

**Glen Cove City School District, New York**

Financial Statements and  
Supplementary Information

Year Ended June 30, 2025



# Glen Cove City School District, New York

## Table of Contents

---

	<u>Page No.</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	4
Basic Financial Statements	
District-Wide Financial Statements	
Statement of Net Position	18
Statement of Activities	19
Fund Financial Statement	
Balance Sheet - Governmental Funds	20
Reconciliation of Governmental Funds Balance Sheet to the District-Wide Statement of Net Position	22
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	25
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	26
Fiduciary Fund	
Statement of Fiduciary Net Position	27
Statement of Changes in Fiduciary Net Position	28
Notes to Financial Statements	29
Required Supplementary Information	
Other Postemployment Benefits	
Schedule of Changes in the School District's Total OPEB Liability and Related Ratios	60
New York State Teachers' Retirement System	
Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset)	62
Schedule of Contributions	62
New York State and Local Employees' Retirement System	
Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset)	64
Schedule of Contributions	64
Combining and Individual Fund Financial Statements and Schedules	
Major Governmental Funds	
General Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	66
Schedule of Revenues Compared to Budget	67
Schedule of Expenditures and Other Financing Uses Compared to Budget	69
Capital Projects Fund	
Project-Length Schedule	72
Non-Major Governmental Funds	
Combining Balance Sheet	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	75
Supplementary Information	
Analysis of Change from Adopted Budget to Final Budget	76
Section 1318 of Real Property Tax Law Limit Calculation	76
Schedule of Net Investment in Capital Assets	77
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>	78

(This page intentionally left blank)



## **Independent Auditors' Report**

**The Board of Education of the  
Glen Cove City School District, New York**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Glen Cove City School District, New York ("School District") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 Policy***

We draw attention to Note 2E in the notes to financial statements which disclose the effects of the School District's adoption of the provisions of 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying 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 Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2025 on our consideration of the 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 School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

October 16, 2025

(This page intentionally left blank)

# Glen Cove City School District, New York

Management's Discussion and Analysis  
June 30, 2025

---

The following is a discussion and analysis of the Glen Cove City School District's ("School District") financial performance for the fiscal year ended June 30, 2025. This section is a summary of the School District's financial activities based on currently known facts, decisions or conditions. It is also based on both the district-wide and fund-level financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section.

## Financial Highlights

Key financial highlights for the fiscal year 2024-2025 are as follows:

- In the district-wide financial statements, revenues increased by 2.43% to \$126,286,262 and expenses decreased by 4.76% to \$106,584,696 resulting in an increase in net position of \$17,900,242 for the year ended June 30, 2025.
- The School District's General Fund reflected a decrease in fund balance of \$3,204,733.
- The amount of unassigned fund balance that can be retained by the General Fund is limited to no more than 4% of the ensuing year's budget. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$4,724,927 or 4.00%. The School District is currently within this limit.
- On the district-wide financial statements, the liabilities and deferred inflows of resources of the School District exceeded the assets and deferred outflows of resources at the close of its most recent fiscal year by \$77,516,679, a decrease of \$10,969,650 (inclusive of the cumulative effect of change in accounting principle) for the year ended June 30, 2025. The district-wide financial statements must report certain items in accordance with the pronouncements of the Governmental Accounting Standards Board ("GASB"). The GASB is charged with developing the accounting rules that apply to governments, including school districts and BOCES. One of the most significant of the standards, GASB Statement No. 75 "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*", requires the School District to recognize the financial impact associated with other postemployment benefit ("OPEB") liabilities. These liabilities include any benefits provided to retirees, other than a pension, including health insurance, life insurance, vision, dental, etc. This standard requires the School District to report the *total*, rather than *net*, OPEB liability related to its employees, since New York State has not authorized the establishment of an irrevocable trust to set aside assets for this purpose. As a result of the provisions of GASB Statement No. 75, the School District's *total* OPEB liability as of June 30, 2025 is \$97,694,319, compared to \$111,371,766 in the prior year. The OPEB liability is reflected on the district-wide Statement of Net Position and impacts the total net position calculation. More detailed information about the School District's OPEB obligations reported in accordance with the provisions of GASB Statement No. 75 is presented in Note 3F in the notes to financial statements.

- The district-wide financial statements for the year ended June 30, 2025 are also significantly impacted by the provisions of GASB Statement No. 68, “*Accounting and Financial Reporting for Pensions.*” This pronouncement established accounting and financial reporting requirements associated with the School District’s participation in the cost sharing multiple employer defined benefit pension plans administered by the New York State and Local Employees’ Retirement System (“ERS”) and the New York State Teachers’ Retirement System (“TRS”). Under this standard, cost-sharing employers are required to report in their district-wide financial statements a net pension liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all of the municipalities and school districts in the plan. At June 30, 2025, the School District reported in its Statement of Net Position a liability for its proportionate share of the ERS net pension liability of \$3,653,510 and a net pension asset of \$6,552,908 for its proportionate share of the TRS net pension asset. More detailed information about the School District’s pension plan reporting in accordance with the provisions of GASB Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in Note 3F in the notes to financial statements.
- The School District continued to offer all programs, without reducing services, while maintaining adequate fund balances.

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

This annual report consists of management's discussion and analysis (this section), the basic financial statements, required supplementary information and other supplementary information. The basic financial statements include two kinds of statements that present different views of the School District:

- The first two statements are *District-wide financial statements* that provide both *short-term and long-term* information about the School District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the School District, reporting the School District’s operations in *more detail* than the District-wide statements.
- The *governmental fund financial statements* tell how basic services such as regular and special education were financed in the *short-term* as well as what remains for future spending.
- *Fiduciary fund financial statements* provide information about the financial relationships in which the School District acts solely as a *trustee* or *agent* for the benefit of others. The School District utilizes the Custodial Fund to account for real property taxes collected for other governments.

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

Table A-1 summarizes the major features of the School District’s financial statements, including the portion of the School District’s activities they cover and the type of information they contain. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

<b>Table A-1: Major Features of the District-Wide and Fund Financial Statements</b>			
	District-Wide Financial Statements	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the School District that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the School District collects real property taxes for other governments.
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Activities and Changes in Net Position</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures and Changes in Fund Balance</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Fiduciary Net Position</li> <li>• Statement of Changes in Fiduciary Net Position</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/deferred outflows of resources/liability/deferred inflows of resources information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both financial and capital, short-term and long-term	Generally, assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due or are available during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows of resources (if any), liabilities, and deferred inflows of resources (if any) both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

## *District-Wide Financial Statements*

- The *district-wide financial statements* are designed to provide readers with a broad overview of the School District's finances, in a manner similar to a private-sector business.
  - The *statement of net position* presents information on all of the School District's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.
  - The *statement of activities* presents information showing how the School District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned but unused vacation leave, OPEB and net pension liabilities).
  - The *governmental* activities of the School District include instruction, pupil transportation, cost of food sales, other, interest and general administrative support.

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

## *Fund Financial Statements*

- A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the School District can be divided into two categories: governmental funds and fiduciary funds.
- *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the School District's near-term financing requirements.
- Because the focus of governmental funds is narrower than that of the 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, readers may better understand the long-term impact of the School District's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.
- The School District maintains five individual governmental funds; General Fund, Special Aid Fund, Capital Projects Fund, School Lunch Fund and Special Purpose Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Special Aid and the Capital Projects funds, which are considered to be major funds. Data for the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

- The School District adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the budget.
- The *Fiduciary Funds* are used to account for assets held by the School District on behalf of others. In accordance with the provisions of GASB Statement No. 84, the School District reported in its Custodial Fund, real property taxes collected for other governments.

#### *Notes to Financial Statements*

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

#### *Other Information*

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information for the School District's other postemployment and pension benefit liabilities, the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

### **District-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of the School District's financial position. This MD&A includes a summary of two district-wide statements that focus on operations of the School District as a whole. These statements measure inputs and outflows using an economic resources measurement focus, and use the accrual basis of accounting. Activities that are fiduciary in nature are not included in these statements.

In the case of the School District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by (\$77,516,679) at the close of the current fiscal year.

## Net Position

	June 30,	
	2025	2024
Current Assets	\$ 88,548,937	\$ 62,939,982
Capital Assets, net	47,349,610	32,638,322
Total Assets	135,898,547	95,578,304
Deferred Outflows of Resources		
Pension related	17,486,204	20,166,833
OPEB related	9,192,946	16,189,563
Total Deferred Outflows of Resources	26,679,150	36,356,396
Current Liabilities	38,862,490	17,413,750
Long-term Liabilities	124,101,764	133,875,746
Total Liabilities	162,964,254	151,289,496
Deferred Inflows of Resources		
Pension related	8,570,533	3,390,208
OPEB related	68,559,589	65,741,325
Total Deferred Inflows of Resources	77,130,122	69,131,533
Net Position		
Net Investment in capital assets	29,932,143	27,950,992
Restricted		
Future Capital Projects	9,870,654	12,755,949
Capital Projects	11,181,333	6,006,249
Tax Certiorari	6,620,174	6,979,660
Workers Compensation Benefits	4,173,455	4,253,353
Unemployment Benefits	454,183	461,113
ERS Retirement System Contributions	4,030,485	4,589,497
TRS Retirement System Contributions	4,952,266	4,204,265
TRS Net Pension Asset	6,552,908	-
Special Purposes		
Extraclassroom activities	87,189	108,456
Other	25,386	24,218
Unrestricted	(155,396,855)	(155,820,081)
Total Net Position	\$ (77,516,679)	\$ (88,486,329)

Current assets increased by \$25,608,955 from the prior year reflective of an increase in TRS net pension assets and State and Federal aid receivable. Cash and equivalents decreased while investments have increased substantially as funds have been invested in high yield accounts. In addition, the School District entered into an energy performance contract debt agreement in June 2023 to finance the cost of installing energy savings equipment. These funds are held in escrow and due to 2025 activity, the restricted cash decreased by \$1,420,799. The net pension liabilities for ERS and TRS decreased by \$2,371,782 due to investment gains of the retirement systems for their plan fiscal years ended March 31, 2025 for ERS and June 30, 2024 for TRS. (The TRS went from a liability in 2024 to a net pension asset in 2025.)

Long-term liabilities, which consist of general obligation bonds, installment purchase debt, energy performance contract debt, claims payable, compensated absences, net pension and OPEB liabilities, decreased by \$9,773,982 overall from the previous year. The OPEB liability decreased by \$13,677,447 primarily due to a decrease in the discount rate and differences between expected and actual experience. The retirement system liability also decreased by \$2,371,782 while the compensated absences liability increased by \$6,947,176 due to the implementation of GASB Statement No. 101.

A large component of the School District's net position, \$29,932,143, reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The School District uses these capital assets to provide services to the students and consequently, these assets are not available for future spending. It should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Those assets subject to external restrictions listed above constitute \$47,947,933 of net position and are comprised of amounts restricted for specific purposes. The remaining balance represents an unrestricted net deficit of (\$155,396,855). This deficit results mainly from the accrual of the School District's Other Post Employment Benefit Obligations ("OPEB"). These obligations include any benefits provided to retirees, other than a pension, including health insurance as discussed in detail in Note 3F in the notes to financial statements.

