521. The District expended \$10,439,246 to acquire and construct capital assets during the year ended June 30, 2024. Capital assets disposed of during the year cost \$278,529 with accumulated depreciation of \$157,157. Depreciation expense for the year was 1,813,508. The district acquired right of use assets during the year in the amount of \$63,767. Right of use assets retired had a cost of \$48,083 and related accumulated depreciation of \$43,955. Amortization expense for the current year was \$163,762.



# RONDOUT VALLEY CENTRAL SCHOOL DISTRICT

## **Management Discussion and Analysis (Continued)**

### Capital Assets (Continued)

#### CAPITAL ASSETS

#### Net of Accumulated Depreciation and Amortization

	<u>School District Activities</u>		<u>% Change</u>
	<u>June 30, 2024</u>	<u>As Restated June 30, 2023</u>	
<u>Non-Depreciable Assets:</u>			
Land	5,272,122	\$ 5,272,122	0.00%
Construction in Progress	42,089,483	31,850,658	32.15%
<u>Depreciable Assets:</u>			
Building and Improvements	55,612,369	57,199,989	-2.78%
Furniture and Equipment	761,397	941,503	-19.13%
Vehicles	175,619	142,352	23.37%
<u>Amortizable Assets:</u>			
Equipment	452,775	556,897	-18.70%
<b>TOTALS</b>	<b>\$ 104,363,765</b>	<b>\$ 95,963,521</b>	<b>8.75%</b>

### Long-Term Debt

At the end of the year, the District had total bonded and installment purchase debt outstanding of \$47,946,134. This amount is backed by the full faith and credit of the Rondout Valley Central School District with debt service fully funded by voter approved property taxes. Activity in bonded debt outstanding during the year was as follows:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Paid</u>	<u>Ending Balance</u>
Refunded Serial Bond - 2018	\$ 3,470,000	\$ 0	\$ 1,725,000	\$ 1,745,000
Installment Purchase Agreement	64,205	0	48,071	16,134
Serial Bond	0	8,425,000	0	8,425,000
Serial Bond	0	\$ 15,360,000	0	15,360,000
Serial Bond	0	13,560,000	0	13,560,000
Serial Bond	0	8,840,000	0	8,840,000
<b>Total Bonded Debt Outstanding</b>	<b>\$ 3,534,205</b>	<b>\$ 46,185,000</b>	<b>\$ 1,773,071</b>	<b>\$ 47,946,134</b>

## RONDOUT VALLEY CENTRAL SCHOOL DISTRICT

### **Management Discussion and Analysis (Continued)**

#### Bond Ratings

Standard & Poor's has assigned a rating of Aa3 to outstanding uninsured bonds of the District. This rating reflects only the view of such rating agency and an explanation of the significance of such rating should be obtained from Moody's Investors Service. There can be no assurance that such rating will not be revised or withdrawn, if in the judgment of Moody's circumstances so warrant. Any change or withdrawal of such rating may have an adverse effect on the market price of the Notes or the availability of a secondary market for the Notes.

#### Contacting the 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 Nicole Desousa, School Business Official, at the District's business offices at 122 Kyserike Road PO Box 9 Accord, NY 12404.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
STATEMENT OF NET POSITION  
GOVERNMENTAL ACTIVITIES  
JUNE 30, 2024

ASSETS

Unrestricted Cash	\$ 8,965,269
Restricted Cash	20,894,527
Taxes Receivable	1,530
State & Federal Aid Receivable	2,684,410
Due from Other Governments	1,496,777
Other Receivables, Net	19,863
Prepaid Expenses	210,771
Right to Use Assets, Net	452,775
Non Depreciable Capital Assets	47,361,605
Depreciable Capital Assets, Net	56,549,385
TOTAL ASSETS	<u>138,636,912</u>

DEFERRED OUTFLOWS OF RESOURCES

Pensions	13,200,324
Other Postemployment Benefits	9,932,985
Deferred Charges on Refunding	51,960
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>23,185,269</u>

LIABILITIES

Accounts Payable	3,346,177
Accrued Liabilities	315,151
Bond Anticipation Notes Payable	3,181,977
Due to Other Governments	9,612
Due to Teachers' Retirement System	2,768,062
Due to Employees' Retirement System	248,679
Unearned Revenues	12,387

## Long-term Liabilities:

Due and Payable Within One Year:	
Bonds Payable (including deferred amount on refunding)	4,124,425
Compensated Absences	269,768
Lease Liability	16,134
Due and Payable In More Than One Year:	
Bonds Payable (including deferred amount on refunding)	43,820,000
Compensated Absences	2,037,369
Net Pension Liability - Proportionate Share	4,333,958
Other Postemployment Benefits	128,782,078
TOTAL LIABILITIES	<u>193,265,777</u>

DEFERRED INFLOWS OF RESOURCES

Pensions	2,406,221
Other Postemployment Benefits	43,412,957
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>45,819,178</u>

NET POSITION

Net Investment in Capital Assets	53,273,189
Restricted	20,894,527
Unassigned ( Deficit)	(151,430,490)
TOTAL NET POSITION	<u>\$ (77,262,774)</u>

See notes to financial statement.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
STATEMENT OF ACTIVITIES  
GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024

	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE & CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS	
<u>FUNCTIONS &amp; PROGRAMS</u>				
General Support	\$ (9,598,534)	\$ 0	\$ 0	\$ (9,598,534)
Instruction	(54,191,480)	864,906	3,725,273	(49,601,301)
Pupil Transportation	(6,951,298)	0	0	(6,951,298)
Debt Service - Interest	(2,731,251)	0	0	(2,731,251)
Capital Outlay	(2,821)	0	0	(2,821)
School Lunch Program	<u>(3,202,801)</u>	<u>83,020</u>	<u>1,106,201</u>	<u>(2,013,580)</u>
TOTAL FUNCTIONS & PROGRAMS	<u>\$ (76,678,185)</u>	<u>\$ 947,926</u>	<u>\$ 4,831,474</u>	<u>(70,898,785)</u>
Real Property Taxes				41,454,697
Other Tax Items				2,306,119
Use of Money & Property				6,420,393
Sale of Property & Compensation for Loss				73,610
Miscellaneous				1,276,577
State Sources				28,659,584
Federal Sources				<u>53,321</u>
TOTAL GENERAL REVENUES				<u>80,244,301</u>
CHANGE IN NET POSITION				9,345,516
NET POSITION, BEGINNING OF YEAR, AS RESTATED				<u>(86,608,290)</u>
NET POSITION, END OF YEAR				<u>\$ (77,262,774)</u>

See notes to financial statement.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2024

	GENERAL	SPECIAL AID	SCHOOL LUNCH	CAPITAL PROJECTS	DEBT SERVICE	MISCELLANEOUS SPECIAL REVENUE	TOTAL GOVERNMENTAL FUNDS
<u>ASSETS</u>							
Unrestricted Cash	\$ 4,681,606	\$ 21,014	\$ 12,722	\$ 3,942,997	\$ 306,930	\$ 0	\$ 8,965,269
Restricted Cash	18,027,080	0	0	353,938	2,447,271	66,238	20,894,527
Taxes Receivable	1,530	0	0	0	0	0	1,530
State & Federal Aid Receivable	1,584,636	1,021,101	78,673	0	0	0	2,684,410
Due from Other Governments	1,496,777	0	0	0	0	0	1,496,777
Due from Other Funds	2,450,768	0	168,562	501,633	261,668	0	3,382,631
Other Receivables, Net	19,863	0	0	0	0	0	19,863
Prepaid Expenditures	210,771	0	0	0	0	0	210,771
<b>TOTAL ASSETS</b>	<b>\$ 28,473,031</b>	<b>\$ 1,042,115</b>	<b>\$ 259,957</b>	<b>\$ 4,798,568</b>	<b>\$ 3,015,869</b>	<b>\$ 66,238</b>	<b>\$ 37,655,778</b>
<u>LIABILITIES &amp; FUND BALANCES</u>							
<u>LIABILITIES</u>							
Accounts Payable	\$ 1,792,490	\$ 61,536	\$ 239,852	\$ 1,252,299	\$ 0	\$ 0	\$ 3,346,177
Accrued Liabilities	215,981	200	821	0	0	0	217,002
BAN Payable	0	0	0	3,181,977	0	0	3,181,977
Due to Other Governments	9,211	0	401	0	0	0	9,612
Due to Other Funds	670,195	980,379	0	1,163,459	568,598	0	3,382,631
Due to Teachers' Retirement System	2,768,062	0	0	0	0	0	2,768,062
Due to Employees' Retirement System	242,183	0	6,496	0	0	0	248,679
Unearned Revenues	0	0	12,387	0	0	0	12,387
Compensated Absences Payable	269,768	0	0	0	0	0	269,768
<b>TOTAL LIABILITIES</b>	<b>\$ 5,967,890</b>	<b>\$ 1,042,115</b>	<b>\$ 259,957</b>	<b>\$ 5,597,755</b>	<b>\$ 568,598</b>	<b>\$ 0</b>	<b>\$ 13,436,295</b>
<u>FUND BALANCES</u>							
Nonspendable	210,771	0	0	0	0	0	210,771
Restricted	18,027,080	0	0	353,938	2,447,271	66,238	20,894,527
Assigned	1,121,343	0	0	0	0	0	1,121,343
Unassigned	3,145,947	0	0	(1,153,105)	0	0	1,992,842
<b>TOTAL FUND BALANCES</b>	<b>\$ 22,505,141</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (799,167)</b>	<b>\$ 2,447,271</b>	<b>\$ 66,238</b>	<b>\$ 24,219,483</b>
<b>TOTAL LIABILITIES, &amp; FUND BALANCES</b>	<b>\$ 28,473,031</b>	<b>\$ 1,042,115</b>	<b>\$ 259,957</b>	<b>\$ 4,798,568</b>	<b>\$ 3,015,869</b>	<b>\$ 66,238</b>	<b>\$ 37,655,778</b>

See notes to financial statement.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT

ACCORD, NEW YORK

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION  
JUNE 30, 2024

	TOTAL GOVERNMENTAL FUNDS	LONG-TERM ASSETS & LIABILITIES	RECLASSIFICATIONS & ELIMINATIONS	STATEMENT OF NET POSITION TOTALS
<b>ASSETS</b>				
Unrestricted Cash	\$ 9,485,135	\$ 0	\$ 0	\$ 9,485,135
Restricted Cash	20,374,661	0	0	20,374,661
Taxes Receivable	1,530			1,530
State & Federal Aid Receivable	2,684,410	0	0	2,684,410
Due from Other Governments	1,496,777	0	0	1,496,777
Due from Other Funds	3,382,631	0	(3,382,631)	0
Other Receivables, Net	19,863	0	0	19,863
Prepaid Expenses	210,771	0	0	210,771
Right to Use Assets, Net	0	452,775	0	452,775
Non Depreciable Capital Assets	0	47,361,605	0	47,361,605
Depreciable Capital Assets, Net	0	56,549,385	0	56,549,385
<b>TOTAL ASSETS</b>	<b>37,655,778</b>	<b>104,363,765</b>	<b>(3,382,631)</b>	<b>138,636,912</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pensions	0	13,200,324	0	13,200,324
Other Postemployment Benefits	0	9,932,985	0	9,932,985
Deferred Charges	0	51,960	0	51,960
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>0</b>	<b>23,185,269</b>	<b>0</b>	<b>23,185,269</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 37,655,778</b>	<b>\$ 127,549,034</b>	<b>\$ (3,382,631)</b>	<b>\$ 161,822,181</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; FUND BALANCES / NET POSITION</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 3,346,177	\$ 0	\$ 0	\$ 3,346,177
Accrued Liabilities	217,002	98,149	0	315,151
BAN Payable	3,181,977	0	0	3,181,977
Due to Other Governments	9,612	0	0	9,612
Due to Other Funds	3,382,631	0	(3,382,631)	0
Due to Teachers' Retirement System	2,768,062	0	0	2,768,062
Due to Employees' Retirement System	248,679	0	0	248,679
Bonds Payable (including deferred amount on refunding)	0	47,944,425	0	47,944,425
Compensated Absences	269,768	0	0	269,768
Unearned Revenues	12,387	0	2,037,369	2,307,137
Lease Liability	0	16,134	0	16,134
Net Pension Liability - Proportionate Share	0	4,333,958	0	4,333,958
Other Postemployment Benefits	0	128,782,078	0	128,782,078
<b>TOTAL LIABILITIES</b>	<b>13,436,295</b>	<b>181,174,744</b>	<b>(1,345,262)</b>	<b>193,265,777</b>
<b>DEFERRED INFLOWS OR RESOURCES</b>				
Pensions	0	2,406,221	0	2,406,221
Other Postemployment Benefits	0	43,412,957	0	43,412,957
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>13,436,295</b>	<b>226,993,922</b>	<b>(1,345,262)</b>	<b>239,084,955</b>
<b>FUND BALANCES / NET POSITION</b>	<b>24,219,483</b>	<b>(99,444,888)</b>	<b>(2,037,369)</b>	<b>(77,262,774)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; FUND BALANCES / NET POSITION</b>	<b>\$ 37,655,778</b>	<b>\$ 127,549,034</b>	<b>\$ (3,382,631)</b>	<b>\$ 161,822,181</b>

