

CLINTON CENTRAL
SCHOOL DISTRICT

MANAGEMENT'S
DISCUSSION AND
ANALYSIS

AND

BASIC FINANCIAL
STATEMENTS

For the Year Ended
June 30, 2025

**CLINTON CENTRAL SCHOOL DISTRICT
TABLE OF CONTENTS**

	<u>Page</u>
INDEPENDENT AUDITOR’S REPORT	1-2
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	3
MANAGEMENT’S DISCUSSION AND ANALYSIS	4-13
BASIC FINANCIAL STATEMENTS	
District-Wide Financial Statements	
• Statement of Net Position	14
• Statement of Activities	15
Fund Financial Statements	
• Balance Sheet – Governmental Funds	16
• Reconciliation of the Governmental Fund Balances to the Statement of Net Position	17
• Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	18
• Reconciliation of the Statement of Revenues and Expenditures of the Governmental Funds to the Statement of Activities	19
Fiduciary Fund Financial Statements	
• Statement of Fiduciary Net Position	20
• Statement of Changes in Fiduciary Net Position	21
Notes to Basic Financial Statements	22-47
REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT’S DISCUSSION AND ANALYSIS	
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – General Fund	48
Schedules of Changes in the District’s Total OPEB Liability and Related Ratios	49
Schedules of District Contributions	50
Schedules of the District’s Proportionate Share of the Net Pension Liability/Asset	51
OTHER SUPPLEMENTARY INFORMATION	
Schedules of Change from Adopted Budget to Final Budget and Section 1318 of Real Property Tax Law Limit Calculation	52
Schedule of Project Expenditures – Capital Projects Fund	53
Net Investment in Capital Assets	54

D'Arcangelo & Co., LLP

Certified Public Accountants & Consultants

200 East Garden Street, P.O. Box 4300, Rome, N.Y. 13442-4300
315-336-9220 Fax: 315-336-0836

Independent Auditor's Report

Board of Education
Clinton Central School District

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Clinton Central School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Clinton Central School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Clinton Central School District, as of June 30, 2025, and the respective changes in financial position, for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller 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 Clinton Central School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As discussed in Notes 1 and 19 to the financial statements, Clinton Central School District changed its accounting policies related to the recognition and reporting of compensated absences by adopting Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

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 Clinton Central School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the table of contents, 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clinton Central School District's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis as required by the New York State Education Department and is not a required part of the basic financial statements. The other supplementary information are the responsibility of management and were derived from and relate 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2025, on our consideration of the Clinton Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clinton Central School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Clinton Central School District's internal control over financial reporting and compliance.

D'Arcangelo + Co., LLP

September 22, 2025

Rome, New York

D'Arcangelo & Co., LLP

Certified Public Accountants & Consultants

200 East Garden Street, P.O. Box 4300, Rome, N.Y. 13442-4300

315-336-9220 Fax: 315-336-0836

Independent Auditor's 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

Clinton Central School District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clinton Central School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Clinton Central School District's basic financial statements, and have issued our report thereon dated September 22, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Clinton Central School District's internal control over financial reporting (internal control) as a basis for designing 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 Clinton Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Clinton Central School District's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

D'Arcangelo + Co., LLP

September 22, 2025

Rome, New York

**CLINTON CENTRAL SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

The Clinton Central School District’s discussion and analysis of financial performance provides an overall review of the District’s financial activities for the fiscal years ended June 30, 2025 and 2024. The intent of this discussion and analysis is to look at the District’s financial performance as a whole. This should be read in conjunction with the financial statements, which immediately follow this section.

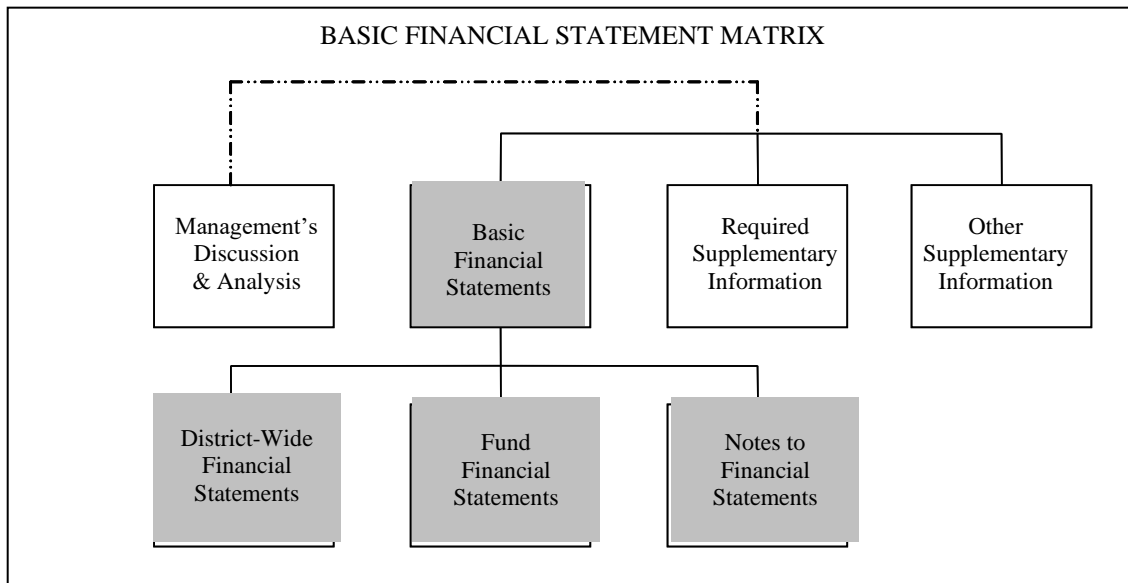
1. FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2025, are as follows:

- The District’s total liabilities and deferred inflows exceeded its assets and deferred outflows at the close of the fiscal year by \$18,135,264 (total Net Position (Deficit)). This represents an increase of \$7,081,128 from the prior year’s Net Position (Deficit), as restated.
- The District’s expenses for the year, as reflected in the District-wide financial statements, totaled \$26,309,030. Of this amount, \$12,310 was offset by program charges for services, and \$1,095,585 was offset by operating grants, respectively. General revenues of \$32,282,263 amount to 96.7% of total revenues.
- The General Fund’s total fund balance, as reflected in the fund financial statements on pages 16 and 18, increased by \$849,694 to \$14,465,197. This was due to an excess of revenues over expenditures based on the modified accrual basis of accounting.
- State and federal revenue increased by \$59,775 to \$12,654,486 in 2025 from \$12,594,711 in 2024, primarily due to increases in the District’s basic state aid.

2. OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – Management’s Discussion and Analysis (MD&A), the basic financial statements, required supplementary information, and other supplementary information. The basic financial statements consist of District-wide financial statements, fund financial statements, and notes to the financial statements. A graphic display of the relationship of these statements follows:



District-wide Financial Statements

The District-wide financial statements are organized to provide an understanding of the fiscal performance of the District as a whole in a manner similar to a private sector business. There are two District-wide financial statements, the Statement of Net Position and the Statement of Activities. These statements provide both an aggregate and long-term view of the District’s finances.

**CLINTON CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

These statements utilize the accrual basis of accounting. This basis of accounting recognizes the financial effects of events when they occur, without regard to the timing of cash flows related to the events.

The Statement of Net Position

The Statement of Net Position presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Increases or decreases in the net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating, respectively.

The Statement of Activities

The Statement of Activities presents information showing the change in net position during the fiscal year. All changes in net position are recorded at the time the underlying financial event occurs. Therefore, revenues and expenses are reported in the statement for some items that will result in cash flow in future fiscal periods.

A. Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District also uses fund accounting to ensure compliance with finance-related legal requirements. The funds of the District are reported in the governmental funds and the fiduciary funds.

These statements utilize the modified accrual basis of accounting. This basis of accounting recognizes revenues in the period that they become measurable and available. It recognizes expenditures in the period that they become measurable, funded through available resources and payable within a current period.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the District-wide financial statements. However, the governmental fund financial statements focus on shorter term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year for spending in future years. Consequently, the governmental fund statements provide a detailed short-term view of the District's operations and the services it provides.

Because the focus of governmental funds is narrower than that of District-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the District-wide financial statements. By doing so, you may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains six individual governmental funds, General Fund, School Lunch Fund, Special Aid Fund, Miscellaneous Special Revenue Fund, Debt Service Fund, and Capital Projects Fund, each of which is considered to be a major fund and is presented separately in the fund financial statements.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the District in its capacity as agent or trustee. The District's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. The fiduciary activities have been excluded from the District's District-wide financial statements because the District cannot use these assets to finance its operations.

3. FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

A. Net Position

The District's total net position increased \$7,081,128 between fiscal year 2025 and 2024. A summary of the District's Statement of Net Position for June 30, 2025 and 2024, is as follows:

**CLINTON CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

	2025	Restated 2024	Increase (Decrease)	Percentage Change
Current and Other Assets	\$ 23,099,437	\$ 18,263,800	\$ 4,835,637	26.5%
Net Pension Asset - Proportionate Share	1,655,104		1,655,104	100.0%
Leased and Subscription Assets, Net	498,332	316,697	181,635	57.4%
Capital Assets, Net	<u>57,691,931</u>	<u>47,684,721</u>	<u>10,007,210</u>	21.0%
Total Assets	<u>82,944,804</u>	<u>66,265,218</u>	<u>16,679,586</u>	25.2%
Deferred Outflows of Resources	<u>7,146,604</u>	<u>9,375,618</u>	<u>(2,229,014)</u>	(23.8%)
Current and Other Liabilities	17,106,878	1,789,982	15,316,896	855.7%
Net Pension Liability - Proportionate Share	813,672	1,346,207	(532,535)	(39.6%)
Non-Current Liabilities	<u>66,282,247</u>	<u>75,505,538</u>	<u>(9,223,291)</u>	(12.2%)
Total Liabilities	<u>84,202,797</u>	<u>78,641,727</u>	<u>5,561,070</u>	7.1%
Deferred Inflows of Resources	<u>24,023,875</u>	<u>22,215,501</u>	<u>1,808,374</u>	8.1%
Net Position				
Net Investment in Capital Assets	37,964,244	35,956,181	2,008,063	5.6%
Restricted	13,313,784	14,352,917	(1,039,133)	(7.2%)
Unrestricted (Deficit)	<u>(69,413,292)</u>	<u>(75,525,490)</u>	<u>6,112,198</u>	8.1%
Total Net Position (Deficit)	<u>\$ (18,135,264)</u>	<u>\$ (25,216,392)</u>	<u>\$ 7,081,128</u>	28.1%

Current and other assets increased by \$4,835,637, as compared to the prior year. The increase is primarily due to increases in restricted cash in the Capital Fund as a result of the unspent proceeds of the BAN.

The District's net pension asset – proportionate share increased by \$1,655,104 as compared to the prior year, as reported to the District by the NYS Teachers' Retirement System.

Leased and subscription assets increased by \$181,635, as compared to the prior year. The increase is primarily due to additions exceeding amortization in the current year. Notes 7 and 8 to the Financial Statements provides additional information.

Capital assets increased by \$10,007,210, as compared to the prior year. This increase is primarily due to capital outlays exceeding depreciation expense in the current year. Note 8 to the Financial Statements provides additional information.

Deferred outflows of resources decreased by \$2,229,014, as compared to the prior year as reported by the NYS retirement systems and OPEB actuarial valuations.

Current and other liabilities increased by \$15,316,896, as compared to the prior year primarily due to an increase in BANs payable of \$14,790,000 to provide short term financing for the capital project.

The District's net pension liability – proportionate share decreased by \$532,535 as compared to the prior year, as reported to the District by the NYS Employees' and Teachers' Retirement Systems.

Non-Current liabilities decreased by \$9,223,291, as compared to the prior year. This is primarily the result of the net decrease in the liability for other postemployment benefits in the amount of \$7,761,430 and the principal payments on the serial bonds payable and energy performance contract obligation totaling \$1,787,487.

Deferred inflows of resources relating to pensions and OPEB increased by \$1,808,374, as compared to the prior year as reported by the NYS retirement systems and OPEB actuarial valuations.

**CLINTON CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

The net investment in capital assets is calculated by subtracting the amount of outstanding debt used for construction and leases from the total cost of all asset acquisitions, net of accumulated depreciation and amortization. The total cost of these acquisitions includes expenditures to purchase land, construct, lease, and improve buildings and purchase and/or lease vehicles, equipment and furniture to support District operations.

The restricted portion of the net position at June 30, 2025 was \$13,313,784 which represents the amount of the District's restricted funds in the General, Miscellaneous Special Revenue, and Debt Service Funds. See the chart on page 10 for additional details.

The unrestricted (deficit) portion of the net position at June 30, 2025, was \$69,413,292, and represents the amount by which the District's total liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources, excluding restricted assets, capital assets, right to use leased assets, and debt related to capital construction. This deficit is primarily a result of the requirement to accrue other postemployment benefits. The accumulated accrued liability for the obligation was \$53,108,302 at June 30, 2025.

