CENTRAL YORK SCHOOL DISTRICT

INDEPENDENT AUDITOR'S REPORT

JUNE 30, 2023

CENTRAL YORK SCHOOL DISTRICT
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MANAGEMENT DISCUSSION AND ANALYSIS

Overview of the Financial Statements

The Management Discussion and Analysis of Central York School District's financial performance provides a brief overview of the district's financial activities for the fiscal year ended June 30, 2023. The Management Discussion and Analysis is an element of the reporting model adopted by the Governmental Accounting Standard Board (GASB), in their Statement No. 34 Basic Financial Statements.

The accompanying financial statements for Central York School District for the fiscal year ended June 30, 2023, have been prepared in accordance with GASB Statement No. 34 and present both Government-Wide and Fund Level Financial Statements using both the accrual and modified accrual basis of accounting, respectively. The Government-Wide Financial Statements show financial information about the activities of the District as a whole and provide a longer-term view of the District's finances. The Statement of Net Assets and the Statement of Activities provide this information. These statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. These statements are prepared using the accrual basis of accounting. All assets and liabilities of the District are included in these statements, and all of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid. This method of financial presentation is similar to the accounting used by most private-sector companies. Fund Financial Statements show how the district finances its services in the short term, as well as, what remains for future spending. Fund Financial Statements provide separate information for the District's most significant funds and then non-major funds are aggregated and presented together. The modified accrual method of accounting is used in Fund Financial Statements. This method measures cash and all other financial assets that can be readily converted to cash. In the financial statements there is a reconciliation, which shows the differences between the Government-Wide Financial Statements and the Fund Financial Statements. Lastly, a Statement of Fiduciary Net Assets is provided which provides financial information about activities that the School Board acts solely as an agent for the benefit of students. These activities are excluded from the other financial statements of the district, because these assets cannot be used to finance the districts operations.

FINANCIAL HIGHLIGHTS

Government-Wide Financial Statements

Comparative Summary of Net Assets as of June 30, 2023 and June 30, 2022

	Year Ended June 30, 2023		Year Ended June 30, 2022	
	Governmental Activities	Business Type Activities	Governmental Activities	Business Type Activities
Current Assets	18,147,958	2,545,147	17,779123	1,862,950
Noncurrent Assets	105,621,272	137,247	114,069,481	68,798
Total Assets	**123,769,230**	**2,682,394**	**131,848,604**	**1,931,748**
Current Liabilities	12,298,141	541,717	18,564,764	254,385
Noncurrent Liabilities	162,720,294	30,030	170,121,245	25,699
Total Liabilities	**175,018,435**	**571,747**	**188,686,009**	**280,084**
Net Assets				
Invested in Capital Assets, Net of Related Debt	80,450,827		78,688,083	
Unrestricted	(131,700,032)	2,110,647	(135,525,488)	1,651,664
Total Net Assets	**(51,249,205)**	**2,110,647**	**(56,837,405)**	**1,651,664**

The ($49,138,558) of unrestricted net assets represents the accumulated results of all past years' operations. In simple terms, the amount of unrestricted net assets represents the amount of funds the district would have remaining if all of the outstanding obligations were paid as of June 30, 2023. The results of the current year's operations would be reflected in the Statement of Activities for the year ended June 30, 2023.

As reflected in the Statement of Activities, the change in net assets for the current year was $6,047,183 for Governmental and Business-Type Activities. This statement provides a summary of the total cost of the services provided by the District, and the offsetting revenue used to support those services. The following pages provide a summary of the District's functions, as well as, the Districts net cost (total cost less revenues generated by the activities or grants and funding specific to the program). The net cost is the amount of financial burden, which was placed on the districts taxpayer's and the cost provided by non-specific grants (such as basic education funding provided by the state).

COMPARATIVE SUMMARY OF COST OF SERVICES
and
Change in Net Assets
For Years Ended June 30, 2023 and June 30, 2022

	Year Ended June 30, 2023			Year Ended June 30, 2022		
	Total Cost of Services	Net Cost of Services	Program Revenue	Total Cost of Services	Net Cost of Services	Program Revenue
Instruction	68,048,689	57,583,421	10,465,268	65,476,013	54,343,498	11,132,515
Instructional Student Support	10,215,883	10,111,783	104,100	10,076,947	9,971,173	105,774
Administrative & Financial Support	7,733,183	7,733,183	-0-	7,777,888	7,777,888	-0-
Operation of Plant Services	7,132,954	7,076,725	56,229	6,411,348	6,377,359	33,989
Pupil Transportation	4,767,924	3,204,452	1,563,472	4,440,945	2,977,340	1,463,605
Student Activities	2,134,356	1,966,749	167,607	1,913,573	1,780,330	133,243
Community Services	223,303	223,303	-0-	221,931	221,931	-0-
Interest on Long-Term Debt	131,127	(189,187)	320,314	805,929	(340,386)	1,146,315
Food Service	3,780,537	(401,042)	4,181,579	3,505,868	(1,081,577)	4,587,445
Totals	**104,167,956**	**87,309,387**	**16,858,569**	**100,630,442**	**82,027,556**	**18,602,886**

As you can see from the above schedule the programs generated $16,858,569 in program revenue to offset the total cost of services. Program revenue consists of charges to users and operating or capital grants provided by state or federal subsidies. The additional revenue used to provide the district services was generated from taxes, investment earnings, or grants and entitlements from the state, which were not restricted for specific programs. Below is a summary of the revenues used to provide services for the District.

	Year Ended June 30, 2023		Year Ended June 30, 2022	
Revenue Source	**Program Revenue**	**General Revenue**	**Program Revenue**	**General Revenue**
Charges for Services	1,917,641		894,922	
Operating Grants and Contributions	14,940,928		17,707,964	
Capital Grants and Contributions				
Taxes		71,740,102		69,826,434
Unrestricted Grants and Entitlements		20,237,838		18,632,996
Investment Earnings		842,266		21,591
Miscellaneous		536,364		240,767
Total Revenue	**16,858,569**	**93,356,570**	**18,602,886**	**88,721,788**

Fund Financial Statements

As stated earlier, Fund Financial Statements provide the reader with an understanding of how the district finances its services in the short-term, and what funds are available for future spending. School Boards establish various funds to control and manage resources for particular purposes or due to legal requirements. The three major funds that the District maintains are: General Fund which is the principal operating fund of the district; the Capital Reserve Fund, which is used to monitor larger projects of the district and to maintain excess funds from the General Fund for future use; and Capital Projects Fund which is used for renovation and construction projects.

The General Fund balance is $3,817,615 for the year ended June 30, 2023. The fund balance currently equals 3.6% of the 2022-2023 expenditure budget. The Capital Reserve Fund balance is $917,948 for the year ended June 30, 2023.

Capital Assets and Debt Administration

At June 30, 2023, the Board of Education had $80,450,827 invested in a broad range of capital assets including land, buildings, furniture, and equipment.

As of June 30, 2023, the District had $0 in outstanding general obligation bonds. Moody's Investor Service, the nation's leading agency for evaluating the creditworthiness of municipal bonds has determined the district's rating at an A1. Additionally, as of June 30, 2023, the district had $1,650,287 in compensated absences, which represents accrued vacation pay, sick leave and retirement bonuses. The District's Other Post-Employment Benefits liability for retiree health insurance was $24,763,676 as of June 30, 2023. The Net Pension liability at June 30, 2023 was $136,289,000.

General Fund Budget Highlights

The Board of Education adopts an annual budget for all Governmental Funds and the Proprietary (School Food Service) Fund. The budget includes all revenues and expenditures/expenses of these funds. The budget acts as the operating plan for the fiscal year and is revised as necessary in accordance with requirements of State law and Board policy. The Board of Education may amend the budget at any time during the fiscal year by making additional appropriations, or by increasing existing appropriations, but the funds must be provided from unexpended balances in existing appropriations, from unappropriated revenues, or temporary loans.

The financial statements show the original budget and final budget amounts, and a comparison of the final budget to the actual amounts.

Comparative Summary of Final General Fund Budget
Compared to Actual General Fund Results
Years Ended June 30, 2023 and June 30, 2022

	Year Ended June 30, 2023			Year Ended June 30, 2022		
	Final Budget	**Actual Results**	**Variance Favorable/ (Unfavorable)**	**Final Budget**	**Actual Results**	**Variance Favorable/ (Unfavorable)**
Local Revenue	71,793,969	74,646,935	2,852,966	69,351,943	71,505,163	2,153,220
State Revenue	25,497,833	27,205,637	1,707,804	25,120,563	25,718,023	597,460
Federal Revenue	4,054,782	3,906,215	(148,567)	5,330,262	5,253,340	(76,922)
Total Revenue	**101,346,584**	**105,758,787**	**4,412,203**	**99,802,768**	**102,476,526**	**2,673,758**
Instruction	63,384,296	66,627,664	(3,243,368)	61,150,847	63,829,056	(2,678,209)
Support Services	29,090,843	29,836,109	(745,266)	28,510,843	28,797,120	(286,277)
Non-Instructional Services	1,955,340	2,233,002	(277,662)	1,914,931	1,997,238	(82,307)
Debt Service	6,900,000	6,487,779	412,221	8,000,000	8,063,411	(63,411)
Other Financing Sources/Uses	-0-	(169,380)	169,380	-0-	2,000,000	(2,000,000)
Total Expenses	**101,330,479**	**105,015,174**	**(3,684,695)**	**99,576,621**	**104,686,825**	**(5,110,204)**
Excess Rev over Expenses	**16,105**	**743,613**	**727,508**	**226,147**	**(2,210,299)**	**(2,436,446)**

Fiduciary Funds

The Fiduciary Funds of the District are presented separately in the Statement of Fiduciary Net Assets because these funds are not used in the Operation of the School District, but the Board of Education acts as the agent of these funds for the benefit of students.

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Central York School District
York, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Central York School District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School'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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Central York School District as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Central York 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 Central York 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 judgement 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 including 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 Central York 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 Central York 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 budgetary comparison information on pages 1-10 and page 20 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 Central York School District's 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* , are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic

financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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 Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 4, 2024, on our consideration of the Central York School District's internal control over financial reporting and 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 Central York 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 the Central York School District's internal control over financial reporting and compliance.