## Changes in Net Position

	Year Ended June 30,	
	2025	2024
<b>REVENUES</b>		
Program Revenues		
Charges for Services	\$ 571,222	\$ 396,060
Operating Grants and Contributions	11,526,888	11,156,576
Capital Grants and Contributions	1,868,201	1,503,007
	<u>13,966,311</u>	<u>13,055,643</u>
General Revenues		
Real Property Taxes	74,308,998	72,033,003
Other Tax Items	6,583,282	8,654,458
Non-property taxes	1,719,747	1,438,621
Unrestricted Use of Money and Property	707,326	126,386
Sale of Property and Compensation for Loss	82,226	101,656
Unrestricted State Aid	27,714,796	26,971,374
Miscellaneous	1,203,576	904,414
	<u>112,319,951</u>	<u>110,229,912</u>
Total General Revenues		
	<u>126,286,262</u>	<u>123,285,555</u>
<b>PROGRAM EXPENSES</b>		
General Support	13,777,670	14,681,051
Instruction	84,375,130	89,369,414
Pupil Transportation	7,013,826	6,659,514
Community Services	15,280	12,932
Cost of Food Sales	2,231,343	2,245,323
Other	375,953	316,780
Interest	596,818	523,507
	<u>108,386,020</u>	<u>113,808,521</u>
Total Expenses		
Change in Net Position	<u>17,900,242</u>	<u>9,477,034</u>
<b>NET POSITION</b>		
Beginning, as reported	(88,486,379)	(97,963,363)
Cumulative Effect of Change in Accounting Principle	<u>(6,930,592)</u>	<u>-</u>
Beginning, as restated	<u>(95,416,971)</u>	<u>(97,963,363)</u>
Ending	<u>\$ (77,516,729)</u>	<u>\$ (88,486,329)</u>

*The following are the major changes in Net Position:*

### *Revenues*

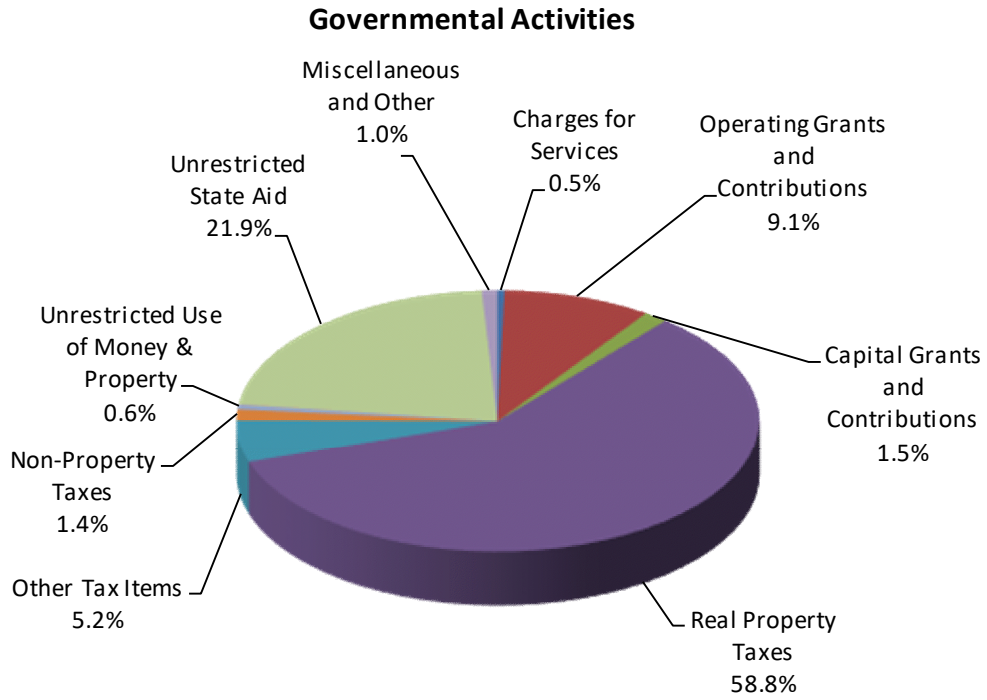
- The School District's fiscal year 2025 revenues totaled \$126,286,262. Property and other tax items and State sources accounted for most of the School District's revenue representing 58.84% and 21.95%, respectively. The remainder came from charges for services, operating grants, use of money and property, sale of property and compensation for loss and miscellaneous.
- Real property taxes increased by \$2,275,995 or 3.16%. The current property tax increase is attributed to projected increased expenses related to instruction, employee benefits and transportation. It is also a result of the continuing decrease in the School Tax Relief Reimbursement Program ("STAR") (see below). The School District relies upon real property taxes as its primary source of revenue.
- Other tax items include revenues received for the STAR program. The STAR program provides tax relief to homeowners by decreasing the assessments taxable to the homeowner or by providing a refund of a portion of school taxes paid. As a result in changes to the NYS law, this revenue decreased by \$195,961 during the 2024-2025 fiscal year and has decreased in the past five years shifting this burden from the state to the taxpayers.

### *Expenses*

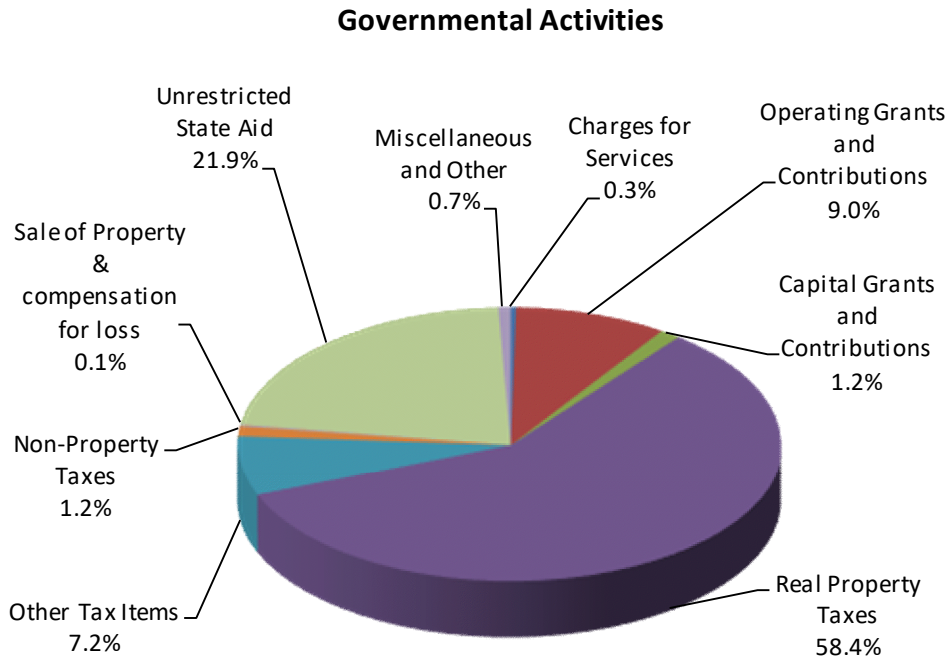
- The School District's fiscal year 2025 expenses totaled \$108,386,020. These expenses are predominantly related to instruction and transporting students (84.32%). The School District's administrative and business activities accounted for 12.71% of total costs.
- Instruction program expenses in the aggregate decreased by \$4,994,284 or 5.59% from the prior year.
- Pupil transportation expenditures increased by \$354,312 or 5.32% because of new contract prices and the resumption of activities post pandemic.

As indicated on the graphs that follow, the School District relies upon real property taxes as its primary revenue source for Government Activities. The School District's instruction costs account for approximately 77.9% of its expenses.

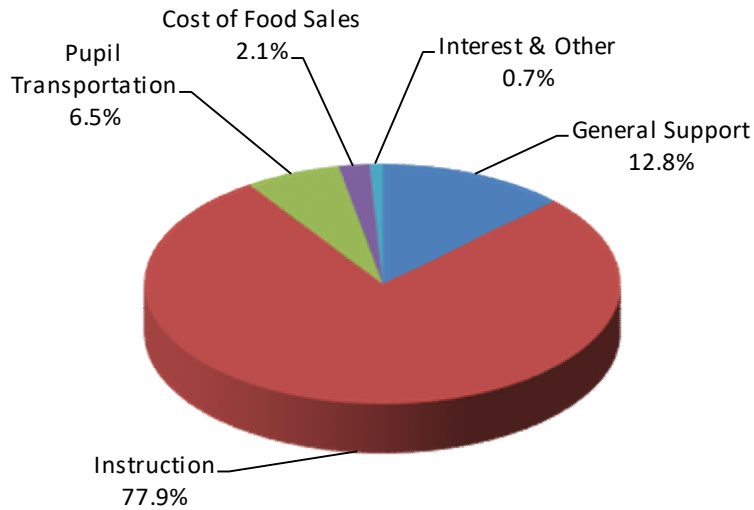
## Sources of Revenue for Fiscal Year 2025



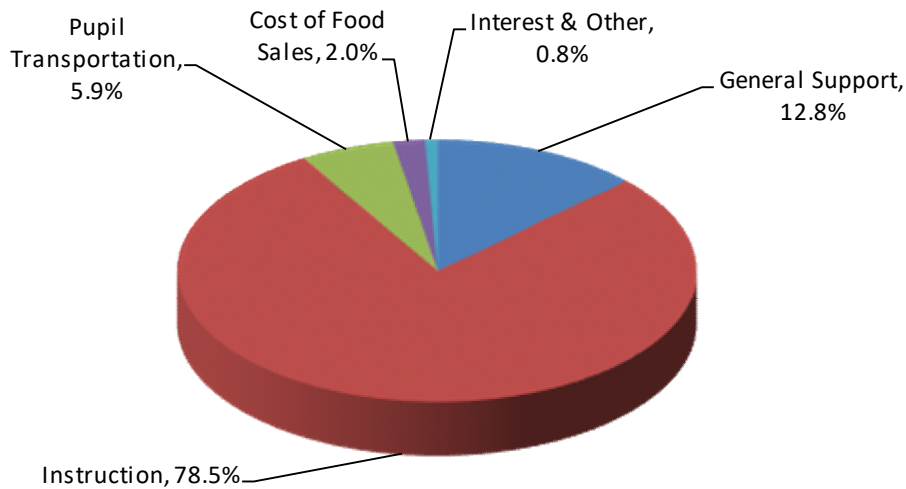
## Sources of Revenue for Fiscal Year 2024



### Expenses for Fiscal Year 2025 Governmental Activities



### Expenses for Fiscal Year 2024 Governmental Activities



### Financial Analysis of the School District’s Funds

Variations between years for the governmental fund financial statements are not the same as variations between years for the District-wide financial statements. The School District's governmental funds are presented on the current financial resources measurement focus and the modified accrual basis of accounting. Based on this presentation, governmental funds do not include long-term debt liabilities for the funds' projects and capital assets purchased by the funds. Governmental funds will include the proceeds received from the issuance of debt, the current payments for capital assets, and the current payments for debt.