See notes to financial statement.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2024

	GENERAL	SPECIAL AID	SCHOOL LUNCH	CAPITAL PROJECTS	DEBT SERVICE	MISCELLANEOUS SPECIAL REVENUE	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>							
Real Property Taxes	\$ 41,454,697	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 41,454,697
Other Tax Items	2,306,119	0	0	0	0	0	2,306,119
Charges for Services	1,345,376	0	0	0	0	0	1,345,376
Use of Money & Property	1,631,614	0	1,337	4,551,634	235,213	595	6,420,393
Sale of Property & Compensation for Loss	199,109	0	0	0	0	0	199,109
Miscellaneous	629,534	0	41	0	0	78,445	708,020
State Sources	28,409,584	700,964	329,840	250,000	0	0	29,690,388
Federal Sources	53,321	3,024,309	776,361	0	0	0	3,853,991
Sales	0	0	82,979	0	0	0	82,979
<b>TOTAL REVENUES</b>	<b>76,029,354</b>	<b>3,725,273</b>	<b>1,190,558</b>	<b>4,801,634</b>	<b>235,213</b>	<b>79,040</b>	<b>86,061,072</b>
<b>EXPENDITURES</b>							
General Support	6,472,250	1,914,854	0	0	0	0	8,387,104
Instruction	34,381,438	1,810,599	0	0	0	65,598	36,257,635
Pupil Transportation	4,743,432	0	0	0	0	0	4,743,432
Employee Benefits	19,237,421	0	163,187	0	0	0	19,400,608
Debt Service:							
Principal	4,713,071	0	0	0	0	0	4,713,071
Interest	2,595,567	0	0	0	0	0	2,595,567
Cost of Sales	0	0	1,124,760	0	0	0	1,124,760
Capital Outlay	0	0	0	10,442,067	0	0	10,442,067
<b>TOTAL EXPENDITURES</b>	<b>72,143,179</b>	<b>3,725,453</b>	<b>1,287,947</b>	<b>10,442,067</b>	<b>0</b>	<b>65,598</b>	<b>87,664,244</b>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	<b>3,886,175</b>	<b>(180)</b>	<b>(97,389)</b>	<b>(5,640,433)</b>	<b>235,213</b>	<b>13,442</b>	<b>(1,603,172)</b>
<b>OTHER SOURCES &amp; USES</b>							
Bond Anticipation Notes Paid from Current Year Appropriations	0	0	0	2,940,000	0	0	2,940,000
Proceeds of Long Term Debt	0	0	0	46,185,000	0	0	46,185,000
Operating Transfers In	1,470,389	135,489	245,093	586,942	251,314	0	2,689,227
Operating Transfers (Out)	(832,215)	(135,309)	0	(1,153,105)	(568,598)	0	(2,689,227)
<b>TOTAL OTHER SOURCES &amp; USES</b>	<b>638,174</b>	<b>180</b>	<b>245,093</b>	<b>48,558,837</b>	<b>(317,284)</b>	<b>0</b>	<b>49,125,000</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>4,524,349</b>	<b>0</b>	<b>147,704</b>	<b>42,918,404</b>	<b>(82,071)</b>	<b>13,442</b>	<b>47,521,828</b>
<b>FUND BALANCES, BEGINNING OF YEAR, AS RESTATED</b>	<b>17,980,792</b>	<b>0</b>	<b>(147,704)</b>	<b>(43,717,571)</b>	<b>2,529,342</b>	<b>52,796</b>	<b>(23,302,345)</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 22,505,141</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (799,167)</b>	<b>\$ 2,447,271</b>	<b>\$ 66,238</b>	<b>\$ 24,219,483</b>

See notes to financial statement.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT

ACCORD, NEW YORK

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

	TOTAL GOVERNMENTAL FUNDS	LONG-TERM REVENUE & EXPENSES	CAPITAL RELATED ITEMS	LONG-TERM DEBT TRANSACTIONS	RECLASSIFICATIONS & ELIMINATIONS	STATEMENT OF ACTIVITIES
<u>REVENUES</u>						
Real Property Taxes	\$ 41,454,697	\$ 0	\$ 0	\$ 0	\$ 0	\$ 41,454,697
Other Tax Items	2,306,119	0	0	0	0	2,306,119
Charges for Services	1,345,376	(480,470)	0	0	0	864,906
Use of Money & Property	6,420,393	0	0	0	0	6,420,393
Sale of Property & Compensation for Loss	199,109	0	(125,499)	0	0	73,610
Miscellaneous	708,020	0	0	568,598	0	1,276,618
State Sources	29,690,388	0	0	0	0	29,690,388
Federal Sources	3,853,991	0	0	0	0	3,853,991
Sales	82,979	0	0	0	0	82,979
<b>TOTAL REVENUES</b>	<b>86,061,072</b>	<b>(480,470)</b>	<b>(125,499)</b>	<b>568,598</b>	<b>0</b>	<b>86,023,701</b>
<u>EXPENDITURES</u>						
General Support	8,387,104	0	163,216	0	1,048,214	9,598,534
Instruction	36,257,635	(379,325)	1,714,017	0	16,599,153	54,191,480
Pupil Transportation	4,743,432	0	36,270	0	2,171,596	6,951,298
Community Services	0	0	0	0	0	0
Employee Benefits	19,400,608	2,496,396	0	0	(21,897,004)	0
Debt Service:						
Principal	4,713,071	0	0	(4,713,071)	0	0
Interest	2,595,567	98,149	0	37,535	0	2,731,251
Cost of Sales	1,124,760	0	0	0	2,078,041	3,202,801
Capital Outlay	10,442,067	0	(10,439,246)	0	0	2,821
<b>TOTAL EXPENDITURES</b>	<b>87,664,244</b>	<b>2,215,220</b>	<b>(8,525,743)</b>	<b>(4,675,536)</b>	<b>0</b>	<b>76,678,185</b>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	<b>(1,603,172)</b>	<b>(2,695,690)</b>	<b>8,400,244</b>	<b>5,244,134</b>	<b>0</b>	<b>9,345,516</b>
<u>OTHER SOURCES &amp; USES</u>						
Proceeds from Debt	46,185,000	0	0	(46,185,000)	0	0
Bond Anticipation Notes Paid from Current Appropriations	2,940,000	0	0	(2,940,000)	0	0
Operating Transfers In	2,689,227	0	0	0	(2,689,227)	0
Operating Transfers (Out)	(2,689,227)	0	0	0	2,689,227	0
<b>TOTAL OTHER SOURCES &amp; USES</b>	<b>49,125,000</b>	<b>0</b>	<b>0</b>	<b>(49,125,000)</b>	<b>0</b>	<b>0</b>
<b>NET CHANGE FOR THE YEAR</b>	<b>\$ 47,521,828</b>	<b>\$ (2,695,690)</b>	<b>\$ 8,400,244</b>	<b>\$ (43,880,866)</b>	<b>\$ 0</b>	<b>\$ 9,345,516</b>

See notes to financial statement.



RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2024

	<u>PRIVATE PURPOSE TRUSTS</u>
<u>ASSETS</u>	
Cash	\$ 0
Due from Other Funds	<u>0</u>
TOTAL ASSETS	<u><u>\$ 0</u></u>
<u>LIABILITIES &amp; NET POSITION</u>	
<u>LIABILITIES</u>	<u>\$ 0</u>
TOTAL LIABILITIES	<u>0</u>
<u>NET POSITION</u>	<u>0</u>
TOTAL LIABILITIES & NET POSITION	<u><u>\$ 0</u></u>

See notes to financial statement.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2024

	<u>PRIVATE PURPOSE TRUSTS</u>
<u>ADDITIONS</u>	
EPA 2022 Clean School Bus Rebate	<u>\$ 9,875,000</u>
TOTAL ADDITIONS	<u>9,875,000</u>
<u>DEDUCTIONS</u>	
EPA Rebate Remitted to First Student for Electric Bus Project	<u>9,875,000</u>
TOTAL DEDUCTIONS	<u>9,875,000</u>
CHANGE IN NET POSITION	0
NET POSITION, BEGINNING OF YEAR	<u>0</u>
NET POSITION, END OF YEAR	<u><u>\$ 0</u></u>

See notes to financial statement.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES.

The financial statements of the Rondout Valley Central School District (the “District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Where comparative amounts are presented, certain reclassifications may have been made to the prior year amounts so that they would be in conformity with the current year’s presentation. Significant accounting principles and policies utilized by the District are described below:

A. Reporting Entity

The Rondout Valley Central School District is governed by the laws of New York State. The District is an independent entity governed by an elected Board of Education consisting of 9 members. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for, and controls all activities related to public school education within the District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

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

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

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 have been included in this report. The District accounts for assets held as an agent for various student organizations in the Miscellaneous Special Revenue Fund.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

B. Joint Venture

The District is a component district in the Ulster Board of Cooperative Education Services (BOCES). A 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 district's share of administrative and capital cost is determined by resident public-school district enrollment, as defined in the New York State Education Law, §1950(4)(b)(7). In addition, component districts pay tuition or a service fee for programs in which its students participate.

During the year ended June 30, 2024, the Rondout Valley Central School District was billed \$2,400,410 for BOCES administrative and program costs. The District's share of BOCES aid amounted to \$4,387,428. Financial statements for BOCES are available from the Ulster County BOCES administrative office at 175 Route 32 North New Paltz, NY 12561.

C. Basis of Presentation

1. District-Wide Statements

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

The Statement of Net Position presents the financial position of the District at June 30, 2024. 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 in 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.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

C. Basis of Presentation (Continued)

2. Funds Statements

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

General 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.

Special Revenue Funds: These funds account for the proceeds of the specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds include the following:

Special Aid Fund: Used to account for proceeds received from State and Federal grants that are restricted for specific educational programs.

School Lunch Fund: This fund is used to account for the school lunch operations. The school lunch operation is supported by federal and state grants and charges participants for its services.

Miscellaneous Special Revenue Fund: This fund is used to account for Extraclassroom Activity Funds.

Capital Projects Fund: This fund is used to account for the financial resources used for acquisition, construction, or major repair of capital facilities.

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

Fiduciary Fund: 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.

The District reports the following fiduciary funds:

Custodial: These funds are strictly custodial in nature and do not involve the measurement of results of operations.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (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. Non-exchange 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 year for which the taxes are levied. Revenue from grants and donations is recognized in the year in which all eligibility requirements have been satisfied.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 90 days after the end of the 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<sup>st</sup> and became a lien on August 23<sup>rd</sup>. Taxes were collected by the District during the period September 1, 2023 through November 3, 2023.

Uncollected real property taxes are subsequently enforced by the Ulster County, which is the county the District is located in. The County pay an amount representing uncollected real property taxes transmitted to the County 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 is 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.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

G. Interfund Transactions

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

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

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

Refer to Note 11 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, other post-employment benefits, potential contingent liabilities and useful lives of long-lived assets.

I. Cash and Investments

The District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

New York State law governs the District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. 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.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

J. Accounts Receivable

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

K. Inventories and Prepaid Items

Inventories of food in the School Lunch Fund are recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value, which approximates market. Purchases of 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. There were no prepaid items at June 30, 2024.

L. Other Assets/Restricted Assets

Certain proceeds from serial bonds and bond anticipation notes, as well as resources set aside for their repayment are classified as restricted assets in the district-wide financial statements and their use is limited by applicable bond covenants.

M. Capital Assets

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

Land and construction-in-process are not depreciated. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the District-wide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Land Improvements	\$ 5,000	Straight Line	50 years
Buildings and Improvements	5,000	Straight Line	20-50 years
Furniture and Equipment	5,000	Straight Line	5-20 years
Vehicles	5,000	Straight Line	5-20 years



RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

N. Right to Use Assets

A right of use assets is a lessee's right to use an asset over the life of the lease. Right to Use Assets are reported at present value.

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 (expense/expenditure) until then. The District has three items that qualify for reporting in this category. The first deferred outflow is related to pensions reported in the Statement of Net Position. For additional information on these deferred outflows related to pensions, See Note 10. The second deferred outflow is related to other postemployment benefits reported in the Statement of Net Position. For additional information on these deferred outflows related to other postemployment benefits, see Note 12. The third item is related to deferred charges on refinancing.

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. The District has two items that qualify for reporting in this category. The District reports deferred inflows of resources in the Statement of Net Position related to pensions reported in the district-wide statements. For additional information on deferred inflows related to pensions, see Note 10. The District also reports deferred inflows of resources in the Statement of Net Position related to other postemployment benefits reported in the district-wide statements. For additional information on deferred inflows related to other postemployment benefits see Note 12.

P. Unearned Revenue

Unearned revenues are reported when potential revenues do not meet both the measurable and available criteria for recognition in the current period. Unearned revenues also arise when the District receives resources before it has legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recorded.