Kochenour, Earnest, Smyser & Burg

Certified Public Accountants

York, Pennsylvania
January 4, 2024

CENTRAL YORK SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	$ 3,574,572	$ 2,248,889	$ 5,823,461
Investments	5,146,457	0	5,146,457
Taxes Receivable, Net	1,231,588	0	1,231,588
Due from Other Governments	7,566,077	12,058	7,578,135
Due from Fiduciary Funds	27,012	0	27,012
Due from Other Funds	362,939	197,081	560,020
Other Receivables, Net	238,728	597	239,325
Inventories	0	86,522	86,522
Prepaid Expenses	585	0	585
Capital Assets	179,973,188	1,135,518	181,108,706
Accumulated Depreciation	(99,522,361)	(998,271)	(100,520,632)
Right to use leased assets, net of amortization	17,331	0	17,331
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred amounts related to OPEB	2,430,300	0	2,430,300
Deferred amounts related to pensions	22,722,814	0	22,722,814
Total Assets	$ 123,769,230	$ 2,682,394	$ 126,451,624
LIABILITIES			
Accounts Payable	$ 726,387	$ 74,773	$ 801,160
Intergovernmental Payables	0	0	0
Due to Other Funds	197,081	362,939	560,020
Due to Fiduciary Funds	0	0	0
Accrued Salaries and Benefits	7,177,576	7,103	7,184,679
Payroll Deductions and Withholdings	4,171,097	0	4,171,097
Accrued Interest Payable	0	0	0
Deferred Revenues	26,000	96,902	122,902
OPEB Liability	17,645,861	0	17,645,861
Net Pension Liability	132,042,000	0	132,042,000
Lease Obligations	17,331		17,331
General Obligation Bonds:			
Due Within One Year	0	0	0
Due After One Year	0	0	0
Accumulated Compensated Absences:			
Due Within One Year	50,000	0	50,000
Due After One Year	1,600,287	30,030	1,630,317
DEFERRED INFLOWS OF RESOURCES:			
Deferred amounts related to OPEB	7,117,815		7,117,815
Deferred amounts related to pensions	4,247,000	0	4,247,000
Total Liabilities	175,018,435	571,747	175,590,182
NET POSITION			
Invested in Capital Assets Net of Related Debt	80,450,827	0	80,450,827
Unrestricted	(131,700,032)	2,110,647	(129,589,385)
Total Net Position	(51,249,205)	2,110,647	(49,138,558)
Total Liabilities and Net Position	$ 123,769,230	$ 2,682,394	$ 126,451,624

The accompanying notes are an integral part of these financial statements.

CENTRAL YORK SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities	Net (Expenses) Revenues and Changes in Net Position: Business-type Activities	Net (Expenses) Revenues and Changes in Net Position: Total
Governmental Activities							
Instruction:							
Regular Programs	$ 50,456,546	$ 641,614	$ 9,823,654	$ 0	$ (39,991,278)	$ 0	$ (39,991,278)
Special Programs	13,874,306	0	0	0	(13,874,306)	0	(13,874,306)
Vocational and Educational Programs	1,999,087	0	0	0	(1,999,087)	0	(1,999,087)
Other Instructional Programs	1,718,752	0	0	0	(1,718,752)	0	(1,718,752)
Support Services:							
Pupil Personnel	3,801,277	0	0	0	(3,801,277)	0	(3,801,277)
Instructional Staff	5,330,719	0	0	0	(5,330,719)	0	(5,330,719)
Administration	6,060,877	0	0	0	(6,060,877)	0	(6,060,877)
Pupil Health	1,083,887	0	104,100	0	(979,787)	0	(979,787)
Business	705,134	0	0	0	(705,134)	0	(705,134)
Operation and Maintenance of Plant Services	7,132,954	56,229	0	0	(7,076,725)	0	(7,076,725)
Student Transportation Services	4,767,924	0	1,563,472	0	(3,204,452)	0	(3,204,452)
Central	957,190	0	0	0	(957,190)	0	(957,190)
Other Support Services	9,981	0	0	0	(9,981)	0	(9,981)
Operation of non-instructional Services	2,357,658	167,607	0	0	(2,190,051)	0	(2,190,051)
Amortization of Bond Issuance Costs, Premiums, and Discounts	0	0	0	0	(0)	0	(0)
Interest	131,127	0	320,314	0	189,187	0	189,187
Total Governmental Activities	100,387,419	865,450	11,811,540	0	(87,710,429)	0	(87,710,429)
Business-type Activities:							
Food Service	3,780,537	1,052,191	3,129,388	0	0	401,042	401,042
Total Primary Government	$ 104,167,956	$ 1,917,641	$ 14,940,928	$ 0	(87,710,429)	401,042	(87,309,387)
General Revenues:							
Taxes					71,740,102	0	71,740,102
Grants and Entitlements Not Restricted to Specific Programs					20,237,838	0	20,237,838
Investment Earnings					784,325	57,941	842,266
Refund of Prior year Revenue					0	0	0
Miscellaneous Income					536,364	0	536,364
Total General Revenues					93,298,629	57,941	93,356,570
Change in Net Position					5,588,200	458,983	6,047,183
NET POSITION - BEGINNING					(56,837,405)	1,651,664	(55,185,741)
NET POSITION - ENDING					$ (51,249,205)	$ 2,110,647	$ (49,138,558)

The accompanying notes are an integral part of these financial statements.

CENTRAL YORK SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Capital Reserve	Capital Projects	Non-Major Fund	Total Governmental Funds
ASSETS					
ASSETS					
Cash	$ 2,656,595	$ 917,948	$ 29	$ 0	$ 3,574,572
Investments	5,146,457	0	0	0	5,146,457
Taxes Receivable, Net	1,231,588	0	0	0	1,231,588
Interfund Receivables	389,951	0	0	0	389,951
Intergovernmental Receivables	7,566,077	0	0	0	7,566,077
Other Receivables, Net	238,728	0	0	0	238,728
Prepaid Expenses	585	0	0	0	585
Total Assets	$ 17,229,981	$ 917,948	$ 29	$ 0	$ 18,147,958
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 752,387	$ 0	$ 0	$ 0	$ 752,387
Intergovernmental Payables	0	0	0	0	0
Due to Other Funds	197,081	0	0	0	197,081
Accrued Salaries and Benefits	7,177,576	0	0	0	7,177,576
Payroll Deductions and Withholdings	4,171,097	0	0	0	4,171,097
TOTAL LIABILITIES	12,298,141	0	0	0	12,298,141
DEFERRED INFLOWS OF RESOURCES					
Delinquent Real Estate Taxes	1,114,225	0	0	0	1,114,225
Federal Revenue	0	0	0	0	0
TOTAL DEFERRED INFLOWS OF RESOURCES	1,114,225	0	0	0	1,114,225
FUND BALANCES					
Committed - Capital Projects	0	917,948	29	0	917,977
Committed - Uniforms	30,000	0	0	0	30,000
Committed - PSERS	1,238,189	0	0	0	1,238,189
Unassigned	2,549,426	0	0	0	2,549,426
TOTAL FUND BALANCES	3,817,615	917,948	29	0	4,735,592
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 17,229,981	$ 917,948	$ 29	$ 0	$ 18,147,958

The accompanying notes are an integral part of these financial statements.

CENTRAL YORK SCHOOL DISTRICT
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Capital Reserve	Capital Projects	Non-Major Funds	Total Governmental Funds
REVENUES					
Local Sources:					
Taxes	$ 71,747,155	$ 0	$ 0	$ 0	$ 71,747,155
Charges for Services	641,614	0	0	0	641,614
Intermediary Sources	937,528	0	0	0	937,528
Investment Income	748,079	36,246	0	0	784,325
Miscellaneous Revenues	572,559	0	0	0	572,559
State Sources	27,205,637	0	0	0	27,205,637
Federal Sources	3,906,215	0	0	0	3,906,215
Total Revenues	105,758,787	36,246	0	0	105,795,033
EXPENDITURES					
Instruction:					
Regular Programs	49,035,519	0	0	0	49,035,519
Special Programs	13,874,306	0	0	0	13,874,306
Vocational Programs	1,999,087	0	0	0	1,999,087
Other Instructional Programs	1,718,752	0	0	0	1,718,752
Support Services:					
Pupil Personnel	3,801,277	0	0	0	3,801,277
Instructional Staff	5,319,166	0	0	0	5,319,166
Administration	6,070,731	0	0	0	6,070,731
Pupil Health	1,083,887	0	0	0	1,083,887
Business	705,134	0	0	0	705,134
Operation and Maintenance of Plant Services	7,120,818	0	0	0	7,120,818
Student Transportation Services	4,767,924	0	0	0	4,767,924
Central	957,191	0	0	0	957,191
Other Support Services	9,981	0	0	0	9,981
Operation of Non-instructional Services	2,233,002	0	0	0	2,233,002
Facilities Acquisition, Construction, and Improvement Services	0	508,454	0		508,454
Debt Services	6,502,233	0	0	0	6,502,233
Total Expenditures	105,199,008	508,454	0	0	105,707,462
Excess (Deficiency) of Revenues over Expenditures	559,779	(472,208)	0	0	87,571
OTHER FINANCING SOURCES (USES)					
Proceeds from Issuance of Refunding Bonds, Net	0	0	0	0	0
Payment to Bond Escrow Agent to Refinance Bond, Net	0	0	0	0	0
Proceeds from Leases	0	0	0	0	0
Refunds of Prior Year Revenue	(3,804)	0	0	0	(3,804)
Sale of Fixed Assets	0	0	0	0	0
Refunds of Prior Year Expenditures	187,638	0	0	0	187,638
Operating Transfers In	0	0	0	0	0
Operating Transfers Out	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	183,834	0	0	0	183,834
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	743,613	(472,208)	0	0	271,405
FUND BALANCES - BEGINNING	3,074,002	1,390,156	29	0	4,464,187
FUND BALANCES - ENDING	$ 3,817,615	$ 917,948	$ 29	$ 0	$ 4,735,592

The accompanying notes are an integral part of these financial statements.

CENTRAL YORK SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2023

TOTAL GOVERNMENTAL FUND BALANCES		$ 4,735,592
AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE:		
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of assets is $179,973,188 and the accumulated depreciation is $99,522,361.		80,450,827
Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.		1,114,225
Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Right to use assets at historical cost		35,589
Accumulated amortization		(18,258)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore are not reported in the funds.		
Deferred outflows of resources related to pensions		22,722,814
Deferred inflows of resources related to pensions		(4,247,000)
Deferred outflows of resources related to OPEB		2,430,300
Deferred inflows of resources related to OPEB		(7,117,815)
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
Bonds payable	0	
Accrued Interest on bonds	0	
Compensated Absences	(1,650,287)	(1,650,287)
Assets and Liabilities not reported in the funds:		
Lease Liability		(17,331)
Net Pension Liability		(132,042,000)
OPEB Liability		(17,645,861)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ (51,249,205)

The accompanying notes are an integral part of these financial statements.

CENTRAL YORK SCHOOL DISTRICT
RECONCILIATION OF STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS			$ 271,405
AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES ARE DIFFERENT BECAUSE:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	Capital Outlays	567,381	
	Depreciation Expense	(5,154,638)	(4,587,257)
Bond issue costs are recorded as an expense in governmental funds on the Statement of Activities only			0
General obligation premiums are included in the General Obligation Bonds on the Statement of Net Position. The premiums are amortized over the life of the Bonds and the expense is included on the Statement of Activities only.			0
Right to use leased assets capital outlay expenditures which were capitalized			18,258
Accumulated amortization			(18,258)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.			6,350,000
Governmental funds report district pension contributions as expenditures. However in the Statement of Acticvities, the cost of pension related benefits earned net of employee contributions is reported as pension expense.			
District pension contributions			15,612,395
Cost of pension benefits earned, net of employee contributions			(11,238,270)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is recorded when due.			21,108
In the statement of activities, OPEB(Other Post-Employment Benefits) represents contractually required obligations that do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			(757,116)
In the statement of activities, compensated absences represents contractually required obligations that do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			(77,011)
Because some taxes will not be collected for several months after the School District's year-end, they are not considered as "available" revenues in the governmental funds. Deferred revenues decreased by this amount during the year.			(7,054)
Change in Net Position of Governmental Activities			$ 5,588,200

The accompanying notes are an integral part of these financial statements.