B. Changes in Net Position

The results of this year's operations as a whole are reported in the Statement of Activities in a programmatic format in the accompanying financial statements. A summary of this statement for the years ended June 30, 2025 and 2024 is as follows:

Revenues	<u>2025</u>	<u>2024</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Program Revenues				
Charges for Services	\$ 12,310	\$ 9,283	\$ 3,027	32.6%
Operating Grants	1,095,585	1,304,361	(208,776)	(16.0%)
General Revenues				
Property Taxes and STAR	17,114,015	16,759,082	354,933	2.1%
State and Federal Sources	12,654,486	12,594,711	59,775	0.5%
Other	<u>2,513,762</u>	<u>2,322,031</u>	<u>191,731</u>	8.3%
Total Revenues	<u>33,390,158</u>	<u>32,989,468</u>	<u>400,690</u>	1.2%
Expenses				
General Support	11,235,984	3,201,067	8,034,917	251.0%
Instruction	13,069,718	22,869,416	(9,799,698)	(42.9%)
Pupil Transportation	1,424,158	1,393,021	31,137	2.2%
Debt Service-Unallocated Interest	473,050	356,363	116,687	32.7%
Food Service Program	<u>106,120</u>	<u>68,518</u>	<u>37,602</u>	54.9%
Total Expenses	<u>26,309,030</u>	<u>27,888,385</u>	<u>(1,579,355)</u>	(5.7%)
Total Change in Net Position	<u>\$ 7,081,128</u>	<u>\$ 5,101,083</u>	<u>\$ 1,980,045</u>	

The District's revenues increased by \$400,690 in 2025, or 1.2%. The major factors that contributed to the increase were as follows:

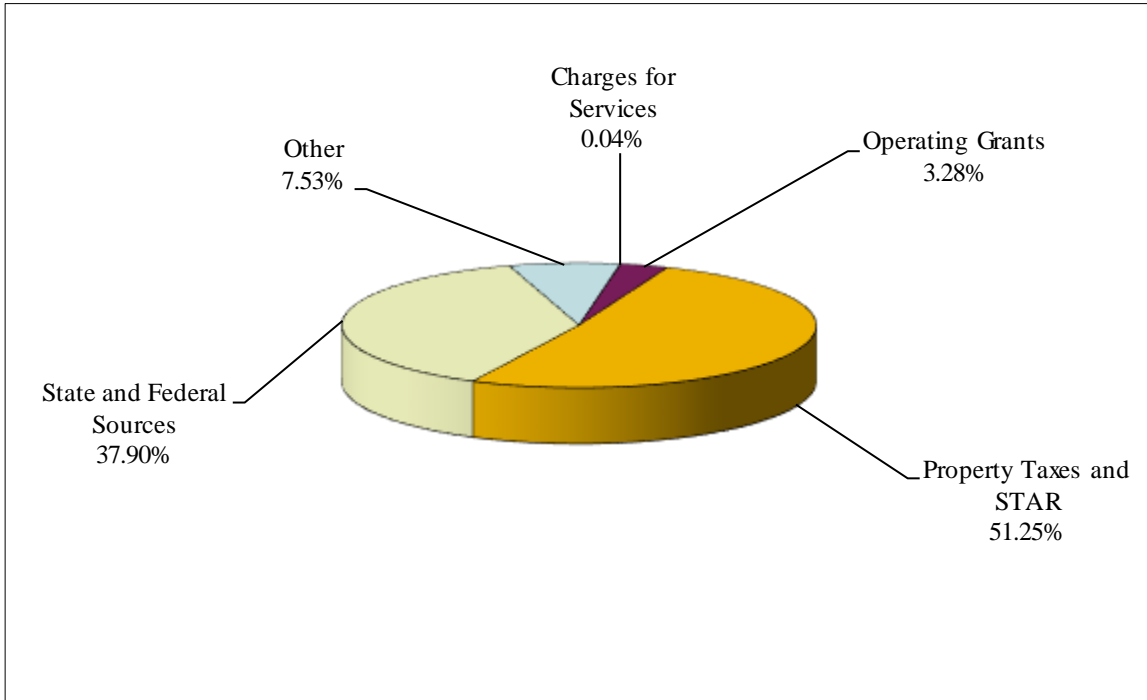
- The 2024-2025 tax levy increased by 2.1%, resulting in a \$354,933 increase in property taxes and STAR.
- Other revenues increased by \$191,731, primarily due to the premium on BAN recorded in the Debt Service Fund in the amount of \$161,758.
- Operating grants decreased by \$208,776, primarily due to a decrease in the COVID-19 stimulus funding of \$413,784, offset by an increase in UPK funding of \$199,108.

The District's expenses for the year decreased by \$1,579,355, or 5.7%. This decrease is due to the net decreases in OPEB and pension expense, offset by annual contractual increases in salaries and benefits.

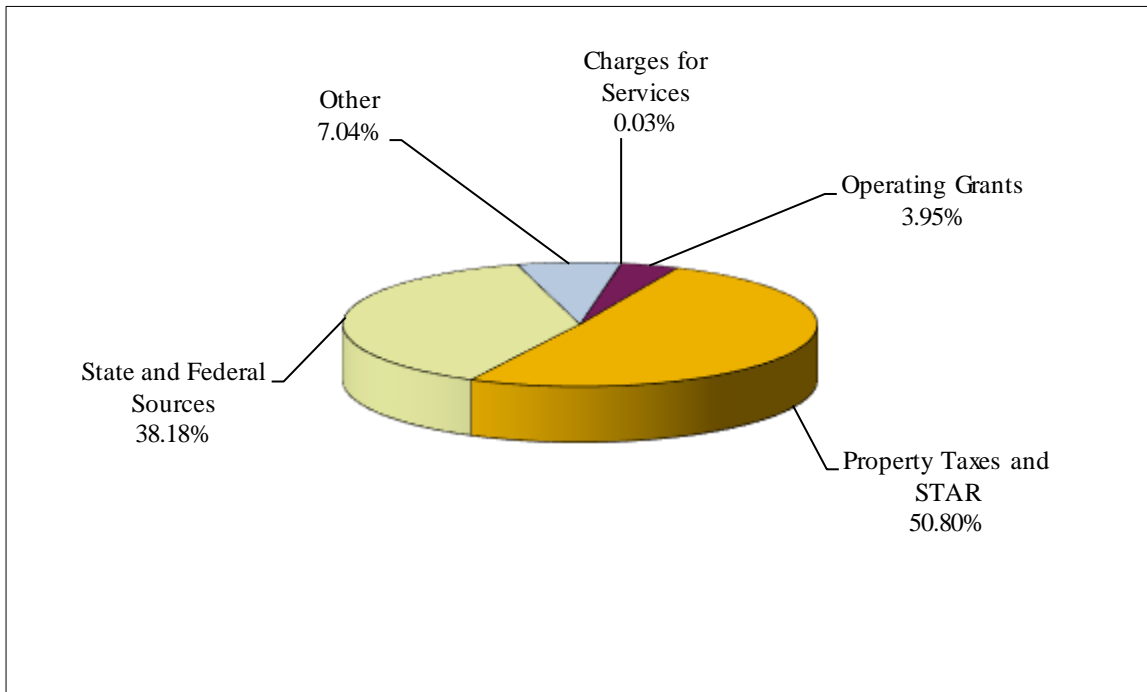
**CLINTON CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

A graphic display of the distribution of revenues for the two years follows:

For the Year Ended June 30, 2025



For the Year Ended June 30, 2024

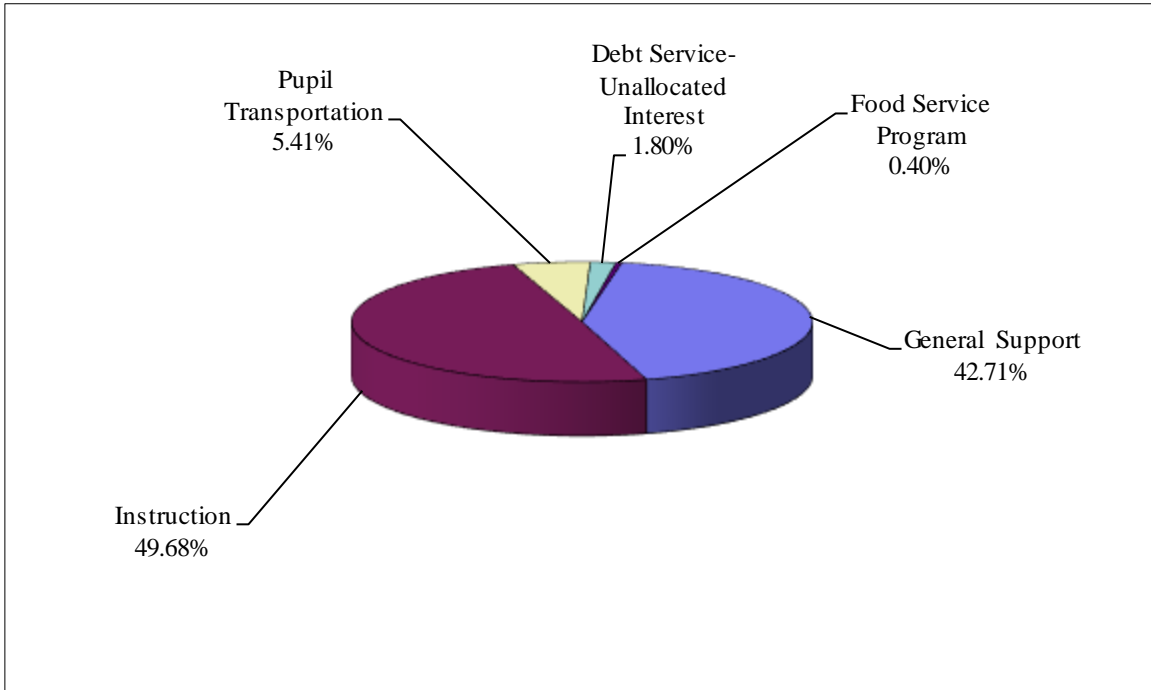


See Independent Auditor's Report.

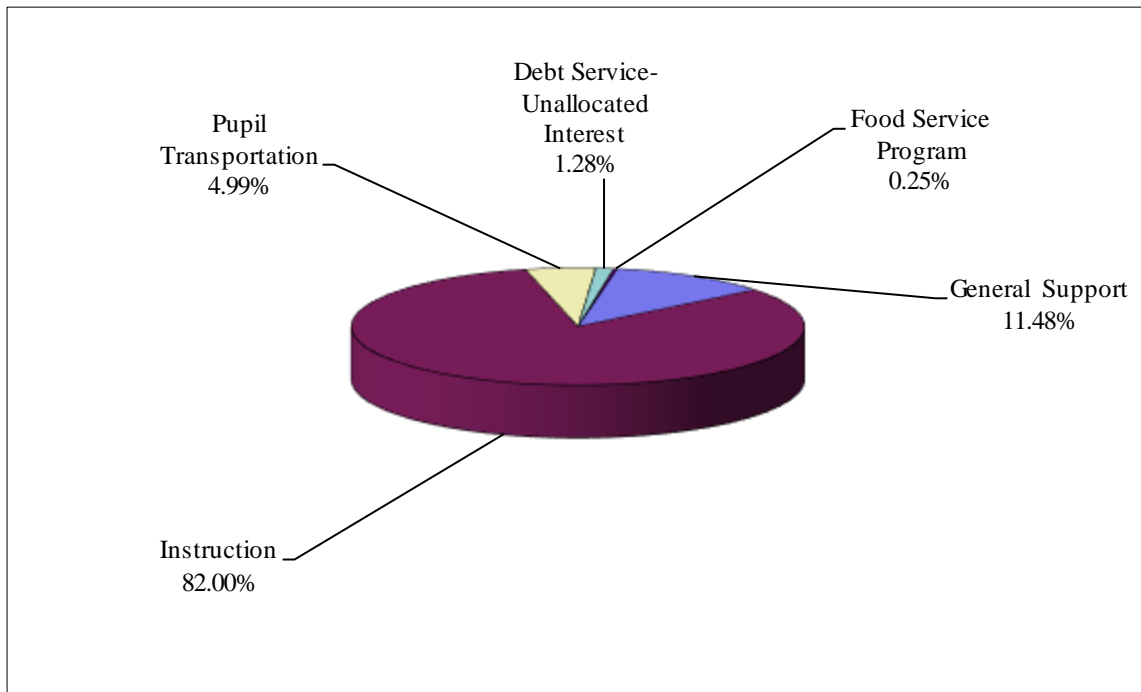
**CLINTON CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

A graphic display of the distribution of expenses for the two years follows:

For the Year Ended June 30, 2025



For the Year Ended June 30, 2024



See Independent Auditor's Report.