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

### *Governmental Funds*

The focus of the School District's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the School District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported combined fund balances of \$37,594,688, a decrease of \$4,264,536 from the prior year. This decrease is a result of capital outlay expenditures of more than \$9 million in the current year. The \$37,594,688 fund balance consists of the following:

Nonspendable	\$	1,154
Restricted		36,977,750
Assigned		508,274
Unassigned		107,510

The definitions of the types of items included in each of these categories are included in Note 1 to the financial statements. A detailed chart of each of the individual amounts in each category is included in Note 3I in the notes to financial statements.

### **General Fund Budgetary Highlights**

The original, voter approved adopted budget of \$113,416,040 was increased by \$431,800 as a result of the rollover of prior year encumbrances. The budget was further revised by \$9,000,000 transfer from the capital reserve to the Capital Projects Fund. As a result, the final budget totaled \$122,847,840.

Revenue Highlights include:

- Increase in taxes due to increased tax levy and decrease in STAR
- Decrease in STAR reimbursement revenue due to changes in NYS Law
- State aid exceeded the budgeted amount by \$743,422 due to significant collections from prior years and changes to basic formula
- Increase in non-property tax distribution from County due to fiscal recovery post pandemic
- Earning on investments exceeded the budget by \$1,053,432 due to the strong interest rate environment

Expenditure Highlights include:

- The expenditure savings occurred as a result of favorable salary breakage across all functional areas, combined with lower than expected increases in the health insurance premiums which resulted in lower than expected employee benefit costs and savings realized by curtailing discretionary spending in all functional areas. Expenditures under budget were realized in General Support (\$903,881), Instruction (\$3,641,460) and Employee Benefits (\$773,459).

At the end of the current fiscal year, the total fund balance of the General Fund was \$41,770,693, of which \$4,724,927 was unassigned, representing 4.0% of the ensuing year's budget. As previously mentioned, New York State Law limits the amount of unassigned fund balance that can be retained to 4% of the ensuing year's budget, exclusive of the amount designated for the subsequent year's budget. The School District was within the statutory limit.

## Capital Assets and Debt Administration

### Capital Assets

By the end of 2025, the School District had invested \$47,349,610 net of depreciation, in a broad range of capital assets, including school buildings, maintenance facilities, athletic facilities, computer and audio-visual equipment, and administrative offices. The change in capital assets, net of accumulated depreciation, is delineated below and provides comparative balances from the prior year.

Changes in the School District's capital assets is presented in Note 3C in the notes to financial statement.

Class	June 30, 2025	June 30, 2024
Land	\$ 239,225	\$ 239,225
Construction-in-Progress	38,121,005	22,471,137
Land Improvements	514,199	594,161
Buildings and Improvements	7,986,288	8,794,845
Machinery and Equipment	488,893	538,954
Total Capital Assets, net of accumulated depreciation	\$ 47,349,610	\$ 32,638,322

### Long-Term Debt

The School District had general obligation and other long-term debt outstanding as follows:

	June 30, 2025	June 30, 2024
General Obligation Bonds Payable	\$ 250,000	\$ 500,000
Installment Purchase Debt Payable	809,688	732,189
Energy Performance Contract Debt Payable	5,612,968	5,921,706
Claims Payable	1,019,086	1,209,776
Compensated Absences	15,062,193 *	8,115,017
Net Pension Liability (ERS and TRS)	3,653,510	6,025,292
Other Post Employment Benefit Liability Payable	97,694,319	111,371,766
	\$ 124,101,764	\$ 133,875,746

\*The School District implemented GASB Statement No. 101 "Compensated Absences".

During the 2024-2025 fiscal year, the School District recorded its net pension liability to ERS and a net pension asset to the TRS as required by the provisions of GASB Statement No. 68. The School District's other postemployment benefit liability was recorded in accordance with the provisions of GASB Statement No. 75. As noted earlier, the decrease was due to an decrease in the discount rate as well as differences between expected and actual experience compared to the previous year. The School District is permitted by New York State only to fund its pay-as-you-go obligations for OPEB.

More detailed information about the School District's long-term liabilities is presented in Note 3F in the notes to financial statements.

## **Factors Bearing on the Future of the School District**

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

- The voters of the School District approved the 2025-2026 budget for \$118,123,184. The School District plans on the use of \$2,600,000 of reserves for next year's budget.
- The national economy continues to have a negative impact on virtually every municipal budget. A result could be that State aid to the School District could be negatively impacted in amount and/or timing.
- Chapter 97 of the Laws of 2011, as amended ("Tax Levy Limitation Law"), modified previous law by imposing a limit on the amount of real property taxes that a school district may levy. Prior to its enactment, there was no statutory limitation on the amount of real property taxes that a school district could levy if its budget had been approved by a simple majority of its voters. In the event the budget had been defeated by the voters, the School District was required to adopt a contingent budget. Under a contingency budget, school budget increases were limited to the lesser of 4% of the prior year's budget or 120% of the consumer price index. Although there are exceptions, exemptions and overrides to the limitation, the new Law is expected to make budgetary decisions more difficult.
- Significant increases in the cost of health insurance and contributions to the retirement systems continue to place a greater burden on the School District's finances. Contributions to the State Retirement Systems are one of the exemptions to the "Tax Levy Limitation Law".
- The School District is currently the only one in both Nassau and Suffolk Counties which must pay tax certiorari judgments directly to the taxpayers. In all other school districts, they are paid by the County. This is an unanticipated annual expenditure which places significant financial burden on the budget.

## **Contacting the District's Financial Management**

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 any questions about this report or need additional financial information, please contact:

Glen Cove City School District  
District Offices  
Attn: Assistant Superintendent for Business  
Dosoris Lane  
Glen Cove, New York 11542  
(516) 801-7030

**Glen Cove City School District, New York**

Statement of Net Position  
June 30, 2025

	Governmental Activities
<b>ASSETS</b>	
Cash and equivalents	\$ 37,559,771
Restricted cash	1,058,339
Investments	31,390,452
Receivables	
Taxes	1,382,686
Accounts	80,056
State and Federal aid	9,153,312
Due from other governments	1,370,259
Inventories	1,154
Net pension asset - TRS	6,552,908
Capital assets	
Not being depreciated	38,360,230
Being depreciated, net	8,989,380
	<hr/>
Total Assets	135,898,547
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related	17,486,204
OPEB related	9,192,946
	<hr/>
Total Deferred Outflows of Resources	26,679,150
<b>LIABILITIES</b>	
Accounts payable	2,823,766
Bond anticipation note payable	28,615,000
Accrued liabilities	1,338,950
Due to other governments	334,642
Due to retirement systems	5,195,790
Unearned revenues	499,826
Accrued interest payable	54,516
Non-current liabilities	
Due within one year	6,823,389
Due in more than one year	117,278,375
	<hr/>
Total Liabilities	162,964,254
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related	8,570,533
OPEB related	68,559,589
	<hr/>
Total Deferred Inflows of Resources	77,130,122
<b>NET POSITION</b>	
Net investment in capital assets	29,932,143
Restricted	
Future Capital projects	9,870,654
Capital projects	11,181,333
Tax certiorari	6,620,174
Workers' compensation benefits	4,173,455
Unemployment benefits	454,183
ERS retirement system contributions	4,030,485
TRS retirement system contributions	4,952,266
Net Pension Asset - TRS	6,552,908
Special purposes	
Extraclassroom activities	87,189
Other	25,386
Unrestricted	<hr/> (155,396,855)
	<hr/>
Total Net Position	\$ (77,516,679)

The notes to financial statements are an integral part of this statement.

(This page intentionally left blank)

**Glen Cove City School District, New York**

Statement of Activities  
Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
<b>Governmental activities</b>					
General support	\$ 13,777,670	\$ 38,635	\$ 864,737	\$ -	\$ (12,874,298)
Instruction	84,375,130	293,636	8,185,477	1,868,201	(74,027,816)
Pupil transportation	7,013,826	-	-	-	(7,013,826)
Community services	15,280	13,905	-	-	(1,375)
Cost of food sales	2,231,343	225,046	2,120,820	-	114,523
Other	375,953	-	355,854	-	(20,099)
Interest	596,818	-	-	-	(596,818)
<b>Total Governmental Activities</b>	<b>\$ 108,386,020</b>	<b>\$ 571,222</b>	<b>\$ 11,526,888</b>	<b>\$ 1,868,201</b>	<b>(94,419,709)</b>
<b>General revenues</b>					
Real property taxes					74,308,998
Other tax items					
School tax relief reimbursement					3,024,816
Payments in lieu of taxes					3,309,497
Interest and penalties on real property taxes					248,969
Non-property taxes					
Non-property tax distribution from County					1,719,747
Unrestricted use of money and property					707,326
Sale of property and compensation for loss					82,226
Unrestricted State aid					27,714,796
Miscellaneous					1,203,576
<b>Total General Revenues</b>					<b>112,319,951</b>
<b>Change in Net Position</b>					<b>17,900,242</b>
<b>NET POSITION</b>					
Beginning, as Reported					(88,486,329)
Cumulative Effect of Change in Accounting Principle					(6,930,592)
Beginning, as Restated					(95,416,921)
Ending					<b>\$ (77,516,679)</b>

The notes to financial statements are an integral part of this statement.

**Glen Cove City School District, New York**

Balance Sheet  
 Governmental Funds  
 June 30, 2025

	General	Special Aid	Capital Projects
<b>ASSETS</b>			
Cash and equivalents	\$ 37,066,277	\$ 62,265	\$ 2,049
Restricted cash	-	-	1,058,339
Investments	-	-	31,390,452
Receivables			
Taxes	1,382,686	-	-
Accounts	80,056	-	-
State and Federal aid	1,118,126	2,944,730	4,936,535
Due from other governments	1,370,259	-	-
Due from other funds	13,606,931	-	-
Inventories	-	-	-
Total Assets	<u>\$ 54,624,335</u>	<u>\$ 3,006,995</u>	<u>\$ 37,387,375</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)</b>			
Liabilities			
Accounts payable	\$ 1,521,467	\$ 67,705	\$ 1,145,652
Bond anticipation note payable	-	-	28,615,000
Accrued liabilities	1,332,351	1,494	-
Due to other governments	334,642	-	-
Due to other funds	3,751,878	2,933,652	6,872,605
Due to retirement systems	5,195,790	-	-
Unearned revenues	60,682	4,144	435,000
Total Liabilities	12,196,810	3,006,995	37,068,257
Deferred inflows of resources			
Unavailable revenues - Miscellaneous - State and Federal aid	656,832	-	4,936,535
Total Liabilities and Deferred Inflows of Resources	<u>12,853,642</u>	<u>3,006,995</u>	<u>42,004,792</u>
Fund balances (Deficits)			
Nonspendable	-	-	-
Restricted	36,865,175	-	-
Assigned	180,591	-	-
Unassigned	4,724,927	-	(4,617,417)
Total Fund Balances	<u>41,770,693</u>	<u>-</u>	<u>(4,617,417)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 54,624,335</u>	<u>\$ 3,006,995</u>	<u>\$ 37,387,375</u>

The notes to financial statements are an integral part of this statement.