CENTRAL YORK SCHOOL DISTRICT
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
REVENUES				
Local Sources:				
Taxes	$ 69,929,169	$ 69,929,169	$ 71,747,155	$ 1,817,986
Charges for Services	540,000	540,000	641,614	101,614
Intermediary Sources	750,000	750,000	937,528	187,528
Investment Income	200,000	200,000	748,079	548,079
Miscellaneous	374,800	374,800	572,559	197,759
State Sources	25,497,833	25,497,833	27,205,637	1,707,804
Federal Sources	4,054,782	4,054,782	3,906,215	(148,567)
Total Revenues	101,346,584	101,346,584	105,758,787	4,412,203
EXPENDITURES				
Regular Programs	47,906,379	47,906,379	49,035,519	(1,129,140)
Special Programs	12,574,501	12,574,501	13,874,306	(1,299,805)
Vocational Education Programs	1,360,000	1,360,000	1,999,087	(639,087)
Other Instructional Programs - Elementary/Secondary	1,519,691	1,519,691	1,705,834	(186,143)
Adult Education	23,725	23,725	12,918	10,807
Pupil Personnel	3,993,086	3,993,086	3,801,277	191,809
Instructional Staff	4,912,568	4,912,568	5,319,166	(406,598)
Administration	6,220,646	6,220,646	6,070,731	149,915
Pupil Health	1,084,090	1,084,090	1,083,887	203
Business	762,457	762,457	705,134	57,323
Operation and Maintenance of Plant Services	6,635,764	6,635,764	7,120,818	(485,054)
Student Transportation Services	4,439,554	4,439,554	4,767,924	(328,370)
Central	1,042,678	1,042,678	957,191	85,487
Other Support Services	0	0	9,981	(9,981)
Student Activities	1,673,737	1,673,737	2,021,243	(347,506)
Community Services	281,603	281,603	211,759	69,844
Debt Service	6,900,000	6,900,000	6,502,233	397,767
Total Expenditures	101,330,479	101,330,479	105,199,008	(3,868,529)
Excess (Deficiency) of Revenues Over Expenditures	16,105	16,105	559,779	543,674
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	0	0	0	0
Refunds of Prior Year Expenditures	0	0	187,638	187,638
Refunds of Prior Year Revenue	0	0	(3,804)	(3,804)
Sale of Fixed Assets	0	0	0	0
Operating Transfers Out	0	0	0	0
Budgetary Reserve	0	0	0	0
Total Other Financing Uses	0	0	183,834	183,834
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	16,105	16,105	743,613	727,508
FUND BALANCE - BEGINNING			3,074,002	
FUND BALANCE - ENDING			$ 3,817,615	

The accompanying notes are an integral part of these financial statements.

CENTRAL YORK SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2023

	Business-Type Activities - Enterprise Fund Food Service
ASSETS	
CURRENT ASSETS	
Cash	$ 2,248,889
Investments	0
Interfund Receivables	197,081
Intergovernmental Receivables	12,058
Other Receivables	597
Prepaid Expenses	0
Inventories	86,522
Total Current Assets	2,545,147
CAPITAL ASSETS	
Capital Assets	1,135,518
Accumulated Depreciation	(998,271)
Total Capital Assets, Net	137,247
Total Assets	$ 2,682,394
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Accounts Payable	$ 74,773
Interfund Payables	362,939
Accrued Salaries and Benefits	7,103
Accumulated Compensated Absences	30,030
Deferred Revenues	96,902
Total Liabilities	571,747
NET POSITION	
Invested In Capital Assets, Net of Related Debt	
Unrestricted	2,110,647
Total Net Position	2,110,647
Total Liabilities and Net Position	$ 2,682,394

The accompanying notes are an integral part of these financial statements.

CENTRAL YORK SCHOOL DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
JUNE 30, 2023

	Business-Type Activities - Enterprise Fund Food Service
OPERATING REVENUES	
Food Service Revenues	$ 1,052,191
OPERATING EXPENSES	
Salaries and Wages	963,205
Employee Benefits	594,736
Purchased Property Service	53,037
Purchased Professional and Technical Services	0
Supplies	2,106,780
Depreciation	28,479
Other Purchased Service	3,238
Other Operating Expenses	31,062
Total Operating Expenses	3,780,537
Operating Income (Loss)	(2,728,346)
NONOPERATING REVENUES (EXPENSES)	
State Sources	548,058
Federal Sources	2,581,330
Investment Earnings	57,941
Total Nonoperating Revenues (Expenses)	3,187,329
Changes in Net Position	458,983
NET POSITION - BEGINNING	1,651,664
NET POSITION - ENDING	$ 2,110,647

The accompanying notes are an integral part of these financial statements.

CENTRAL YORK SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
JUNE 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from User Charges	$ 960,937
Cash Paid to Suppliers	(1,553,185)
Cash Paid to Employees	(1,401,256)
Net Cash Provided by (Used for) Operating Activities	(1,993,504)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Federal Subsidies	2,581,016
State Subsidies	548,058
Net Cash Provided by (Used for) Non-Capital Financing Activities	3,129,074
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital Expenditures	(96,928)
CASH FLOWS FROM INVESTING ACTIVITIES	
Earnings on Investments	57,941
Sales of Investments	
Net Cash Provided by (Used for) Investing Activities	57,941
Net Increase (Decrease) in Cash	1,096,583
CASH - BEGINNING	1,152,306
CASH - ENDING	$ 2,248,889
CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Income (Loss)	$ (2,728,346)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:	
Depreciation	28,479
Changes in Assets and Liabilities:	
(Increase) Decrease in Due from Other Funds	391,227
(Increase) Decrease in Other Receivables	329
(Increase) Decrease in Inventories	23,144
(Increase) Decrease in Prepaid Expenses	0
(Increase) Decrease in Other Current Assets	0
Increase (Decrease) in Accounts Payable	29,298
Increase (Decrease) in Accrued Salaries and Benefits	425
Increase (Decrease) in Due to Other Funds	349,192
Increase (Decrease) in Deferred Revenue	(91,583)
Increase (Decrease) in Accumulated Compensated Absences	0
Increase (Decrease) in Other Long-Term Liabilities	4,331
Net Cash Provided by (Used for) Operating Activities	$ (1,993,504)

The accompanying notes are an integral part of these financial statements.

CENTRAL YORK SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2023

	Agency
ASSETS	
CURRENT ASSETS	
Cash	$ 245,125
Due From Other Funds	0
Other Receivables	882
Total Assets	$ 246,007
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Accounts Payable	$ 0
Due to Other Funds	27,012
Due to Students	218,995
Total Liabilities	246,007
NET POSITION	0
TOTAL LIABILITIES AND NET POSITION	$ 246,007

The accompanying notes are an integral part of these financial statements.

CENTRAL YORK SCHOOL DISTRICT
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Student Activities
ADDITIONS	
Receipts from Student Groups	$ 445,127
Interest	1,947
	447,074
DEDUCTIONS	
Student Activity Disbursements	393,361
	393,361
CHANGE IN NET POSITION	53,713
NET POSITION - JULY 1, 2022	165,282
NET POSITION - JUNE 30, 2023	$ 218,995

The accompanying notes are an integral part of these financial statements.

NOTE 1 - NATURE OF OPERATIONS

Central York School District (School District) operates a public school system located in York, Pennsylvania. It is a school district of the third-class based on its population and is comprised of elementary, middle and secondary schools.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities, if any, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with, or contradict, GASB pronouncements. The most significant of the School District's accounting policies are described below.

Reporting Entity

In evaluating the School District as a reporting entity, management has addressed all potential component units for which the School District may or may not be financially accountable, and as such, are includable within the District's financial statements. In accordance with GASB Statement 14, the School District is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose financial burden on, the School District. Additionally, the primary government is required to consider 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 statement to be misleading or incomplete. The School District has no component units.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into the categories governmental, proprietary and fiduciary.

1. Governmental Funds

Governmental Funds are those through which most governmental functions of the School District are financed. The measurement focus is on the flow of expendable resources, rather than on net earnings determination.

a. General Fund

The General Fund is used to account for all financial transactions not accounted for in another fund. Revenue is primarily derived from local property taxes, earned income taxes and state and federal subsidies. Many of the more important activities of the School District, including instruction, administration of the School District and certain noninstructional services, are accounted for in this fund. This is a budgeted fund and any unrestricted fund balances are considered as resources available for use.

b. Capital Reserve Fund

This fund is authorized by P. L. 145, Act of April 30, 1943, known as Section 2932, School Laws of Pennsylvania, and accounts for monies transferred during any fiscal year from appropriations.

c. Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities, (other than those financed by Proprietary Funds, Special Assessment Funds and Trust Funds).

d. Debt Service Fund

This fund is used to account for the accumulation of resources for, and payment of, interest and principal on debt of the School District.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

2. Proprietary Fund

Proprietary Funds are used to account for the School District's ongoing activities which are similar to those often found in the private sector. The focus of proprietary funds is on the determination of net earnings and capital maintenance.

Enterprise Funds

Enterprise funds are those intended to account for services to third-parties by way of user charges for the services provided. The following fund is utilized:

Food Service Fund

This fund accounts for all revenues and expenses pertaining to cafeteria operations as authorized under Section 504 of the Public School Code of 1949. It is the intent of the governing body that the cost of providing food goods or services to the students on a continuing basis be financed or recovered primarily through user charges or cost reimbursement plans.

3. Fiduciary Funds

This fund is used to account for assets held by the School District as trustee agent. The School District excludes these activities from the District-wide financial statements because it cannot use those assets to finance its operations.

Agency Fund

This fund accounts for the receipts and disbursements of monies from student activity organizations. These organizations exist with the explicit approval, and are subject to revocation, of the School District governing body. This accounting reflects the School District's agency relationship with the student activity organization.

Basis of Presentation

Government-wide Financial Statements - The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the School District and for each function or program of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - Fund financial statements report detailed information about the School District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

Revenues - Exchange and Non-exchange Transactions - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year-end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. On a modified accrual basis, revenues from non-exchange transactions must also be available before they can be recognized.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenues. Unused donated commodities are reported as deferred revenues.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Cash and Investments

The School District has limited authority as to the types of allowable investments. Cash consists of cash on hand and checking, savings and money market account balances. Investments consist of certificates of deposit, U. S. Treasury Securities, Federal Home Loan Mortgage and Government National Mortgage Association securities and liquid assets funds, which are stated at market value.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

Food Service Fund food inventories of $86,522 includes food commodities donated by the federal government which are valued at estimated fair market value. Inventory in the Food Service Fund consists of expendable supplies held for consumption and government donated commodities. The expendable supplies are recorded as an expenditure when used. The Food Service Fund inventories are not offset by a fund balance reserve. The cost of governmental fund type inventories are recorded as expenditures when purchased rather than when consumed.

Bond Discounts and Premiums

Bond discounts and premiums are being amortized on the straight-line method over the term of the related obligation. Bond premiums and discounts are presented as increases or reductions to the General Obligation Bonds.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of five thousand dollars. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets is not capitalized.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land improvements	20 years	N/A
Buildings and improvements	20 - 50 years	N/A
Furniture and equipment	5 - 15 years	5 - 10 years
Vehicles	10 years	N/A

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the School District.

GASB # 54 FUND BALANCE IMPLEMENTATION

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the District classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual constraints.

Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year end. The following are committed fund balance:

	General Fund	Capital Reserve	Capital Project
Technology Upgrades	$ 0	$ 0	$ 0
Uniforms	30,000		
PSERS	1,238,189		
Capital Projects		917,948	29
Total Committed Fund Balances:	$ 1,268,189	$ 917,948	$ 29

Assigned - includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. Fund Balance may be assigned by the Business Manager.

Unassigned includes positive fund balance within the general fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds. The amount of the unassigned fund balance for Central York School District is $2,549,426 for the year ended June 30, 2023.

Interfund Activity

Advances between funds are accounted for in the appropriate interfund receivable and payable accounts. Advances between funds which are not expected to be repaid are accounted for as transfers. Interfund balances and transactions are eliminated in the government-wide financial statements.

Exchange transactions, if any, between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/ expenses in proprietary funds.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting

An operating budget is adopted each year for the General Fund on a modified accrual basis of accounting.

The Pennsylvania School Code dictates specific procedures relative to adoption of the School District's budget and reporting of its financial statements, specifically:

1. The School District, before levying annual school taxes, is required to prepare an operating budget for the succeeding fiscal year.

2. The Board of School Directors may make transfers of funds appropriated to any particular item of expenditure by legislative action. An affirmative vote of two-thirds of all members of the Board is required. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

3. Fund balances in budgetary funds may be appropriated based on resolutions passed by the Board of Education, which authorize the School District to make expenditures. Appropriations lapse at the end of the fiscal period.

4. Included in the General Fund budget are program budgets as prescribed by the state and federal agencies funding this program. These budgets are approved on a program-by-program basis by the state or federal funding agency.

5. Capital budgets are not implemented for capital improvements and capital projects in the Capital Projects Fund. All transactions of the Capital Projects Fund are approved by the Board prior to commitment thereby constructively achieving budgetary control.

GASB # 34 Implementation

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.* Certain of the significant changes in the Statement include the following:

A Management's Discussion and Analysis (MD & A) providing an analysis of the District's overall financial position and results of operations.

Financial statements prepared using full-accrual accounting for all of the District's activities.

A change in the fund financial statements to focus on the major funds.

These changes are reflected in the accompanying financial statements (including notes to financial statements) as of June 30, 2023. The District has implemented GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local* Governments, for the year ended June 30, 2023.

NOTE 3 - CASH AND INVESTMENTS

Under Section 440.1 of the Public School Code of 1949, as amended, the School District is permitted to invest funds consistent with sound business practices in the following types of investments and deposit accounts:

> Obligations of (a) the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, (b) the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth of Pennsylvania, or (c) any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision.

CASH:

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of June 30, 2023, $6,853,358 of the Districts bank balance of $7,114,410 was exposed to custodial credit risk as:

Uninsured and Uncollateralized	$	0
Collateralized with securities held by the pledging financial institution		6,853,358
Uninsured and collateral held by the pledging bank's trust department not in the District's name		0
	$	6,853,358

Reconciliation to Financial Statements:

Collateralized with securities held by the pledging financial institution	$	6,853,358
Plus: Insured Amount		261,052
Plus: Deposit in Transit		375
Less: Outstanding Checks		(1,047,279)
Carrying Amount - Bank Balances		6,067,506
Plus: Petty Cash		1,080
Total Cash per Financial Statements	$	6,068,586

Cash Summary per Respective Funds:

Statement of Net Position - Cash - Governmental Funds	$	3,574,572
Statement of Net Position - Cash - Proprietary Funds		2,248,889
Statement of Net Position - Cash - Fiduciary Funds		245,125
Total Cash per Financial Statements	$	6,068,586

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS:

Credit Risk - risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below are the actual ratings for each investment as of the end of the year:

	Rating as of Year End from Standard & Poor's	
Investment Type	Amount	AAAm
Pennsylvania Local Government Investment Trust	$ 0	$ 0
Pennsylvania School District Liquid Asset Fund	5,146,457	5,146,457
Total	$ 5,146,457	$ 5,146,457

Concentration of Credit Risk - risk of loss attributed to the magnitude of an entity's investment in a single issuer. Disclosure occurs by issuer and amount investments in any one issuer that represent 5% or more of total investments for the entity:

Investment Type	**Amount**	**Percentage**
Pennsylvania Local Government Investment Trust	$ 0	0%
Pennsylvania School District Liquid Asset Fund	5,146,457	100%
Total	$ 5,146,457	100%

Interest Rate Risk - is the risk that changes in interest rates demanded by the market will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the entity's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Entity's investments by maturity:

		Investment Maturities (In Years)	
Investment Type	**Amount**	**Less than 1**	**1 - 5**
Pennsylvania Local Government Investment Trust	$ 0	$ 0	$ 0
Pennsylvania School District Liquid Asset Fund	5,146,457	5,146,457	0
Total	$ 5,146,457	$ 5,146,457	$ 0

NOTE 4 - PROPERTY TAXES

Property taxes are levied on July 15. Taxes are collected at a discount until September 15, at their face amount from September 16 until November 15, and include a penalty thereafter. The taxes are billed by York County and are collected by elected tax collectors in North York Borough, Springettsbury Township, and Manchester Township. Delinquent real estate taxes are sent to York County for collection on December 31.

Revenue from local sources includes real estate taxes collected on a total assessed valuation of taxable real estate at July 1, 2022 in the amount of $3,068,492,352 for the year ended June 30, 2023.

GASB # 77 TAX ABATEMENT

Central York School District entered into a property tax abatement agreement through the Local Economic Revitalization Tax Assistance (LERTA) program. LERTA was established to allow local taxing authorities to exempt improvements to a business property if such property is located in a deteriorated area. The local tax authority may provide for an exemption on the assessment attributable to the actual cost of the improvements or up to any maximum cost established by the municipal governing body. The following are a listing of the agreements:

	LERTA Tax Payer	Municipatlity	Parcel ID	LERTA Year	Building assessed value	% Exempt 23/24	Assessed Value	23/24 tax bill)
IND	NP York	SP Twp (46R)	46-000-KI-0235.BO-00000		21,208,630.00	50% Exempt	8,483,452.00	85,465.69
	Total for Springettsbury Twp						8,483,452.00	
IND	AIREF Emig DC LLC	Manchester (36)	36-KI-0219E0	4 of 5	11,042,240.00	70% Exempt	7,729,568.00	
IND	FR LEO Lane	Manchester (36)	36-LH-20G	10 of 10	22,156,090.00	0% Exempt	-	LERTA complete as of 22/23 year
COM	TA Morgan Lane - 223 (Core 5)	Manchester (36)	36-000-LH-C0001	3 of 5	9,743,110.00	80% Exempt	7,794,488.00	
COM	TA Morgan Lane - 231 (Core 5)	Manchester (36)	36-000-LH-C0002	3 of 5	5,511,080.00	80% Exempt	4,408,864.00	
COM	Core5 at Laughman Farms	Manchester (36)	36-LH-C0003	1 of 5	6,425,240.00	100% Exempt	6,425,240.00	
IND	APG Heritage - 115 Shady Ln	Manchester (36)	36-LH-001200	4 of 10	7,224,220.00	70% Exempt	5,056,954.00	
IND	APG Heritage - 165 Shady Ln	Manchester (36)	36-LH-0012A0	3 of 10	5,205,330.00	80% Exempt	4,164,264.00	
IND	APG Heritage - 200 Shady Ln	Manchester (36)	36-LH-0013B0	4 of 10	3,916,560.00	70% Exempt	2,741,592.00	
	Payment in Lieu:							
COM	Lutheran Social Services	Manchester (36)	36-KH-65A and 65	N/A	16,177,810.00	20% Exempt	3,235,562.00	Agreement with them for a voluntary payment of 80%
	Total for Manchester Twp						41,556,532.00	

NOTE 5 - TAXES RECEIVABLE AND DEFERRED REVENUE

The School District, in accordance with generally accepted accounting principles, recognized the delinquent and unpaid taxes receivable reduced by an allowance for uncollectible taxes as determined by management. A portion of the net amount estimated to be collectible which was measurable and available within sixty days was recognized as revenue and the balance deferred in

Taxes receivable consist of the following as of:

	June 30, 2023				
	Gross Taxes Receivable	Allowance for Uncollectible Taxes	Net Estimated to be Collectible	Tax Revenue Recognized	Deferred Taxes
Real Estate Taxes	$ 860,236	$ 43,012	$ 817,224	$ 0	$ 817,224
Interims	414,364	0	414,364	0	414,364
	$ 1,274,600	$ 43,012	$ 1,231,588	$ 0	$ 1,231,588

The School District collects property taxes, earned income taxes and other taxes and fees primarily from taxpayers located in the following municipalities in York County, Pennsylvania: Manchester Township; North York Borough; and portions of Springettsbury Township.

NOTE 6 - DUE FROM (TO) OTHER FUNDS AND TRANSFERS

Due from (to) other funds consists of the following as of:

	June 30, 2023	
Fund	Due from Other Funds	Due to Other Funds
Governmental Funds:		
General	$ 389,951	$ 197,081
Athletic Fund	0	0
Capital Reserve	0	0
Business-type Activities:		
Food Service Fund	197,081	362,939
Fiduciary Funds	0	27,012
	$ 587,032	$ 587,032

Transfers consist of the following for the year ended:

	June 30, 2023	
Fund	Operating Transfers In	Operating Transfers Out
General Fund	$ 0	$ 0
Capital Reserve Fund	0	0
	$ 0	$ 0

NOTE 7 - INTERGOVERNMENTAL RECEIVABLES

Amounts due from other governments consist of the following as of:

	June 30, 2023		
	General Fund	Food Service	Total
Local Governments	$ 1,242,765	$ 0	$ 1,242,765
State Subsidies	4,288,593	0	4,288,593
Federal Subsidies	2,034,719	12,058	2,034,719
	$ 7,566,077	$ 12,058	$ 7,566,077

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the School District consists of the following as of and for the year ended June 30, 2023:

	Balances June 30, 2022	Additions	Retirements	Balances June 30, 2023
Governmental Activities:				
Land and site improvements	$ 15,126,574	$ 32,495	$ 0	$ 15,159,069
Buildings and building improvements	155,621,592	43,785	0	155,665,377
Machinery and equipment	8,896,915	491,101	239,274	9,148,742
Construction-in-progress	0	0	0	0
	179,645,081	567,381	239,274	179,973,188
Accumulated depreciation	(94,606,998)	(5,154,637)	(239,274)	(99,522,361)
	$ 85,038,083	$ (4,587,256)	$ 0	$ 80,450,827
Business-Type Activities:				
Machinery and equipment	$ 1,038,589	$ 96,929	$ 0	$ 1,135,518
Accumulated depreciation	(969,791)	(28,480)	0	(998,271)
	$ 68,798	$ 68,449	$ 0	$ 137,247

Depreciation expense was charged to governmental functions for the year ended:

	June 30, 2023
Regular programs	$ 4,890,660
Instructional staff	11,553
Administration	34,922
Operation and maintenance of plant services	48,598
Student Activities	168,904
	$ 5,154,637

NOTE 9 - LONG-TERM DEBT

The School District's long-term debt consists of the following obligations:

General Obligation Bonds

General Obligation Bonds are direct obligations issued on a pledge of the general taxing power of the School District.