**CLINTON CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

4. FINANCIAL ANALYSIS OF THE DISTRICT'S FUND BALANCES

At June 30, 2025, the District's governmental funds reported a combined fund balance of \$6,500,943 which is an decrease of \$10,004,387 from the prior year. This decrease is due to an excess of expenditures over revenues for the year primarily in the Capital Fund. A summary of the change in fund balance by fund is as follows:

	<u>2025</u>	<u>2024</u>	<u>Increase (Decrease)</u>
General Fund			
Restricted			
Unemployment Insurance Reserve	\$ 58,175	\$ 55,694	\$ 2,481
Retirement Contribution			
Employee Retirement System	1,343,795	1,286,492	57,303
Teacher's Retirement System	1,105,939	1,058,779	47,160
Capital	9,386,369	8,985,191	401,178
Employee Benefit Accrued Liability	292,585	238,753	53,832
Total Restricted	<u>12,186,863</u>	<u>11,624,909</u>	<u>561,954</u>
Assigned			
General Support	68,266	59,696	8,570
Instruction	186,536	30,005	156,531
Pupil Transportation	302	85	217
Appropriated for Subsequent Year's Budget	650,000	650,000	
Total Assigned	<u>905,104</u>	<u>739,786</u>	<u>165,318</u>
Unassigned	<u>1,373,230</u>	<u>1,250,808</u>	<u>122,422</u>
Total General Fund	<u>14,465,197</u>	<u>13,615,503</u>	<u>849,694</u>
 School Lunch Fund			
Assigned	<u>215,673</u>	<u>161,819</u>	<u>53,854</u>
Total School Lunch Fund	<u>215,673</u>	<u>161,819</u>	<u>53,854</u>
 Miscellaneous Special Revenue Fund			
Restricted	<u>171,843</u>	<u>148,833</u>	<u>23,010</u>
Total Miscellaneous Special Revenue	<u>171,843</u>	<u>148,833</u>	<u>23,010</u>
 Debt Service Fund			
Restricted	<u>955,078</u>	<u>689,214</u>	<u>265,864</u>
Total Debt Service Fund	<u>955,078</u>	<u>689,214</u>	<u>265,864</u>
 Capital Projects Fund			
Assigned	498,220		498,220
Restricted		1,889,961	(1,889,961)
Unassigned (Deficit)	(9,805,068)		(9,805,068)
Total Capital Projects Fund	<u>(9,306,848)</u>	<u>1,889,961</u>	<u>(11,196,809)</u>
 Total Fund Balance - All Funds	<u>\$ 6,500,943</u>	<u>\$ 16,505,330</u>	<u>\$ (10,004,387)</u>

**CLINTON CENTRAL SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2024-2025 Budget

The District’s General Fund adopted budget for the year ended June 30, 2025, was \$31,755,223. This is an increase of \$978,070 from the prior year’s adopted budget.

The budget was funded through a combination of revenues and assigned fund balance. The majority of this funding source was \$17,118,536 in estimated property taxes and STAR, and State Aid in the amount of \$12,475,825.

B. Change in General Fund’s Unassigned Fund Balance (Budget to Actual)

The General Fund’s unassigned fund balance is the component of total fund balance that is the residual of prior years’ excess revenues over expenditures, net of transfers to reserves and designations to fund the subsequent year’s budget. It is this balance that is commonly referred to as the “fund balance.” The change in this balance demonstrated through a comparison of the actual revenues and expenditures for the year compared to budget follows:

Opening, Unassigned Fund Balance	\$ 1,250,808
Appropriated Reserves	(270,000)
Revenues over Budget	906,536
Expenditures and Encumbrances under Budget	697,840
Net Increase to Restricted Funds	(561,954)
Appropriated for June 30, 2026 Budget	<u>(650,000)</u>
Closing, Unassigned Fund Balance	<u>\$ 1,373,230</u>

Opening, Unassigned Fund Balance

The \$1,250,808 shown in the table is the portion of the District’s June 30, 2024, fund balance that was retained as unassigned. This was approximately 4.02% of the District’s 2024-2025 approved operating budget.

Appropriated Reserves

During 2024-2025, the School District appropriated \$270,000 of reserves to use towards the budget.

Revenues Over Budget

The 2024-2025 final budget for revenues and transfers was \$30,928,552. The actual revenues and transfers received for the year were \$31,835,088. The actual revenue over estimated or budgeted revenue was \$906,536. This variance contributes directly to the change to the unassigned portion of the General Fund, fund balance from June 30, 2024 to June 30, 2025.

Expenditures and Encumbrances Under Budget

The 2024-2025 amended budget for expenditures and other uses was \$31,938,338. The actual expenditures and other uses, and encumbrances were \$31,240,498. The final budget was under expended by \$697,840, after encumbrances. This under expenditure contributes to the change to the unassigned portion of the General Fund, fund balance from June 30, 2024 to June 30, 2025.

**CLINTON CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

Net Increase to Restricted Funds

During 2024-2025, the School District increased its General Fund reserves by \$561,954. This increase was due to an increase in the Unemployment Insurance Reserve of \$2,481, Reserve for Retirement Contributions – ERS of \$57,303, Reserve for Retirement Contributions – TRS of \$47,160, Employee Benefit Accrued Liability Reserve of \$53,832, and an increase in the Capital reserve of \$401,178.

Appropriated Fund Balance

The District has chosen to use \$650,000 of its available June 30, 2025 fund balance to partially fund its 2025-2026 approved operating budget.

Closing, Unassigned Fund Balance

Based upon the summary changes shown in the above table, the District will begin the 2025-2026 fiscal year with an unassigned fund balance of \$1,373,230 in the General Fund. This is an increase of \$122,422 from the unassigned balance from the prior year. This was 4.05% of the District's 2025-2026 approved operating budget.

5. CAPITAL AND RIGHT TO USE ASSETS AND DEBT ADMINISTRATION

A. Capital and Right to Use Assets

At June 30, 2025, the District had invested in a broad range of capital assets, including land, construction in progress, buildings and improvements and equipment. The net increase in capital assets is due to capital additions exceeding depreciation expense for the year ended June 30, 2025. A summary of the District's capital assets, net of accumulated depreciation at June 30, 2025 and 2024, is as follows:

	<u>2025</u>	<u>2024</u>	Increase (Decrease)
Land	\$ 114,500	\$ 114,500	\$
Construction in Progress	12,471,848	1,110,039	11,361,809
Buildings and Improvements	42,817,323	44,043,845	(1,226,522)
Furniture, Equipment, and Vehicles	<u>2,288,260</u>	<u>2,416,337</u>	<u>(128,077)</u>
Capital Assets, Net	<u>\$ 57,691,931</u>	<u>\$ 47,684,721</u>	<u>\$ 10,007,210</u>

At June 30, 2025, the District had intangible right to use leased assets, net of accumulated amortization, as follows:

	<u>2025</u>	<u>2024</u>	Increase (Decrease)
Leased Equipment, Net	<u>\$ 411,051</u>	<u>\$ 259,982</u>	<u>\$ 151,069</u>

**CLINTON CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

B. Debt Administration

At June 30, 2025, the District had total bonds payable of \$11,180,000 and an Energy Performance Contract of \$567,334. A summary of the outstanding debt at June 30, 2025 and 2024, is as follows:

Issue Date	Interest Rate	2025	2024	Increase (Decrease)
Serial Bonds				
2010	3.25% - 4.20%	\$	\$ 190,000	\$ (190,000)
2015	2.00% - 3.00%	2,775,000	3,285,000	(510,000)
2020	2.00%	<u>8,405,000</u>	<u>9,230,000</u>	<u>(825,000)</u>
		<u>\$ 11,180,000</u>	<u>\$ 12,705,000</u>	<u>\$ (1,525,000)</u>
Energy Performance Contract				
2011	0.88%	<u>\$ 567,334</u>	<u>\$ 829,821</u>	<u>\$ (262,487)</u>

6. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In the 2025-2026 budget year, the District delivered a budget focused on enhancing our educational programming for our students. Despite a foundation aid increase of 2.0% and the end of Covid-19 relief funds, the district balanced the budget through right-sizing efforts and efficiencies that include decreased expenditures within elementary teacher salaries through attrition, insurance, and miscellaneous supplies. Largely due to increased capital project debt expenses and correlating revenue increases in building aid, the 2025 – 2026 budget increased from the prior year by \$2,116,589 or 6.67%.

For the past ten years, the New York State Tax Cap has determined, to a large degree, the amount of revenue that can be requested from taxpayers. It is a complex, eight step calculation process based on several local economic factors including the local Consumer Price Index and the tax base growth factor. For 2025 – 2026, Clinton's calculated tax levy was \$17,502,327, which was an increase of \$448,129 or 2.63% compared to the prior year. The tax levy calculation met the requirements of the tax levy cap law and required a "simple majority" of voters to approve.

On May 13, 2025, the Clinton Central School District Board of Education adopted a proposed 2025 – 2026 school budget of \$33,871,812. On May 20, 2025, the voters approved the budget by a margin of 422 (yes) – 82 (no).

During the fiscal year, the Board of Education revised its long-range financial plan and reserve plan. At the end of the fiscal year the District was able to increase the EBLAR reserve and the 2025 Capital Reserve.

The \$18,045,000 capital project approved in 2022 is underway and focusing on addressing roof repair, elementary cafeteria reconstruction, library upgrades, installation of a multipurpose turf field, and infrastructure upgrades. This project is projected to have no additional impact on local taxes due to an estimated 83.6% state building aid, utilization of \$3,000,000 from a capital reserve fund, and the retirement of an existing debt service payment. It is anticipated that the capital project's current phase will be complete by December 31, 2025.

7. CONTACTING THE DISTRICT

This financial report is designed to provide the School District's citizens, taxpayers, customers, investors, and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, at Clinton Central School District, 75 Chenango Ave., Clinton, NY 13323.

CLINTON CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2025

Assets	
Cash and Cash Equivalents	\$ 1,612,859
Restricted Cash and Cash Equivalents	19,809,528
Investments - Restricted	36,807
Receivables	
Other Governments	1,433,825
Other Receivables	206,418
Net Pension Asset - Proportionate Share	1,655,104
Right to Use Leased Assets, Net of Amortization	411,051
Software Subscription Assets, Net of Amortization	87,281
Capital Assets (Net of Accumulated Depreciation)	<u>57,691,931</u>
Total Assets	<u>82,944,804</u>
Deferred Outflows of Resources	
Pensions	4,389,440
Other Postemployment Benefits	<u>2,757,164</u>
Total Deferred Outflows of Resources	<u>7,146,604</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 90,091,408</u>
Liabilities	
Accounts Payable	\$ 315,434
Accrued Liabilities	140,383
Retained Percentages Payable	498,220
Due To	
Other Governments	109,867
Teachers' Retirement System	1,166,085
Employees' Retirement System	78,994
Accrued Interest	7,395
Short-Term Notes Payable	
Bond Anticipation Note	14,790,000
Unearned Revenue	500
Net Pension Liability - Proportionate Share	813,672
Noncurrent Liabilities	
Due Within One Year	
Bonds Payable	1,355,000
Bond Premium	12,820
Energy Performance Contract	276,204
Lease Liability	130,916
Compensated Absences	106,026
Due in More Than One Year	
Bonds Payable	9,825,000
Bond Premium	115,380
Energy Performance Contract	291,130
Lease Liability	264,102
Other Postemployment Benefits	53,108,302
Compensated Absences	<u>797,367</u>
Total Liabilities	<u>84,202,797</u>
Deferred Inflows of Resources	
Pensions	2,078,061
Other Postemployment Benefits	<u>21,945,814</u>
Total Deferred Inflows of Resources	<u>24,023,875</u>
Total Liabilities and Deferred Inflows of Resources	<u>108,226,672</u>
Net Position	
Net Investment in Capital Assets	37,964,244
Restricted	13,313,784
Unrestricted (Deficit)	<u>(69,413,292)</u>
Total Net Position (Deficit)	<u>(18,135,264)</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 90,091,408</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

CLINTON CENTRAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
General Support	\$ 11,235,984	\$	\$	\$ (11,235,984)
Instruction	13,069,718	12,310	1,064,597	(11,992,811)
Pupil Transportation	1,424,158			(1,424,158)
Debt Service - Unallocated Interest	473,050			(473,050)
Food Service	106,120		30,988	(75,132)
Total Functions/Programs	<u>\$ 26,309,030</u>	<u>\$ 12,310</u>	<u>\$ 1,095,585</u>	<u>\$ (25,201,135)</u>
General Revenues				
Real Property Taxes				15,695,316
STAR and Other Real Property Tax Items				1,418,699
Use of Money and Property				1,023,758
Premium on Issuance of Short Term Debt				161,758
Sales of Property and Compensation for Loss				141,205
State and Federal Sources				12,654,486
Miscellaneous				<u>1,187,041</u>
Total General Revenues				<u>32,282,263</u>
Change in Net Position				<u>7,081,128</u>
Net Position (Deficit), Beginning of Year				(24,716,762)
Cumulative Effect of Change in Accounting Principle				<u>(499,630)</u>
Net Position (Deficit), Beginning of Year (Restated)				<u>(25,216,392)</u>
Net Position (Deficit), End of Year				<u>\$ (18,135,264)</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

CLINTON CENTRAL SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2025

	Special Revenue						Total
	General	School Lunch	Special Aid	Miscellaneous	Debt Service	Capital	
Assets							
Cash and Cash Equivalents	\$ 1,536,796	\$ 69,460	\$ 6,603				\$ 1,612,859
Restricted Cash and Cash Equivalents	12,186,863			135,036	565,815	6,921,814	19,809,528
Investments - Restricted				36,807			36,807
Receivables							
Other Governments	1,038,039		395,786				1,433,825
Due from Other Funds	1,662,198	30,988	338,332		409,263		2,440,781
Other Receivables	79,232	127,186					206,418
Total Assets	<u>\$ 16,503,128</u>	<u>\$ 227,634</u>	<u>\$ 740,721</u>	<u>\$ 171,843</u>	<u>\$ 975,078</u>	<u>\$ 6,921,814</u>	<u>\$ 25,540,218</u>
Liabilities							
Payables							
Accounts Payable	\$ 285,268	\$ 3,643	\$ 25,923			\$ 600	\$ 315,434
Accrued Liabilities	130,219						130,219
Accrued Interest	7,395						7,395
Due To							
Other Governments	150		109,717				109,867
Other Funds	369,320	8,318	605,081		20,000	1,438,062	2,440,781
Teachers' Retirement System	1,166,085						1,166,085
Employees' Retirement System	78,994						78,994
Short-Term Notes Payable							
Bond Anticipation Note						14,790,000	14,790,000
Unearned Revenue	500						500
Other Liabilities							
Total Liabilities	<u>2,037,931</u>	<u>11,961</u>	<u>740,721</u>		<u>20,000</u>	<u>16,228,662</u>	<u>19,039,275</u>
Fund Balance							
Nonspendable							
Restricted	12,186,863			171,843	955,078		13,313,784
Assigned	905,104	215,673				498,220	1,618,997
Unassigned	1,373,230					(9,805,068)	(8,431,838)
Total Fund Balance	<u>14,465,197</u>	<u>215,673</u>		<u>171,843</u>	<u>955,078</u>	<u>(9,306,848)</u>	<u>6,500,943</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 16,503,128</u>	<u>\$ 227,634</u>	<u>\$ 740,721</u>	<u>\$ 171,843</u>	<u>\$ 975,078</u>	<u>\$ 6,921,814</u>	<u>\$ 25,540,218</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

CLINTON CENTRAL SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION
June 30, 2025

Total Governmental Fund Balances	<u>\$ 6,500,943</u>
----------------------------------	---------------------

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

The cost of building and acquiring capital assets (land, buildings, equipment) and information technology subscription-based software financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the balance sheet. However, the Statement of Net Position includes those capital and right to use assets among the assets of the School District as a whole, and their original costs are expensed annually over their useful lives.