Non-Major Governmental	Total Governmental Funds
\$ 429,180	\$ 37,559,771
-	1,058,339
-	31,390,452
-	1,382,686
-	80,056
153,921	9,153,312
-	1,370,259
-	13,606,931
1,154	1,154
<u>\$ 584,255</u>	<u>\$ 95,602,960</u>

\$ 88,942	\$ 2,823,766
-	28,615,000
5,105	1,338,950
-	334,642
48,796	13,606,931
-	5,195,790
-	499,826
<u>142,843</u>	<u>52,414,905</u>
-	5,593,367
<u>142,843</u>	<u>58,008,272</u>
1,154	1,154
112,575	36,977,750
327,683	508,274
-	107,510
<u>441,412</u>	<u>37,594,688</u>
<u>\$ 584,255</u>	<u>\$ 95,602,960</u>

(This page intentionally left blank)

**Glen Cove City School District, New York**

Reconciliation of Governmental Funds Balance Sheet to  
the District-Wide Statement of Net Position  
June 30, 2025

---

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because

Fund Balances - Total Governmental Funds	<u>\$ 37,594,688</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	38,360,230
Capital assets - depreciable	36,894,613
Accumulated depreciation	<u>(27,905,233)</u>
	<u>47,349,610</u>
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	17,486,204
Deferred outflows - OPEB related	9,192,946
Deferred inflows - pension related	(8,570,533)
Deferred inflows - OPEB related	<u>(68,559,589)</u>
	<u>(50,450,972)</u>
Other long-term assets are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds.	
Net pension liability - TRS	6,552,908
Miscellaneous unavailable General and Capital Projects funds	
State and Federal aid revenues	<u>5,593,367</u>
	<u>12,146,275</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(54,516)
General obligation bonds payable	(250,000)
Financed purchase debt payable	(809,688)
Energy performance contract debt payable	(5,612,968)
Claims payable	(1,019,086)
Compensated absences	(15,062,193)
Net pension liability - ERS	(3,653,510)
Net OPEB liability	<u>(97,694,319)</u>
	<u>(124,156,280)</u>
Net Position of Governmental Activities	<u><u>\$ (77,516,679)</u></u>

The notes to financial statements are an integral part of this statement.

**Glen Cove City School District, New York**

Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 Year Ended June 30, 2025

	General	Special Aid	Capital Projects
<b>REVENUES</b>			
Real property taxes	\$ 74,308,998	\$ -	\$ -
Other tax items	6,583,282	-	-
Non-property taxes	1,719,747	-	-
Charges for services	307,541	-	-
Use of money and property	1,610,698	-	-
Sale of property and compensation for loss	82,226	-	-
State aid	27,992,380	1,854,361	-
Federal aid	311,471	5,739,736	-
Miscellaneous	1,205,901	-	-
Total Revenues	<u>114,122,244</u>	<u>7,594,097</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current			
General support	11,323,477	-	-
Instruction	63,148,714	3,866,455	-
Pupil transportation	6,597,223	395,774	-
Community services	15,331	-	-
Employee benefits	23,996,760	-	-
Cost of food sales	-	-	-
Other	-	-	-
Debt service			
Principal	902,731	-	-
Interest	600,460	-	-
Capital outlay	-	-	15,649,868
Total Expenditures	<u>106,584,696</u>	<u>4,262,229</u>	<u>15,649,868</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>7,537,548</u>	<u>3,331,868</u>	<u>(15,649,868)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Financed purchase debt issued	-	-	421,492
Transfers in	-	392,281	14,074,149
Transfers out	<u>(10,742,281)</u>	<u>(3,724,149)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(10,742,281)</u>	<u>(3,331,868)</u>	<u>14,495,641</u>
Net Change in Fund Balances (Deficits)	(3,204,733)	-	(1,154,227)
<b>FUND BALANCES (DEFICITS)</b>			
Beginning of Year	<u>44,975,426</u>	<u>-</u>	<u>(3,463,190)</u>
End of Year	<u>\$ 41,770,693</u>	<u>\$ -</u>	<u>\$ (4,617,417)</u>

The notes to financial statements are an integral part of this statement.

Non-Major Governmental	Total Governmental Funds
\$ -	\$ 74,308,998
-	6,583,282
-	1,719,747
-	307,541
1,517	1,612,215
-	82,226
468,074	30,314,815
1,651,897	7,703,104
580,232	1,786,133
<u>2,701,720</u>	<u>124,418,061</u>
-	11,323,477
-	67,015,169
-	6,992,997
-	15,331
-	23,996,760
2,231,343	2,231,343
375,953	375,953
-	902,731
-	600,460
-	15,649,868
<u>2,607,296</u>	<u>129,104,089</u>
<u>94,424</u>	<u>(4,686,028)</u>
-	421,492
-	14,466,430
-	<u>(14,466,430)</u>
-	<u>421,492</u>
94,424	(4,264,536)
<u>346,988</u>	<u>41,859,224</u>
<u>\$ 441,412</u>	<u>\$ 37,594,688</u>

## Glen Cove City School District, New York

Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended June 30, 2025

---

### Amounts Reported for Governmental Activities in the Statement of Activities are Different Because

Net Change in Fund Balances - Total Governmental Funds	<u>\$ (4,264,536)</u>
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlay expenditures	15,757,064
Depreciation expense	<u>(1,045,776)</u>
	<u>14,711,288</u>
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
State and Federal aid revenues	<u>1,868,201</u>
<p>Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>	
Financed purchase debt issued	(421,492)
Principal paid on general obligation bonds	250,000
Principal paid on financed purchase debt	343,993
Principal paid on energy performance contract debt	<u>308,738</u>
	<u>481,239</u>
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Accrued interest	3,642
Claims	190,690
Compensated absences	(16,584)
Changes in pension liabilities and related deferred outflows and inflows of resources	1,063,736
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>3,862,566</u>
	<u>5,104,050</u>
Change in Net Position of Governmental Activities	<u><u>\$ 17,900,242</u></u>

The notes to financial statements are an integral part of this statement.

**Glen Cove City School District, New York**

Statement of Revenues, Expenditures and Changes in Fund

Balance - Budget and Actual

General Fund

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 74,312,115	\$ 74,312,115	\$ 74,308,998	\$ (3,117)
Other tax items	6,956,896	6,956,896	6,583,282	(373,614)
Non-property taxes	1,500,000	1,500,000	1,719,747	219,747
Charges for services	137,500	137,500	307,541	170,041
Use of money and property	538,631	538,631	1,610,698	1,072,067
Sale of property and compensation for loss	-	-	82,226	82,226
State aid	27,787,398	27,787,398	27,992,380	204,982
Federal aid	259,500	259,500	311,471	51,971
Miscellaneous	45,000	45,000	1,205,901	1,160,901
<b>Total Revenues</b>	<b>111,537,040</b>	<b>111,537,040</b>	<b>114,122,244</b>	<b>2,585,204</b>
<b>EXPENDITURES</b>				
Current				
General support	11,615,631	12,123,898	11,323,477	800,421
Instruction	66,855,976	66,798,058	63,148,714	3,649,344
Pupil transportation	6,508,540	6,667,321	6,597,223	70,098
Community services	18,650	18,650	15,331	3,319
Employee benefits	25,755,279	24,770,219	23,996,760	773,459
Debt service				
Principal	558,738	902,731	902,731	-
Interest	885,026	716,963	600,460	116,503
<b>Total Expenditures</b>	<b>112,197,840</b>	<b>111,997,840</b>	<b>106,584,696</b>	<b>5,413,144</b>
Excess (Deficiency) of Revenues Over Expenditures	(660,800)	(460,800)	7,537,548	7,998,348
<b>OTHER FINANCING USES</b>				
Transfers out	(1,650,000)	(10,850,000)	(10,742,281)	107,719
<b>Net Change in Fund Balances</b>	<b>(2,310,800)</b>	<b>(11,310,800)</b>	<b>(3,204,733)</b>	<b>8,106,067</b>
<b>FUND BALANCES</b>				
Beginning of Year	2,310,800	11,310,800	44,975,426	33,664,626
End of Year	\$ -	\$ -	\$ 41,770,693	\$ 41,770,693

The notes to financial statements are an integral part of this statement.

**Glen Cove City School District, New York**

Statement of Fiduciary Net Position

Fiduciary Fund

June 30, 2025

---

	<u>Custodial Fund</u>
<b>ASSETS</b>	
Due from other governments	<u>\$ 27,389</u>
<b>LIABILITIES</b>	
Due to other governments	<u>\$ 27,389</u>

The notes to financial statements are an integral part of this statement.

**Glen Cove City School District, New York**

Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
June 30, 2025

---

	<u>Custodial Fund</u>
<b>ADDITIONS</b>	
Real property taxes collected for other governments	\$ 3,293,199
<b>DEDUCTIONS</b>	
Payments of real property taxes to other governments	<u>3,293,199</u>
Net Change in Fiduciary Net Position	-
<b>NET POSITION</b>	
Beginning of Year	<u>-</u>
End of Year	<u><u>\$ -</u></u>

The notes to financial statements are an integral part of this statement.

(This page intentionally left blank)

**Note 1 - Summary of Significant Accounting Policies**

The Glen Cove City School District, New York (“School District”), operates in accordance with the provisions of the Education Law of the State of New York. The Board of Education is the legislative body responsible for overall operation of the School District and is elected by the voters of the School District. The Superintendent serves as the chief executive officer. The School District’s primary function is to provide education for its pupils. Services such as transportation of pupils, administration, finance, and plant maintenance support the primary function.

The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The School District’s significant accounting policies are described below:

**A. Financial Reporting Entity**

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

In evaluating how to define the School District, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the School District’s reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

The School District participates in the Nassau County Board of Cooperative Educational Services (“BOCES”), a jointly governed entity. BOCES is a voluntary cooperative association of school districts in a geographic area that share planning, services and programs, which provide educational and support services. There is no authority or process by which a school district can terminate its status as a BOCES component. BOCES’ governing board is elected based on the vote of members of the participating districts’ governing boards. BOCES’ budget is comprised of separate budgets for administrative, program and capital costs. BOCES charges the districts for program costs based on participation and for administrative and capital costs. Each component school district’s share of administrative and capital costs is determined by resident public school enrollment as defined in Education Law. Copies of BOCES’ financial statements can be requested from Nassau County BOCES, 71 Clinton Road, Garden City, New York 11530.

**B. District-Wide Financial Statements**

The district-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the School District as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

The Statement of Net Position presents the financial position of the School District at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The School District does not allocate indirect expenses to functions in the Statement of Activities.

While separate district-wide and fund financial statements are presented, they are interrelated. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter is excluded from the district-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements.