General Obligation Bonds consist of the following as of:

	June 30, 2023
General Obligation Bonds - Series of 2013; .30% to 2.00%; due in annual installments through 2019	$ 0
General Obligation Bonds - Series of 2014; .30% to 1.35%; due in annual installments through 2019	0
General Obligation Bonds - Series of 2016; .75% to 5.00%; due in annual installments through 2019	0
General Obligation Bonds - Series of 2017; 1.00% to 4.00%; due in annual installments through 2022	0
	$ 0

NOTE 9 - LONG-TERM DEBT (CONTINUED)

Compensated Absences

Accumulated compensated absences represent the earned vacation and sick pay as of June 30, 2023 for full-time instructional and non-instructional employees. Sick leave accumulates on an annual basis. Upon retirement, eligible employees are paid an established rate per day depending upon their classification. In addition, administrators can receive a retirement benefit based on the number of years of service to the School District. A liability of $1,680,317 has been recorded in the Governmental Activities, representing the School District's commitment to fund such costs from future operations.

Summary of Changes in Long-Term Debt

Changes in long-term debt consists of the following for year ended June 30, 2023:

	Balances June 30, 2022	Additions	Reductions	Balances June 30, 2023
General Obligation Bonds	$ 6,350,000	$ 0	$ 6,350,000	$ 0
Net bond premium/disc.	0	0	0	0
	6,350,000	0	6,350,000	0
Compensated absences	1,598,975	81,342	0	1,680,317
	$ 7,948,975	$ 81,342	$ 6,350,000	$ 1,680,317

NOTE 10 - PENSION PLAN

1. Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public School Employees' Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms investments are reported at fair value.

General Information about the Pension Plan

Plan Description

PSERS is a governmental cost-sharing multi-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the System included all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues publicly available financial report that can be obtained at www.psers.state.pa.us.

Benefits provided

PSERS provides retirement, disability, and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least 1 year of credited service; (b) age 60 with 30 or more years of credited service; or 35 or more years of service regardless of age. Act 120 of 2010 (Act 120) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two new membership classes, Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of 3 years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits are generally equal to 2% or 2.5%, depending upon membership class, of the members' final average salary (as defined in the code) multiplied by the number of years of credited service. For members whose membership started prior to July 1, 2011, after completion of five years of service, a member's right to the defined benefits is vested and early retirement benefits may be elected. For Class T-E and Class T-F members, the right to benefits is vested after ten years of service.

Participants are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally equal to 2% or 2.5%, depending upon membership class, of the members' final average salary (as defined in the code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for disability benefits.

Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service (age 65 with at least three years of credited service Class T-E and Class T-F members) or who has at least five years of credited service (ten years for Class T-E and Class T-F

NOTE 10 - PENSION PLAN (CONTINUED)

members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

Contributions

Member Contributions:

Active members who joined the System prior to July 22, 1983, contribute at 5.25% (Membership Class T - C) or at 6.5% (Membership Class T-D) of the member's qualifying compensation.

Members who joined the System on or after July 22, 1983, and who are active or inactive as of July 1, 2001, contribute at 6.25% (Membership Class T-C) or at 7.5% (Membership Class T-D) of the member's qualifying compensation.

Members who joined the System after June 30, 2001 and before July 1, 2011, contribute at 7.50% (automatic Membership Class T-D). For all new hires and for members who elected Class T-D membership, the higher contribution rates began with service rendered on or after January 1, 2002.

Members who joined the System after June 30, 2011, automatically contribute at the Membership Class T-E rate of 7.5% (base rate) of the members qualifying compensation. All new hires after June 30, 2011, who elect Class T - F membership, contribute at 10.3% (base rate) of the members qualifying compensation. Membership Class T-E and Class T-F are affected by a "shared risk" provision in Act 120 of 2010 that in future fiscal years could cause the Membership Class T-E contribution rate to fluctuate between 7.5% and 9,5% and Membership Class T-F contribution rate to fluctuate between 10.3% and 12.3%.

Members who joined the System on or after July 1, 2019, contribute according to Membership Class T-G - 5.50% base rate with shared risk provision and 2.75% direct contribution rate, T-H - 4.50% base rate with shared risk provision and 3.00% direct contribution rate. Code DC has only a direct contribution rate of 7.50%.

Employer Contributions:

The school districts' contractually required contribution rate for fiscal year ended June 30, 2023 was 34.31% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the District were $15,612,395 for the year ended June 30, 2023.

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

At June 30, 2023 the School reported a liability of $132,042,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by rolling forward the System's total pension liability as of June 30, 2021 to June 30, 2022. The School's proportion of the net pension liability was calculated utilizing the employer's one-year reported covered payroll as it related to the total one-year reported covered payroll. At June 30, 2023, the School's proportion was .2970%, which was an decrease of .0025 from its proportion measured as of June 30, 2022 which was .2995%.

NOTE 10 - PENSION PLAN (CONTINUED)

For the year ended June 30, 2023, the District recognized pension expense of $10,823,000. At June 30, 2023, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	60,000	1,142,000
Net difference between projected and actual investment earnings	0	2,240,000
Changes in proportions	2,298,000	865,000
Changes in assumptions	3,943,000	0
Difference between employer contributions and proportionate share of total contributions	809,419	0
Contributions subsequent to the measurement date	15,612,395	0
	22,722,814	4,247,000

$15,612,395 reported as deferred outflows of resources related to pensions resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	1,342,000
2025	1,313,000
2026	(3,728,000)
2027	3,127,000

Actuarial assumptions

The total pension liability as of June 30, 2022 was determined by rolling forward the System's total pension liability as of June 30, 2021 actuarial valuation to June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement:

Changes in assumptions used in measurement of the Total Pension Liability beginning June 30, 2022.

The Investment Rate of Return was 7.00%, includes inflation of 2.75%.
Salary growth changed from an effective average of 4.50%, which comprised of inflation of 2.50%, and 2.00% for real wage growth and for merit or seniority increases.

NOTE 10 - PENSION PLAN (CONTINUED)

Demographic and economic assumptions approved by the Board for use effective with the June 30, 2022 actuarial valuation:

- Salary growth rate - decreased from 5.00% to 4.50%.
- Real wage growth and merit or seniority increases (components for salary growth) - decreased from 2.75% and 2.25% to 2.50% and 2.00%, respectively.
- Mortality rates - Previously based on the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale. Effective with the June 30, 2021 actuarial valuation, mortality rates are based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scales.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study that was performed for the five year period the period ending June 30, 2020.

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 pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The pension plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global public equity	28.0%	5.3%
Fixed Income	33.0%	2.3%
Commodities	9.0%	2.3%
Absolute return	6.0%	3.5%
Infrastructure/MLPs	9.0%	5.4%
Real estate	11.0%	4.6%
Cash	3.0%	0.5%
Private equity	12.0%	8.0%
Financing Leverage	-11.0%	0.5%
	100%	

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2022.

Sensitivity of the School's Proportionate share of the net pension liability to changes in the discount rate

The following presents the net pension liability, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage

NOTE 10 - PENSION PLAN (CONTINUED)

Discount rate

The discount rate used to measure total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan'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.

Sensitivity of the School's Proportionate share of the net pension liability to changes in the discount rate

The following presents the net pension liability, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
School's proportionate share of the net pension liability	170,788,000	132,042,000	99,375,000

Pension plan fiduciary net position

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on the System's website at www.psers.state.pa.us.

NOTE 11 - POST EMPLOYMENT BENEFITS

In accordance with labor contracts and board policy, the School District provides health care benefits for eligible professional and administrative retirees through the Lincoln Benefit Trust. Eligibility to receive benefits is based on reaching normal retirement age and years of service. The School District recognizes the cost of providing these benefits as expenditures as the monthly payments are due. The cost of these benefits amounted to $153,340 during the fiscal year ended June 30, 2023. Approximately fifteen retirees receive benefits under this plan.

NOTE 12 - COMMITMENTS AND CONTINGENCIES

Grant Programs

The School District participates in both state and federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The School District is potentially liable for any expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

Litigation

The School District is subject to various claims and legal proceedings covering a wide range of matters that arise in the ordinary course of its business activities. Each of these matters is subject to various uncertainties, and some of these matters may be resolved unfavorably to the District.

LEASE OBLIGATIONS - RIGHT TO USE ASSETS:

GASB Statement No. 87, Lease Accounting - As of July 1. 2021, the School District adopted GASB Statement No. 87, Lease Accounting . This Statement increases the usefulness of governments' financial statements by requiring recognition of certain leased assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

Central York School District has recorded leased assets as a result of implementing GASB # 87. The right to use assets are initially measured at an amount equal to the measurement of the related lease liability as of July 1, 2021.

Central York School District entered into a lease agreement on May 26, 2021 for a 2021 Toyota Corolla. The lease requires 36 monthly payments of $256.71. The lease was recorded by the District in the financial statements as a right to use asset with a net book value of $3,081.

Central York School District entered into a lease agreement on May 26, 2021 for a 2021 Toyota Corolla. The lease requires 36 monthly payments of $256.71. The lease was recorded by the District in the financial statements as a right to use asset with a net book value of $2,567.

LEASE OBLIGATIONS - RIGHT TO USE ASSETS:

Central York School District entered into a lease agreement on November 23, 2021 for a 2021 Toyota Venza. The lease requires 36 monthly payments of $708.87. The lease was recorded by the District in the financial statements as a right to use asset with a net book value of $11,341.

Central York School District entered into a lease agreement on August 31, 2020 for a 2021 Honda Mini Van. The lease requires 36 monthly payments of $341.99. The lease was recorded by the District in the financial statements as a right to use asset with a net book value of $342.

Right to Use Lease Asset Activity Charts:

	Beginning Balance	Lease Additions	Amortization	Ending Balances
2021 Toyota Corolla	5,648		2,567	3,081
2021 Toyota Corolla	5,648		3,081	2,567
2021 Toyota Venza	19,848		8,507	11,341
2021 Honda Mini Van	4,445		4,103	342
	35,589	-	18,258	17,331

Future Minimum Payments:

Year ending June 30	Principal Payments
2024	14,496
2025	2,835
	17,331

NOTE 13 - SPECIAL SCHOOLS

The School District is one of fourteen member school districts participating in the operation of the York County School of Technology. The school is operated, administered, and managed by a joint operating committee consisting of board members from the fourteen member school districts. These members are elected by their individual school district board of education.

The School District participates as one of twenty-seven school entities in Lincoln Intermediate Unit No. 12 (LIU). The LIU is a regional education service entity which provides services for special education students.

The School District participates as one of nine member school districts in the operation of the York County High School. The high school was established to provide drop-outs from participating school districts an opportunity to acquire a high school diploma. York County High School is controlled by a board comprised of one elected board member from each participating district.

Expenditures paid to special schools are reflected as instruction expenditures in the General Fund and consist of the following for the year ended:

	June 30, 2023
York County School of Technology	$ 1,811,881
Lincoln Intermediate Unit No. 12	$ 2,293,712
York Adams Academy	$ 79,050

NOTE 14 - OTHER INFORMATION

Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The School District is insured against these risks by the purchase of commercial insurance to cover any reasonable loss.

Lincoln Benefit Trust

The School District is a member of Lincoln Benefit Trust. The trust is a claims servicing pool which pays claims for hospital benefits, medical coverage for physicians' services, certain dental coverage, major medical coverage and certain other benefits submitted by employees of the seventeen participating School Districts. Each participating employer contributes to the trust amounts determined by actuarial principles which will be adequate to cover annual claim costs, operating costs and reserves sufficient to provide stated benefits.