Q. Vested Employee Benefits

1. Compensated Absences

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

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

Q. Vested Employee Benefits (Continued)

1. Compensated Absences (Continued)

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 in 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.

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.

2. 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 insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provisions 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 is shared between the District and the retired employee. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

R. Short-Term Debt

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

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

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

R. Short-Term Debt (Continued)

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

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

S. Accrued Liabilities and Long-Term Obligations

Payables, accrued liabilities and long-term obligations are reported in the district-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Claims and judgments, other postemployment benefits 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:

Net invested 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.

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.

Unrestricted - reports all other net position that do not meet the definition of the above two classifications and are deemed to be available for general use by the District.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

T. Equity Classifications (Continued)

2. Funds Statements

In the fund statements there are five classifications of fund balances:

Non-spendable – Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Non-spendable fund balance includes the prepaid expenses in the General Fund of \$210,771.

Restricted – Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. All encumbrances of funds other than the General fund are classified as restricted fund balance. The District has established the following restricted fund balances:

Reserve for Debt Service

According to General Municipal Law §6-l, the Mandatory Reserve for Debt Service must be established for the purpose of retiring the outstanding obligations upon the sale of District property or capital improvement that was financed by obligations that remain outstanding at the time of sale. The funding of the reserve is from the proceeds of the sale of District property or capital improvement. The reserve is accounted for in the Debt Service Fund.

Retirement Contributions

According to General Municipal Law §6-r, must be used for 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.

Employee Benefit Accrued Liability Reserve

Reserve for Employee Benefit Accrued Liability (GML §6-p) is used for the purpose of 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.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

T. Equity Classifications (Continued)

2. Funds Statements (Continued)

Retirement Contribution Reserve – TRS Sub Fund

According to amendments to General Municipal Law §6-r, this reserve must be used to finance retirement contributions to the New York State Teachers Retirement System (“TRS”) and/or offset all or some of the amount deducted from the moneys apportioned to the District from the state under Education Law §521. 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. This reserve is accounted for in the General Fund. The amount of moneys contributed to the TRS Sub-fund annually cannot exceed 2% of the total salaries of all teachers employed by the District paid during the previous fiscal year. In addition, the total balance of the TRS Sub-fund cannot exceed 10% of the total salaries of all teachers employed by the District paid during the previous fiscal year.

Unemployment Insurance

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 year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding 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. This reserve is accounted for in the General Fund.

Workers’ Compensation

According to General Municipal Law §6-j, must be used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers’ Compensation Law and for payment of expenses of administering this self-insurance program. The reserve may be established by Board action, and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding year’s budget. The reserve is accounted for in the General fund.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

T. Equity Classifications (Continued)

2. Funds Statements (Continued)

Capital Reserve

Capital Reserve (Education Law §3651) is 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. Expenditure's may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. This reserve is accounted for in the General Fund.

Restricted fund balance at June 30, 2024 consisted of the following:

General Fund:

Capital Reserve	\$ 11,217,566	
Workers' Compensation Reserve	265,125	
Unemployment Insurance Reserve	406,983	
Retirement Contribution Reserve	3,971,080	
Retirement Contribution Reserve - TRS Sub Fund	1,480,092	
Employee Benefit Accrued Liability Reserve	<u>686,234</u>	
		\$ 18,027,080
Capital Fund		353,938
Debt Service Fund		2,447,271
Miscellaneous Special Revenue Fund		<u>66,238</u>
Total Restricted Fund Balance		<u><u>\$ 20,894,527</u></u>

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

T. Equity Classifications (Continued)

2. Funds Statements (Continued)

Committed – Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the Board of Education. The District did not classify any of its fund balances as committed as of June 30, 2024.

Assigned: Includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The purpose of the constraint must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balance also includes an amount appropriated to partially fund the subsequent year's budget, as well as encumbrances not classified as restricted at the end of the year.

Unassigned: Includes fund balance that has not been restricted, committed, or assigned to specific purposes within the General Fund. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, negative unassigned fund balance is reported.

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 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. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

Limitation on Unexpended Surplus Funds:

NYS Real Property Tax Law §1318 limits the amount of unexpended surplus funds the District can retain to no more than 4% of the District's General Fund budget for the ensuing year. Non-spendable 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.

U. New Accounting Standards

GASB has issued Statement 99, *Omnibus 2022*, the objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The District has implemented GASB Statement 99, as required.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

U. New Accounting Standards (Continued)

GASB has issued Statement 100, *Accounting Changes and Error Corrections-An Amendment of GASB Statement No. 62*, the primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The District has implemented GASB Statement 100, as required.



RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES. (Continued)

V. Future Changes in Accounting Standards

GASB has issued Statement 101, *Compensated Absences*, the objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2025 financial statements.

GASB has issued Statement 102, *Certain Risk Disclosures*, the objective of this Statement is to provide users of governmental financial statements with essential information about risk related to government's vulnerabilities due to certain concentrations or constraints. The Statement requires a government that reports a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, the Statement requires a government to assess whether an event or events that could have a substantial impact, have occurred, have begun to occur, or are more likely than not to occur within 12 months of the date the financial statements are issued. The District is currently studying the Statement and plans to adopt it when required, which will be for the June 30, 2026 financial statements.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS.

A. Total Fund Balances of Governmental Funds vs. Net Position of Governmental Activities:

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

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

1. The costs of building and acquiring capital assets (land, buildings and equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the Balance Sheet. However, the Statement of Net Position includes those capital assets among the assets of the District as a whole, with their original costs capitalized and depreciation expensed annually over their useful lives. The balances at June 30, 2024 were as follows:

Original Cost of Capital Assets	\$ 134,295,344
Accumulated Depreciation	(30,384,354)
	<u>\$ 103,910,990</u>

2. The cost of right to use assets (equipment) financed from governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the balance sheet. However, the Statement of Net Position includes those right to use assets among the assets of the District as a whole, with the present value capitalized and amortization expensed annually over the period of use. The balances at June 30, 2024 are as follows:

Original Cost of Right to Use Assets	\$ 850,384
Accumulated Amortization	(397,609)
	<u>\$ 452,775</u>

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS. (Continued)

A. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities:  
(Continued)

3. In the Statement of Net Position, a liability is recognized for the District's proportionate share of the net pension liability attributable to each defined benefit pension plan in which the District participates. A net pension liability is measured as the proportionate share of the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service (proportionate share of total pension liability), net of the proportionate share of that pension plan's fiduciary net position. If a pension plan's fiduciary net position exceeds its total pension liability, the District's proportionate share of the pension plan's net pension asset is recognized. Also, deferred outflows and inflows of resources related to pensions primarily result from contributions subsequent to the measurement date, as well as changes in the components of the net pension liability or asset. However, none of these amounts are included on the Balance Sheet as they are only recognized to the extent the pension liability is normally expected to be liquidated with expendable available financial resources. These balances at June 30, 2024 were as follows:

Deferred Outflows of Resources - Pensions	\$ 13,200,324
Net Pension Liability - Proportionate Share	(4,333,958)
Deferred Inflows of Resources - Pensions	(2,406,221)
	<u>\$ 6,460,145</u>

4. Governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The balance at June 30, 2024 was as follows:

Deferred Charges	<u>\$ 51,960</u>
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5. Interest is accrued in the Statement of Net Position, regardless of when it is due. This liability does not appear on the Balance Sheet because interest is expended when it is due, and thus requires the use of current financial resources. This liability at June 30, 2024 was as follows:

Accrued Interest	<u>\$ 98,149</u>
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RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS. (Continued)

A. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities: (Continued)

6. Long-term liabilities and related deferred inflows are reported in the Statement of Net Position, but not in the Balance Sheet, because the liabilities are not due and payable in the current period. The balances at June 30, 2024 were as follows:

Bonds Payable	\$ 47,930,000
Deferred Amount on Refunding	14,425
Compensated Absences	2,037,369
Leases	16,134
Deferred Outflows of Resources - OPEB	(9,932,985)
Other Postemployment Benefits	128,782,078
Deferred Inflows of Resources - OPEB	43,412,957
	<u>\$ 212,259,978</u>

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

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

1. Long-Term Revenue Differences

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

2. Capital Related Differences

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

3. Long-Term Debt Transaction Differences

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

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS. (Continued)

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

4. Pension Plan Transaction Differences

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

5. Other Post Employment Benefit (OPEB) Related Differences

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

Explanation of Differences between Governmental Funds Operating Statement  
and the Statement of Activities

Total Revenues and Other Funding Sources

Total revenues reported in governmental funds (Schedule 5)	\$ 135,186,072
Upon disposition of assets totaling \$326,611, the cost exceeded the accumulated depreciation of \$157,157 and accumulated amortization of \$43,955.	(125,499)
Prior year receivables, received after 90 days from year end are not reported as revenue in the governmental funds, but are recorded as revenue in the current year Statentment of Activities.	(480,470)
Unamortized BAN Premium	568,598
Repayment of BANS and issuance of bonds is reported as revenue in the governmental funds, but is recorded as a liability in the Statement of Net Postion and does not affect the Statement of Activities.	<u>(49,125,000)</u>
Total revenues in the Statement of Activities (Schedule 2)	<u>\$ 86,023,701</u>

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS. (Continued)

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

Explanation of Differences between Governmental Funds Operating Statement and the Statement of Activities (Continued)

Total Expenditures & Other Uses/Expenses

Total expenditures reported in governmental funds (Schedule 5)	\$	87,664,244
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When the purchase or construction of capital assets is financed through governmental funds, the resources expended for those assets are reported as expenditures in the years they are incurred. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital expenditures of \$10,439,246 were more than depreciation of \$1,813,508 and the remaining depreciation.

(8,625,738)

When the lease of right to use assets are financed through governmental funds, the resources expended for those assets are reported as expenditures in the years they are paid for. However, in the Statement of Activities, the present value of those assets is capitalized and the expense is allocated over the period of use and reported as amortization expense. This is the amount by which amortization of \$163,762 was more than the present value of right to use assets of \$63,767 purchased in the current year off set by the unamortized balance of disposed assets.

99,995

In the Statement of Activities, certain operating expenses (compensated absences and special termination benefits) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). Compensated Absences earned are less than the amount paid.

(379,325)

In the Statement of Activities, the expense for other postemployment benefits (OPEB) includes changes in the OPEB liability such as service cost, interest cost and changes in benefit terms, as well as amortization of deferred outflows of resources and deferred inflows of resources related to OPEB. In the governmental funds, however, OPEB expenditures are measured by the amount of financial resources used (essentially the amounts actually paid.). This is the amount by which the OPEB expense in the Statement of Activities exceeded the amount of financial resources used during the year.

(18,223)

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS. (Continued)

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

Explanation of Differences between Governmental Funds Operating Statement and the Statement of Activities (Continued)

In the Statement of Activities , pension expense related to ERS and TRS defined benefit pension plans is measured as the change in the District's proportionate shares of the net pension assets and liabilities as of the measurement dates for each plan. In the governmental funds however, these expenditures are recognized equal to the total of (1) amounts paid by the employer to the pension plan and (2) the change between the beginning and ending balances of amounts normally expected to be liquidated with expendable available financial resources. This is the amount by which the pension expense was exceeded by the amount of financial resources expended during the fiscal year.	2,514,619
Premiums and discounts on long-term debt issuances, bond issuance costs and deferred amounts from debt refunding are recognized in the fiscal year in which the transactions occur in the governmental fund statements. These amounts are amortized in the Statement of Activities This is the amount that was amortized during the current year.	37,535
Payment of lease principle is an expenditure in the governmental funds, but reduces liabilities in the Statement of Net Position, and does affect the Statement of Activities.	(48,071)
Repayment of BANS, bond and installment debt principal is an expenditure in the governmental funds, but reduces liabilities in the Statement of Net Position, and does not affect the Statement of Activities.	<u>(4,665,000)</u>
Total expenses in the Statement of Activities (Schedule 2)	<u>\$ 76,580,036</u>

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 3. STEWARDSHIP AND COMPLIANCE.

A. Budgets

The District administration prepares a proposed budget for approval by the Board of Education for the following governmental funds for which legal (appropriated) budgets are adopted:

The voters of the District approved the proposed appropriation budget for the General Fund.

Appropriations are adopted at the program line item level.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the 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 the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These Supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. Supplemental appropriations that occurred during the year are shown on Supplemental Schedule #5.



RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 3. STEWARDSHIP AND COMPLIANCE. (Continued)

A. Budgets (Continued)

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

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

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 restrictions or assignments 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.

NOTE 4. CASH - CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE, AND FOREIGN CURRENCY RISKS.

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. While the District does not have a specific policy for custodial credit risk, New York State statutes govern the District's investment policies, as discussed previously in these Notes.

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

Uncollateralized	\$ 0
Collateralized with securities held by the pledging financial institution, or its trust department or agent, but not in the District's name	\$ 31,860,695

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes \$20,374,661 within the governmental funds.