**C. Fund Financial Statements**

The accounts of the School District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts, which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The School District maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the district-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explain the adjustments necessary to transform the fund based financial statements into the governmental activities column of the district-wide presentation. The School District's resources are reflected in the fund financial statements in two broad fund categories, in accordance with generally accepted accounting principles as follows:

**Fund Categories**

- a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following represents the School District's major governmental funds.

General Fund - The General Fund constitutes the primary fund of the School District and is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or

**Note 1 - Summary of Significant Accounting Policies (Continued)**

assigned to expenditure for specified purposes other than debt service or capital projects. The major special revenue fund of the School District is the Special Aid Fund. The Special Aid Fund is used to account for special projects or programs supported in whole or in part with Federal or State funds. The major revenues of this fund are Federal and State aid.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets.

The School District also reports the following non-major governmental funds:

School Lunch Fund - The School Lunch Fund is used to record the operations of the breakfast and lunch programs of the School District.

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the School District in accordance with grantor or contributor stipulations. Among the activities included in the Special Purpose Fund are extraclassroom activity funds.

- b. Fiduciary Fund (Not Included in District-Wide Financial Statements) - Fiduciary Funds are used to account for assets held by the School District on behalf of others. The Custodial Fund is used to account for real property taxes collected for other governments.

**D. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

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

The district-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the Fiduciary Fund. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day

**Note 1 - Summary of Significant Accounting Policies (Continued)**

availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain claims, compensated absences, net pension liability and other postemployment benefit liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt are reported as other financing sources.

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances**

**Cash and Equivalents, Investments and Risk Disclosure**

**Cash and Equivalents** - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

The School District's deposits and investment policies are governed by State statutes. The School District has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The School District is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The School District has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

**Investments** - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

The School District follows the provisions of GASB Statement No. 72, "*Fair Value Measurement and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

The School District participates in the Cooperative Liquid Assets Securities System ("CLASS"), a cooperative investment pool, established pursuant to Articles 3A and 5G of General Municipal Law of the State of New York. CLASS has designated Public Trust Advisors, LLC as its registered investment advisor. Public Trust Advisors, LLC is registered with the Securities and Exchange Commission ("SEC"), and is subject to all of the rules and regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of CLASS.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations of the State of New York and repurchase agreements. These investments are reported at fair value. CLASS issues separately available audited financial statements with a year end of June 30<sup>th</sup>.

The School District's position in the pool at June 30, 2025 of \$31,390,452 is equal to the value of the pool shares. The maximum maturity for any specific investment in the portfolio is 397 days.

CLASS is rated AAAM by Standard & Poor's Rating Service. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. The cooperative invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

Additional information concerning the cooperative is presented in the annual report of CLASS, which may be obtained from Public Trust Advisors, LLC, 717 17<sup>th</sup> Street, Suite 1850, Denver, CO 80202.

**Restricted Cash** - Restricted cash in the Capital Projects Fund consist of unspent proceeds held by an escrow agent pursuant to the School District's energy performance contract.

**Risk Disclosure**

**Interest Rate Risk** - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the School District does not invest in any long-term investment obligations.

**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. GASB Statement No. 40, "*Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*", directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the School District's name. The School District's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at June 30, 2025.

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The School District does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

**Concentration of Credit Risk** - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The School District's investment policy limits the amount on deposit at each of its banking institutions.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Taxes Receivable** - Real property taxes attach as an enforceable lien on real property as of July 1st. Taxes are collected during the period August 1 to June 30. The City of Glen Cove, New York ("City") is responsible for the billing and collection of the taxes. The City guarantees the full payment of the School District warrant and assumes responsibility for the uncollected taxes. The taxes receivable amount of \$1,382,686 was received subsequently in July and August 2025.

**Other Receivables** - Other receivables include amounts due from other governments and individuals for services provided by the School District. Receivables are recorded and revenues recognized as earned or as specific program expenditures are incurred. Allowances are recorded when appropriate.

**Due From/To Other Funds** - During the course of its operations, the School District has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of June 30, 2025, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

**Inventories** - Inventories in the School Lunch Fund consist of food and supplies and are recorded at cost on a first-in, first-out basis or, in the case of surplus food, at a stated value which approximates market. These inventories consist primarily of items held for consumption. The cost is recorded as inventory at the time individual inventory items are purchased. The School District uses the consumption method to relieve inventory. In the fund financial statements, reported amounts are equally offset by nonspendable fund balance, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

**Capital Assets** - Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the district-wide financial statements. Capital assets are defined by the School District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.

Land and construction-in-progress are not depreciated. Property, plant and equipment of the School District are depreciated using the straight line method over the following estimated useful lives.

<u>Class</u>	<u>Life in Years</u>
Land Improvements	20
Buildings and Improvements	30-50
Machinery and Equipment	5-20

**Note 1 - Summary of Significant Accounting Policies (Continued)**

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheet.

**Unearned Revenues** - Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In the district-wide financial statements, unearned revenues consist of revenue received in advance and/or grants received before the eligibility requirements have been met.

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The School District has reported unearned revenues of \$60,682 in the General Fund for health insurance prepayments from retired employees, \$4,144 in the Special Aid Fund for State and Federal Aid received in advance and \$435,000 in the Capital Projects Fund for Federal Emergency Management Agency monies received in advance.

**Deferred Outflows/Inflows of Resources** - In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The School District reported \$656,832 for State and Federal emergency management agency revenues in the General Fund, and \$4,936,535 for unavailable State and Federal revenues in the Capital Projects Fund.

The School District also reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit liabilities in the district-wide financial statements. These amounts are detailed in the discussion of the School District's pension and other postemployment benefit liabilities in Note 3F.

**Long-Term Liabilities** - In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Capital Projects Fund expenditures.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Compensated Absences** - The liability for compensated absences represents the sick time ("leave"/"leave days") and salary related payments which have been earned for services previously rendered by employees in accordance with the School District's various collective bargaining agreements, accumulates, is allowed to be carried over to subsequent year(s) and is deemed more likely than not (by management) to be used for time off or otherwise paid/settled in the future. The liability is calculated based on each employees' rate of pay and the number of unused leave days accumulated as of year-end, management's assumption that the likelihood of future use (either by use during employment or settlement/payment upon separation from service) is probable, and the salary related payments are directly and incrementally associated with payments for the leave. The School District utilizes historical data of past usage patterns to estimate the expected usage and payment of compensated absences. The liability for compensated absences is reflected in the district-wide financial statements as current and long-term liabilities. In the fund financial statements, only the compensated absences liability that has matured through employee resignation or retirement and is expected to be payable from expendable available financial resources is reported. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 101, "*Compensated Absences*".

**Net Pension Liability (Asset)** - The net pension liability (asset) represents the School District's proportionate share of the net pension liability (asset) of the New York State and Local Employees' Retirement System and the New York State Teachers' Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*" and GASB Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date – An amendment of GASB Statement No. 68*".

**Other Postemployment Benefit Liability ("OPEB")** - In addition to providing pension benefits, the School District provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*".

**Net Position** - represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

*Restricted* net position consists of restricted assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position for the School District includes restricted for future capital projects, capital projects, tax certiorari, workers compensation benefits, unemployment benefits, ERS and TRS retirement contributions, TRS net pension asset and special purposes.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

*Unrestricted* net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

**Fund Balance** - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in the General Municipal Law or the Education Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Board of Education is the highest level of decision making authority for the School District that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Board of Education.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Board of Education for amounts assigned for balancing the subsequent year's budget or by delegated authority to the Assistant Superintendent for Business Administration for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive unassigned fund balance. For all governmental funds other than the General Fund, any deficit fund balance is reported unassigned.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the

**Note 1 - Summary of Significant Accounting Policies (Continued)**

order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the School District's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the School District's policy to use fund balance in the following order: committed, assigned, and unassigned.

**F. Encumbrances**

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

**G. Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is October 16, 2025.

**Note 2 - Stewardship, Compliance and Accountability**

**A. Budgetary Data**

The School District generally follows the procedures enumerated below in establishing the budgetary data reflected in the fund financial statements:

- a) At least seven days prior to the budget hearing, a copy of the budget is made available to the voters.
- b) At the budget hearing, the voters may raise questions concerning the items contained in the budget.
- c) The Board of Education establishes a date for the annual meeting, which by law will be held on the third Tuesday in May.
- d) The voters are permitted to vote upon the General Fund budget at the annual meeting.

**Note 2 - Stewardship, Compliance and Accountability (Continued)**

- e) If the original proposed budget is not approved by the voters, the Board of Education has the option of either resubmitting the original or revising the budget for voter approval at a special meeting held at a later date; or the Board of Education may, at that point, adopt a contingency budget. If the Board of Education decides to submit either the original or a revised budget to the voters for a second time, and the voters do not approve the second budget submittal, the Board of Education must adopt a contingency budget and the tax levy cannot exceed the total tax levy of the prior year (0% levy growth). In addition, the administrative component of the contingency budget shall not comprise a greater percentage of the contingency budget exclusive of the capital component than the lesser of either 1) the percentage the administrative component had comprised in the prior year budget exclusive of the capital component; or 2) the percentage the administrative component had comprised in the last proposed defeated budget exclusive of the capital component.
- f) Formal budgetary integration is employed during the year as a management control device for the General Fund.
- g) The budget for the General Fund is legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. The Board of Education does not adopt an annual budget for the Special Aid, School Lunch and Special Purpose funds since other means control the use of these resources (e.g., grants awards) and sometimes span a period of more than one fiscal year.
- h) The Board of Education has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Education. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- i) Appropriations in the General Fund lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the Board of Education.

**B. Limitation on Fund Balance**

The School District is limited to the amount of committed, assigned and unassigned fund balance, with certain exceptions, that can be retained. New York State law limits this amount to 4% of the ensuing year's budget. The School District is within this statutory limit.

**C. Property Tax Limitation**

Chapter 97 of the Laws of 2011, as amended ("Tax Levy Limitation Law"), modified previous law by imposing a limitation on the amount of tax levy growth from one fiscal year to the next. Such limitation is the lesser of (i) 2% or (ii) the annual percentage increase in the CPI subject to certain exclusions. A budget with a tax levy that does not exceed such limit will require approval by at least 50% of the voters. Approval by at least 60% of the voters will be required for a budget with a

**Note 2 - Stewardship, Compliance and Accountability (Continued)**

tax levy in excess of the limit. In the event the voters reject the budget, the tax levy for the school district's budget for the ensuing fiscal year may not exceed the amount of the tax levy for the prior fiscal year. School districts will be permitted to carry forward a certain portion of their unused tax levy limitation from a prior year.

The Tax Levy Limitation Law permits certain significant exclusions to the tax levy limit for school districts. These include taxes to pay the local share of debt service on bonds or notes issued to finance voter approved capital expenditures and the refinancing or refunding of such bonds or notes, certain pension cost increases, and other items enumerated in the Tax Levy Limitation Law. However, such exclusion does not apply to taxes to pay debt service on tax anticipation notes, revenue anticipation notes, budget notes and deficiency notes; and any obligations issued to finance deficits and certain judgements, including tax certiorari refund payments.