Original Cost of Right to Use Assets	1,067,860
Accumulated Amortization	(656,809)
Original Cost of Software Subscription Assets	258,319
Accumulated Amortization	(171,038)
Original Cost of Capital Assets	83,664,213
Accumulated Depreciation	<u>(25,972,282)</u>
	<u>58,190,263</u>

The District's proportion of the collective net pension asset/liability is reported as an asset/liability on the Statement of Net Position, but is not reported on the fund statements as the amount is not available for use in the current period. The difference between the District's contributions and its proportionate share of the net pension liability is recorded on the District-wide Statement of Net Position as a deferred outflow.

Net Pension Asset - Proportionate Share	1,655,104
Deferred Outflows - Pensions	4,389,440
Net Pension Liability - Proportionate Share	(813,672)
Deferred Inflows - Pensions	<u>(2,078,061)</u>
	<u>3,152,811</u>

Long-term liabilities, including bonds payable and the related deferred outflows and inflows, 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:

Retainage Payable	(498,220)
Bonds Payable	(11,180,000)
Energy Performance Contract	(567,334)
Bond Premium	(128,200)
Accrued Interest Payable	(10,164)
Lease Liability	(395,018)
Other Postemployment Benefits	(53,108,302)
Deferred Inflows - Other Post Employment Benefits	(21,945,814)
Deferred Outflows - Other Post Employment Benefits	2,757,164
Compensated Absences Payable	<u>(903,393)</u>
	<u>(85,979,281)</u>

Total Net Position (Deficit)	<u>\$ (18,135,264)</u>
------------------------------	------------------------

The Accompanying Notes are an Integral Part of These Financial Statements.

CLINTON CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	Special Revenue						Total
	General	School Lunch	Special Aid	Miscellaneous	Debt Service	Capital	
Revenues							
Real Property Taxes	\$ 15,695,316	\$	\$	\$	\$	\$	\$ 15,695,316
Other Real Property Tax Items	1,418,699						1,418,699
Charges for Services	12,310						12,310
Use of Money and Property	880,932			18,720	124,106		1,023,758
Sale of Property and Compensation for Loss	141,205						141,205
Miscellaneous	1,012,140	128,986		45,915			1,187,041
State Aid	12,636,505	30,988	359,143				13,026,636
Federal Aid	17,981		705,454				723,435
Total Revenues	<u>31,815,088</u>	<u>159,974</u>	<u>1,064,597</u>	<u>64,635</u>	<u>124,106</u>		<u>33,228,400</u>
Expenditures							
General Support	3,100,726					9,625,825	12,726,551
Instruction	15,593,134		1,027,952	41,625		2,100,625	18,763,336
Pupil Transportation	1,505,338						1,505,338
Food Service Program		106,120					106,120
Employee Benefits	8,137,230		73,491				8,210,721
Debt Service - Principal	2,124,752						2,124,752
Debt Service - Interest	487,368						487,368
Total Expenditures	<u>30,948,548</u>	<u>106,120</u>	<u>1,101,443</u>	<u>41,625</u>		<u>11,726,450</u>	<u>43,924,186</u>
Excess (Deficit) Revenues Over Expenditures	<u>866,540</u>	<u>53,854</u>	<u>(36,846)</u>	<u>23,010</u>	<u>124,106</u>	<u>(11,726,450)</u>	<u>(10,695,786)</u>
Other Financing Sources (Uses)							
Premium on BAN					161,758		161,758
Proceeds of Leases						364,641	364,641
BANs Redeemed from Appropriations						165,000	165,000
Transfers from Other Funds	20,000		36,846				56,846
Transfers to Other Funds	(36,846)				(20,000)		(56,846)
Total Other Financing Sources (Uses)	<u>(16,846)</u>		<u>36,846</u>		<u>141,758</u>	<u>529,641</u>	<u>691,399</u>
Excess (Deficit) Revenues Over Expenditures and Other Financing Sources (Uses)	<u>849,694</u>	<u>53,854</u>		<u>23,010</u>	<u>265,864</u>	<u>(11,196,809)</u>	<u>(10,004,387)</u>
Fund Balance, Beginning of Year	<u>13,615,503</u>	<u>161,819</u>		<u>148,833</u>	<u>689,214</u>	<u>1,889,961</u>	<u>16,505,330</u>
Fund Balance, End of Year	<u>\$ 14,465,197</u>	<u>\$ 215,673</u>	<u>\$</u>	<u>\$ 171,843</u>	<u>\$ 955,078</u>	<u>\$ (9,306,848)</u>	<u>\$ 6,500,943</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

**CLINTON CENTRAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES AND
EXPENDITURES OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025**

Net Changes in Fund Balance - Total Governmental Funds \$ (10,004,387)

Capital Outlays to purchase, build, or lease capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their useful lives as depreciation or amortization expense in the statement of activities. This is the amount by which the capital outlays exceeded amortization and depreciation expenses in the period.

Right to Use Leased Asset Additions	364,641	
Software Subscription Asset Additions	98,690	
Amortization Expense	(281,696)	
Depreciation Expense	(1,802,085)	
Capital Outlays	<u>11,809,295</u>	10,188,845

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the net amount of repayments in the period.

Bond Premium	12,820	
Repayment Energy Performance Contract	262,487	
Repayment Bond Principal	<u>1,525,000</u>	1,800,307

Certain expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Repayment Lease Principal	172,265	
Proceeds of Leases	(364,641)	
Change In Accrued Interest on Debt	1,498	
Retainage Payable	(478,370)	
Change In Compensated Absences	(146,070)	
Change In Other Postemployment Benefits (including Deferred Inflows and Outflows)	<u>5,666,306</u>	4,850,988

Changes in the proportionate share of the net pension liability reported in the Statement of Activities do not provide for or require the use of current financial resources, and therefore, are not reported as revenues or expenditures in the governmental funds.

Teachers' Retirement System	164,895	
Employees' Retirement System	<u>80,480</u>	<u>245,375</u>

Change in Net Position Governmental Activities \$ 7,081,128

The Accompanying Notes are an Integral Part of These Financial Statements.

CLINTON CENTRAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2025

	<u>Custodial Fund</u>
Assets	
Cash and Cash Equivalents - Restricted	\$ <u>87,318</u>
Net Position	
Restricted for Extraclassroom Activities	\$ <u>87,318</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

CLINTON CENTRAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2025

	<u>Custodial Fund</u>
Additions	
Charges for Services, Sale of Property, and Miscellaneous	\$ 111,242
Taxes Collected for Other Governments	344,724
Total Additions	455,966
Deductions	
Club Activities	101,080
Taxes Distributed to Other Governments	344,724
Total Deductions	445,804
Change in Net Position	10,162
Net Position, Beginning of Year	77,156
Net Position, End of Year	\$ 87,318

The Accompanying Notes are an Integral Part of These Financial Statements.

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Clinton Central School District (the School District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as they apply to governmental units. Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

Reporting Entity

The School District is governed by the laws of New York State. The School District is an independent entity governed by an elected Board of Education consisting of 7 members. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for, and controls all activities related to public school education within the School District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

The reporting entity of the School District is based upon criteria set forth by GASB. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

(a) *Extraclassroom Activity Funds*

The Extraclassroom Activity Funds of the School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and the designation of student management. The School District accounts for assets held as an agent for various student organizations in a Fiduciary Custodial Fund. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be found at the School District's administrative offices.

Joint Venture

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

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

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

During the year ended June 30, 2025, the District was billed \$5,003,125 for BOCES administrative and program costs.

The District's share of BOCES aid amounted to \$1,667,805. Financial statements for the BOCES are available from the OHM BOCES' office at 4747 Middle Settlement Road, New Hartford, NY 13413.

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

Basis of Presentation

(a) *District-Wide Statements*

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

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

(b) *Fund Financial Statements*

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

General Fund: This is the School District's primary operating fund used to account for and report all financial resources not accounted for in another fund.

Special Revenue Funds:

Special Aid Fund: This fund accounts for and reports the proceeds of specific revenue sources, such as Federal and State grants, that are legally restricted to expenditures for specified purposes.

School Lunch Fund: This fund is used to account for and report transactions of the School District's food service operations.

Miscellaneous Special Revenue Fund: This fund is used to account for and report transactions of the School District's scholarship funds. The District has both custody and administrative control over the various scholarships. Established criteria govern the use of the funds and members of the School District or representatives of the donors may serve on committees to determine who benefits.

Capital Projects Fund: This fund is used to account for and report financial resources that are restricted or assigned to expenditures for capital outlays, including the acquisition, lease, or construction of capital facilities and other capital assets.

Debt Service Fund: This fund accounts for and reports financial resources that are restricted to expenditures for principal and interest. Debt Service funds should be used to report resources if legally mandated.

(c) *Fiduciary Funds*

This fund is used to account for and report fiduciary activities. Fiduciary activities are those in which the School District acts as trustee or agent for resources that belong to others. These activities are not included in the District-Wide financial statements, because their resources do not belong to the School District and are not available to be used. There is one class of fiduciary funds:

Custodial Funds: These funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the School District as agent for various student groups and tax collections for the independent library within the District.

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

Measurement Focus and Basis of Accounting

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

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

The School District considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the fiscal year.

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

Property Taxes

Real property taxes are levied annually by the Board of Education and become a lien no later than September 1. Taxes are collected during the period September 1 to October 31. Uncollected real property taxes are subsequently enforced by the county of Oneida. The County pays an amount representing uncollected real property taxes transmitted to the County for enforcement to the School District no later than the following April 1.

Interfund Transactions

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

The amounts reported on the Statement of Net Position for due to and due from other funds represents amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the interfund transactions at year end is shown in Note 13 to the financial statements.

Estimates

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

Cash and Cash Equivalents

The School District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and Districts.

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

Receivables

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

Investments

Investments held by the School District are stated at fair value. Changes in the fair value of the investments and interest in dividends are reported as investment income.

Capital Assets

Capital assets are reported at actual cost for acquisitions subsequent to June 30, 2003. For assets acquired prior to June 30, 2003, estimated historical costs are based on appraisals conducted by independent third-party professionals were used. Donated assets are reported at estimated fair market value at the time received.

The School District uses capitalization thresholds of \$1,000, (the dollar value above which asset acquisitions are added to the capital asset accounts). The School District uses the straight-line method of depreciation over the following estimated useful lives of capital assets reported in the District-wide statements:

Land Improvements	20 Years
Buildings and Improvements	50 Years
Furniture, Equipment, and Vehicles	5-15 Years

Software Subscription Assets

The District has recorded intangible software subscription assets as a result of implementing GASB 96- *Subscription-Based Information Technology Arrangements*. The subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any payments made to the vendor at commencement of the term and any capitalizable implementation costs, less any vendor incentives received at the commencement of the term. The software subscription assets are amortized on a straight-line basis over the term of the subscription.

Right to Use Leased Assets

The District has recorded right to use leased assets as a result of implementing GASB 87, *Leases*. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term. The right to use assets are amortized on a straight-line basis over the life of the related lease.

Deferred Outflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two item that qualifies for reporting in this category. The first item is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset and the difference during the measurement period between the District's contributions and its proportionate share of total contributions not included in pension expense. The second item is related to other postemployment benefits (OPEB) reported on the District-wide Statement of Net Position and represents the effect of differences between expected and actual experience and changes in assumptions during the year. These amounts are deferred and will be recognized in OPEB expense over the next several years.

Unearned Revenue

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

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

Statute provides the authority for the School District to levy taxes to be used to finance expenditures within the first 120 days of the succeeding fiscal year. Consequently, such amounts are recognized as revenue in the subsequent fiscal year, rather than when measurable and available.

Compensated Absences

The School District's employees are granted vacation leave in varying amounts, based primarily on length of service and employment classification. Some earned vacation benefits may be forfeited if not used within designated timeframes, as specified in collective bargaining agreements and administrative policies.

Sick leave eligibility, accumulation, and payout provisions are governed by negotiated labor agreements and individual employment contracts. Upon retirement, resignation, or death, employees may be eligible to receive payment for unused accumulated sick leave, in accordance with those agreements.

In accordance with GASB, a liability is recognized in the district-wide financial statements for vacation, sick leave, and other compensated absences when the benefit is earned by the employee and it is more likely than not that the leave will be used or paid. The compensated absences liability is measured using the pay rates in effect at year-end, and includes salary-related payments such as applicable employer payroll taxes.