The District does not typically purchase investments for a long enough duration to cause it to believe that it is exposed to any material interest rate risk. The District also does not typically purchase investments denominated in a foreign currency, and is not exposed to foreign currency risk. The District participates in multi-municipal cooperative investment pool agreements pursuant to New York State General Municipal Law Article 5-G, Section 110-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.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 4. CASH - CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE, AND FOREIGN CURRENCY RISKS. (Continued.)

Total investments of the NYClass cooperative as of year-end are \$11,833,084,338, which consisted of \$1,924,275,851 in repurchase agreements, \$6,751,135,206 in U. S. Treasury Bills, \$1,281,296,555 in U.S. Treasury Securities and \$1,765,376,726 in collateralized bank deposits all with various interest rate and due dates.

NOTE 5. CAPITAL ASSETS.

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

	<u>Balance</u> <u>As Restated</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets that are not depreciated:				
Land	\$ 5,272,122	\$ 0	\$ 0	5,272,122
Construction in Progress	31,850,658	10,238,825	0	42,089,483
Total Nondepreciable Assets	<u>37,122,780</u>	<u>10,238,825</u>	<u>0</u>	<u>47,361,605</u>
Capital assets that are depreciated:				
Buildings and Improvements	83,549,182	0	0	83,549,182
Furniture & Equipment	2,818,069	118,587	(221,806)	2,714,850
Vehicles	644,596	81,834	(56,723)	669,707
Total Depreciable Assets	<u>87,011,847</u>	<u>200,421</u>	<u>(278,529)</u>	<u>86,933,739</u>
Less: Accumulated Depreciation	<u>(28,728,003)</u>	<u>(1,813,508)</u>	<u>157,157</u>	<u>(30,384,354)</u>
Capital Assets, Net	<u>\$ 95,406,624</u>	<u>\$ 8,625,738</u>	<u>\$ (121,372)</u>	<u>\$103,910,990</u>

Depreciation expense was charged to governmental functions as follows:

General Support	\$ 163,216
Instruction	1,614,022
Transportation	<u>36,270</u>
Total Depreciation	<u>\$ 1,813,508</u>

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS

NOTE 6. RIGHT OF USE ASSETS.

Right of use asset balances and activity for the year ended June 30, 2024, were as follows:

	Beginning Balance As Restated	Additions	Retirements/ Reclassifications	Ending Balance
Governmental activities:				
Right to use assets that are amortized:				
Furniture & Equipment	\$ 834,700	\$ 63,767	\$ (48,083)	\$ 850,384
Less: Accumulated Amortization	(277,802)	(163,762)	43,955	(397,609)
Right of Use Assets, Net	\$ 556,897	\$ (99,995)	\$ (4,127)	\$ 452,775

Amortization expense was charged to governmental functions as follows:

General Support	\$ 16,376
Instruction	147,386
Total Amortization	<u>\$ 163,762</u>

NOTE 7. SHORT TERM LIABILITIES.

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

	Beginning Balance	Issued	Paid/ Redeemed	Ending Balance
BAN matures 2024	\$55,676,634	\$ 0	\$55,676,634	\$ 0
Unamortized Premium on BAN	0	0	0	0
BAN matures 2025	0	497,931	497,931	0
BAN matures 2025	0	3,181,977	0	3,181,977
Total Short-Term Debt	<u>\$55,676,634</u>	<u>\$ 3,679,908</u>	<u>\$56,174,565</u>	<u>\$ 3,181,977</u>
Interest Paid		2,505,449		
Plus Interest Accrued in the Current Year		<u>1,961</u>		
Interest Expense		<u>2,507,410</u>		

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 8. LONG-TERM LIABILITIES.

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

	As Restated				Amounts Due Within One Year
	Beginning Balance	Issued	Paid/ Redeemed	Ending Balance	
Governmental Activities:					
Bonds and Notes					
Payable:					
Bonds Payable	\$ 3,470,000	\$ 46,185,000	\$ 1,725,000	\$ 47,930,000	\$ 4,110,000
Deferred Amount on Refunding	583,023	0	568,598	14,425	14,425
Total Bonds and Notes Payable	4,053,023	46,185,000	2,293,598	47,944,425	4,124,425
Other Liabilities:					
Compensated Absences	2,416,693	269,768	379,324	2,307,137	269,768
Leases Payable	64,205	0	48,071	16,134	16,134
Other Postemployment Benefits	125,562,713	7,683,834	4,464,469	128,782,078	0
Net Pension Liability Proportionate Share	6,646,114	202,463	2,514,619	4,333,958	0
Total Other Liabilities	134,689,725	8,156,065	7,406,483	135,439,307	285,902
Total Long-Term Liabilities	\$ 138,742,748	\$ 54,341,065	\$ 9,700,081	\$ 183,383,732	\$ 4,410,327

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 8. LONG-TERM LIABILITIES. (Continued)

Existing serial bond and installment purchase obligations are as follows:

<u>Description of Issue</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance</u>
Serial Bonds:				
Serial Bond - Refunded 2018	12/19/17	06/15/25	1.95%	\$ 1,745,000
Serial Bond \$8,425,000	06/27/24	06/27/36	5.00%	8,425,000
Serial Bond \$15,360,000	06/27/24	06/27/38	5.00%	15,360,000
Serial Bond \$13,560,000	06/27/24	06/27/39	5.00%	13,560,000
Serial Bond \$8,840,000	06/27/24	06/27/39	5.00%	8,840,000
				<u>\$ 47,930,000</u>

The following is a summary of maturing bond debt service requirements:

<u>For the Year Ended June 30,</u>	<u>Bonds and Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 4,110,000	\$ 2,307,456
2026	2,515,000	2,191,000
2027	2,620,000	2,065,250
2028	2,770,000	1,934,250
2029	2,905,000	1,795,750
2030 and thereafter	<u>33,010,000</u>	<u>11,629,750</u>
TOTAL	<u>\$ 47,930,000</u>	<u>\$ 21,923,456</u>

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

Interest paid	\$ 90,118
Plus: Interest accrued in the current year	<u>96,188</u>
Total interest expense	<u>\$ 186,306</u>

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 9. LEASES.

Lease agreements are summarized as follows:

Description	Date	Payment Terms	Payment Amount	Interest Rate	Total Lease Liability	Balance June 20, 2024
Installment Purchase Agreement - Printers	10/16/2020	48 months	\$ 4,042	1.030%	\$ 190,000	\$ 16,134
						<u>\$ 16,134</u>

The District leased printers through Ulster BOCES. These leases are paid over a four-year period. This lease is not renewable and the District will not acquire the equipment at the end of the four years.

Annual requirements to amortize long-term obligations and related interest are as follows:

For the Year Ended June 30,	Leases Payable	
	Principal	Interest
2025	\$ 16,134	\$ 34
2026	0	0
2027	0	0
2028	0	0
2029	0	0
2030 and thereafter	0	0
TOTAL	<u>\$ 16,134</u>	<u>\$ 34</u>

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 10. PENSION PLANS.

Employees' Retirement System Plan Description

The District participates in the New York State and Local Employees' Retirement System (ERS). ERS and the New York State and Local Police and Fire Retirement System (PFRS) are collectively referred to as New York State and Local Retirement System (the ERS System). These are cost-sharing multiple-employer defined benefit retirement systems. The net position of the ERS System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all assets and record changes in fiduciary net position allocated to the ERS System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the ERS System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. Thomas P. DiNapoli has served as Comptroller since February 7, 2007. In November, 2022, he was elected for a new term commencing January 1, 2023. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is 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. Separately issued financial statements for the System can be accessed on the Comptroller's website at [www.osc.state.ny.us/retire/about\\_us/financial\\_statements\\_index.php](http://www.osc.state.ny.us/retire/about_us/financial_statements_index.php).

Teachers' Retirement System Plan Description

The New York State Teachers Retirement System (the TRS System) was created and exists pursuant to Article 11 of the New York State Education Law. The System is the administrator of a cost-sharing, multiple-employer public employee retirement system (PERS), administered by a 10-member Board to provide pension and ancillary benefits to teachers employed by participating employers in the State of New York, excluding New York City. For additional Plan information please refer to the NYSTRS Comprehensive Annual Financial Report which can be found on the System's website located at [www.nystrs.org](http://www.nystrs.org).

ERS Benefits Provided

The ERS System provides retirement benefits as well as death and disability benefits.

*Tiers 1 and 2*

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special

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NOTE 10. PENSION PLANS. (Continued)

ERS Benefits Provided (Continued)

*Tiers 1 and 2 (Continued)*

retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years of employment. For Tier 1 members who joined on or after June 17, 1971, each year used in the final average salary calculation is limited to no more than 20 percent greater than the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent greater than the average of the previous two years.

*Tiers 3, 4, and 5*

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have 10 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with 10 or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.



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NOTE 10. PENSION PLANS. (Continued)

ERS Benefits Provided (Continued)

*Tiers 3, 4, and 5* (Continued)

Final average salary is the average of the wages earned in the three highest consecutive years of employment. For Tier 3, 4 and 5 members, each year of final average salary calculation is limited to no more than 10 percent greater than the average of the previous two years.

*Tier 6*

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have 10 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63 for ERS members and 62 for PFRS members.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75 percent of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied 1 for each year of service over 20 years. Tier 6 members with 10 or more years of service can retire as early as age 55 with reduced benefits.

Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10 percent greater than the average of the previous four years.

*Special Plans*

The 25-Year Plans allow a retirement after 25 years of service with a benefit of one-half of final average salary, and the 20-Year Plans allow a retirement after 20 years of service with a benefit of one-half of final average salary. These plans are available to certain PFRS members, sheriffs, and correction officers.

*Disability Retirement Benefits*

Disability retirement benefits are available to ERS and PFRS members unable to perform their job duties because of permanent physical or mental incapacity. There are three general types of disability benefits: ordinary, performance of duty, and accidental disability benefits. Eligibility, benefit amounts, and other rules such as any offsets or other benefits depend on a member's tier, years of service, and plan.

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NOTE 10. PENSION PLANS. (Continued)

ERS Benefits Provided (Continued)

*Ordinary Death Benefits*

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

*Post-Retirement Benefit Increases*

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for 10 years; (iii) all disability pensioners, regardless of age, who have been retired for five years; (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

TRS Benefits Provided

The benefits provided to members of the TRS System are established by New York State law and may be amended only by the Legislature with the Governor's approval. Benefit provisions vary depending on date of membership and are subdivided into the following six classes:

*Tier 1*

Members who last joined prior to July 1, 1973 are covered by the provisions of Article 11 of the Education Law.

*Tier 2*

Members who last joined on or after July 1, 1973 and prior to July 27, 1976 are covered by the provisions of Article 11 of the Education Law and Article 11 of the Retirement and Social Security Law (RSSL).

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NOTE 10. PENSION PLANS. (Continued)

TRS Benefits Provided (Continued)

*Tier 3*

Members who last joined on or after July 27, 1976 and prior to September 1, 1983 are covered by the provisions of Article 14 and Article 15 of the RSSL.

*Tier 4*

Members who last joined on or after September 1, 1983 and prior to January 1, 2010 are covered by the provisions of Article 15 of the RSSL.

*Tier 5*

Members who joined on or after January 1, 2010 and prior to April 1, 2012 are covered by the provisions of Article 15 of the RSSL.

*Tier 6*

Members who joined on or after April 1, 2012 are covered by the provisions of Article 15 of the RSSL.

*Service Retirements*

Tier 1 and 2 members are generally eligible for a service retirement benefit of 2% per year of credit service times final average salary (FAS). A 5% reduction generally applies for each full year of state service under 20 years (prorated for partial years with a maximum reduction of 50%). Tier 1 and 2 members may retire as early as age 55 with five or more years of state service credit. Retirement may also occur for Tier 1 members at age 55 with less than five years of service if two years are credited since July 1, 1967, after the current membership date, and since the member turned age 53.

Generally, the maximum pension payable to Tier 1 and 2 members (with two years of credit under the Article 19 Benefit Enhancement law) is 79% of FAS. An age factor applies to Tier 2 members who retire before age 62 with less than 30 years of service. There is no age factor for Tier 1 members.

Tier 3 and 4 members are generally eligible for a service retirement benefit of 1.67% per year of credited service times FAS for less than 20 years of service, 2.0% per year for 20 to 30 years of service, and 60% of FAS plus 1.5% per year for service beyond 30 years. Tier 3 and 4 members may retire as early as age 55 with five years of state service credit. An age factor applies for Tier 3 and 4 members who retire before age 62 with less than 30 years of service.

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NOTE 10. PENSION PLANS. (Continued)

TRS Benefits Provided (Continued)

Tier 5 members are generally eligible for a service retirement benefit of 1.67% per year of credited service times FAS for less than 25 years of service, 2% per year for 25 - 30 years of service, and 60% of FAS plus 1.5% per year for service beyond 30 years. Tier 5 members may retire as early as age 55 with 10 years of service credit. An age factor applies to Tier 5 members who retire before age 57 or retire between age 57 and 62 with less than 30 years of service.