**D. Capital Projects Fund Project Deficits and Expenditures in Excess of Budget**

The deficits in the Science Lab, High School and Middle School Rigging, District-Wide Security, Middle School Boilers, High School Boiler Room Expansion Tanks, Deasy Air Handling Unit, 2022 Bond, Storm IDA Mitigation and Repairs and Smart Schools Bond Act capital projects arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

The District-Wide Security, the High School Boiler Room Expansion Tanks, and the Storm IDA – Mitigation and Repairs capital projects exceeded their budgetary appropriations by \$36,344 and \$39,710, respectively.

**E. Cumulative Effect of Change in Accounting Principle**

The School District implemented the provisions of GASB Statement No. 101, "*Compensated Absences*", for the year ended June 30, 2025. In addition to the value of unused leave time owed to employees upon separation from employment, the School District now also recognizes as part of the compensated absences liability an estimated amount of unused leave earned as of year-end that will be used by employees as time off in future years. As a result, the School District has reported a cumulative effect of change in accounting principle to the July 1, 2024 net position of governmental activities of \$(6,930,592).

**F. New Accounting Pronouncement**

GASB Statement No. 102, "*Certain Risk Disclosures*", provides guidance on disclosure for risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. Under this Statement, a government is required to assess whether an event or events associated with a concentration or constraint that could cause substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of GASB Statement No. 102 are effective for the School District's fiscal year ended June 30, 2025. Management has determined that no events have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

**Glen Cove City School District, New York**

Notes to Financial Statements (Continued)  
June 30, 2025

**Note 3 - Detailed Notes on All Funds**

**A. Taxes Receivable**

Taxes receivable at June 30, 2025 consisted of the following:

Current Year Taxes \$ 1,382,686

**B. Interfund Receivables/Payables**

The composition of due from/to other funds at June 30, 2025 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 13,606,931	\$ 3,751,878
Special Aid	-	2,933,652
Capital Projects	-	6,872,605
Non-Major Governmental	-	48,796
	<u>\$ 13,606,931</u>	<u>\$ 13,606,931</u>

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

**C. Capital Assets**

Changes in the School District's capital assets are as follows:

<u>Class</u>	<u>Balance June 30, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2025</u>
Capital Assets, not being depreciated:				
Land	\$ 239,225	\$ -	\$ -	\$ 239,225
Construction-in-Progress	<u>22,471,137</u>	<u>15,649,868</u>	<u>-</u>	<u>38,121,005</u>
Total Capital Assets, not being depreciated	<u>\$ 22,710,362</u>	<u>\$ 15,649,868</u>	<u>\$ -</u>	<u>\$ 38,360,230</u>
Capital Assets, being depreciated:				
Land Improvements	\$ 2,550,564	\$ -	\$ -	\$ 2,550,564
Buildings and Improvements	32,057,149	-	-	32,057,149
Machinery and Equipment	<u>2,197,020</u>	<u>107,196</u>	<u>17,316</u>	<u>2,286,900</u>
Total Capital Assets, being depreciated	<u>36,804,733</u>	<u>107,196</u>	<u>17,316</u>	<u>36,894,613</u>
Less Accumulated Depreciation for:				
Land Improvements	1,956,403	79,962	-	2,036,365
Buildings and Improvements	23,262,304	808,557	-	24,070,861
Machinery and Equipment	<u>1,658,066</u>	<u>157,257</u>	<u>17,316</u>	<u>1,798,007</u>
Total Accumulated Depreciation	<u>26,876,773</u>	<u>1,045,776</u>	<u>17,316</u>	<u>27,905,233</u>
Total Capital Assets, being Depreciated, net	<u>\$ 9,927,960</u>	<u>\$ (938,580)</u>	<u>\$ -</u>	<u>\$ 8,989,380</u>
Capital Assets, net	<u>\$ 32,638,322</u>	<u>\$ 14,711,288</u>	<u>\$ -</u>	<u>\$ 47,349,610</u>

**Glen Cove City School District, New York**

Notes to Financial Statements (Continued)  
 June 30, 2025

**Note 3 - Detailed Notes on All Funds (Continued)**

Depreciation expense was charged to School District functions and programs as follows:

General Support	\$ 426,575
Instruction	<u>619,201</u>
Total Depreciation Expense	<u>\$ 1,045,776</u>

**D. Accrued Liabilities**

Accrued liabilities at June 30, 2025 were as follows:

	<u>General Fund</u>	<u>Special Aid Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
Payroll and Employee Benefits	<u>\$ 1,332,351</u>	<u>\$ 1,494</u>	<u>\$ 5,105</u>	<u>\$ 1,338,950</u>

**E. Short-Term Capital Borrowings – Bond Anticipation Notes Payable**

The schedule below details the changes in short-term capital borrowings.

<u>Purpose</u>	<u>Year of Original Issue</u>	<u>Maturity Date</u>	<u>Rate of Interest</u>	<u>Balance July 1, 2024</u>	<u>New Issues</u>	<u>Redemptions</u>	<u>Balance June 30, 2025</u>
Various	2025	6/25/2026	3.50 %	<u>\$ 7,715,000</u>	<u>\$ 21,250,000</u>	<u>\$ 350,000</u>	<u>\$ 28,615,000</u>

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgments or settled claims are recorded in the fund paying the claim. Principal payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within five years after the original issue date. However, bond anticipation notes issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

Interest expenditures of \$347,175 were recorded in the fund financial statements in the General Fund. Interest expense of \$347,781 was recorded in the government-wide financial statements.

**Glen Cove City School District, New York**

Notes to Financial Statements (Continued)  
June 30, 2025

**Note 3 - Detailed Notes on All Funds (Continued)**

**F. Long-Term Liabilities**

The following table summarizes changes in the School District's long-term liabilities for the year ended June 30, 2025:

	Balance, as Reported July 1, 2024	Cumulative Effect of Change in Accounting Principle *	Balance, as Restated July 1, 2024	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2025	Due Within One-Year
General Obligation Bonds Payable	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ 250,000	\$ 250,000	\$ 250,000
Financed Purchase Debt Payable	732,189	-	732,189	421,492	343,993	809,688	381,155
Energy Performance Contract Debt Payable	5,921,706	-	5,921,706	-	308,738	5,612,968	319,293
Other Non-current Liabilities:							
Claims Payable	1,209,776	-	1,209,776	919,533	1,110,223	1,019,086	517,000
Compensated Absences	8,115,017	6,930,592	15,045,609	16,584 **	-	15,062,193	1,506,000
Net Pension Liability - ERS	3,536,666	-	3,536,666	116,844	-	3,653,510	-
Net Pension Liability - TRS	2,488,626	-	2,488,626	-	2,488,626	-	-
Other Postemployment Benefit Benefit Liability	111,371,766	-	111,371,766	8,337,632	22,015,079	97,694,319	3,849,941
Total Other Non-current Liabilities	126,721,851	6,930,592	133,652,443	9,390,593	25,613,928	117,429,108	5,872,941
Total Long-Term Liabilities	\$ 133,875,746	\$ 6,930,592	\$ 140,806,338	\$ 9,812,085	\$ 26,516,659	\$ 124,101,764	\$ 6,823,389

\*See Note 2E.

\*\*The change in compensated absences liability is presented as a net change.

The School District's indebtedness for general obligation bonds, financed purchase debt, energy performance contract debt, claims, compensated absences, net pension liabilities and other postemployment benefit liabilities is satisfied by the General Fund.

**General Obligation Bonds Payable**

General obligation bonds payable at June 30, 2025 is comprised of the following individual issue:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at June 30, 2025
District-wide Improvements	2010	\$ 3,456,250	May 2026	3.375 %	\$ 250,000

Interest expenditures of \$16,875 were recorded in the fund financial statements in the General Fund. Interest expense of \$15,820 was recorded in the district-wide financial statements.

**Financed Purchase Debt Payable**

In 2022, the School District entered into a lease agreement for the acquisition of certain computer equipment. The terms of the agreement provide for the repayment of the principal amount of \$455,437 in monthly installments, including interest at 3.89%. The balance due at June 30, 2025 is \$120,576.

**Glen Cove City School District, New York**

Notes to Financial Statements (Continued)  
 June 30, 2025

**Note 3 - Detailed Notes on All Funds (Continued)**

In 2023, the School District entered into a lease agreement for the acquisition of certain computer equipment. The terms of the agreement provide for the repayment of the principal amount of \$317,311 in monthly installments, including interest at 3.90%. The balance due at June 30, 2025 is \$78,660.

In 2024, the School District entered into a lease agreement for the acquisition of certain computer equipment. The terms of the agreement provide for the repayment of the principal amount of \$410,080 in monthly installments, including interest at 4.62%. The balance due at June 30, 2025 is \$256,416.

In 2025, the School District entered into a lease agreement for the acquisition of certain computer equipment. The terms of the agreement provide for the repayment of the principal amount of \$243,352 in monthly installments, including interest at 5.49%. The balance due at June 30, 2025 is \$186,681.

In 2025, the School District entered into a lease agreement for the acquisition of certain computer equipment. The terms of the agreement provide for the repayment of the principal amount of \$178,140 in monthly installments, including interest at 5.18%. The balance due at June 30, 2025 is \$167,355.

Interest expenditures of \$38,259 were recorded in the fund financial statements in the General Fund. Interest expense of \$37,901 was recorded in the district-wide financial statements.

**Energy Performance Contract Debt Payable**

The School District has entered into an agreement to finance the cost of installing energy savings equipment and/or to upgrade existing facilities to enhance performance. The terms of the agreement provide for repayment in annual installments, through 2039, including interest at a rate of 3.39%. The balance due at June 30, 2025 was \$5,612,968. Interest expenditures of \$198,151 were recorded in the fund financial statements in the General Fund. Interest expense of \$195,316 was recorded in the district-wide financial statements.

**Payments to Maturity**

The annual requirements to amortize all outstanding bonded, financed purchase debt and energy performance contract debt as of June 30, 2025 including interest payments of \$1,548,056 are as follows:

Year Ending June 30,	General Obligation Bonds		Financed Purchase Debt	
	Principal	Interest	Principal	Interest
	2026	\$ 250,000	\$ 8,438	\$ 381,155
2027	-	-	191,284	17,245
2028	-	-	201,134	7,395
2029	-	-	36,115	784
2030	-	-	-	-
2031-2035	-	-	-	-
2036-2039	-	-	-	-
	<u>\$ 250,000</u>	<u>\$ 8,438</u>	<u>\$ 809,688</u>	<u>\$ 56,132</u>

**Glen Cove City School District, New York**

Notes to Financial Statements (Continued)  
 June 30, 2025

**Note 3 - Detailed Notes on All Funds (Continued)**

Year Ending June 30,	Energy Performance Contract Debt		Total	
	Principal	Interest	Principal	Interest
2026	\$ 319,293	\$ 187,596	\$ 950,448	\$ 226,742
2027	330,209	176,681	521,493	193,926
2028	341,498	165,392	542,632	172,787
2029	353,173	153,717	389,288	154,501
2030	365,247	141,643	365,247	141,643
2031-2035	2,022,295	512,151	2,022,295	512,151
2036-2039	1,881,253	146,306	1,881,253	146,306
	<u>\$ 5,612,968</u>	<u>\$ 1,483,486</u>	<u>\$ 6,672,656</u>	<u>\$ 1,548,056</u>

The above general obligation bonds are direct borrowings of the School District for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the School District.