In the fund financial statements, a liability is reported only for amounts that have matured—typically when payment is due upon resignation, retirement, or other termination—based on expendable and available financial resources.

Other Benefits

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

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits for retired employees and their survivors. Collective bargaining agreements determine if District employees are eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing postemployment benefits is shared between the District and the retired employee. Other postemployment benefit costs are measured and disclosed using the accrual basis of accounting (see Note 12).

Accrued Liabilities and Long-Term Obligations

Payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Claims and judgments, and compensated absences that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

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

Deferred Inflows of Resources

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category. The first item is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability and difference during the measurement periods between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The second item is related to other postemployment benefits (OPEB) reported on the District-wide Statement of Net Position and represents the effect of differences between expected and actual experience and changes in assumptions during the year. These amounts are deferred and will be recognized in OPEB expense over the next several years. The third item is related to a rental agreement in which the District acts as a lessor and is deferring the lease receivable over the term of the lease.

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

Equity classifications

(a) District-wide Financial Statements

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

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

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

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

(b) Fund Statements

The following classifications describe the relative strength of the spending constraints:

Non-spendable

This category includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. This category typically consists of the inventories in the School Lunch Fund and prepaids in the General Fund. The School District did not have any non-spendable fund balance at June 30, 2025.

Restricted Resources

This category includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. Generally, the District's policy is to use restricted resources only when appropriated by the Board of Education. When an expenditure is incurred for purposes for which both restricted and unrestricted net assets are available, the School District's policy concerning which to apply first varies with the intended use, and with associated legal requirements.

The School District has established the following restricted fund balances:

● ***Reserve for Unemployment Insurance***

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

● ***Reserve for Retirement Contributions***

The Retirement Contribution Reserve (GML §6-r) (Chapter 260 of the NYS Laws of 2004) is used to reserve funds for the payment of retirement contributions to the New York State and Local Employees' Retirement System. This reserve was established by a Board resolution and is funded by budgetary appropriation and such other reserves and funds that may be legally appropriated. The reserve is accounted for in the General Fund. Effective April 1, 2019, a Board may adopt a resolution establishing a sub-fund for contributions to New York State Teachers' Retirement System. The Board of Education adopted a resolution in April 2019 to establish a sub-fund for the District. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, not to exceed a total of 10%. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law 6-r.

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

- ***Reserve for Employee Benefit Accrued Liability***

The Employee Benefit Accrued Liability Reserve (GML §6-p) is used to reserve funds for the payment of any accrued employee benefit due an employee upon termination service. This reserve fund may be established by a majority vote of the board of education and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. The reserve is accounted for in the General Fund.

- ***Capital Reserve***

The Capital Reserve is used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the people at any special or annual meeting. Such authorization is further required for payments from the capital reserve. The form of the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in Section 3651 of Education Law. This reserve is accounted for in the General Fund.

- In May 2019, the Board and voters established a capital reserve fund to reserve in a maximum amount not to exceed \$10 million for the purpose of capital improvements. The reserve was established with a probable term of ten years. The fund can be used to offset the local share of future capital project work. This proposition only establishes the capital reserve fund and does not obligate the district to fund it at any specific level at any time. The district will determine the level at which it is funded based on current and future financial conditions. As of June 30, 2025, the District has funded \$9,197,616 into this reserve.
- In May 2025, the Board and voters established a capital reserve fund up to \$2 million, plus accrued interest, to be designated, “2025 Technology and Equipment Capital Reserve Fund” created to defray the cost of original equipment, machinery, vehicles, apparatus, appurtenances, furnishings and other incidental improvements and expenses in connection with the School District’s building and facilities. The reserve was established with a probable term of ten years. This proposition only establishes the capital reserve fund and does not obligate the district to fund it at any specific level at any time. The district will determine the level at which it is funded based on current and future financial conditions. As of June 30, 2025, the District has funded \$181,572 plus accrued interest into this reserve.

- ***Miscellaneous Special Revenue Fund***

This fund is used to account for various endowment and scholarship awards.

- ***Capital Projects Fund***

This fund is used to account for and report the financial resources that are restricted by a voter approved proposition for acquisition, construction or major repair of capital facilities.

- ***Debt Service Fund***

This fund is used to account for and report the financial resources that are restricted to pay debt service. The funds include unused debt proceeds and interest and earnings on the temporary investment of debt proceeds. This reserve is accounted for in the Debt Service Fund.

Unrestricted Resources

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the School District has provided otherwise in its commitment or assignment actions.

- ***Committed*** – Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the school districts highest level of decision making authority, i.e., the Board of Education. The School District has no committed fund balances as of June 30, 2025.
- ***Assigned*** – Includes amounts that are constrained by the School District’s intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the Board of Education or (b) the designated official, such as the District’s Purchasing Agent, to which the Board has delegated the authority to assign amounts to be used for specific purposes. All encumbrances, other than in the Capital Fund, are classified as Assigned Fund Balance in the applicable fund. The amount appropriated for the subsequent year’s budget of the General Fund is also classified as Assigned Fund Balance in the General Fund.

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

- *Unassigned* – Includes all other fund resources that do not meet the definition of the above two classifications and are deemed to be available for general use by the School District. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in the respective fund.

(c) *Restricted for Extraclassroom Activities*

This reserve is used to account for various student groups or extraclassroom activities. This reserve is accounted for in the Custodial Fund.

(d) *Order of Use of Fund Balance*

In circumstances where an expenditure is incurred for the purpose for which amounts are available in multiple fund balance classifications, (e.g. expenditures related to reserves) the Board will assess the current financial condition of the School District and then determine the order of application of expenditures to which the fund balance classification will be charged.

Implementation of New Accounting Standards

Effective for the fiscal year ended June 30, 2025, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. This standard establishes recognition and measurement guidance for all types of compensated absences, including vacation leave, sick leave, personal leave, and other paid time off. Under GASB 101, a liability is recognized for compensated absences when earned by employees, provided the leave is attributable to services already rendered and is more likely than not to be used or paid.

Prior to the implementation of GASB 101, the District recognized compensated absences liabilities based primarily on vested amounts or payments due at termination. GASB 101 requires the recognition of these liabilities earlier, based on the accrual of leave and historical usage patterns, resulting in a change in the timing and methodology of liability recognition.

The District applied the provisions of GASB 101 prospectively as of July 1, 2024. As a result of the implementation, compensated absences liabilities were remeasured, and a restatement of beginning net position (deficit) was made to reflect the cumulative effect of applying the standard. The impact of this restatement is disclosed in Note 19.

GASB Statement No. 102, *Certain Risk Disclosures*, requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. This standard is effective for fiscal years beginning after June 15, 2024.

Future Changes in Accounting Standards

GASB has issued Statement No. 103, *Financial Reporting Model Improvements*, effective for the year ending June 30, 2026. This Statement's objective is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assisting a government's accountability. Additionally, the statements also addresses certain application issues.

GASB has issued Statement No. 104, *Disclosure of Certain Capital Assets*, effective for the year ending June 30, 2026. This statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosure such as leased assets, intangible right-to-use assets, and assets held for sale.

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

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

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

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

Total Fund Balances of Governmental Funds Compared To Net Position of Governmental Activities

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

Statement of Revenues, Expenditures, and Changes In Fund Balance Compared To Statement of Activities

Differences between the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balance and the Statement of Activities fall into one of six broad categories:

(a) Long-Term Revenue Differences

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

(b) Capital Related Differences

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

(c) Long-Term Debt Transaction Differences

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

(d) Employee Benefit Allocation

Expenditures for employee benefits are not allocated to a specific function on the Statement of Revenues, Expenditures, and Changes in Fund Equity based on the requirements of New York State. These costs have been allocated based on total salary for each function in the Statement of Activities.

(e) Pension Differences

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

(f) OPEB Differences

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

3. STEWARDSHIP AND COMPLIANCE

Fund Balance Limitations

NYS Real Property Tax Law 1318 limits the amount of unexpended surplus funds a school district can retain to no more than 4% of the School District's budget for the General Fund for the ensuing fiscal year. Nonspendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances are also excluded from the 4% limitation. At June 30, 2025, the District's unassigned fund balance was 4.05% of the 2025-2026 budget, which is not in compliance with the state regulation.

Statutory Debt Limit

At June 30, 2025, the School District was in compliance with the statutory debt limit.

**CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025**

Budgetary Procedures and Budgetary Accounting

The School District administration prepares a proposed budget for approval by the Board of Education for the General Fund for which legal (appropriated) budgets are adopted.

Appropriations are adopted at the program line item level.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) which may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which were not determined at the time the budget was adopted.

Change from Adopted Budget to Revised Budget

Adopted Budget		\$ 31,755,223
Add: Prior Year's Encumbrances		89,786
Original Budget		31,845,009
Add: Donations		93,329
Final Budget		\$ 31,938,338

Budgets are adopted annually on a basis consistent with GAAP. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year.

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

Encumbrances

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

NYS Real Property Tax Cap

Chapter 97 of the Laws of 2011 established a property tax levy limit (generally referred to as the tax cap) that restricts the amount of property taxes local governments including school districts can levy. The tax levy for the 2024-2025 school year was in compliance with the NYS Tax Cap Limit.

4. CASH AND CASH EQUIVALENTS

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. While the School District does not have a specific policy for custodial credit risk, New York State statutes govern the School District's investment policies, as discussed previously in these notes. GASB requires deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either:

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

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

As of June 30, 2025, the School District’s bank balances totaling \$23,744,104, were fully collateralized by securities held by the pledging financial institution in the School District’s name, and FDIC insurance and were not exposed to custodial credit risk.

Restricted Cash and Cash Equivalents

Restricted cash of \$12,186,863 in the General Fund represents amounts in the following reserves: \$58,175 for the Unemployment Insurance Reserve, \$292,585 for the Employee Benefit Accrued Liability, \$1,343,795 for the ERS Retirement Contribution Reserve, \$1,105,939 for the TRS Retirement Contribution Reserve, and \$9,386,369 for the Capital Reserve.

Restricted cash of \$135,036 in the Miscellaneous Special Revenue Fund represents reserves for scholarships and endowments. Investments in the amount of \$36,807 are also restricted.

Restricted cash of \$565,815 in the Debt Service Fund represents reserves for future debt service. Amounts due from other funds in the amount of \$409,263 are also restricted.

Restricted cash of \$6,921,814 in the Capital Fund represents reserves for capital projects.

Restricted cash of \$87,318 in the Custodial fund represent funds restricted for Extraclassroom activities.

5. INVESTMENTS – RESTRICTED

The District has few investments (primarily donated scholarship funds), and chooses to disclose its investments by specifically identifying each. The District’s investment policy for these investments is also governed by New York State statutes. Investments are stated at fair value including the common stock held in the Miscellaneous Special Revenue Fund that were donated to the District.

Investments at June 30, 2025 are comprised of the following:

<u>Corporate Equity Securities</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain</u>
General Electric Company Common Stock, 1,159 shares	\$ 0	\$ 36,807	\$ 36,807

Investments are stated at fair value. The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets.
- Level 2 inputs are significant other observable inputs.
- Level 3 inputs are significant unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value:

Corporate Equity Securities: Fair values of securities traded on a national securities exchange are based on the last reported sales price on the last business day of the year.

All assets have been valued using a market approach, unless otherwise noted.

The District’s corporate equity securities are measured at fair value on a recurring basis as of June 30, 2025 as level 1 within the fair value hierarchy.

6. DUE FROM OTHER GOVERNMENTS

Due from other governments at June 30, 2025 in the general fund consisted of:

General Fund	
New York State –Basic and Excess Cost Aid	\$ 287,527
BOCES Aid	750,512
Total General Fund	<u>1,038,039</u>
Special Aid Fund	
Grants	<u>395,786</u>
Total Due from Other Governments	<u>\$ 1,433,825</u>

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

7. SOFTWARE SUBSCRIPTION ASSETS

As of June 30, 2025, the District has entered into subscription-based information technology arrangements (SBITA) with various vendors for instructional software subscriptions. The District made lump sum payments at the beginning of each of the subscription arrangements and thus the District has recorded software subscription assets with a net book value of \$87,281 at June 30, 2025 with no corresponding subscription liability. The following is a summary of the District's software subscription arrangements as of June 30, 2025:

Description	Commencement Date	Term (Years)	Net Asset Value
Reading 6-12 Instructional Software Subscription	7/1/2021	5	\$ 9,200
Math K-5 Instructional Software Subscription	7/1/2021	7	28,736
K-2 Instructional Software Subscription	7/1/2024	2	37,192
3-5 Instructional Software Subscription	7/1/2024	2	12,153
			<u>\$ 87,281</u>

Software subscription activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Software Subscription Assets				
Instructional Software	\$ 159,629	\$ 98,690	\$	\$ 258,319
Accumulated Amortization				
Instructional Software	102,914	68,124	_____	171,038
Net Software Subscription Assets	<u>\$ 56,715</u>	<u>\$ 30,566</u>	<u>\$ _____</u>	<u>\$ 87,281</u>

8. CAPITAL ASSETS AND RIGHT TO USE LEASED ASSETS

Capital asset activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Land	\$ 114,500	\$	\$	\$ 114,500
Construction in Progress	1,110,039	11,361,809	_____	12,471,848
Total	<u>1,224,539</u>	<u>11,361,809</u>	_____	<u>12,586,348</u>
Capital Assets Being Depreciated				
Buildings and Improvements	64,838,697	_____	_____	64,838,697
Furniture, Equipment and Vehicles	6,016,470	447,486	224,788	6,239,168
Total	<u>70,855,167</u>	<u>447,486</u>	<u>224,788</u>	<u>71,077,865</u>
Accumulated Depreciation				
Buildings and Improvements	20,794,852	1,226,522	_____	22,021,374
Furniture, Equipment and Vehicles	3,600,133	575,563	224,788	3,950,908
Total	<u>24,394,985</u>	<u>1,802,085</u>	<u>224,788</u>	<u>25,972,282</u>
Net Capital Assets Being Depreciated	<u>46,460,182</u>	<u>(1,354,599)</u>	<u>_____</u>	<u>45,105,583</u>
Net Capital Assets	<u>\$ 47,684,721</u>	<u>\$ 10,007,210</u>	<u>\$ _____</u>	<u>\$ 57,691,931</u>

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

Depreciation expense was allocated based on estimated usage by function and is charged as follows:

<u>Function/Program</u>	
General Support	\$ 274,250
Instruction	1,394,692
Pupil Transportation	<u>133,143</u>
Total Depreciation	<u>\$ 1,802,085</u>

Right to use leased asset activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Right to Use Leased Assets				
Leased Equipment	\$ 1,395,863	\$ 364,641	\$ 692,644	\$ 1,067,860
Total	<u>1,395,863</u>	<u>364,641</u>	<u>692,644</u>	<u>1,067,860</u>
Accumulated Amortization				
Leased Equipment	<u>1,135,881</u>	<u>213,572</u>	<u>692,644</u>	<u>656,809</u>
Total	<u>1,135,881</u>	<u>213,572</u>	<u>692,644</u>	<u>656,809</u>
Net Right to Use Leased Assets	<u>\$ 259,982</u>	<u>\$ 151,069</u>	<u>\$</u>	<u>\$ 411,051</u>

Amortization expense of \$213,572 was charged to Instruction.