Tier 6 members are generally eligible for a service retirement benefit of 1.67% per year of credited service times FAS for less than 20 years of service, 1.75% per year for 20 years of service, and 35% of FAS plus 2% per year for service beyond 20 years. Tier 6 members may retire as early as age 55 with 5 years of state service credit. An age factor applies for Tier 6 members who retire before age 63. In addition, vested Tier 6 members with an inactive membership must be at least 63 to retire.

*Vested Benefits*

Retirement benefits for Tiers 1-6 are vested after five years of credited service. Prior to April 9, 2022, Tier 5-6 members needed to attain 10 years of state service credited to be vested. Benefits are payable at age 55 or greater with the limitations noted for service retirement above.

*Disability Retirement*

Members are eligible for disability retirement benefits after 10 years of credited New York State service, except for Tier 3 where disability retirement is permissible after five years of credited New York State service pursuant to the provisions of Article 14 of the RSSL. The Tier 3 benefit is integrated with Social Security.

*Death Benefits*

Death benefits are paid to the beneficiary of active members who die in service and certain retirees. For active members, the benefit is based on final salary, age and the number of years of credited service. For retired members, it is also based on the number of years in retirement.

*Prior and Military Service*

After 2 years of membership, members of all tiers may claim and receive credit for prior New York State public or teaching service. Only Tiers 1 and 2 members may, under certain conditions, claim out of state service. Certain members may also claim military service credit prior to or interrupting membership.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
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NOTE 10. PENSION PLANS. (Continued)

*Tier Reinstatement*

In accordance with Chapter 640 of the Laws of 1998, any active member who had a prior membership may elect to be reinstated to their original date and Tier of membership.

*Permanent Cost of Living Adjustment (COLA)*

Section 532-a of the Education Law provides a permanent cost-of-living benefit to both current and future retired members. This benefit will be paid commencing September of each year to retired members who have attained age 62 and have been retired for 5 years or attained age 55 and have been retired for 10 years. Disability retirees must have been retired for 5 years, regardless of age, to be eligible. The annual COLA percentage is equal to 50% of the increase in the Consumer Price Index (CPI) not to exceed 3% nor be lower than 1%. It is applied to the first eighteen thousand dollars of the maximum annual benefit. The applicable percentage payable beginning September 2023 is 2.5%.

Members who retired prior to July 1, 1970 are eligible for a minimum benefit of seventeen thousand five hundred dollars for 35 years of credited full-time New York State service. Certain members who retire pursuant to the provisions of Article 14 of the RSSL are eligible for automatic cost-of-living supplementation based on the increase in the Consumer Price Index (CPI) with a maximum per annum increase of 3.0%.

Contributions

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% 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' year ended March 31. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education Law. Contributions for the current year and two preceding years were equal to 100% of the contributions required, and were as follows:

<u>Year</u>	<u>NYSTRS</u>	<u>NYSERS</u>
2023-2024	\$ 2,867,188	\$ 829,129
2022-2023	2,624,327	686,768
2021-2022	2,303,264	949,550

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

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
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NOTE 10. PENSION PLANS. (Continued)

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. District's proportion of the net pension asset/(liability) was based on a projection of the District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS Systems in reports provided to the District.

	ERS	TRS
Actuarial Valuation Date	March 31, 2024	June 30, 2023
Net Pension Asset/(Liability)	\$ (2,769,725)	\$ (1,564,233)
District's Portion of the Plan's Total		
Net Pension Asset/(Liability)	0.0188109%	0.136783%

At March 31, 2024, the District's proportion of the NYSERS net pension asset/(liability) was 0.0188109%, there was a increase of 0.0001893% from its proportion measured as of March 31, 2023.

At June 30, 2023, the District's proportion of the NYSTRS net pension asset/(liability) was 0.136783%, which was an decrease of 0.001468% from its proportion measured as of June 30, 2022.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
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NOTE 10. PENSION PLANS. (Continued)

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

For the year ended June 30, 2024, the District's recognized pension expense of \$1,335,797 for ERS and \$4,518,293 for TRS. At June 30, 2024 the District's reported deferred outflows of resources and deferred inflows of resources related to pensions for the following sources:

	Deferred Outflows or Resources		
	<u>ERS</u>	<u>TRS</u>	<u>Total</u>
Differences between expected and actual experience	\$ 892,126	\$ 3,792,849	\$ 4,684,975
Changes of Assumptions	1,047,171	3,367,748	4,414,919
Net difference between projected and actual earnings on pension plan investments	-	799,605	799,605
Changes in proportion and difference between the District's contributions and proportionate share of contributions	251,593	330,344	581,937
District's contributions subsequent to the measurement date	<u>242,183</u>	<u>2,476,705</u>	<u>2,718,888</u>
Total	<u>\$ 2,433,073</u>	<u>\$ 10,767,251</u>	<u>\$ 13,200,324</u>

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 10. PENSION PLANS. (Continued)

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

	Deferred Inflows or Resources		
	<u>ERS</u>	<u>TRS</u>	<u>Total</u>
Differences between expected and actual experience	\$ 75,523	\$ 9,374	\$ 84,897
Changes of Assumptions	-	733,982	733,982
Net difference between projected and actual earnings on pension plan investments	1,352,996	0	1,352,996
Changes in proportion and difference between the District's contributions and proportionate share of contributions	-	234,346	234,346
District's contributions subsequent to the measurement date	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 1,428,519</u>	<u>\$ 977,702</u>	<u>\$ 2,406,221</u>

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:

Year Ended:	<u>ERS</u>	<u>TRS</u>
2024	\$ 0	\$ (683,735)
2025	403,685	784,560
2026	(598,481)	(6,329,891)
2027	(843,914)	(480,862)
2028	276,339	(360,729)
Thereafter	0	(242,187)



RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
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NOTE 10. PENSION PLANS. (Continued)

Actuarial Assumptions

The total ERS pension liability at March 31, 2024 was determined by using an actuarial valuation as of April 1, 2023, with update procedures used to roll forward the total pension liability to March 31, 2024. The total TRS pension liability at June 30, 2023 was determined by using an actuarial valuation as of June 30, 2022, with update procedures used to roll forward the total pension liability to June 30, 2024. These actuarial valuations used the following actuarial assumptions.

Significant actuarial assumptions used in the actuarial valuations referred to above were as follows:

	ERS	TRS										
Inflation Rate	2.9%	2.40%										
Projected Salary Increases	4.4%	Rates of increase differ based on service. They have been calculated										
		<table><tr><th>Service</th><th>Rate</th></tr><tr><td>5</td><td>5.18%</td></tr><tr><td>15</td><td>3.64%</td></tr><tr><td>25</td><td>2.50%</td></tr><tr><td>35</td><td>1.95%</td></tr></table>	Service	Rate	5	5.18%	15	3.64%	25	2.50%	35	1.95%
Service	Rate											
5	5.18%											
15	3.64%											
25	2.50%											
35	1.95%											
Projected Cost of Living Adjustments	1.5%	1.3% Compounded annually										
Investment Rate of Return, Including Inflation	5.9% compounded annually, net of investment expenses, including inflation	6.95% compounded annually, net of pension plan investment expense, including inflation										
Decrement Tables	April 1, 2015 - March 31, 2020 System's Experience	July 1, 2015 - June 30, 2020 System's Experience										
Mortality Improvement	Society of Actuaries Scale MP-2021	Society of Actuaries Scale MP-2021										

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NOTE 10. PENSION PLANS. (Continued)  
Actuarial Assumptions (Continued)

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

The Long Term Expected Rates of Return are presented by asset allocation classification, which differs from the financial statement presentation. Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of the measurement date of June 30, 2023 for TRS and March 31, 2024 for ERS are summarized in the following table:

Measurement Date	ERS		Measurement Date	TRS	
	March 31, 2024			June 30, 2023	
	Target Allocation	Long-term expected real rate of return		Target Allocation	Long-term expected real rate of return*
Asset Class:			Asset Class:		
Domestic Equity	32%	4.30%	Domestic Equities	33%	6.80%
International Equity	15%	6.85%	International Equities	15%	7.60%
Private Equity	10%	7.50%	Global Equities	4%	7.20%
Real Estate	9%	4.60%	Real Estate Equities	11%	6.30%
Opportunistic/ARC Portfolio	3%	5.38%	Private Equity	9%	10.10%
Credit	4%	5.43%	Domestic Fixed Income	16%	2.20%
Real Assets	3%	5.84%	Global Bonds	2%	1.60%
Fixed Income	23%	1.50%	High-yield Bonds	1%	4.40%
Cash	1%	0.00%	Private Debt	2%	6.00%
			Real Estate Debt	6%	3.20%
			Cash Equivalents	1%	0.30%
Total	100%			100%	

The real rate of return is net of the long-term inflation assumption of 2.9%.

\* Real rates of return are net of a long-term inflation assumption of 2.4%.

(1) Excludes equity-oriented and long-only funds. For investment management purposes, these funds are included in domestic equity and international equity.

Discount Rate

The discount rate used to calculate the total pension liability was 5.9% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's 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.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
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NOTE 10. PENSION PLANS. (Continued)

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

The following presents the District's proportionate share of the ERS and TRS net pension liability calculated using the discount rates referred to above, as well as what the District's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate referred to above:

	1% Decrease 4.90%	Current Assumption 5.90%	1% Increase 6.90%
<u>ERS</u>			
Employer's Proportionate Share of the Net Pension Asset/(Liability)	\$ (8,708,298)	\$ (2,769,725)	\$ 2,190,216
	1% Decrease 5.95%	Current Assumption 6.95%	1% Increase 7.95%
<u>TRS</u>			
Employer's Proportionate Share of the Net Pension Asset/(Liability)	\$ (23,824,065)	\$ (1,564,233)	\$ 17,157,248

Pension plan fiduciary net position

The components of the current-year net pension liability of the employers as of the measurement dates indicated below were as follows:

	<u>ERS</u> March 31, 2024	<u>TRS</u> June 30, 2023
Measurement Date		
Employers' total pension asset/(liability)	\$ (240,696,851)	\$ (138,365,121,961)
Plan net position	(225,972,801)	(137,221,536,942)
Employer's 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%	99.2%

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's year which ends on March 31<sup>st</sup>. Accrued retirement contributions as of June 30, 2024 represent the projected employer contributions 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 \$242,183 of employer contributions. Employee contributions are remitted monthly.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
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NOTE 10. PENSION PLANS. (Continued)

Payables to the Pension Plan (Continued)

For TRS, employer and employee contributions for the year ended June 30, 2024 are paid to the System in September, October and November 2024 through state aid intercept. Accrued retirement contributions as of June 30, 2024 represent employee and employer contributions for the year ended June 30, 2020. Employer contributions are based on paid TRS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2024 amounted to \$2,476,705.

NOTE 11. INTERFUND BALANCES AND ACTIVITY.

Interfund balances and activity for the year ended June 30, 2024, were as follows:

	Interfund		Interfund	
	Receivable	Payable	Revenues	Expenditures
General Fund	\$ 2,450,768	\$ 670,195	\$ 1,470,389	\$ 832,215
Special Aid Fund	0	980,379	135,489	135,309
School Lunch Fund	168,562	0	245,093	0
Capital Fund	501,633	1,163,459	586,942	1,153,105
Debt Service Fund	261,668	568,598	251,314	568,598
Total Governmental Activities	3,382,631	3,382,631	2,689,227	2,689,227
Fiduciary Agency Fund	0	0	0	0
Totals	<u>\$ 3,382,631</u>	<u>\$ 3,382,631</u>	<u>\$ 2,689,227</u>	<u>\$ 2,689,227</u>

Interfund receivables and payables, other than between governmental activities and fiduciary funds, are eliminated on the Statement of Net Position. The District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. All interfund payables are expected to be repaid within one year.

The District typically transfers from the General Fund to the Special Aid Fund to fund the portion of the Summer Handicapped Program not funded by aid from New York State.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
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JUNE 30, 2024

NOTE 12. OTHER POSTEMPLOYMENT BENEFITS.

Plan Description – The District’s defined benefit OPEB plan (“the District’s OPEB plan”), provides OPEB for eligible retired employees, their spouses and their dependent children. The District’s OPEB plan is a single-employer defined benefit OPEB plan administered by the District based on employment contracts. As these employment contracts are renegotiated, eligibility and benefits may change over time. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits Provided – The District’s OPEB plan subsidizes the cost of healthcare eligible retired employees, their spouses and their dependent children. Eligibility is based on the respective rules of the New York State and Local Employees Retirement System (ERS) and the New York State Teachers Retirement System (TRS), as well as the provisions of the District’s agreements with its employees. The following eligibility rules currently apply to the District’s employees:

Employee Groups	Date of Hire Cut - off	Service Requirements
Teachers & Nurses		10 years
	Before 02/01/2010	10 years
Custodial & Maintenance Unit	On/After 02/01/2010	15 Years
	Before 01/01/1998	10 years
Cafeteria Unit	On/After 01/01/1998	15 Years
	Before 01/01/1994	10 years
School Related Professionals & Paraprofessionals	On/After 01/01/1994	15 Years
Administrators/Confidential Staff		10 years
Superintendent		7 years

The same health plan options are available to active employees and retirees: Orange/Ulster School District Health Plan (OUSDHP) PPO and MVP PPO. For Medicare retirees, MVP USA PPO, a Medicare Advantage plan, is also available. All health plans are considered fully-insured and experience-rated for those of this valuation. The monthly premium rates effective on July 1, 2022 used in the valuation are shown below and were provided by the District.