**Legal Debt Margin**

The School District is subject to legal limitations on the amount of debt that it may issue. The School District's legal debt margin is 10% of the most recent full valuation of taxable real property.

**Claims Payable**

The district-wide financial statement reflects workers' compensation benefit liabilities, which are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported (IBNR's). The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claim costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

An analysis of unpaid claim liabilities is as follows:

	2025	2024
Unpaid Claims - Beginning of Year	\$ 594,593	\$ 428,951
Incurred Claims including IBNR's	424,390	702,638
Claims Paid	<u>(555,060)</u>	<u>(536,996)</u>
Unpaid Claims - End of Year	<u>\$ 463,923</u>	<u>\$ 594,593</u>
Due within One Year	<u>\$ 46,000</u>	<u>\$ 59,000</u>

**Note 3 - Detailed Notes on All Funds (Continued)**

This amount has been recorded as an expense and liability in the district-wide financial statements. Claims payable also includes a liability of \$555,163 for court ordered tax certiorari refunds, which were not due and payable at year-end. These amounts have been recorded as an expense in the district-wide financial statements. The portion of tax certiorari due and payable within one year is \$471,000.

**Compensated Absences**

Under the terms of existing collective bargaining agreements, the School District is required to compensate certain employees for accumulated sick leave. For these employees to receive reimbursement, they must be eligible for retirement, and must give notice pursuant to contract provisions. Clerical, custodial employees and administrators are granted vacation in varying amounts, based primarily on length of service and service position. These benefits may be forfeited if not taken within the varying time periods. The value of the compensated absences is calculated based on pay rates in effect at year-end and has been reflected in the district-wide financial statements.

**Pension Plans**

*New York State and Local Retirement System and Teachers' Retirement System*

The School District participates in the New York State and Local Employees' Retirement System ("ERS"). This is a cost-sharing, multiple-employer defined benefit pension plan. ERS provides retirement benefits as well as death and disability benefits. The net position of the ERS is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all assets and record changes in fiduciary net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the ERS. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the ERS, 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, which provides death benefits in the form of life insurance. The ERS 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/about\\_us/financial\\_statements\\_index.php](http://www.osc.state.ny.us/retire/about_us/financial_statements_index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The School District also participates in the New York State Teachers' Retirement System ("TRS"). This is a cost-sharing, multiple-employer defined benefit pension plan. TRS provides retirement benefits as well as death and disability benefits. The TRS is governed by a ten member Board of Trustees, which sets policy and oversees operations consistent with its fiduciary obligations under applicable law. Obligations of employers and employees to contribute and benefits to employees are governed by the Education Law of the State of New York. Once a public employer elects to participate in the TRS, 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

**Glen Cove City School District, New York**

Notes to Financial Statements (Continued)  
 June 30, 2025

**Note 3 - Detailed Notes on All Funds (Continued)**

TRS issues a stand-alone financial report which may be found at [www.nystrs.org](http://www.nystrs.org) or obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395.

ERS and TRS are noncontributory for employees who joined the systems before July 27, 1976. Employees who joined the systems after July 27, 1976 and before January 1, 2010 contribute 3% of their salary for the first ten years of membership. Employees who joined the systems after January 1, 2010 generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS's fiscal year ending March 31. Pursuant to Article 11 of the Education Law of the State of New York, actuarially determined employer contributions are established annually for the TRS by its Board of Trustees. The employer contribution rates for the ERS plan year ended March 31, 2025 and TRS plan year ended June 30, 2025 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75G	22.6 %
	4 A15	17.9
	5 A15	15.4
	6 A15	11.4
TRS	1-6	10.11 %

At June 30, 2025, the School District reported the following for its proportionate share of the net pension liability for ERS and TRS:

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2025	June 30, 2024
Net pension liability (asset)	\$ 3,653,510	\$ (6,552,908)
School District's proportion of the net pension liability	0.0213086 %	0.219630 %
Change in proportion since the prior measurement date	(0.0027111) %	0.002014 %

The net pension liability was measured as of March 31, 2025 for ERS and June 30, 2024 for TRS and the total pension liability used to calculate the net pension liability were determined by actuarial valuations as of those dates. The School District's proportion of the net pension liability for ERS was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. The School District's proportion of the net pension liability for TRS was based on the School District's contributions to the pension plan relative to the contributions of all participating members.

For the year ended June 30, 2025, the School District recognized pension expense in the district-wide financial statements of \$4,447,739 (\$885,351 for ERS and \$3,562,388 for TRS). Pension expenditures for ERS of \$1,275,829 were reported in the fund financial statements and were charged to the General Fund. Pension expenditures for TRS of \$4,235,646 were recorded in the fund financial statements in the General Fund.

**Glen Cove City School District, New York**

Notes to Financial Statements (Continued)  
 June 30, 2025

**Note 3 - Detailed Notes on All Funds (Continued)**

At June 30, 2025, the School District reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS		TRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 906,826	\$ 42,776	\$ 7,056,278	\$ -
Changes of assumptions	153,221	-	3,919,967	659,375
Net difference between projected and actual earnings on pension plan investments	286,644	-	-	7,280,839
Changes in proportion and differences between School District contributions and proportionate share of contributions	425,990	267,276	156,698	320,267
School District contributions subsequent to the measurement date	344,934	-	4,235,646	-
	<u>\$ 2,117,615</u>	<u>\$ 310,052</u>	<u>\$ 15,368,589</u>	<u>\$ 8,260,481</u>
	<u>Total</u>			
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 7,963,104	\$ 42,776		
Changes of assumptions	4,073,188	659,375		
Net difference between projected and actual earnings on pension plan investments	286,644	7,280,839		
Changes in proportion and differences between School District contributions and proportionate share of contributions	582,688	587,543		
School District contributions subsequent to the measurement date	4,580,580	-		
	<u>\$ 17,486,204</u>	<u>\$ 8,570,533</u>		

\$344,934 reported as deferred outflows of resources related to ERS resulting from the School District's accrued contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the plan's year ended March 31, 2026. The \$4,235,646 reported as deferred outflows of resources related to TRS will be recognized as a decrease of the net pension liability in the plan's year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and TRS will be recognized in pension expense as follows:

Year Ended	March 31,	June 30,
	ERS	TRS
2025	\$ -	\$ (3,434,519)
2026	709,489	7,989,870
2027	1,006,973	(1,360,203)
2028	(270,950)	(1,495,120)
2029	17,117	851,690
Thereafter	-	320,744
	<u>\$ 1,462,629</u>	<u>\$ 2,872,462</u>

**Note 3 - Detailed Notes on All Funds (Continued)**

The total pension liability for the ERS and TRS measurement dates were determined by using actuarial valuation dates as noted below, with update procedures used to roll forward the total pension liabilities to those measurement dates. Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement Date	March 31, 2025	June 30, 2024
Actuarial valuation date	April 1, 2024	June 30, 2023
Investment rate of return	5.9% *	6.95% *
Salary scale	4.3%	1.95%-5.18%
Inflation rate	2.9%	2.4%
Cost of living adjustments	1.5%	1.3%

\*Compounded annually, net of pension plan investment expenses, including inflation.

For ERS, annuitant mortality rates are based on the ERS’s experience with adjustments for mortality improvements based on Society of Actuaries’ Scale MP-2021. For TRS, annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries’ Scale MP-2021, applied on a generational basis. Active member mortality rates are based on plan member experience.

The actuarial assumptions used in the ERS valuation were based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020. The actuarial assumptions used in the TRS valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020.

For ERS, 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 return, net of investment expenses 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.

For TRS, 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.

**Glen Cove City School District, New York**

Notes to Financial Statements (Continued)  
 June 30, 2025

**Note 3 - Detailed Notes on All Funds (Continued)**

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation is summarized in the following table:

Asset Type	ERS March 31, 2025		TRS June 30, 2024	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	25 %	3.54 %	33 %	6.6 %
International Equity	14	6.57	15	7.4
Private Equity	15	7.25	9	10.0
Real Estate	12	4.95	11	6.3
Domestic Fixed Income Securities	-	-	16	2.6
Global Fixed Income Securities	-	-	2	2.5
High Yield Fixed Income Securities	-	-	1	4.8
Global Equities	-	-	4	6.9
Private Debt	-	-	2	5.9
Real Estate Debt	-	-	6	3.9
Opportunistic/Absolute Return Strategy	3	5.25	-	-
Credit	4	5.40	-	-
Real Assets	4	5.55	-	-
Fixed Income	22	2.00	-	-
Cash	1	0.25	1	0.5
	<u>100 %</u>		<u>100 %</u>	

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

The discount rate used to calculate the total pension liability was 5.9% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

**Glen Cove City School District, New York**

Notes to Financial Statements (Continued)  
 June 30, 2025

**Note 3 - Detailed Notes on All Funds (Continued)**

	1% Decrease (4.90%)	Current Discount Rate (5.90%)	1% Increase (6.90%)
School District's proportionate share of the ERS net pension liability (asset)	<u>\$ 10,573,717</u>	<u>\$ 3,653,510</u>	<u>\$ (2,124,868)</u>
	1% Decrease (5.95%)	Current Discount Rate (6.95%)	1% Increase (7.95%)
School District's proportionate share of the TRS net pension liability (asset)	<u>\$ 30,268,259</u>	<u>\$ (6,552,908)</u>	<u>\$ (37,520,497)</u>

The components of the collective net pension liability as of the March 31, 2025 ERS measurement date and the June 30, 2024 TRS measurement date were as follows:

	<u>ERS</u>	<u>TRS</u>
Total pension liability	\$ 247,600,239,000	\$ 142,837,826,465
Fiduciary net position	<u>230,454,512,000</u>	<u>145,821,434,780</u>
Employers' net pension liability (asset)	<u>\$ 17,145,727,000</u>	<u>\$ (2,983,608,315)</u>
Fiduciary net position as a percentage of total pension liability	<u>93.08%</u>	<u>102.09%</u>

Employer contributions to ERS are paid annually and cover the period through the end of ERS's fiscal year, which is March 31<sup>st</sup>. Accrued retirement contributions as of June 30, 2025 represent the projected employer contribution for the period April 1, 2025 through June 30, 2025 based on paid ERS wages multiplied by the employers' contribution rate, by tier. Employee contributions are remitted monthly.