9. SHORT-TERM DEBT

Bond Anticipation Notes

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

Changes in the School District's short-term outstanding debt for the year ended June 30, 2025, are as follows:

<u>Description</u>	<u>Balance 07/01/24</u>	<u>Issued</u>	<u>Paid</u>	<u>Balance 06/30/25</u>
Governmental Activities				
BAN, 11/2024	\$	\$ 6,650,000	\$ (6,650,000)	\$
BAN, 06/2025		<u>14,790,000</u>		<u>14,790,000</u>
Total	<u>\$</u>	<u>\$ 21,440,000</u>	<u>\$ (6,650,000)</u>	<u>\$ 14,790,000</u>

Interest on short-term debt was composed of:

Interest Paid	\$ 160,339
Plus: Interest Accrued in the Current Year	<u>7,395</u>
Total Interest Expense on Short-Term Debt	<u>\$ 167,734</u>

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

10. NON-CURRENT LIABILITIES

Non-current liabilities balances and activity are as follows:

Description					Ending	Amounts
	Beginning Balance	Restatement	Additions	Deletions	Balance	Due Within One Year
Bonds Payable						
Serial Bonds	\$ 12,705,000	\$		\$ (1,525,000)	\$ 11,180,000	\$ 1,355,000
Premium on Bond	141,020			(12,820)	128,200	12,820
Energy Performance Contract	829,821			(262,487)	567,334	276,204
Lease Liability	202,642		364,641	(172,265)	395,018	130,916
Other Postemployment Benefits	60,869,732		4,200,123	(11,961,553)	53,108,302	
Compensated Absences	<u>257,693</u>	<u>499,630</u>	<u>146,070</u>		<u>903,393</u>	<u>106,026</u>
Total Non-Current Liabilities	<u>\$ 75,005,908</u>	<u>\$ 499,630</u>	<u>\$ 4,710,834</u>	<u>\$ (13,934,125)</u>	<u>\$ 66,282,247</u>	<u>\$ 1,880,966</u>

The following is a statement of the School District's serial bonds and energy performance contract with corresponding maturity schedules:

Payable From/Description	Date of Original Issue	Original Amount	Date of Final Maturity	Interest Rate (%)	Outstanding Amount
2020 Serial Bonds	06/20	\$ 13,190,000	12/35	2.00	\$ 8,405,000
2015 Serial Bonds	06/15	\$ 7,395,000	06/30	2.00 - 3.00	<u>2,775,000</u>
Total					<u>\$ 11,180,000</u>
Energy Performance Contract	06/11	\$ 3,563,025	06/27	0.88	<u>\$ 567,334</u>

Principal and interest payments due on serial bonds debt and the energy performance contract are as follows:

Fiscal Year Ending June 30,	Serial Bonds			Energy Performance Contract		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 1,355,000	\$ 243,944	\$ 1,598,944	\$ 276,204	\$ 22,877	\$ 299,081
2027	1,300,000	214,219	1,514,219	291,130	8,225	299,081
2028	1,335,000	185,519	1,520,519			
2029	1,375,000	155,350	1,530,350			
2030	1,400,000	122,150	1,522,150			
2031-2035	<u>4,415,000</u>	<u>267,400</u>	<u>4,682,400</u>			
Total	<u>\$11,180,000</u>	<u>\$ 1,188,582</u>	<u>\$12,368,582</u>	<u>\$ 567,334</u>	<u>\$ 31,102</u>	<u>\$ 598,633</u>

Other Debt – Energy Performance Contract

The Clinton Central School District entered into an energy performance contract during the year ended June 30, 2012. The contract is defined in Section 9-102(4) of the New York State Energy Law as: “an agreement for the provision of energy services, including but not limited to electricity, heating, ventilation, cooling, steam, or hot water, in which a person agrees to install, maintain, or manage energy systems or equipment to improve the energy efficiency of, or produce energy in connection with a building or facility in exchange for a portion of the energy savings or revenues.” The contract is accounted for as a capital lease. The total net present value of the lease at June 30, 2025, is \$567,334.

Serial Bonds

The School District borrows money in order to acquire land or equipment, construct buildings, or make improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. The provision to be made in future budgets for capital indebtedness represents the amount exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities. In the event of a default in the payment of the principal and/or interest on the Bonds, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99-b of the State Finance Law, state aid and assistance to the District and to apply the amount thereof so

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

withheld to the payment of such defaulted principal and/or interest, which requirement constitutes a covenant by the State with the holders from time to time of the Bonds.

Unamortized Premium

The original issue premium on the 2020 serial bond of \$192,300 has been deferred and recorded as an addition to long-term liabilities on the District-wide financial statements. The premium is being amortized using the straight-line method over 15 years, the remaining time to maturity of the respective bond issue. The current year amortization is \$12,820 and is included as a reduction to interest expense on the statement of activities. The unamortized premium at June 30, 2025 is \$128,200.

Total interest for the year was as follows:

Interest Paid	\$ 487,368
Less: Interest Accrued in the Prior Year	(11,662)
Plus: Interest Accrued in the Current Year	10,164
Less: Amortization of Bond Premium	<u>(12,820)</u>
Total Interest Expense on Long-Term Debt	<u>\$ 473,050</u>

Lease Liability

The District has entered into agreements with BOCES to lease certain equipment such as printers, instructional, and other technology equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of the inception of the agreements. The agreements were executed on various dates ranging from August 15, 2018 to September 27, 2024 and are for a term of 4-5 years. Annual lease payments for these agreements range from \$25,225 to \$65,167. The lease liability is measured using discount rates ranging from .46% to 4.35%. As a result of these leases, the District has recorded a right to use asset with a net book value of \$411,051 at June 30, 2025.

Future lease payments are as follows:

For the Year Ending June 30,	Principal	Interest	Total
2026	130,916	18,889	149,805
2027	113,479	10,632	124,111
2028	118,126	5,984	124,110
2029	<u>32,497</u>	<u>1,146</u>	<u>33,643</u>
Total	<u>\$ 395,018</u>	<u>\$ 36,651</u>	<u>\$ 431,669</u>

Compensated Absences

Compensated Absences represents vacation and sick time that has been earned by the School District employees but not used as of June 30, 2025.

11. PENSION PLANS

A. New York State and Local Employees' Retirement System (ERS)

(a) *Plan Description*

The District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer public employee retirement system. The system provides retirement benefits as well as death and disability benefits.

The Net Position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The School District also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

(b) Contributions

The System is noncontributory for employees who joined prior to July 28, 1976. For employees who joined after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary for the first ten years of membership. Employees who joined on or after January 1, 2010, but before April 1, 2012, are required to contribute 3% of their annual salary for their entire working career. Those who joined on or after April 1, 2012 contribute at a rate ranging from 3% to 6% based on their total annualized salary. Under the authority of the RSSL, the Comptroller certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. All required contributions for the NYSERS fiscal year ended March 31, 2025, were paid. The required contributions for the current year and two preceding years were:

	Amount
2023	\$ 184,330
2024	\$ 215,470
2025	\$ 272,367

(c) Pension Assets/Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, the District reported a liability of \$813,672 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2025 and 2024, the District's proportion was .0047456% and .0046905% respectively.

For the year ended June 30, 2025, the District recognized a pension credit of \$80,480. At June 30, 2025, the District 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	\$ 201,959	\$ 9,527
Change of Assumptions	34,124	
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments	63,838	
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	84,523	14,326
Contributions Subsequent to the Measurement Date	78,994	
Total	\$ 463,438	\$ 23,853

Amounts reported as deferred outflows/inflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows, for the year ended June 30:

2026	\$ 165,732
2027	\$ 230,550
2028	\$ (54,515)
2029	\$ 18,824

**CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025**

(d) Actuarial Assumptions

The total pension liability at March 31, 2025 was determined by using an actuarial valuation as of April 1, 2024 with update procedures used to roll forward the total pension liability to March 31, 2025.

Significant actuarial assumptions used in the April 1, 2024 valuation were as follows:

Investment Rate of Return (Net of Investment Expense, Including Inflation)	5.90%
Decrement Tables	April 1, 2020 - March 31, 2025 System's Experience
Salary Scale	5.20%
Inflation Rate	2.90%

Annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System's experience with adjustments for mortality improvements based on MP-2021.

The actuarial assumptions used in the April 1, 2024 valuation are based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 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 investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2025 are summarized below.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	25.00%	3.54%
International equity	14.00%	6.57%
Private equity	15.00%	7.25%
Real estate	12.00%	4.95%
Opportunistic/ARS portfolio	3.00%	5.25%
Credit	4.00%	5.40%
Real assets	4.00%	5.55%
Fixed income	22.00%	2.00%
Cash	1.00%	0.25%
	100.00%	

* Real rates of return are net of the long-term inflation assumption of 2.90%

(e) Discount Rate

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

**CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025**

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

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

	1% Decrease <u>(4.9%)</u>	Current Discount <u>(5.9%)</u>	1% Increase <u>(6.9%)</u>
Proportionate Share of the Net Pension Liability (Asset)	\$ 2,354,868	\$ 813,672	\$ (473,229)

(g) Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued ERS financial report.

(h) Payables to the Pension Plan

The District has recorded an amount due to ERS in amount of \$78,994 at June 30, 2025. This amount represents the three months of the District's fiscal year that will be covered in the ERS 2025-2026 billing cycle and has been accrued as an expenditure in the current year.

B. New York State Teachers' Retirement System (TRS)

(a) Plan Description

The District participates in the New York Teachers' Retirement System (TRS). This is a cost-sharing multiple-employer public employee retirement system. The system provides retirement benefits as well as death and disability benefits.

The TRS was created and exists pursuant to Article 11 of the New York State Education Law. TRS is administered by the system and governed by a ten member board to provide these benefits to teachers employed by participating employers in the State of New York, excluding New York City. The System provides benefits to plan members and beneficiaries as authorized by the New York State Law and may be amended only by the Legislature with the Governor's approval. Benefit provisions vary depending on date of membership and membership class (6 tiers). The System's financial statements are prepared using the accrual basis of accounting. Contributions are recognized when due. Benefit payments are recognized when due and payable. Investments are recognized at fair value. TRS issues a publicly available financial report that contains basic financial statements and required supplementary information for the System. For additional plan information please refer to the NYSTRS Comprehensive Annual Financial Report which can be found on the TRS website located at www.nystrs.org.

(b) Contributions

Pursuant to Article 11 of the New York State Education Law, employers are required to contribute at an actuarially determined rate adopted annually by the Retirement Board. Tier 3 and Tier 4 members who have less than 10 years of service or membership are required by law to contribute 3% of salary to the System. Tier 5 members are required by law to contribute 3.5% of salary throughout their active membership. Tier 6 members are required by law to contribute between 3% and 6% of salary throughout their active membership in accordance with a schedule based upon salary earned. Pursuant to Article 14 and Article 15 of the Retirement and Social Security Law, those member contributions are used to help fund the benefits provided by the System. However, if a member dies or leaves covered employment with less than 5 years of credited service for Tiers 3 and 4, or 10 years of credited service for Tiers 5 and 6, the member contributions with interest calculated at 5% per annum are refunded to the employee or designated beneficiary. Eligible Tier 1 and Tier 2 members may make member contributions under certain conditions pursuant to the provisions of Article 11 of the Education Law and Article 11 of the Retirement and Social Security Law. Upon termination of membership, such accumulated member contributions are refunded. At retirement, such accumulated member contributions can be withdrawn or are paid as a life annuity.