Health Plans	Pre - 65		Post - 65	
	Single	Two-Party	Single	Two-Party
OUSDHP PPO	\$ 1,108	\$ 2,386	\$ 627	\$ 1,310
MVP	\$ 1,160	\$ 2,517	N/A	N/A
MVP USA PPO	N/A	N/A	\$ 468	\$ 935

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 12. OTHER POSTEMPLOYMENT BENEFITS. (Continued)

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

Inactive employees or beneficiaries currently receiving benefit payments	366
Active employees	<u>381</u>
Total Employees Covered by Benefit Terms	<u><u>747</u></u>

Total OPEB Liability

The District's total OPEB liability of \$128,782,078 was measured as of June 30, 2024, and was determined by an actuarial valuation as of June 30, 2022.

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 Rate	2.7%
Projected Salary Increases, Including Wage Inflation	Varies by years of service and retirement system
Discount Rate	4.21%
Healthcare Cost Trend Rates	Medical: 6.75 from 2022 to 2023, followed by 6.50% from 2023 to 2024, decreasing gradually to an ultimate rate of 4.14% by 2076.  Part B Reimbursement: -3.06% decrease from 2022 to 2023, followed by projected Part B premium increase shown in the 2022 Medicare Trustees report, and decreasing to an ultimate rate of 4.14% by 2076.  Dental/Vision: None
Current Retirees' Share of Benefit Related Costs	Retirees pay based on their specific cost sharing arrangement.
Future Retirees' Share of Benefit Related Costs	Retirees pay based on their specific cost sharing arrangement.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 12. OTHER POSTEMPLOYMENT BENEFITS. (Continued)

The discount rate was based on a review of the yield derived from the Bond Buyer 20 GO Bond Index closest to the measurement date.

The demographic assumptions include the rates of mortality, withdrawal, retirement, and disability. They are based on the NYS ERS assumptions first effective on April 1, 2020 and NYS TRS assumptions first used on June 30, 2021 with the exception of mortality rates. The mortality rates are based on recent mortality tables published by SOA (Pub-2010) Headcount-Weighted table (Teachers for TRS group and General Employees for ERS group), projected fully generationally using MP-2021.

Changes in the Total OPEB Liability

Balance at June 30, 2023	<u>\$ 125,562,713</u>
<u>Changes for the Year:</u>	
Service cost	3,694,099
Interest	5,247,048
Differences between expected and actual experience	245,052
Changes in assumptions or other inputs	(1,502,365)
Benefit payments	<u>(4,464,469)</u>
Net Changes	<u>3,219,365</u>
Balance at June 30, 2024	<u><u>\$ 128,782,078</u></u>

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 (3.21 percent) or 1 percentage point higher (5.21 percent) than the current discount rate:

	1% Decrease (3.21%)	Current Discount Rate (4.21%)	1% Increase (5.21%)
Total OPEB Liability	\$ 149,601,639	\$ 128,782,078	\$ 112,012,026

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 12. OTHER POSTEMPLOYMENT BENEFITS. (Continued)

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

	<u>1%</u> <u>Decrease</u>	<u>Current Health Care</u> <u>Cost Trend Rates</u>	<u>1%</u> <u>Increase</u>
Total OPEB Liability	\$ 108,530,622	\$ 128,782,078	\$ 149,601,639

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 \$4,446,246. At June 30, 2024, the District reported the following deferred inflows of resources related to OPEB.

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Differences between expected and actual experience	\$ 1,712,409	\$ 10,834,747
Changes of assumptions or other inputs	8,220,576	32,578,210
District's contributions subsequent to the measurement date	<u>0</u>	<u>0</u>
Total	<u>\$ 9,932,985</u>	<u>\$ 43,412,957</u>

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

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2025	\$(3,974,709)
2026	(13,527,131)
2027	(11,236,901)
2028	(4,741,231)
2029	0
Thereafter	0



RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 13. RETIREMENT INCENTIVES.

The District approved a local retirement incentive whereby certain teachers who were eligible to retire during the 2023-2024 year under the New York State Teacher's Retirement System, were offered a retirement incentive. Three teachers retired who were eligible for the incentive. These individuals will receive a non-elective employer contribution of \$20,000 each. The District also approved a retirement incentive to clerical staff who retired during the 2023-2024 year. Six clerical staff members were eligible for this incentive. These individuals will receive a non-elective employer contribution of \$30,000 each. These incentives are charged to expenditures in the governmental funds in the current year and totaled \$240,000 for the fiscal year.

NOTE 14. RISK MANAGEMENT.

General Information

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

Pool, Risk Sharing

The District participates in the Ulster County Workers' Compensation Fund, a risk-sharing pool, to insure Workers' Compensation claims. This is a public entity risk pool created under Article 5 of the Workers' Compensation Law, to finance liability and risks related to Workers' Compensation claims. The total undiscounted liability for the Plan as of December 31, 2023, was \$17,049,972.48. For June 30, 2024, the plan had assets in excess of the liability of \$19,223,380.

NOTE 15. COMMITMENTS AND CONTINGENCIES.

The District has received grants, which are subject to audit by agencies of the state and federal governments. Such audits may result in disallowances and a request for a return of funds. Based on prior years' experience, the District's administration believes disallowances, if any, will be immaterial.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 16. ENCUMBRANCES.

Encumbrances represent contracts, purchase orders, payroll commitments, tax payables, or legal penalties that are chargeable to an account. They cease to be encumbrances when paid or when the actual liability amount is determined and recorded as an expenditure. As discussed in Note 1, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At June 30, 2024 the amount of encumbrances expected to be honored upon performance by the vendor in the subsequent year were as follows:

General Fund	<u>\$ 140,189</u>
Total Encumbrances	<u><u>\$ 140,189</u></u>

NOTE 17. TAX ABATEMENTS.

The District entered into real property tax abatement agreements that reduce the District's gross tax revenues. The property tax abatement agreements are entered into with local businesses under the state municipal law for the purpose of attracting or retaining businesses within the town. For the year ended June 30, 2024, the District abated property taxes totaling \$64,346 under the property tax abatement agreements and received payments in lieu of tax (PILOT) payments totaling \$47,127.

NOTE 18. RESTATEMENT.

During fiscal year 2024, changes to or within the financial reporting entity and error corrections resulted in adjustments to and restatements of beginning net position and fund net position, as follows:

	General Fund	Miscellaneous Special Revenue	Governmental Activities
June 30, 2023, as Previously Stated	\$ 17,946,577	\$ -	\$ (89,026,346)
Accounts Payable Error Correction - June 30, 2023	34,215		34,215
Reclassification of Extraclassroom Activities to Miscellaneous Special Revenue - June 30, 2023		52,796	52,796
Right of Use Assets, Net Book Value Error Correction - June 30, 2023			556,897
Construction in Progress - Error Correction - June 30, 2023			1,914,966
Capital Projects Completed PY - Error Correction - June 30, 2023			1,477,423
Workers Compensation Prepaid - Error Correction - June 30, 2023			(356,355)
Compensated Absences - Error Correction - June 30, 2023			(1,216,714)
High School & Middle School Project Costs - Error Correction - June 30, 2023			(45,172)
June 30, 2023, as Restated	<u>\$ 17,980,792</u>	<u>\$ 52,796</u>	<u>\$ (86,608,290)</u>

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 19. SUBSEQUENT EVENTS.

The District has evaluated subsequent events through October 8, 2024 the date that the financial statements were available to be issued. No significant subsequent events have been identified that would require adjustment of or disclosure in the accompanying financial statements.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK

SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS  
FOR THE YEAR ENDED JUNE 30, 2024

	06/30/24	06/30/23	06/30/22	06/30/21	06/30/20	06/30/19	06/30/18
<u>Total OPEB Liability</u>							
Service cost	\$ 3,694,099	\$ 4,489,368	\$ 6,568,569	\$ 7,016,714	\$ 4,528,002	\$ 2,735,178	\$ 2,853,380
Interest	5,247,048	5,311,136	3,991,623	4,284,007	5,156,342	4,628,623	4,252,784
Changes of benefit terms	0	(626,415)	0	(2,027,826)	0	0	0
Differences between expected and actual experience	245,052	(10,794,894)	369,044	(10,914,451)	43,014	9,272,707	0
Changes in assumptions or other inputs	(1,502,365)	(16,143,731)	(39,343,066)	(2,826,895)	38,633,037	12,472,191	(6,004,537)
Benefit payments	(4,464,469)	(4,392,738)	(4,167,687)	(4,097,188)	(3,707,216)	(3,491,304)	(2,595,800)
Net change in total OPEB liability	3,219,365	(22,157,274)	(32,581,517)	(8,565,639)	44,653,179	25,617,395	(1,494,173)
Total OPEB liability-beginning	125,562,713	147,719,987	180,301,504	188,867,143	144,213,964	118,596,569	120,090,742
Total OPEB liability-ending	\$ 128,782,078	\$ 125,562,713	\$ 147,719,987	\$ 180,301,504	\$ 188,867,143	\$ 144,213,964	\$ 118,596,569
Covered-employee payroll	\$ 31,710,705	\$ 29,055,770	\$ 30,003,722	\$ 29,350,079	\$ 29,821,384	\$ 26,884,664	\$ 29,625,799
Total OPEB liability as a percentage of covered-employee payroll	406.10%	432.10%	492.30%	614.30%	633.30%	536.40%	400.30%

Notes to Schedule:

*Changes in assumptions.* Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

6/30/2018	3.87%
6/30/2019	3.51%
6/30/2020	2.21%
6/30/2021	2.16%
6/30/2022	3.54%
6/30/2023	4.13%
6/30/2024	4.21%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75 to pay related benefits.

\* GASB 75 requires that the past 10 years of information be presented. Due to the fact that this statement was implemented for the year ended June 30, 2018, prior year information is not available for 10 years. The data will be accumulated over time and presented according to GASB 75.

See paragraph on supplementary schedules included in auditor's report.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2024

	ORIGINAL BUDGET	REVISED BUDGET	CURRENT YEAR'S REVENUES	OVER (UNDER) REVISED BUDGET
<u>REVENUES</u>				
LOCAL SOURCES:				
Real Property Taxes	\$ 43,545,882	\$ 43,545,882	\$ 41,454,697	\$ (2,091,185)
Other Tax Items	25,000	25,000	2,306,119	2,281,119
Charges for Services	500,000	500,000	1,345,376	845,376
Use of Money & Property	145,000	145,000	1,631,614	1,486,614
Sale of Property & Compensation for Loss	4,500	4,500	199,109	194,609
Miscellaneous	895,500	895,500	629,534	(265,966)
STATE SOURCES	29,087,030	29,087,030	28,409,584	(677,446)
FEDERAL SOURCES	100,000	100,000	53,321	(46,679)
OTHER SOURCES:				
Operating Transfers In	0	0	1,470,389	1,470,389
TOTAL REVENUES	74,302,912	74,302,912	\$ 77,499,743	\$ 3,196,831
APPROPRIATED FUND BALANCE				
TOTAL REVENUES & APPROPRIATED FUND BALANCE	\$ 75,582,578	\$ 76,083,584		

See paragraph on supplementary schedules included in auditor's report.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2024

EXPENDITURES	ORIGINAL BUDGET	REVISED BUDGET	CURRENT YEAR'S EXPENDITURES	ENCUMBRANCES	UNENCUMBERED BALANCE
GENERAL SUPPORT:					
Board of Education	\$ 20,829	\$ 26,896	\$ 25,570	\$ 297	\$ 1,029
Central Administration	1,193,329	1,192,853	1,120,495	3,224	69,134
Finance	307,722	293,570	250,638	5,634	37,298
Staff	289,040	301,998	291,049	0	10,949
Central Services	4,052,070	4,072,310	3,803,168	91,690	177,452
Special Items	1,009,913	1,017,023	981,330	0	35,693
INSTRUCTIONAL:					
Instruction, Administration & Improvement	2,702,550	2,694,965	2,664,225	2,988	27,752
Programs for Children with Handicapping Conditions	11,109,080	11,059,665	9,877,296	21,135	1,161,234
Teaching - Regular School	15,628,750	15,543,702	15,150,706	12,140	380,856
Occupational Education	0	0	0	0	0
Teaching - Special Schools	50,000	57,500	57,332	0	168
Instructional Media	2,701,118	2,739,739	2,482,889	2,214	254,636
Pupil Services	4,259,697	4,480,313	4,148,990	210	331,113
PUPIL TRANSPORTATION	6,246,103	5,408,179	4,743,432	657	664,090
COMMUNITY SERVICES	0	0	0	0	0
EMPLOYEE BENEFITS	19,125,397	19,447,811	19,237,421	0	210,390
DEBT SERVICE:					
Debt Service - Principal	4,591,163	4,731,002	4,713,071	0	17,931
Debt Service - Interest	2,166,817	2,595,567	2,595,567	0	0
OTHER USES:					
Operating Transfers Out	75,453,578	75,663,093	72,143,179	140,189	3,379,725
	129,000	420,491	832,215	0	(411,724)
TOTAL EXPENDITURES & OTHER USES	\$ 75,582,578	\$ 76,083,584	72,975,394	\$ 140,189	\$ 2,968,001
NET CHANGES IN FUND BALANCE		\$ 4,524,349			