Because Lincoln Benefit Trust acts as a claim-servicing pool, the School District remains responsible for the economic risk of providing stated benefits to employees. However, claims incurred between $50,000 and $150,000 are paid from the Trust minipool. Claims incurred for $150,000 to $2,000,000 are paid from a stop loss insurance policy purchased by the Trust.

Under provisions of GASB No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues* , the School District must record a liability for claims when the loss is probable, it can be reasonably estimated and it exceeds cumulative contributions. The contingent liability, if any, cannot be fully determinable until such time that the School District withdraws from the trust. As of June 30, 2023, a liability is not required because the School District's cumulative contributions to the Trust exceed the accrued and incurred claims.

Changes in net assets for the School District's account were as follows for the year ended:

	June 30, 2023
Net assets - July 1, 2022	$ 2,237,737
Contributions and interest income	9,881,354
Claims paid	(8,941,625)
Stop-loss insurance pool premium	(1,265,189)
Pa. trust refund	399,583
Pa. trust premium	(552,559)
Stop-loss pool reimbursement	1,061,514
Pa. Trust Reimbursement	90,583
Other deductions	(16,794)
Administrative fees	(481,882)
Net assets - June 30, 2023	$ 2,412,722

Overall, the Lincoln Benefit Trust had net assets of $77,511,069 at July 1, 2022 and $72,367,489 at June 30, 2023, which resulted in an iderease in net assets of $(5,143,580). Financial Statements for Lincoln Benefit Trust are available at the School District.

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN

The Central York School District Postemployment Benefits plan is administered by Lincoln Benefit Trust. This Trust is a cost-sharing multiple-employer plan which issues its own financial report.

Summary of Plan Provisions:

Group	Eligibility	Coverage and Premium Sharing	Duration
Administrators	ACT 110/43 or must be eligible for PSERS Disability	Coverage: Medical, Dental and Prescription Drug Premium Sharing: For Dental, member pays full premium. For medical and prescription, the district contributions are based on the member's service level. The district will pay the single coverage premium for Medical and Prescriptions Drug for the greater of 4 months for each year of service as an administrator up to a maximum of 120 months or 1 year for every 5 years of total service in district. During this period, the member will pay the insurance carrier $100 per month and pay any difference in the premium for the two-party and family coverage. After the period of paid benefits by the district, the member must pay the full premium for Medical and Prescription Drug. Dependents: Spouse and Family included	If spouse is not covered, coverage ceases at the later of member reaching Medicare age and the end of the period of paid benefits by the District. Coverage ceases upon member death if earlier than above. If spouse is covered, coverage ceases at latest of member reaching Medicare age, spouse reaching Medicare age, and the end of the period of paid benefits by the district. Coverage ceases upon member death if earlier than above.
Teachers	ACT 110/43 or must be eligible for PSERS Disability	Coverage: Medical, Dental and Prescription Drug Premium Share: For Dental, member pays the full premium. For medical and Prescription Drug, the district contributions are based on the member's service level. Less than 20 years of service w/District The member must pay the full premium for medical and prescription drug.	If spouse is not covered, coverage ceases at the later of member reaching Medicare age and the end of the period of paid benefits by the District. Coverage ceases upon member death if earlier than above.

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

Summary of Plan Provisions:

Group	Eligibility	Coverage and Premium Sharing	Duration
		Between 20 and 30 years of service w/District The district will pay the single coverage premium for Medical and Prescription Drug for up to 2 years. During this period the member will pay the insurance carrier $100 per month and pay any difference in the premium for the two-party and family coverage. After the period of paid benefits by the district, the member must pay the full premium for Medical and Prescription Drug. More than 30 years service w/District The district will pay the single coverage premium for Medical and Prescription Drug for up to 3 years. During this period the member will pay the insurance carrier $100 per month and pay any difference in the premium for the two-party and family coverage. After the full period of paid benefits by the district, the member must pay the full premium for Medical and Prescription Drug.	If spouse is covered, coverage ceases at latest of member reaching Medicare age, spouse reaching Medicare age, and the end of the period of paid benefits by the district. Coverage ceases upon member death if earlier than above.
Support Staff and Non-Professional Staff	ACT 110/43 or must be eligible for PSERS Disability	Coverage: Medical, Dental and Prescription Drug Premium Sharing: More than 25 years service w/District The district will pay the single coverage premium for Medical and Prescription Drug for up to 1 year. During this period the member will pay the insurance carrier $100 per month and pay any difference in the premium for the two-party and family coverage. After the full period of paid benefits by the district, the member must pay the full premium for Medical and Prescription Drug.	If spouse is not covered, coverage ceases upon member reaching Medicare age. Coverage ceases upon member death if earlier. If spouse is covered, coverage ceases at later of member reaching Medicare age and spouse reaching Medicare age, Coverage ceases upon member death if earlier than above.

Actuarial Assumptions and Methods

Interest Rate

4.06%

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

Salary

An assumption for salary increases is used only for spreading contributions over future pay under the entry age normal cost method. For this purpose, salary increases are composed of a 2.5% cost of living adjustment, 1% real wage growth, and for teachers and administrators a merit increase which varies by age from 2.75% to 0%.

Withdrawal

Rates of withdrawal vary by age, gender and years of service. Sample rates for employees with more than 10 years of service are shown below. Rates for new employees start at 25.93% for men and 27.46% for women and decrease with age and service.

Age	Male Rate	Female Rate	Age	Male Rate	Female Rate
25	4.5500%	3.9000%	45	1.4100%	1.6000%
30	4.5500%	3.9000%	50	1.8900%	2.0800%
35	1.6800%	2.8300%	55	3.6300%	3.6600%
40	1.4200%	1.6700%	60	5.4900%	5.9400%

Mortality

Separate rates are assumed preretirement and postretirement using the rates assumed in the PSERS defined benefit pension plan actuarial valuation.

Disability

No disability was assumed.

Retirement

Assumed retirement rates are based on PSERS plan experience and vary by age, service and gender.

	Special Early Retirement		TC & TD Superannuation		TE,TF,TG & TH Superannuation	
Age	Male	Female	Male	Female	Male	Female
55	14.5%	14.5%	25.0%	16.0%	16.3%	19.5%
56	14.5%	14.5%	25.0%	20.0%	16.3%	19.5%
57	14.5%	15.0%	28.0%	28.0%	16.3%	19.5%
58	14.5%	15.0%	28.0%	30.0%	16.3%	19.5%
59	21.6%	20.7%	28.0%	30.0%	16.3%	19.5%
60	14.5%	15.0%	29.0%	31.0%	16.3%	19.5%
61	29.0%	29.0%	29.0%	31.0%	16.3%	19.5%
62	29.0%	29.0%	36.0%	31.0%	16.3%	19.5%
63	29.0%	29.0%	21.0%	20.0%	16.3%	19.5%

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

	Special Early Retirement		TC & TD Superannuation		TE,TF,TG & TH Superannuation	
Age	Male	Female	Male	Female	Male	Female
64	29.0%	29.0%	22.0%	25.0%	16.3%	19.5%
65	29.0%	29.0%	23.0%	28.0%	16.3%	19.5%
66	29.0%	29.0%	23.0%	27.0%	16.3%	19.5%
67	29.0%	29.0%	20.0%	23.0%	16.3%	19.5%
68	29.0%	29.0%	20.0%	22.0%	16.3%	19.5%
69	29.0%	29.0%	20.0%	23.0%	16.3%	19.5%
70	29.0%	29.0%	20.0%	23.0%	16.3%	19.5%
71-73	29.0%	29.0%	20.0%	20.0%	16.3%	19.5%
74-79	29.0%	29.0%	25.0%	25.0%	16.3%	19.5%
80+	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Percent of Eligible retirees Electing Coverage in Plan

100% of Administrators, 90% of Teachers and 75% of the Support Staff are assumed to elect coverage. Those paying the full premium are assumed to cease coverage upon reaching Medicare Eligibility.

Percent married at Retirement

25% of employees are assumed to be married and have a spouse covered by the plan at retirement. Non-spouse dependents are deemed to be immaterial.

Spouse Age

Wives are assumed to be two years younger than their husbands.

Per Capita Claims Cost

Making use of weighted averages for various plan designs, per capita cost for medical and prescription drug is based on the expected portion of the group's overall cost attributed to individuals in the specified age and gender brackets.
Dental costs are assumed to equal the premium. The resulting costs are as follows:

	Medical and Rx Combined	
Age	Males	Females
45-49	$ 7,805	$ 11,273
50-54	10,337	12,740
55-59	12,591	13,331
60-64	16,430	15,314
65+	8,063	8,063

Retiree Contributions
Retiree Contributions are assumed to increase at the same rate as the Health Care Cost Trend Rate However, the first year trend assumption was adjusted to account for short-term reserve applications.

Health Care Cost Trend Rate

Retiree Contributions are assumed to increase the same rate as the Health Care Cost Trend Rate. However, the first year trend assumption was adjusted to account for short-term reserve applications.

Actuarial Value of Assets

Equal to the Market Value of Assets

Actuarial Cost Method - Entry Age Normal

Under the Entry Age Normal Cost Method, the Normal Cost is the present value of benefits allocated to the year following the valuation date. Benefits are allocated on a level basis over the earnings of an individual between the date of hire and the assumed retirement age. The Accrued Liability as of the valuation date is the excess of the present value of future benefits over the present value of future Normal Cost. The Unfunded Accrued Liability is the excess of the Accrued Liability over the Actuarial Value of assets. Actuarial gains and losses serve to reduce or increase the Unfunded Accrued Liability.

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

Plan Participant Information

Based on census information as of July 2022.

Demographic Information

Active Participants	732
Vested Former Members	0
Retired Participants	23
Total	755

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

COST SHARING MULTIPLE- EMPLOYER DEFINED BENEFIT OPEB PLAN

1. Summary of Significant Accounting Policies

Other Postemployment Benefits

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Public School Employees' Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit term. Investments are reported at fair value.

General Information about the Health Insurance Premium Assistance Program

Health Insurance Premium Assistance Program

The System provides Premium Assistance which, is a governmental cost-sharing, multiple-employer other postemployment benefit plan (OPEB) for all eligible retirees who quality and elect to participate. Employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Effective January 1, 2002 under the provisions of Act 9 of 2001, participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of $100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. As of June 30, 2022 there were no assumed future benefit increases to participating eligible retirees.

Premium Assistance Eligibility Criteria
Retirees of the System can participate in the Premium Assistance Program if they satisfy the following criteria:

Have 24 1/2 or more years of service or
Are a disability retiree, or
Have 15 or more years of service and retired after reaching superannuation age, and
Participate in the HOP or employer-sponsored health insurance program.

Plan Description

PSERS is a governmental cost-sharing multi-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the System included all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues publicly available financial report that can be obtained at www.psers.state.pa.us.

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

Benefits Provided

Participating eligible retirees are entitle to receive premium assistance payments equal to the lesser of $100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. As of June 30, 2022 there were no assumed future benefit increases to participating eligible retirees.

Employer Contributions:

The school districts' contractually required contribution rate for the fiscal year ended June 30, 2023 was 0.75% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the OPEB plan from the District were $0 for the year ended June 30, 2023.

2. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2023, the District reported a liability of $5,467,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward the System's total OPEB liability as of June 30, 2021 to June 30, 2022. The District's proportion of the net OPEB liability was calculated utilizing the employer's one-year reported covered payroll as it related to the total one-year reported covered payroll. At June 30, 2023, the District's proportion was .2970 percent, which was an decrease of .0025 from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the District recognized OPEB expense of $223,000. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	50,000	29,000
Net difference between projected and actual investment earnings	15,000	
Changes in proportions	238,000	44,000
Changes in assumptions	607,000	1,291,000
	910,000	1,364,000

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

$ 0 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2024	(75,000)
2025	(39,000)
2026	(80,000)
2027	(120,000)
2028	(142,000)
Thereafter	0

3. Actuarial Assumptions

The Total OPEB Liability as of June 30, 2022, was determined by rolling forward the System's Total OPEB Liability as of June 30, 2021 to June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method - Entry Age Normal - level % of pay.
Investment return -4.09% - S & P 20 Year Municipal Bond Rate
Salary growth - Effective average of 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
Premium Assistance reimbursement is capped at $1,200 per year.
Assumed Healthcare cost trends were applied to retirees with less that $1,200 in premium assistance per year.
Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Mortality Tables for males and females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Mortality Improvement Scale.

Participation rate:
Eligible retirees will elect to participate Pre age 65 at 50%
Eligible retirees will elect to participate Post age 65 at 70%

The following assumptions were used to determine the contribution rate:

The results of the actuarial valuation as of June 30, 2020 determined the employer contribution rate for fiscal year 2022.
Cost Method: Amount necessary to assure solvency of Premium Assistance through the third fiscal year after the valuation date.
Asset Valuation method: Market Value
Participation rate:63% of eligible retirees are assumed to elect premium assistance.
Mortality Tables for males and females, adjusted to reflect PSERS experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

Investments consist primarily of short term assets designed to protect the principal of the plan assets. The expected rate of return on OPEB plan investments was determined using the OPEB asset allocation policy and best estimates of geometric real rates of return for each asset class.

The OPEB plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Under the program, as defined in the retirement code employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year.

OPEB - Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	100.0%	0.50%
US Core Fixed Income	0.0%	0.00%
Non-US Developed Fixed	0.0%	0.00%
	100.0%	

The above was the Board's adopted asset allocation policy and bet estimates of geo metric real rates of return for each major asset class as of June 30, 2022.

Discount Rate

The discount rate used to measure the Total OPEB Liability was 2.18%. Under the plan's funding policy, contributions are structured for short term funding of Premium Assistance. The funding policy sets contribution rates necessary to assure solvency of Premium Assistance through the third fiscal year after the actuarial valuation date. The Premium Assistance account is funded to establish reserves that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Due to the short term funding policy, OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefits payments, therefore the plan is considered a "pay-as-you-go" plan. A discount rate of 4.09% which represents the S & P 20 year Municipal Bond Rate at June 30, 2022, was applied to all projected benefit payments to measure the total OPEB liability.

Sensitivity of the System Net OPEB Liability to Change in Healthcare Cost Trend Rates

Healthcare cost trends were applied to retirees receiving less than $1,200 in annual Premium Assistance. As of June 30, 2022, retirees Premium Assistance benefits are not subject to future healthcare cost increases. The annual Premium Assistance reimbursement for qualifying retirees is capped at a maximum of $1,200. As of June 30, 2022, 93,293 retirees were receiving the maximum amount allowed of $1,200 per year. As of June 30, 2022, 582 members were receiving less than the maximum amount allowed of $1,200 per year. The actual number of retirees receiving less than the $1,200 per year cap is a small percentage of the total population and has a minimal impact on Healthcare Cost Trends as depicted below.

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

Sensitivity of the District's Proportionate share of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability, calculated using the discount rate of 4.09%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.09%) or 1-percentage-point higher (5.09%) than the current rate:

	1% Decrease 3.09%	Current Discount Rate 4.09%	1% Increase 5.09%
School's proportionate share of the net pension liability	6,183,000	5,467,000	4,868,000

Pension plan fiduciary net position

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on the System's website at www.psers.state.pa.us.

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

Single Employer Defined Benefit OPEB Plan

The District's other post-employment benefits OPEB) include a single-employer defined benefit plan that provides medical and life insurance benefits to eligible retirees and their dependent. The School Board has the authority to establish and amend benefit provisions. The OPEB Plan does not issue any financial report and is not included in the report of any public employee retirement system.

Funding Policy

The District's contributions are funded on a pay-as-you go basis.

OPEB Liability

The District's change in its OPEB liability for the year ended June 30, 2023 was as follows

Balances as of July 1, 2022	14,455,444
Service Cost	1,183,831
Interest on total OPEB liability	353,522
Benefit payments	(247,212)
Changes of Assumptions	(3,566,724)
Differences between Expected and Actual Experience	0
Changes of Benefit Terms	0
Net Charges	(2,276,583)
Balances as of June 30, 2023	12,178,861

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience		2,008,680
Net difference between projected and actual investment earnings		
Changes in proportions		
Changes in assumptions	1,262,731	3,745,135
Benefit payments subsequent to the Measurement Date	257,569	
	1,520,300	5,753,815

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	
2024	(395,668)
2025	(395,668)
2026	(395,668)
2027	(395,668)
2028	(395,668)
Thereafter	(2,512,744)

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

Sensitivity of the OPEB Liability to Change in Healthcare Cost Trend Rates

The following presents the OPEB liability for June 30, 2023, calculated using current healthcare cost trends as well as what OPEB liability would be if health cost trends were 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Trend Rate	1% Increase
OPEB liability	10,576,413	12,178,861	14,088,601

Sensitivity of the OPEB Liability to Changes in the Discount Rate

The following presents the OPEB liability for June 30, 2023, calculated using the discount rate of 4.06%, as well as what OPEB liability would be if the discount rate were 1-percentage point lower(3.06%) or 1-percentage point higher(5.06%) than the current rate:

	1% Decrease 3.06%	Current Discount Rate 4.06%	1% increase 5.06%
OPEB liability	13,196,515	12,178,861	11,218,948

NOTE 16 - SUBSEQUENT EVENTS

Management of the District has evaluated subsequent events through the date of the audit report. No subsequent events were noted.

CENTRAL YORK SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
YEAR ENDED JUNE 30, 2023

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability (asset)	29.7000%	29.9500%	29.0100%	28.9800%	28.4500%	27.8800%	27.5500%	26.7100%	27.1500%
District proportionate share of the net pension liability (asset)	132,042,000	122,965,000	142,842,000	135,576,000	136,574,000	137,695,000	136,529,000	115,695,000	107,462,000
District's covered-employee payroll	43,670,931	42,458,710	40,690,817	39,968,207	38,318,962	37,123,158	35,674,053	34,365,731	34,640,742
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	302.36%	289.61%	351.04%	339.21%	356.41%	370.91%	382.71%	336.66%	310.22%
Plan fiduciary net position as a percentage of the total pension liability	63.67%	63.67%	54.32%	55.66%	54.00%	51.84%	50.14%	54.36%	57.24%

Amounts were determined as of the cost-sharing plan's June 30, 2023 fiscal year.

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is complete, available information is presented.

CENTRAL YORK SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS PENSION PLAN
YEAR ENDED JUNE 30, 2023

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	14,233,419	14,233,419	13,552,568	12,977,928	12,072,000	10,664,000	8,764,862	6,896,826	6,876,923
Contributions in relation to the contractually required contribution	14,233,419	14,233,419	13,552,568	12,977,928	12,072,000	10,664,000	8,764,862	6,896,826	6,876,923
Contribution deficiency (excess)	-	-	0	0	-	-	-	-	-
District's covered-employee payroll	43,670,931	42,458,710	40,690,817	39,968,207	38,318,962	37,123,158	35,674,053	34,365,731	34,640,742
Contributions as a percentage of covered-employee payroll	32.59	33.52	33.31	32.47	31.50	28.73	24.57	20.07	19.85

Amounts were determined as of the cost-sharing plan's June 30, 2023 fiscal year.

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is complete, available information is presented.

CENTRAL YORK SCHOOL DISTRICT
SCHEDULE OF CHANGES IN OPEB LIABILITY - SINGLE EMPLOYER PLAN
YEAR ENDED JUNE 30, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service cost	$ 1,183,831	$ 1,133,176	$ 816,071	$ 933,567	$ 868,335	$ 927,106
Interest on total OPEB liability	353,522	275,487	402,776	403,625	392,505	301,202
Changes of Benefit Terms	0	0	0	103,929	0	0
Benefit payments	(247,212)	(324,447)	(328,512)	(330,770)	(296,815)	(272,639)
Differences between expected and actual experience	0	(6,718)	0	(2,520,298)	0	(479,332)
Changes in assumptions	(3,566,724)	(475,775)	1,614,123	(30,872)	(6,493)	39,181
Net change in total OPEB liability	(2,276,583)	601,723	2,504,458	(1,440,819)	957,532	515,518
Total OPEB Liability, Beginning	14,455,444	13,853,721	11,349,263	12,790,082	11,832,550	11,317,032
Total OPEB Liability, Ending	$ 12,178,861	$ 14,455,444	$13,853,721	$ 11,349,263	$ 12,790,082	$ 11,832,550
Covered Employee Payroll	$ 43,670,931	$ 42,458,710	$40,690,817	$ 39,968,207	$ 38,318,962	$ 37,123,158
Total OPEB Liability as a percent of covered employee payroll	27.89%	34.05%	34.05%	28.40%	33.38%	31.87%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

CENTRAL YORK SCHOOL DISTRICT
SCHEDULE OF SCHOOL'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY - PSERS COST SHARING PLAN
YEAR ENDED JUNE 30, 2023

	2023	2022	2021	2020	2019	2018
School's proportion of the net OPEB liability	29.7000%	29.9500%	29.0100%	28.9800%	28.4500%	27.8800%
School's proportionate share of the net OPEB liability	$ 5,467,000	$ 7,099,000	$ 6,264,000	$ 6,164,000	$ 5,932,000	$ 5,680,000
School's covered-employee payroll	43,670,931	42,458,710	40,690,817	39,968,207	38,318,962	37,123,158
School's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	12.52%	16.72%	15.39%	15.42%	15.48%	15.30%
Plan fiduciary net position as a percentage of the total OPEB liability	5.30%	5.30%	5.69%	5.56%	5.56%	5.73%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

CENTRAL YORK SCHOOL DISTRICT
SCHEDULE OF SCHOOL'S OPEB CONTRIBUTIONS -
PSERS COST SHARING PLAN
YEAR ENDED JUNE 30, 2023

	2023	2022	2021	2020	2019	2018
Contractually required contribution	$ 347,000	$ 349,000	$ 341,000	$ 332,000	$ 318,000	$ 308,000
Contributions in relation to the contractually required contribution	(347,000)	(349,000)	(341,000)	(332,000)	(318,000)	(308,000)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
School's covered-employee payroll	43,670,931	42,458,710	40,690,817	39,968,207	38,318,962	37,123,158
Contributions as a percentage of covered-employee payroll	0.79%	0.82%	0.84%	0.83%	0.83%	0.83%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

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

Board of Education
Central York School District
York, Pennsylvania

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, the business-type activities, each major fund, and the aggregate remaining fund information of Central York School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated January 4, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Central York 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 Central York School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Central York School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or 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 over that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Board of Education
Central York School District
York, Pennsylvania

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Central York School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance 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.