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

The required employer contributions for the current year and two preceding years were:

		Amount
2023	\$	1,089,483
2024	\$	1,033,760
2025	\$	1,062,672

(c) Pension Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, the District reported an asset of \$1,655,104 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2024, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2023. The District's proportion of the net pension asset was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2025, the District's proportion was .0554730%, which was a decrease of .001854% from its proportion measured as of June 30, 2024.

For the year ended June 30, 2025, the District recognized a pension credit of \$164,895. At June 30, 2025, the District 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	\$ 1,782,243	\$
Changes of assumptions	990,088	166,542
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments		1,838,962
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	90,999	48,704
Contributions Subsequent to the Measurement Date	1,062,672	
Total	\$ 3,926,002	\$ 2,054,208

Amounts reported as deferred outflows/inflows of resources related to pensions resulting from District contributions subsequent to the measurement date, if any, will be recognized as a reduction of the net pension asset/liability in the year ended June 30, 2026. 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:		
2025	\$	(855,636)
2026	\$	2,028,782
2027	\$	(325,821)
2028	\$	(358,376)
2029	\$	228,961
Thereafter	\$	91,212

(d) Actuarial Assumptions

The total pension liability at June 30, 2024 measurement date was determined by using an actuarial valuation as of June 30, 2023, with update procedures used to roll forward the total pension asset to June 30, 2024. The actuarial valuation used the following actuarial assumptions.

**CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025**

Investment Rate of Return 6.95% compounded annually, net of pension plan investment expense, including inflation.

Salary Scale Rates of increase differ based on service. They have been calculated based upon recent NYSTRS member experience.

Service	Rate
5	5.18%
15	3.64%
25	2.50%
35	1.95%

Projected COLAs 1.3% Compounded Annually.

Inflation Rate 2.4%

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP2021, applied on a generational basis. Active member mortality rates are based on plan member experience.

The actuarial assumptions were based on the results of an actuarial experience study for the period of July 1, 2015 and June 30, 2020.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of the valuation date of June 30, 2024 is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic equity	33.0%	6.6%
International equity	15.0%	7.4%
Global equity	4.0%	6.9%
Real estate equity	11.0%	6.3%
Private equity	9.0%	10.0%
Domestic fixed income	16.0%	2.6%
Global bonds	2.0%	2.5%
Private debt	2.0%	5.9%
Real estate debt	6.0%	3.9%
High-yield bonds	1.0%	4.8%
Cash equivalents	1.0%	0.5%
	100.0%	

* Real rates of return are net of the long-term inflation assumption of 2.4% for 2024.

(e) Discount Rate

The discount rate used to measure the pension liability (asset) was 6.95%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that the contributions from school districts will be made at statutorily required rates, actuarially determined. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents District’s proportionate share of the net pension asset calculated using the discount rate of 6.95 percent, as well as what the District’s proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95 percent) or 1-percentage-point higher (7.95 percent) than the current rate:

	1% Decrease (5.95%)	Current Discount Rate (6.95%)	1% Increase (7.95%)
Proportionate Share of the Net Pension (Asset)	\$ 7,645,021	\$ (1,655,104)	\$ (9,476,759)

(g) Pension Plan Fiduciary Net Position

Detailed information about the Plan’s fiduciary net position is available in the separately issued TRS financial report.

(h) Payables to the Pension Plan

The District has recorded an amount due to TRS in amount of \$1,166,085 (excluding employees’ share) in the General Fund at June 30, 2025. This amount represents contribution for the 2024-2025 fiscal year that will be made in 2025-2026 and has been accrued as an expenditure in the current year.

12. OTHER POSTEMPLOYMENT HEALTH CARE BENEFITS

(a) Plan Description

The School District provides postretirement medical and Medicare Part B benefits to retired employees and their spouses for the lifetime of the retired employee in accordance with the provisions of various employment contracts. The benefit levels, employee contributions and employer contributions are governed by the School District’s contractual agreements.

The School District acquires health insurance through a consortium known as the Oneida, Herkimer, and Madison BOCES Health Consortium. Benefits provided by the OHM Consortium are administered by BlueCross Blue Shield and Pharmacare. The OHM Health Plan covers medical and pharmaceutical costs. Refer to the plan documents for specifics and limitations of the coverage offered to retirees.

The Plan does not issue a standalone publicly available financial report since no assets are accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4.

(b) Benefits Provided

All employees must have at least 10 years of continuous service and have reached age 55 to be eligible for postemployment benefits. Depending on the employee group, contributions range from 2%-6% for individual coverage and are 50% for family coverage.

(c) Employees Covered by Benefit Terms

	Total
Inactive employees currently receiving benefit payments	251
Active employees	184
Total	435

**CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025**

(d) Total OPEB Liability

The District's total OPEB liability of \$53,108,302 was determined by an actuarial valuation as of July 1, 2023, calculated based on the discount rate and actuarial assumptions outlined below, and was then projected forward to the measurement date of June 30, 2025.

(e) Changes in the Net OPEB Liability

Changes in the District's total OPEB liability were as follows:

	Total OPEB Liability
Balances, June 30, 2024	\$ 60,869,732
Changes recognized for the year:	
Service cost	1,782,291
Interest on Total OPEB Liability	2,417,832
Effect of assumption changes or inputs	(9,680,401)
Benefit payments	(2,281,152)
Net changes	(7,761,430)
Balances, June 30, 2024	\$ 53,108,302

(f) Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.20 percent) or 1 percentage point higher (6.20 percent) than the current discount rate:

	1% Decrease (4.20%)	Current Assumption (5.20%)	1% Increase (6.20%)
Total OPEB liability	\$ 60,514,351	\$ 53,108,302	\$ 47,031,927

(g) Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4.1 declining to 3.1 percent) or 1 percentage point higher (6.1 declining to 5.1 percent) than the current healthcare cost trend rate:

	1% Decrease (4.1%-3.1%)	Current Assumption (5.1% to 4.1%)	1% Increase (6.1%-5.1%)
Total OPEB liability	\$ 46,260,933	\$ 53,108,302	\$ 61,693,446

Sensitivity analysis for healthcare cost inflation (trend) rate is illustrated as of end of year.

(h) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the District recognized OPEB expense of \$5,666,306. At June 30, 2025, the District reported deferred inflows of resources related to OPEB from the following sources:

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 2,686,454	\$ 9,067,415
Changes of assumptions or other inputs	70,710	12,878,399
Total	\$ 2,757,164	\$ 21,945,814

Contributions subsequent to the measurement date will be recognized in the subsequent year. 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:	Amount
2026	\$ (8,334,431)
2027	\$ (7,128,257)
2028	\$ (1,700,688)
2029	\$ (1,652,953)
2030	\$ (372,321)

(i) Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2023 rolled forward to June 30, 2025, the measurement date. The following actuarial assumptions applied to all periods in the measurement, unless otherwise specified:

Valuation Date	July 1, 2023
Measurement Date	June 30, 2025
Reporting Date	June 30, 2025
Actuarial Cost Method	Entry Age Normal - Level Percentage of Salary
Plan Type	Single Employer Defined Benefit Plan
Inflation rate	2.40%
Healthcare Cost Trend Rates	5.1% in 2023, decreasing to 4.1% over 51 years
Discount Rate	5.2%, based on the Bond Buyer General Obligation 20-Bond Municipal Index
Rate of Compensation Increase	2.40%

The following changes in actuarial assumptions have been made since the prior measurement date:

- Changes of assumptions and other inputs reflect a change in the discount rate from 3.93% for the June 30, 2024 reporting date to 5.20% percent for the June 30, 2025 reporting date.

13. INTERFUND TRANSACTIONS

Fund	Interfund		Interfund	
	Receivables	Payables	Revenues	Expenditures
General	\$ 1,662,198	\$ 369,320	\$ 20,000	\$ 36,846
School Lunch	30,988	8,318		
Special Aid	338,332	605,081	36,846	
Debt Service	409,263	20,000		20,000
Capital Fund		1,438,062		
Total	\$ 2,440,781	\$ 2,440,781	\$ 56,846	\$ 56,846

- The District made a transfer of \$36,846 from the General Fund to the Special Aid Fund, which represents the local share of tuition and transportation of the Summer School Program.
- The District transferred \$20,000 from Debt Service to the General Fund to pay the principal on bond payments.
- Interfund receivables and payables are typically liquidated within 1 year.

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

14. FUND BALANCE

(a) The following is a summary of the change in General Fund restricted reserve funds during the year ended June 30, 2025:

Restricted	Beginning Balance	Additions	Deductions	Ending Balance
General Fund				
Unemployment Insurance	\$ 55,694	\$ 2,481	\$	\$ 58,175
Employee Benefit Accrued Liability	238,753	53,832		292,585
Retirement Contribution - ERS	1,286,492	127,303	(70,000)	1,343,795
Retirement Contribution - TRS	1,058,779	247,160	(200,000)	1,105,939
Capital	8,985,191	562,387	(161,209)	9,386,369
Total	\$ 11,624,909	\$ 993,163	\$ (431,209)	\$ 12,186,863

(b) The following is the disaggregation of the fund balance that is reported in summary on the Governmental Fund's Balance Sheet:

	General	School Lunch	Miscellaneous Special Revenue	Debt Service	Capital	Total
Restricted						
Unemployment Insurance	\$ 58,175	\$	\$	\$	\$	\$ 58,175
Employee Benefit Accrued Liability	292,585					292,585
Retirement Contribution - ERS	1,343,795					1,343,795
Retirement Contribution - TRS	1,105,939					1,105,939
Capital	9,386,369					9,386,369
Scholarships			171,843			171,843
Debt Service - Principal and Interest				955,078		955,078
Total Restricted	12,186,863		171,843	955,078		13,313,784
Assigned						
Encumbrances	255,104				498,220	753,324
Food Service Program		215,673				215,673
Appropriated for Subsequent Year's Budget	650,000					650,000
Total Assigned	905,104	215,673			498,220	1,618,997
Unassigned						
	1,373,230				(9,805,068)	(8,431,838)
Total Fund Balance (Deficit)	\$ 14,465,197	\$ 215,673	\$ 171,843	\$ 955,078	\$ (9,306,848)	\$ 6,500,943

15. RISK MANAGEMENT

General Information

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

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

Health Insurance

The District participates in OHM BOCES Consortium Health Plan, a non-risk retained public entity risk pool for its employee health and accident insurance coverage. The pool is operated for the benefit of 13 individual governmental units located within the pool's geographic area, and is considered a self-sustaining risk pool that will provide coverage for its members up to \$1,000,000 per insured event. The pool obtains independent coverage for insured events in excess of the \$1,000,000 limit, and the District has essentially transferred all related risk to the pool.

Workers' Compensation Insurance

The District participates with 11 other school districts and BOCES in the Central New York Workers' Compensation Consortium administered by the Oneida-Herkimer-Madison BOCES for its workers' compensation insurance coverage. Voluntary withdrawal from the Plan is effective only once annually on the last day of the Plan year. Notice of intent to withdraw must be submitted in writing no later than March 30 of the plan year. Additional members may be admitted by a majority vote of the Plan's Board of Directors. Membership is effective on the first day of the month following the Board's resolution to accept a new participant. The plan uses a reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability of the plan as direct insurer of the risks reinsured. The Plan insures against catastrophic losses for amounts over \$600,000 up to \$1,000,000 for claims during the lifetime of an eligible member. The Plan does not insure amounts in excess of \$1,000,000 per lifetime. The plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims' costs depend on complex factors, the process used in computing claims' liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and claims that have been incurred but not reported. Adjustments to claims' liabilities are charged or credited to expense in the periods in which they are made. The Consortium is a shared-risk public entity risk pool, whereby each district pays annual premiums based on the expected aggregate claims for all enrollees. Paid claims are also accounted for in the aggregate with individual district activity not being traced separately. Due to this arrangement, a possible contingent liability exists for the District as a result of the possibility that any participating school district may have actual claims less than the annual premium and try to recover its portion due to it through the Consortium participants. During the current year, the School District paid \$48,097 in net fees.

16. COMMITMENTS AND CONTINGENCIES

Potential Grantor Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal and State governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the School District expects such amounts, if any, to be immaterial.

Construction Commitments

At June 30, 2025, the School District had an ongoing capital project. The total voter and Board of Education authorizations for this project is \$18,045,000. The School District has entered into various construction contracts for the project amount. At June 30, 2025, the School District has expensed \$12,471,848 (including incidental costs) of the authorizations.

17. NET POSITION DEFICIT- DISTRICT-WIDE

The District-wide Net Position had an unrestricted deficit at June 30, 2025 of \$69,413,292 and a total net position deficit of \$18,135,624. The deficit is primarily the result of the recognition of an unfunded liability of \$53,108,302 at June 30, 2025, required by GASB Statement 75. Since New York State Laws provide no mechanism for funding the liability, any additional subsequent accruals are expected to increase the deficit.

18. CAPITAL FUND DEFICIT

At June 30, 2025, the District reported a deficit fund balance of \$9,306,848 in the Capital Fund. The deficit will be eliminated in the future once permanent financing is obtained.

**CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025**

19. CUMULATIVE EFFECT OF IMPLEMENTING CHANGE IN ACCOUNTING PRINCIPLE

As the result of implementing GASB Statement No. 101, *Compensated Absences*, the District has restated the beginning net position in the Statement of Net Position of July 1, 2024, to reflect the additional liability for compensated absences required by this implementation as follows:

	<u>Government-Wide</u>
Net Position (Deficit) Beginning of Year, As Previously Stated	\$ (24,716,762)
Increase in Compensated Absences Liability as a result of GASB Statement No. 101 Implementation:	<u>(499,630)</u>
Net Position (Deficit) Beginning of Year, As Restated	<u>\$ (25,216,392)</u>

CLINTON CENTRAL SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual		Final Budget Variance With Actual
Revenues					
Local Sources					
Real Property Taxes	\$ 17,054,198	\$ 17,054,198	\$ 15,695,316		\$ (1,358,882)
Other Real Property Tax Items	64,338	64,338	1,418,699		1,354,361
Charges for Services	2,500	2,500	12,310		9,810
Use of Money and Property	445,583	445,583	880,932		435,349
Sale of Property and Compensation for Loss			141,205		141,205
Miscellaneous	649,779	743,108	1,012,140		269,032
State Aid	12,475,825	12,475,825	12,636,505		160,680
Federal Aid	15,000	15,000	17,981		2,981
Total Revenues	<u>30,707,223</u>	<u>30,800,552</u>	<u>31,815,088</u>		<u>1,014,536</u>
Other Financing Sources					
Transfers from Other Funds	128,000	128,000	20,000		(108,000)
Appropriated Reserves	270,000	270,000			(270,000)
Appropriated Fund Balance	739,786	739,786			(739,786)
Total Revenues and Other Financing Sources	<u>\$ 31,845,009</u>	<u>\$ 31,938,338</u>	<u>31,835,088</u>		<u>\$ (103,250)</u>
Expenditures					
General Support					
Board of Education	\$ 44,685	\$ 45,262	42,894	\$	\$ 2,368
Central Administration	249,976	250,600	250,243	357	
Finance	538,400	514,790	499,425	2,380	12,985
Staff	110,260	147,363	141,937	3,393	2,033
Central Services	1,639,931	1,698,742	1,619,232	62,136	17,374
Special Items	501,862	547,343	546,995		348
Total General Support	<u>3,085,114</u>	<u>3,204,100</u>	<u>3,100,726</u>	<u>68,266</u>	<u>35,108</u>
Instruction					
Instruction, Administration, and Improvement	1,034,521	1,039,874	1,009,252		30,622
Teaching - Regular School	8,765,555	8,851,157	8,657,582	123,113	70,462
Programs for Children With Special Needs	3,026,044	2,820,807	2,676,247	62,924	81,636
Occupational Education	631,974	636,115	636,115		
Instructional Media	886,575	991,278	772,228	499	218,551
Pupil Services	1,850,748	1,861,291	1,841,710		19,581
Total Instruction	<u>16,195,417</u>	<u>16,200,522</u>	<u>15,593,134</u>	<u>186,536</u>	<u>420,852</u>
Pupil Transportation	1,313,064	1,508,726	1,505,338	302	3,086
Employee Benefits	8,719,940	8,558,206	8,137,230		420,976
Debt Service - Principal	1,787,200	1,952,487	2,124,752		(172,265)
Debt Service - Interest	709,274	477,451	487,368		(9,917)
Total Expenditures	<u>31,810,009</u>	<u>31,901,492</u>	<u>30,948,548</u>	<u>255,104</u>	<u>697,840</u>
Other Financing Uses					
Transfers to Other Funds	35,000	36,846	36,846		
Total Expenditures and Other Financing Uses	<u>\$ 31,845,009</u>	<u>\$ 31,938,338</u>	<u>30,985,394</u>	<u>\$ 255,104</u>	<u>\$ 697,840</u>
Net Change in Fund Balance			849,694		
Fund Balance - Beginning of Year			<u>13,615,503</u>		
Fund Balance - End of Year			<u>\$ 14,465,197</u>		

Notes to Required Supplementary Information:

The School District administration prepares a proposed budget for approval by the Board of Education for the General Fund, the only fund with a legally adopted budget.

The budget is adopted annually on a basis consistent with GAAP. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year.

CLINTON CENTRAL SCHOOL DISTRICT
SCHEDULES OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2025

Measurement Date	2025	2024	2023	2022	2021*	2020*	2019*	2018*
Total OPEB Liability								
Service cost	\$ 1,782,291	\$ 1,875,189	\$ 1,884,243	\$ 2,338,241	\$ 3,196,017	\$ 2,619,327	\$ 2,824,424	\$ 2,742,159
Interest on Total OPEB Liability	2,417,832	2,123,252	2,077,862	2,023,186	2,003,590	2,899,769	2,603,410	2,514,994
Change in assumptions and other inputs	(9,680,401)	(2,439,474)	(2,423,203)	(7,812,333)	777,820	4,384,948	(6,819,145)	
Effect of demographic gains and losses		4,138,592		(29,217,231)				
Differences between expected and actual experience in the measurement of the total OPEB liability						(314,296)		(145,459)
Benefit payments	(2,281,152)	(2,227,900)	(1,886,120)	(1,815,036)	(2,409,149)	(2,297,852)	(2,371,130)	(2,124,148)
Net change in total OPEB Liability	(7,761,430)	3,469,659	(347,218)	(34,483,173)	3,568,278	7,291,896	(3,762,441)	2,987,546
Total OPEB Liability - Beginning	60,869,732	57,400,073	57,747,291	92,230,464	88,662,186	81,370,290	85,132,731	82,145,185
Total OPEB Liability - Ending	\$ 53,108,302	\$ 60,869,732	\$ 57,400,073	\$ 57,747,291	\$ 92,230,464	\$ 88,662,186	\$ 81,370,290	\$ 85,132,731
Covered payroll	\$ 11,411,257	\$ 11,411,257	\$ 10,882,129	\$ 10,882,129	\$ 9,975,648	\$ 9,975,648	\$ 9,581,106	\$ 9,581,106
Total OPEB Liability as a percentage of covered payroll	465%	533%	527%	531%	925%	889%	849%	889%

* 10 years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical data is available.

Notes to Required Supplementary Information:

The District does not currently maintain assets in an OPEB trust.

The District currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

Actuarial Assumptions

The actuarial methods and assumptions used to calculate the total OPEB liability are described in Note 12 to the financial statements.

Changes to Assumptions

The discount rate changed from 3.93% to 5.20%, which is a prescribed discount rate under GASB 75, and is based on the Bond Buyer General Obligation 20-Bond Municipal Index.

**CLINTON CENTRAL SCHOOL DISTRICT
SCHEDULES OF DISTRICT CONTRIBUTIONS
For the Year Ended June 30, 2025**

ERS Pension Plan Last 10 Fiscal Years										
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contribution	\$ 272,367	\$ 215,470	\$ 184,330	\$ 233,899	\$ 220,183	\$ 220,382	\$ 230,775	\$ 231,323	\$ 226,804	\$ 230,959
Contributions in Relation to the Contractually Required Contribution	<u>272,367</u>	<u>215,470</u>	<u>184,330</u>	<u>233,899</u>	<u>220,183</u>	<u>220,382</u>	<u>230,775</u>	<u>231,323</u>	<u>226,804</u>	<u>230,959</u>
Contribution Deficiency (Excess)	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
School District's Covered-ERS Employee Payroll	\$ 1,864,665	\$ 1,802,678	\$ 1,706,635	\$ 1,562,222	\$ 1,587,359	\$ 1,556,330	\$ 1,609,510	\$ 1,597,355	\$ 1,554,942	\$ 1,393,910
Contributions as a Percentage of Covered-Employee Payroll	14.61%	11.95%	10.80%	14.97%	13.87%	14.16%	14.34%	14.48%	14.59%	16.57%

TRS Pension Plan Last 10 Fiscal Years										
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contribution	\$ 1,062,672	\$ 1,033,760	\$ 1,089,483	\$ 1,006,911	\$ 934,072	\$ 849,609	\$ 983,804	\$ 1,016,180	\$ 1,082,555	\$ 1,393,730
Contributions in Relation to the Contractually Required Contribution	<u>1,062,672</u>	<u>1,033,760</u>	<u>1,089,483</u>	<u>1,006,911</u>	<u>934,072</u>	<u>849,609</u>	<u>983,804</u>	<u>1,016,180</u>	<u>1,082,555</u>	<u>1,393,730</u>
Contribution Deficiency (Excess)	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
School District's Covered-TRS Employee Payroll	\$ 10,511,098	\$ 10,740,437	\$ 10,587,784	\$ 10,274,602	\$ 9,801,385	\$ 9,546,169	\$ 9,263,691	\$ 10,369,184	\$ 9,236,817	\$ 10,510,784
Contributions as a Percentage of Covered-Employee Payroll	10.11%	9.76%	10.29%	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%

See Independent Auditor's Report.

CLINTON CENTRAL SCHOOL DISTRICT
SCHEDULES OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/ASSET
For the Year Ended June 30, 2025

ERS Pension Plan

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's Proportion of the Net Pension Liability	0.0047456%	0.0046905%	0.0049199%	0.0045661%	0.0046252%	0.0048564%	0.0050646%	0.0049325%	0.0051453%	0.0054835%
District's Proportionate Share of the Net Pension (Asset) Liability	\$ 813,672	\$ 690,625	\$ 1,055,024	\$ (373,258)	\$ 4,605	\$ 1,285,990	\$ 358,842	\$ 159,194	\$ 483,461	\$ 880,118
District's Covered-Employee Payroll	\$ 1,864,665	\$ 1,802,678	\$ 1,706,635	\$ 1,562,222	\$ 1,587,359	\$ 1,556,330	\$ 1,609,510	\$ 1,597,355	\$ 1,554,942	\$ 1,393,910
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	43.64%	38.31%	61.82%	23.89%	0.29%	82.63%	22.30%	9.97%	31.09%	63.14%
Plan Fiduciary Net Position as a percentage of Total Pension Liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.40%	96.27%	98.24%	94.70%	90.70%

TRS Pension Plan

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Pension (Asset)/Liability	0.0554730%	0.0573270%	0.0579990%	0.0577460%	0.0558770%	0.0554990%	0.0549640%	0.0547150%	0.0529070%	0.0529280%
District's Proportionate Share of the Net Pension (Asset)/Liability	\$ (1,655,104)	\$ 655,582	\$ 1,112,929	\$ (10,006,863)	\$ 1,544,024	\$ (1,441,869)	\$ (993,889)	\$ (415,886)	\$ 566,655	\$ (5,497,559)
District's Covered-Employee Payroll	\$ 10,740,437	\$ 10,587,784	\$ 10,274,602	\$ 9,801,385	\$ 9,546,169	\$ 9,263,691	\$ 10,369,184	\$ 9,236,817	\$ 10,510,784	\$ 8,276,523
District's Proportionate Share of the Net Pension (Asset)/Liability as a percentage of its Covered-Employee Payroll	15.41%	06.19%	10.83%	102.10%	16.17%	15.56%	09.59%	04.50%	05.39%	66.42%
Plan Fiduciary Net Position as a percentage of Total Pension (Asset)/Liability	102.10%	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%

See Independent Auditor's Report.

CLINTON CENTRAL SCHOOL DISTRICT
SCHEDULES OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET
AND SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION
For the Year Ended June 30, 2025

Change from Adopted Budget to Final Budget

Adopted Budget	\$ 31,755,223
Add: Prior Year's Encumbrances	<u>89,786</u>
Original Budget	31,845,009
Add: Donations and Gifts	<u>93,329</u>
Final Budget	<u><u>\$ 31,938,338</u></u>

Section 1318 of Real Property Tax Law Limit Calculation

2025-26 voter-approved expenditure budget	<u>\$ 33,871,812</u>
Maximum allowed (4% of 2025-26 budget)	<u><u>\$ 1,354,872</u></u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law :	
Unrestricted fund balance:	
Assigned fund balance	\$ 905,104
Unassigned fund balance	<u>1,373,230</u>
Total unrestricted fund balance	<u><u>2,278,334</u></u>
Less:	
Appropriated fund balance	650,000
Encumbrances included in committed and assigned fund balance	<u>255,104</u>
Total adjustments	<u><u>905,104</u></u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 1,373,230</u></u>
Actual Percentage	4.05%

See Independent Auditor's Report.

CLINTON CENTRAL SCHOOL DISTRICT
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND
For the Year Ended June 30, 2025

PROJECT TITLE	Original Authorization	Revised Authorization	Expenditures			Unexpended Balance	Methods of Financing			Fund Balance June 30, 2025	
			Prior Years	Current Year	Total		Proceeds of Obligations	Federal and State Aid	Local Sources		Total
2025 Capital Project	<u>\$ 18,045,000</u>	<u>\$ 18,045,000</u>	<u>\$ 1,110,039</u>	<u>\$ 11,361,809</u>	<u>\$ 12,471,848</u>	<u>\$ 5,573,152</u>	<u>\$</u>	<u>\$</u>	<u>\$ 3,165,000</u>	<u>\$ 3,165,000</u>	<u>\$ (9,306,848)</u>

CLINTON CENTRAL SCHOOL DISTRICT
NET INVESTMENT IN CAPITAL ASSETS
For the Year Ended June 30, 2025

Capital Assets, Net	\$ 57,691,931
Add:	
Unspent Monies in Capital Fund	6,921,814
Right to Use Leased Asset, Net of Amortization	<u>411,051</u>
Total Additions	<u>7,332,865</u>
Deduct:	
Bond Anticipation Notes	14,790,000
Premium on Bonds Payable	128,200
Serial Bonds Payable	11,180,000
Energy Performance Contract	567,334
Lease Liability	<u>395,018</u>
Total Deductions	<u>27,060,552</u>
Net Investment in Capital Assets	<u>\$ 37,964,244</u>

See Independent Auditor's Report.