See paragraph on supplementary schedules included in auditor's report.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2024

	NYSERS Pension Plan Last 10 Fiscal Years									
	3/31/2024	3/31/2023	3/31/2022	3/31/2021	3/31/2020	3/31/2019	3/31/2018	3/31/2017	3/31/2016	3/31/2015
District's proportion of the net pension asset/(liability)	0.01881099%	0.0186216%	0.0178419%	0.0177520%	0.0174319%	0.0175607%	0.0182128%	0.0181781%	0.0185528%	0.0175946%
District's proportionate share of the net pension asset/(liability)	\$ (2,769,725)	\$ (3,993,230)	\$ 1,458,503	\$ (17,676)	\$ (4,616,055)	\$ (1,244,232)	\$ (587,808)	\$ (1,708,051)	\$ (2,977,747)	\$ (594,388)
District's covered-employee payroll	\$ 6,548,315	\$ 6,409,670	\$ 5,996,283	\$ 5,828,700	\$ 5,841,093	\$ 5,717,362	\$ 5,445,550	\$ 5,427,044	\$ 5,448,012	\$ 4,823,539
District's proportionate share of the net pension asset/(liability) as a percentage of its covered-employee payroll	-42.30%	-62.30%	24.32%	-0.30%	-79.03%	-21.76%	-10.79%	-31.47%	-54.66%	-12.32%
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%	97.95%

	NYSTRS Pension Plan Last 10 Fiscal Years									
	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
District's proportion of the net pension asset/(liability)	0.136783%	0.138251%	0.133757%	0.141270%	0.144561%	0.142679%	0.145054%	0.147955%	0.149246%	0.148902%
District's proportionate share of the net pension asset/(liability)	\$ (1,564,233)	\$ (2,652,881)	\$ 23,177,652	\$ (3,903,682)	\$ 3,755,703	\$ 2,580,010	\$ 1,102,557	\$ (1,584,663)	\$ 15,501,915	\$ 16,586,705
District's covered-employee payroll	\$ 26,634,529	\$ 25,838,650	\$ 25,084,063	\$ 23,147,148	\$ 23,855,122	\$ 24,712,290	\$ 23,761,746	\$ 23,459,697	\$ 23,261,908	\$ 22,500,910
District's proportionate share of the net pension asset/(liability) as a percentage of its covered-employee payroll	-5.87%	-10.27%	92.40%	-16.86%	15.74%	10.44%	4.64%	-6.75%	66.64%	73.72%
Plan fiduciary net position as a percentage of the total pension liability	99.2%	98.57%	113.25%	97.66%	101.53%	101.53%	100.66%	99.01%	110.46%	111.48%

See paragraph on supplementary schedules included in auditor's report.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
FOR THE YEAR ENDED JUNE 30, 2024

	NYSERS Pension Plan Last 10 Fiscal Years									
	3/31/2024	3/31/2023	3/31/2022	3/31/2021	3/31/2020	3/31/2019	3/31/2018	3/31/2017	3/31/2016	3/31/2015
Contractually required contribution	\$ 829,129	\$ 686,768	\$ 949,861	\$ 886,274	\$ 825,764	\$ 826,701	\$ 877,024	\$ 815,966	\$ 988,956	\$ 975,577
Contributions in relation to the contractually required contribution	829,129	686,768	949,861	886,274	825,764	826,701	877,024	815,966	988,956	975,577
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Employee Payroll	\$ 6,548,315	\$ 6,409,670	\$ 5,996,283	\$ 5,828,700	\$ 5,841,093	\$ 5,717,362	\$ 5,445,550	\$ 5,427,044	\$ 5,448,012	\$ 4,823,539
Contributions as a percentage of its covered-employee payroll	12.66%	10.71%	15.84%	15.21%	14.14%	14.46%	16.11%	15.04%	18.15%	20.23%

	NYSTRS Pension Plan Last 10 Fiscal Years									
	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Contractually required contribution	\$ 2,599,530	\$ 2,624,327	\$ 2,303,264	\$ 2,124,456	\$ 2,731,433	\$ 2,624,445	\$ 2,328,651	\$ 2,749,476	\$ 3,084,529	\$ 3,944,410
Contributions in relation to the contractually required contribution	2,599,530	2,624,327	2,303,264	2,124,456	2,731,433	2,624,445	2,328,651	2,749,476	3,084,529	3,944,410
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Employee Payroll	\$ 26,634,529	\$ 25,838,650	\$ 25,084,063	\$ 23,147,148	\$ 23,855,122	\$ 24,712,290	\$ 23,761,746	\$ 23,459,697	\$ 23,261,908	\$ 22,500,910
Contributions as a percentage of its covered-employee payroll	9.76%	10.2%	9.18%	9.18%	11.45%	10.62%	9.80%	11.72%	13.26%	17.53%

See paragraph on supplementary schedules included in auditor's report.



RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET  
AND THE REAL PROPERTY TAX LIMIT - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2024

CHANGE FROM ADOPTED TO FINAL BUDGET

ADOPTED BUDGET	\$ 75,058,323
ADDITIONS:	
Encumbrances from Prior Year	<u>524,255</u>
ORIGINAL BUDGET	75,582,578
BUDGET REVISIONS	
Use of Employee Benefit Accrued Liability Reserve	<u>501,006</u>
FINAL BUDGET	<u><u>\$ 76,083,584</u></u>

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2024-2025 Voter-approved expenditure budget maximum allowed (4% of 2024-2025 budget of \$78,648,751)	\$ 3,145,949
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	
Unrestricted Fund Balance:	
Assigned Fund Balance	\$ 1,121,343
Unassigned Fund Balance	<u>3,145,947</u>
Total Unrestricted Fund Balance	<u>\$ 4,267,290</u>
Less:	
Appropriated Fund Balance	981,154
Encumbrances Included in Assigned Fund Balance	<u>140,189</u>
Total Adjustments	<u>\$ 1,121,343</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 3,145,947</u></u>
Actual Percentage	4%

See paragraph on supplementary schedules included in auditor's report.

RONDCOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
 SCHEDULE OF CAPITAL PROJECTS FUND - PROJECT EXPENDITURES AND FINANCING SOURCES  
 FOR THE YEAR ENDED JUNE 30, 2024

PROJECT NUMBER	ORIGINAL APPROPRIATION	REVISED APPROPRIATION	EXPENDITURES TO DATE			TOTAL	AVAILABLE BALANCE
			PRIOR YEARS	CURRENT YEAR	INTERFUND TRANSFER		
002-007	\$ 25,247,047	\$ 25,247,047	\$ 24,815,270	\$ 0	\$ 0	\$ 24,815,270	\$ 431,777
High School Renovation							
NYSERDA Grant	233,991	233,991	205,413	0	28,578	233,991	0
007-010	2,181,205	2,181,205	2,361,668	0	251,314	2,612,982	(431,777)
Middle School Renovation							
Smart School Network	1,426,380	1,426,380	1,148,505	0	0	1,148,505	277,875
007-012 & 007-013	948,000	948,000	312,928	0	635,072	948,000	0
Districtwide Repairs - Various							
Districtwide Capital Project - 2018 referendum	61,800,000	61,800,000	49,505,581	10,006,054	0	59,511,635	2,288,365
Track & Field Storage	250,000	250,000	9,855	135,309	0	145,164	104,836
Emergency Electric Repair	275,754	275,754	251,633	0	0	251,633	24,121
006-011	3,629,241	3,629,241	279,172	697,931	0	977,103	2,652,138
Ulster BOCES Capital Project							
Concession Stand	250,000	250,000	164,397	97,462	238,141	500,000	(250,000)
TOTALS	\$ 96,241,618	\$ 96,241,618	\$ 79,054,422	\$ 10,936,756	\$ 1,153,105	\$ 91,144,283	\$ 5,097,335

PROJECT NUMBER	METHODS OF FINANCING			FUND BALANCE June 30, 2024	
	PROCEEDS OF OBLIGATIONS	STATE AID	LOCAL SOURCES	FEDERAL SOURCES	TOTAL
002-007	\$ 19,779,238	\$ 871,330	\$ 4,164,702	0	\$ 24,815,270
High School Renovation					
NYSERDA Grant	0	233,991	0	0	233,991
007-010	2,609,730	0	3,252	0	2,612,982
Middle School Renovation					
Smart School Network	0	376,608	0	0	376,608
007-012 & 007-013	0	370,670	577,330	0	948,000
Districtwide Repairs - Various					
Districtwide Capital Project - 2018 referendum	51,231,323	0	9,040,000	0	60,271,323
Track & Field Storage	0	0	0	135,309	135,309
Emergency Electric Repair	0	0	251,633	0	251,633
006-011	0	0	200,000	0	200,000
Ulster BOCES Capital Project	0	0	250,000	0	500,000
Concession Stand	0	250,000	250,000	0	500,000
TOTALS	\$ 73,620,291	\$ 2,102,599	\$ 14,486,917	\$ 135,309	\$ 90,345,116

See paragraph on supplementary schedules included in auditor's report.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NET INVESTMENT IN CAPITAL ASSETS  
FOR THE YEAR ENDED JUNE 30, 2024

CAPITAL ASSETS, NET		\$ 103,910,990
RIGHT TO USE ASSETS, NET		<u>452,775</u>
Total Capital Assets		104,363,765
ADDITIONS:		
Deferred Charges on Refunding		51,960
DEDUCTIONS:		
Capital Asset Bond Anticipation Note	\$ 3,181,977	
Short-term Portion of Bonds Payable	4,124,425	
Long-term Portion of Bonds Payable	43,820,000	
Short-term Portion of Leases Payable	<u>16,134</u>	
Total Deductions		<u>(51,142,536)</u>
NET INVESTMENT IN CAPITAL ASSETS		<u>\$ 53,273,189</u>

See paragraph on supplementary schedules included in auditor's report.



**Nugent & Haeussler, P.C.**  
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT  
AUDITING STANDARDS

To the President and Members  
of the Board of Education of the  
Rondout Valley Central School District  
Accord, New York 12404

Peter J. Bullis, CPA, FACFEI, DABFA  
Christopher E. Melley, CPA  
Gary C. Theodore, CPA  
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Richard P. Capicchioni, CPA

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Norman M. Sassi, CPA  
Walter J. Jung, CPA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the fiduciary fund of Rondout Valley Central School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Rondout Valley Central School District's basic financial statements and have issued our report thereon dated October 8, 2024.

**Report on Internal Control over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of 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 considered to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Compliance and Other Matters**

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

**Purpose of this Report**

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

***Nugent & Haessler PC***

Montgomery, New York

October 8, 2024



**Nugent & Haeussler, P.C.**  
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the President and Members  
of the Board of Education of the  
Rondout Valley Central School District  
Accord, New York 12404

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

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

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

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

## Rondout Valley Central School District

***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

**Report on Internal Control over Compliance**

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

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

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

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

*Nugent & Haessler PC*

Montgomery, New York  
October 8, 2024



RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2024

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM OR CLUSTER TITLE</u>	<u>FEDERAL ASSISTANCE LISTING NUMBER</u>	<u>PASS-THROUGH ENTITY IDENTIFYING NUMBER</u>	<u>PASS-THROUGH TO SUBRECIPIENTS</u>	<u>TOTAL FEDERAL EXPENDITURES</u>
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Passed-through NYS Education Department:				
Child Nutrition Cluster:				
Cash Assistance				
National School Breakfast Program	10.553	N/A		\$ 159,091
National School Lunch Program	10.555	N/A		520,344
National School Lunch Program - Supply Chain Assistance	10.555	N/A		51,981
Cash Assistance Subtotal				731,416
Non-Cash Assistance (food distribution)				
National School Lunch Program	10.555	N/A		44,945
TOTAL CHILD NUTRITION CLUSTER				776,361
ARPA CN Equipment Assistance Grant	10.579	N/A		44,950
TOTAL U.S. DEPT. OF AGRICULTURE				821,311
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Passed-through NYS Education Department:				
Special Education Cluster:				
IDEA - Part B, Section 611	84.027	0032-24-0997	\$ 40,836	617,992
ARP - Section 611	84.027X	5532-22-0997		20,639
IDEA - Part B, Section 619	84.173	0033-24-0997	7,373	19,113
ARP - Section 619	84.173X	5533-22-0997		1,226
Total Special Education Cluster			\$ 48,209	658,970
Title I Parts A & D, Basic Program	84.010	0021-23-3410		3,991
Title I Parts A & D, Basic Program	84.010	0021-24-3410		465,430
Title I, School In Need of Improvement	84.010	0011-23-3120		10,001
Title I, School In Need of Improvement	84.010	0011-24-2128		41,821
Title I, School In Need of Improvement	84.010	0011-23-8086		24,301
Title II Part A, Teacher & Principal Training & Recruiting	84.367	0147-24-3410		54,681
Title IV, Part A	84.424	0204-23-3410		13,880
Title IV, Part A	84.424	0204-24-3410		24,905
				639,010
Education Stabilization Fund				
Coronavirus Response and Relief Supplemental Appropriation Act, 2021 (CRRSA) - ESSER II	Covid-19 84.425D	5891-21-3410		670,709
American Rescue Plan -(ARP) - ESSER 3	Covid-19 84.425U	5880-21-3410		1,010,670
Total Education Stabilization Fund				1,681,379
TOTAL U.S. DEPARTMENT OF EDUCATION				2,979,359
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ 3,800,670

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1. BASIS OF PRESENTATION.