Kochenour, Earnest, Smyser & Burg

Certified Public Accountants

York, Pennsylvania
January 4, 2024

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Education
Central York School District
York, Pennsylvania

Report on Compliance for Each Major Federal Program

We have audited Central York 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 Central York School District's major federal programs for the year ended June 30, 2023. Central York 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, Central York 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, 2023.

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 Central York 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 Central York School District's 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 Central York School District's federal programs.

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 Central York 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 Central York 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 judgement 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 Central York 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 Central York 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 Central York 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 weakness 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.

Kochenour, Earnest, Smyser & Burg

Certified Public Accountants

York, Pennsylvania
January 4, 2024

CENTRAL YORK SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FOOD NUTRITION SERVICE
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/ Project Title		Source Code	Federal CFDA Number	Pass-Through Grantor's No.	Grant Period Begin	End	Program Or Award Amt.	Total Rec. For Year 6/30/2023	Accrued/ (Deferred) Revenue 7/1/2022	Revenue Recognized	Expenditures	Accrued/ (Deferred) Revenue 6/30/2023
U.S. DEPARTMENT OF EDUCATION PASSED THROUGH PA DEPARTMENT OF EDUCATION:												
Title I c/o	8514	I	84.010	013-220075	07/01/21	09/30/22	789,560	538,114	487,066	51,048	51,048	0
Title I	8514	I	84.010	013-230075	07/01/22	09/30/23	715,191	612,861	0	715,191	715,191	102,330
Sub-total Title I								1,150,975	487,066	766,239	766,239	102,330
Title II Improving Tch Qual	8515	I	84.367	020-200075	07/01/19	09/30/20	142,297	18,111	18,111	0	0	0
Title II Improving Tch Qual	8515	I	84.367	020-210075	07/01/20	09/30/21	57,633	29,922	(52,078)	0	0	(82,000)
Title II Improving Tch Qual	8515	I	84.367	020-220075	07/01/21	09/30/22	71,539	81,988	23,297	0	0	(58,691)
Title II Improving Tch Qual	8515	I	84.367	020-230075	07/01/22	09/30/23	116,400	99,906	0	115,882	115,882	15,976
Sub-total Title II								229,927	(10,670)	115,882	115,882	(124,715)
Title III Lang. Inst LEP/Immig.	8516	I	84.365	010-210075	07/01/20	09/30/21	24,950	0	(356)	356	356	0
Title III Lang. Inst LEP/Immig.	8516	I	84.365	010-220075	07/01/21	09/30/22	28,099	13,026	7,942	11,619	11,619	6,535
Title III Lang. Inst LEP/Immig.	8516	I	84.365	010-230075	07/01/22	09/30/23	31,987	19,393	0	25,189	25,189	5,796
Sub-total Title III								32,419	7,586	37,164	37,164	12,331
Title IV Student Supp & Aca	8517	I	84.424	144-200075	07/01/19	09/30/20	54,406	11,659	11,659	0	0	0
Title IV Student Supp & Aca	8517	I	84.424	144-210075	07/01/20	09/30/21	136,147	0	82,000	0	0	82,000
Title IV Student Supp & Aca	8517	I	84.424	144-220075	07/01/21	09/30/22	135,076	36,754	112,117	6,637	6,637	82,000
Title IV Student Supp & Aca	8517	I	84.424	144-230075	07/01/22	09/30/23	-	44,946	0	66,054	66,054	21,108
Sub-total Title IV								93,359	205,776	72,691	72,691	185,108
ESSER II	8743	I	84.425D	200-210075	03/13/20	09/30/23	2,606,279	1,151,612	1,151,612	0	0	0
ESSER III-ARP	8744	I	84.425	223-210075	03/13/20	09/30/23	5,271,748	3,067,199	2,090,963	2,797,385	2,797,385	1,821,149
ARP ESSER 7%	8751	I	84.425	225-210075	03/13/20	09/30/24	292,667	0	(13,267)	13,267	13,267	0
ARP ESSER 7% -after school	8753	I	84.425	225-210075	03/13/20	09/30/24	58,533	0	(47,358)	47,358	47,358	0
ARP ESSER 2.5%	8755	I	84.425	224-210075	03/13/20	09/30/24	76,368	22,216	(4,166)	26,382	26,382	0
Sub-Total 84.425								4,241,027	3,177,784	2,884,392	2,884,392	1,821,149
TOTAL PASSED THROUGH PA DEPARTMENT OF ED								5,747,707	3,867,542	3,876,368	3,876,368	1,996,203
PASSED THROUGH PENNSYVANIA COMMISSION ON CRIME AND DELINQUENCY												
GRANT CARES ACT		I			03/13/20	09/30/22	17,346	1,755	1,755	0	0	0
SCHOOL MENTAL HEALTH		I		2022-SH-38291	08/01/22	07/31/24	187,514	0	0	100,526	100,526	100,526
SAFETY & SECURITY		I		22-SS-ST-38291	08/01/22	07/31/24	187,514	0	0	142,132	142,132	142,132
								1,755	1,755	242,658	242,658	242,658
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES												
Passed through the Pennsylvania Department												
Medical Ass. Reimb. -Admin.	8820	I	93.778	044-007075	07/01/22	06/30/23	29,847	29,847	22,500	26,985	26,985	19,638
Medical Ass. Cluster Total								29,847	22,500	26,985	26,985	19,638
PASSED THROUGH LIU #12												
Idea Part B: Handicapped	6831	I	84.027	062-12-012-1	07/01/22	06/30/23	876,665	876,665	0	876,665	876,665	0
Idea Sect 619	6831	I	84.173	062-12-012-1	07/01/22	06/30/23	7,290	7,290	0	7,290	7,290	0
Sub-total passed through LIU #12 Cluster Total								883,955	0	883,955	883,955	0
U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH PA DEPARTMENT OF AGRICULTURE:												
Donated Commodities-												
National School Lunch Program		I	10.555	N/A	07/01/22	06/30/23	N/A	239,031	0	239,031	239,031	0
U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH PA DEPARTMENT OF EDUCATION:												
National School Lunch Program												
- Federal - Summer Food		I	10.559	264	07/01/22	06/30/23	N/A	29,465	11,744	29,779	29,779	12,058
- Federal - Lunch		I	10.555	362	07/01/22	06/30/23	N/A	1,556,884	0	1,556,884	1,556,884	0
- Federal - Ndy Brkfst		I	10.553	365	07/01/22	06/30/23	N/A	501,270	0	501,270	501,270	0
Supply Chain Assistance		I	10.555	356	07/01/22	06/30/23	N/A	145,449	(108,289)	253,738	253,738	0
Sub-total U.S. Department of Agriculture - Cluster Total								2,472,099	(96,545)	2,580,702	2,580,702	12,058
P-EBT Local Admin Funds		I	10.649	358	07/01/22	06/30/23	N/A	628	0	628	628	0
TOTAL FEDERAL ASSISTANCE								9,137,746	3,797,007	7,611,296	7,611,296	2,270,557
State												
- State		I	N/A	510	07/01/22	06/30/23	N/A	83,434	0	83,434	83,434	0
- State - Brkfst-Needy		I	N/A	511	07/01/22	06/30/23	N/A	30,766	0	30,766	30,766	0
-State - Brkfst-Initiative		I	N/A	521	07/01/22	06/30/23	N/A	243,936	0	243,936	243,936	0
								358,136	0	358,136	358,136	0

NOTE: 1 & 2Title IV transfer to Title II

CENTRAL YORK SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2023

NOTE 1 - ORGANIZATION AND SCOPE

Central York School District, York County, Pennsylvania operates a high school, a middle school and five elementary schools.

The district received federal funds to operate the programs for the benefit of some of the students as detailed on the Schedule of Expenditures of Federal Awards, which covers the period from July 1, 2022 to June 30, 2023.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The District reports federal programs in its general purpose financial statements and on the Schedule of Expenditures of Federal Awards on the accrual basis.

NOTE 3 - REPORTING ENTITY

The Central York School District Board is the basic level of government which has oversight responsibility and control over all activities related to the public school education in the in the Central York School District. The District receives funding from local, state and federal government sources and must comply with their accompanying requirements. However, the Board is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since Board members are elected by the public and have decision-making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

The reporting entity for Central York School District consists only of those funds, functions, and activities controlled by the School Board and required or allowed by State laws and regulations.

The financial statement of the School District includes all funds and activities that are controlled by or dependent on the School District. Control or dependence is determined on the basis of budget adoption, taxing authority, and funding and appointment of advisors.

NOTE 4 - FEDERAL AWARDS

Total Expenditures	$ 7,969,432
Less: State Expenditures	358,136
Total Federal Expenditures	7,611,296
	40%
	$ 3,044,518

Percentage of Coverage Rule

Central York School District falls under the 40% rule for testing federal programs.

Federal Program Tested		
National School Lunch	$ 1,556,884	
Breakfast	501,270	
Summer Food	29,779	
Donated Commodities	239,031	
SNP EMERGENCY OPERATING COSTS	253,738	
Title I	766,239	
IDEA	876,665	
IDEA - SEC 619	7,290	
CARES ACT - ESSER III	2,797,385	
ARP ESSERS 7%	87,007	
	$ 7,115,288	93%

CENTRAL YORK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:
Internal control over financial reporting:

Qualified Opinion on financial Statements	☐	yes	☒	no
Material weaknesses identified?	☐	yes	☒	no
Reportable conditions identified that are not considered to be material weaknesses?	☐	yes	☒	none reported
Noncompliance material to financial statements noted?	☐	yes	☒	no

Federal Awards

Internal control over major programs:

Material weaknesses identified?	☐	yes	☒	no
Reportable conditions identified that are not considered to be material weaknesses?	☐	yes	☒	none reported

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

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance ☐ yes ☒ no

Identification of major programs:

CFDA Numbers(s)	Name of Federal Program
10.555	National School Lunch
10.553	Breakfast
10.555	Donated Commodities
10.559	Summer Food
10.555	SNP EMERGENCY OPERATING COSTS
84.027	IDEA
84.173	IDEA Sec. 619
84.010	Title I
84.425	CARES ACT
84.425	ARP ESSERS 7%

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

Auditee qualified as low-risk auditee ☐ yes ☒ no

Section II. Financial Statement Findings

No findings are reported

Section III. Federal Award Findings and Questioned Costs

No findings or questioned costs are reported

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Board of Education
Central York School District
York, Pennsylvania

January 4, 2024

Re: Management Letter

Board of Education:

We have completed our audit of Central York School District for the year ended June 30, 2023.

We have audited the accompanying basic financial statements of the Central York School District as of and for the year ended June 30, 2023. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. We have issued our audit report in accordance with the above standards stating that the basic financial statements present fairly, in all material respects, the financial position of the Central York School District.

In planning and performing our audit, we considered Central York School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of Central York School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Central York School District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

We have also audited the compliance of Central York School District with the types of compliance requirements described in the Uniform Guidance that are applicable to each of its major federal programs for the year ended June 30, 2023.

We did not have any findings or questioned costs for the year ended June 30, 2023.

We would like to take this opportunity to thank Kelly Martin and her staff for the cooperation and assistance we received during the course of our audit.

Kochenour, Earnest, Smyser & Burg

Certified Public Accountants