The accompanying schedule of expenditures of federal awards presents the activity of federal award programs administered by the District, which is described in Note 1 to the District's accompanying financial statements, using the modified accrual basis of accounting. Federal awards that are included in the schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. Because the schedule of expenditures of federal awards presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, change in net assets, or cash flows of the District.

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. Certain of the District's federal award programs have been charged with indirect costs, based upon a rate established by New York State and the District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance applied to overall expenditures. There is no other indirect cost allocation plan in effect.

Matching costs (the District's share of certain program costs) are not included in the reported expenditures. The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program. The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system.

Federal Expenditures as reported on the Schedule of Expenditures of Federal Awards	\$ 3,800,670
Reconciling Items:	
Medicare Reimbursement	<u>53,321</u>
Federal Aid as reported on the Statement of Revenues Expenditures and Changes in Fund Balance	<u><u>\$ 3,853,991</u></u>

NOTE 2. NON-CASH ASSISTANCE.

The District is the recipient of a federal award program that does not result in cash receipts or disbursements. The District was granted \$44,945 of commodities under the Commodity Supplemental Food Program (Federal Assistance Listing Number 10.555).

NOTE 3. OTHER DISCLOSURES.

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value, and is covered by the District's casualty insurance policies. There were no loans or loan guarantees outstanding at year-end.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2024

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of Report the Auditor Issued on Whether the Financial Statements  
Audited Were Presented in Accordance with GAAP: Unmodified

Internal Control over Financial Reporting:

Material weakness(es) identified? \_\_\_\_\_ Yes X No

Significant deficiency(ies) identified? \_\_\_\_\_ Yes X None Reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes X No

FEDERAL AWARDS

Internal Control over Major Programs:

Material weakness(es) identified? \_\_\_\_\_ Yes X No

Significant deficiency(ies) identified? \_\_\_\_\_ Yes X None Reported

Type of Auditor's Opinion Issued on Compliance for  
Major Programs: Unmodified

Any audit findings disclosed that are required to be reported  
in accordance with Section 2 CFR-200.516(a)? \_\_\_\_\_ Yes X No

IDENTIFICATION OF MAJOR PROGRAMS:

FEDERAL ASSISTANCE

LISTING NUMBERS

84.425

NAME OF FEDERAL PROGRAM OR CLUSTER

Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000.00  
Auditee qualified as low-risk auditee? X Yes \_\_\_\_\_ No

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements as required to be reported in accordance with the  
Uniform Guidance.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

A. Significant Deficiencies in Internal Control

There were no findings relating to the major federal awards as required to be reported in accordance with Section  
2 CFR-200.516(a).

B. Compliance Findings

There were no findings relating to the major federal awards as required to be reported in accordance with Section  
2 CFR-200.516(a).

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2024

**II. FINANCIAL STATEMENT FINDINGS.**

**A. Internal Control Findings**  
**Material Weaknesses**

**Finding Reference: 2023-001 Opening Fund Balances did not Agree to Prior Year Financial Statements**

Condition: The District did not post entries identified during the previous audit correctly, causing the beginning fund balance to be incorrect.

Recommendation: We recommend that the District record all audit entries to ensure the fund balances agree to the audited financial statements.

Current Status: Corrected.

**Finding Reference: 2023-002 Lack of Documentation**

Condition: The District does not maintain complete and accurate records.

Recommendation: We recommend that the District maintain all original documents and schedules to substantiate amounts recorded in its financial software.

Current Status: Corrected.

**Finding Reference: 2023-003 Receivables and Accrual of Grants Receivable and Related Payables**

Condition: The District did not adjust revenues and expenses and related receivables and payables at year-end. School Districts are required to record transactions on the modified accrual basis of accounting.

Recommendation: We recommend that the District include procedures in its system for closing the accounting year, which includes consideration of grant programs for amounts due on the modified accrual basis, verifying that expenditures are recorded in the year incurred and establishing a mechanism for District departments to regularly report the status of pending invoices.

Current Status: Corrected.

**Finding Reference: 2023-004 Journal Entry Approval**

Condition: Journal Entries are not reviewed and approved for appropriateness.

Recommendation: We recommend that the District develop a system to prepare and review the recording of journal entries.

Current Status: Corrected.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2024

**II. FINANCIAL STATEMENT FINDINGS. (Continued).**

**A. Internal Control Findings (Continued)**  
**Material Weaknesses (Continued)**

**Finding Reference: 2023-005 Adjusting Entries**

Condition: Audit procedures identified a significant amount of adjusting journal entries required to correct material misstatements of the District's financial records.

Recommendation: We recommend that the District develop a system to review monthly and annual financial records for accuracy.

Current Status: Corrected.

**Finding Reference: 2023-006 Open Purchase Orders**

Condition: Open purchase orders were recorded as expenditures at year end.

Recommendation: We recommend that the District develop a system of controls over financial recording.

Current Status: Corrected.

**Finding Reference: 2023-007 Capital Assets and Construction in Progress Expenditures**

Condition: The School District did not properly account for and monitor all of its capital assets and construction in progress expenditures.

Recommendation: We recommend that the District adopt a capital asset process and system of controls to accurately compile and update a list of capital assets owned by the District, along with tracking the cost of projects throughout their life, and accurately report this information to the 3<sup>rd</sup> party vendor.

Current Status: Corrected.

**Finding Reference: 2023-008 Debt**

Condition: The District's recording of various debt entries to debt service and BANS redeemed accounts was not accurate.

Recommendation: We recommend that the District develop a system to prepare and review the recording of debt adjustments.

Current Status: Corrected.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2024

**II. FINANCIAL STATEMENT FINDINGS.**

**A. Internal Control Findings (Continued)**  
**Material Weaknesses (Continued)**

**Finding Reference: 2023-009 Debt Service Fund Budgeting and Recording**

Condition: The District recorded debt service transactions in other funds, but moved cash to the Debt Service Fund to pay for these transactions.

Recommendation: We recommend that the District develop a system to prepare and review the proper recording of debt service transactions.

Current Status: Corrected.

**Finding Reference: 2023-010 Interfund Payable and Receivable Accounts**

Condition: The District did not properly balance amounts payable and receivable between funds.

Recommendation: We recommend that the District maintain supporting documentation for all interfund payable and receivable transactions and ensure accounts are correctly recorded.

Current Status: Corrected.

**Finding Reference: 2023-011 Prepaid**

Condition: The District did not record payments to prepaid expenditures as applicable.

Recommendation: We recommend that the District include procedures in its system for closing the accounting year, which includes consideration of the proper recording of expenditures near year end.

Current Status: Corrected.

**Significant Deficiencies**

**Finding Reference: 2023-012 Payroll**

Condition: The District made payments under payroll in July for work done in December 2022 through June 2023.

Recommendation: We recommend that the District implement a policy designating a cutoff period for employees to hand in time sheets.

Current Status: Corrected.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2024

**II. FINANCIAL STATEMENT FINDINGS.**

**B. Compliance Findings**

**Finding Reference: 2023-013 Extraclassroom Fund**

Condition: Extraclassroom funds still maintain balances for Class of 2021 and 2022.

Recommendation: We recommend that the District develop a policy and mandate the closing out of these accounts after a specified period of time and establish the transfer of unused accounts to a specified group.

Current Status: Corrected.

**Finding Reference: 2023-014 New York State Education Department Requirements**

Condition: The School District did not submit its audited financial statements on time.

Recommendation: We recommend that the School District comply with the filing requirements imposed by the State Education Department.

Current Status: Corrected.

**Finding Reference: 2023-015 Fund Balance Deficit**

Condition: The School District's School Lunch fund balance reported a deficit of \$147,704 as of June 30, 2023.

Recommendation: We recommend that the School District maintain a positive unassigned fund balance in the School Lunch Fund by transferring sufficient revenues to the School Lunch Fund during the year such that the fund does not report a deficit.

Current Status: Corrected.

**II. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

**B. Compliance Findings**

**Finding Reference: 2023-016 Equipment and Real Property Management**

Condition: Purchased items were not added to the capital asset records.

Recommendation: We recommend that the District adopt a capital asset process and system of controls to accurately compile and update annually a list of capital assets owned by the District.

Current Status: Corrected.



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## INDEPENDENT AUDITOR'S REPORT

To the President and Members  
of the Board of Education of the  
Rondout Valley Central School District  
Accord, New York 12404

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Walter J. Jung, CPA

### **Opinion**

We have audited the accompanying financial statements of Rondout Valley Central School District's Extraclassroom Activity Fund, which comprise the statement of assets, liabilities, and fund balance-cash basis as of June 30, 2024 and the related statement of receipts and disbursements-cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund balance – cash basis of Rondout Valley Central School District's Extraclassroom Activity Fund as of June 30, 2024, and its receipts and disbursements-cash basis for the year then ended, in accordance with the cash basis of accounting as described in Note 1.

### **Basis for Opinion**

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

### **Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

### **Responsibilities of Management for the Financial Statements**

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



**Auditor's Responsibility for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, 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 Rondout Valley Central School District's Extraclassroom Activity Funds' 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 Rondout Valley Central School District's Extraclassroom Activity Funds' 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.

*Nugent & Haussler PC*

Montgomery, New York  
October 8, 2024

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
EXTRACLASSROOM ACTIVITY FUND  
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - CASH BASIS  
JUNE 30, 2024

ASSETS

Cash in Checking	<u>\$ 66,237</u>
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FUND BALANCE

Fund Balance, Beginning of Year	\$ 52,793
Excess of Receipts over Disbursements	<u>13,444</u>
Fund Balance, End of Year	<u>\$ 66,237</u>

See notes to financial statement.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
EXTRACLASSROOM ACTIVITY FUND - HIGH SCHOOL  
SUMMARY OF RECEIPTS & DISBURSEMENTS - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2024

	CASH BALANCE JUNE 30, 2023	RECEIPTS	DISBURSEMENTS	CASH BALANCE JUNE 30, 2024
Class of 2021	\$ 198	\$ 0	\$ 198	\$ 0
Class of 2022	217	0	0	217
Class of 2024	7,038	32,470	39,508	0
Class of 2025	5,445	15,967	10,298	11,114
Class of 2026	1,550	5,364	1,567	5,347
Class of 2027	0	5,780	1,495	4,285
Council Fires	14,689	2,764	537	16,916
Human Rights Club	893	100	23	970
National Honor Society	1,025	0	336	689
Student Congress	11,852	14,111	8,951	17,012
Interest Earned	695	495	0	1,190
	<u>\$ 43,602</u>	<u>\$ 77,053</u>	<u>\$ 62,913</u>	<u>\$ 57,742</u>

See notes to financial statement.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
EXTRACLASROOM ACTIVITY FUND - MIDDLE SCHOOL  
SUMMARY OF RECEIPTS & DISBURSEMENTS - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2024

	CASH BALANCE JUNE 30, 2023	RECEIPTS	DISBURSEMENTS	CASH BALANCE JUNE 30, 2024
4-5-6 Student Council	\$ 9,030	\$ 1,888	\$ 2,684	\$ 8,234
Interest Earned	161	100	0	261
	<u>\$ 9,191</u>	<u>\$ 1,988</u>	<u>\$ 2,684</u>	<u>\$ 8,495</u>

See notes to financial statement.

RONDOUT VALLEY CENTRAL SCHOOL DISTRICT  
ACCORD, NEW YORK  
EXTRACLASSROOM ACTIVITY FUNDS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

- (a) The transactions of the Extraclassroom Activity Funds are considered part of the reporting entity of the Rondout Valley Central School District. We have included the Extraclassroom Activity Fund balances within the Miscellaneous Special Revenue Fund of the financial statements. The separate audit report of the Extraclassroom Activity Funds is required due to the fact that the transactions of this fund are controlled by student management.
- (b) The books and records of the Rondout Valley Central School District's Extraclassroom Activity Funds are maintained on the cash basis of accounting. Under this basis of accounting, revenues are recognized when cash is received and expenditures recognized when cash is disbursed.
- (c) The Extraclassroom Activity Funds are used to record the activity of all student-related activities within the District. These funds are under the control of an appointed central treasurer who maintains cash receipts and cash disbursement books. All receipts are collected by the student activity treasurer and disbursements must be approved by the student management.