Employer and employee contributions for the year ended June 30, 2025 are paid to TRS in the following fiscal year through a state aid intercept or, if state aid is insufficient, through a payment by the School District to TRS. Accrued retirement contributions as of June 30, 2025 represent employee and employer contributions for the fiscal year ended June 30, 2025 based on paid TRS wages multiplied by the employers' contribution rate plus employee contributions for the fiscal year as reported to TRS.

Accrued retirement contributions as of June 30, 2025 were \$344,934 to ERS and \$4,850,856 to TRS, inclusive of \$615,210 of employee contributions.

*Voluntary Defined Contribution Plan*

The School District can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending upon salary and the School District will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in the program.

**Note 3 - Detailed Notes on All Funds (Continued)**

**Other Postemployment Benefit Liability (“OPEB”)**

In addition to providing pension benefits, the School District provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the School District may vary according to length of service. The cost of providing postemployment health care benefits is shared between the School District and the retired employee as noted below. Substantially all of the School District's employees may become eligible for those benefits if they reach normal retirement age while working for the School District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other than Pensions”, so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	326
Inactive employees entitled to but not yet receiving benefit payments	1
Active employees	<u>640</u>
	<u><u>967</u></u>

The School District’s total OPEB liability of \$97,694,319 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2023.

The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.50%
Discount rate	5.20%
Healthcare cost trend rates	6.0% for 2025, decreasing 0.5% per year to an ultimate rate of 5.00% for 2028 and later years
Retirees' share of benefit-related costs	Varies from 5% to 65% depending on applicable retirement year and bargaining unit

The discount rate was based on the Bond Buyer’s 20 Bond Index.

Mortality rates were based on the Society of Actuaries Mortality Projection Scale MP-2021.

The School District’s change in the total OPEB liability for the year ended June 30, 2025 is as follows:

Total OPEB Liability - Beginning of Year	\$ 111,371,766
Service cost	3,883,040
Interest	4,454,592
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(18,165,138)
Benefit payments	<u>(3,849,941)</u>
Total OPEB Liability - End of Year	<u><u>\$ 97,694,319</u></u>

**Glen Cove City School District, New York**

Notes to Financial Statements (Continued)  
June 30, 2025

**Note 3 - Detailed Notes on All Funds (Continued)**

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.2%) or 1 percentage point higher (6.2%) than the current discount rate:

	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
Total OPEB Liability	<u>\$ 112,891,420</u>	<u>\$ 97,694,319</u>	<u>\$ 85,435,652</u>

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease (5.00% decreasing to 4.00%)	Current Healthcare Cost Trend Rates (6.00% decreasing to 5.00%)	1% Increase (7.00% decreasing to 6.00%)
Total OPEB Liability	<u>\$ 83,435,776</u>	<u>\$ 97,694,319</u>	<u>\$ 115,904,773</u>

For the year ended June 30, 2025, the School District recognized OPEB expense of \$(12,625) in the district-wide financial statements. At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 9,168,680	\$ 40,910,535
Differences between expected and actual experience	<u>24,266</u>	<u>27,649,054</u>
	<u>\$ 9,192,946</u>	<u>\$ 68,559,589</u>

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,	
2026	\$ (8,350,257)
2027	(11,789,748)
2028	(13,351,315)
2029	(11,550,652)
2030	(7,982,261)
Thereafter	<u>(6,342,410)</u>
	<u>\$ (59,366,643)</u>

**Note 3 - Detailed Notes on All Funds (Continued)**

**G. Revenues and Expenditures**

**Interfund Transfers**

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without equivalent flows of assets in return. The interfund transfers reflected below have been reported as transfers.

Transfers Out	Transfers In		Total
	Special Aid Fund	Capital Projects Fund	
General Fund	\$ 392,281	\$ 10,350,000	\$ 10,742,281
Special Aid Fund	-	3,724,149	3,724,149
	<u>\$ 392,281</u>	<u>\$ 14,074,149</u>	<u>\$ 14,466,430</u>

Transfers are used to 1) move amounts earmarked in the operating funds to fulfill commitments for Special Aid and Capital Projects fund expenditures and 2) move unexpended Capital Projects Fund balances to the General Fund that originally provided the funding.

**H. Net Position**

The components of net position are detailed below:

*Net Investment in Capital Assets* - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

*Restricted for Future Capital Projects* - the component of net position that has been established to set aside funds to be used for future capital projects.

*Restricted for Capital Projects* - the component of net position that reports the amounts restricted for capital projects, exclusive of unexpended bond proceeds and unrestricted interest earnings.

*Restricted for Tax Certiorari* - the component of net position that has been established in accordance with the Education Law of the State of New York to provide funding for court ordered tax refunds which are currently in process.

*Restricted for Workers' Compensation Benefits* - the component of net position that has been established to set aside funds to be used for a specific purpose in accordance with Section 6-j of the General Municipal Law of the State of New York.

*Restricted for Unemployment Benefits* - the component of net position that has been established to set aside funds to be used for a specific purpose in accordance with Section 6-m of the General Municipal Law of the State of New York.

**Note 3 - Detailed Notes on All Funds (Continued)**

*Restricted for ERS Retirement System Contributions* - the component of net position that reports the amounts set aside to be used for ERS retirement costs in accordance with Section 6-r of the General Municipal Law of the State of New York.

*Restricted for TRS Retirement Contributions* - the component of net position that reports the amounts set aside to be used for TRS retirement costs in accordance with Section 6-r of the General Municipal Law of the State of New York.

*Restricted for TRS Pension* - the component of net position that reports the amount of the TRS net pension asset in accordance with the provisions of GASB Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*".

*Restricted for Special Purposes* - the component of net position that has been established to set aside funds to be used for extraclassroom activities and other purposes with constraints placed on their use by either external parties and/or statute.

*Unrestricted* - all other amounts that do not meet the definition of "restricted" or "net investment in capital assets".

**Glen Cove City School District, New York**

Notes to Financial Statements (Continued)  
 June 30, 2025

**Note 3 - Detailed Notes on All Funds (Continued)**

**I. Fund Balances**

	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable - Inventories	\$ -	\$ -	\$ 1,154	\$ 1,154
Restricted:				
Tax certiorari	6,070,174	-	-	6,070,174
Tax certiorari - for subsequent year's expenditures	550,000	-	-	550,000
Workers' compensation benefits	3,723,455	-	-	3,723,455
Workers' compensation benefits - for subsequent year's expenditures	450,000	-	-	450,000
Employee benefit accrued liability	6,210,116	-	-	6,210,116
Employee benefit accrued liability - for subsequent year's expenditures	250,000	-	-	250,000
Unemployment benefits	394,183	-	-	394,183
Unemployment benefits - for subsequent year's expenditures	60,000	-	-	60,000
ERS retirement system contributions	3,390,485	-	-	3,390,485
ERS retirement system contributions - for subsequent year's expenditures	640,000	-	-	640,000
TRS retirement system contributions	4,302,266	-	-	4,302,266
TRS retirement system contributions - for subsequent year's expenditures	650,000	-	-	650,000
Restricted for debt	303,842	-	-	303,842
Future capital projects	9,870,654	-	-	9,870,654
Special purposes - extraclassroom activities	-	-	87,189	87,189
Special purposes - other	-	-	25,386	25,386
<b>Total Restricted</b>	<b>36,865,175</b>	<b>-</b>	<b>112,575</b>	<b>36,977,750</b>
Assigned:				
Purchases on order:				
General government support	172,813	-	-	172,813
Instruction	7,777	-	-	7,777
	180,590	-	-	180,590
School Lunch Fund	-	-	327,683	327,683
<b>Total Assigned</b>	<b>180,590</b>	<b>-</b>	<b>327,683</b>	<b>508,273</b>
Unassigned	4,724,928	(4,617,417)	-	107,511
<b>Total Fund Balances</b>	<b>\$ 41,770,693</b>	<b>\$ (4,617,417)</b>	<b>\$ 441,412</b>	<b>\$ 37,594,688</b>

Certain elements of fund balance are described above. Those additional elements, which are not reflected in the Statement of Net Position but are reported in the governmental funds balance sheet are described below.

Inventories in the School Lunch Fund have been classified as nonspendable to indicate that a portion of fund balance is not "available" for expenditure because the asset is in the form of commodities and the School District anticipates utilizing them in the normal course of operations.

**Note 3 - Detailed Notes on All Funds (Continued)**

Employee Benefit Accrued Liability - the component of fund balance that has been restricted pursuant to Section 6-r of the General Municipal Law of the State of New York to provide funds for the payment of unused sick time and other forms of payment for accrued leave time granted upon termination or separation from service.

Purchases on order are assigned and represent the School District's intention to honor the contracts in process at year-end. The subsequent year's appropriation will be amended to provide authority to complete the transactions.

Subsequent year's expenditures represent that at June 30, 2025, the Board of Education has utilized the above amounts to be appropriated for the ensuing year's budget.

Assigned for School Lunch Fund represents the component of fund balance that reports the difference between assets and liabilities in the School Lunch Fund.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted, committed or assigned. Unassigned fund balance in the Capital Projects Fund represents the deficit balances in the Capital Projects.

**Note 4 - Summary Disclosure of Significant Contingencies**

**A. Litigation**

The School District, in common with other School District's, receives numerous notices of claims for monetary damages arising from property damage or personal injury. Of all the claims currently pending, none are expected to have a material effect on the School District's financial position if adversely affected.

A lawsuit has been commenced against the School District seeking turnover from the School District of school taxes paid for certain residential properties bisected by the boundary line of another school district ("split properties") for instructional services allegedly provided by this other school district for children residing at those properties. The final and potential impact, if any, on the School District cannot be presently determined at this time and no provision for loss has been included in the financial statements.

**B. Contingencies**

The School District participates in various Federal grant programs. These programs are subject to program compliance audits pursuant to the Uniform Guidance. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School District anticipates such amounts, if any, to be immaterial.

The School District is subject to audits of State aid by the New York State Education Department. The amount of aid previously paid to the School District which may be disallowed cannot be determined at this time, although the School District anticipates such amounts, if any, to be immaterial.

**Glen Cove City School District, New York**

Notes to Financial Statements (Continued)  
 June 30, 2025

**Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

**B. Risk Management**

The School District is exposed to various risks of loss. The School District purchases various insurance coverages from independent third parties to reduce its exposure to loss. In addition to other coverages, the School District maintains commercial general liability insurance coverage with policy limits of \$1 million per occurrence. The School District also maintains school board legal and employment practices liability coverage for school board members and employees up to \$1 million per claim and \$3 million in the aggregate and an excess catastrophe liability policy (umbrella) with a limit of \$15 million per occurrence/claim. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The School District participates in the New York Schools Insurance Reciprocal (“NYSIR”), a not-for-profit municipally owned insurance company, for its School District property and liability insurance coverage. NYSIR is a New York State licensed and filed insurance company that exclusively insures its member New York public school districts and BOCES’. The School District has essentially transferred its property and liability risk to the reciprocal pool.

The School District has established a self-insured plan for risks associated with workers’ compensation claims. The workers’ compensation claims are covered up to statutory limits. Insurance coverage has been secured for losses in excess of \$650,000 up to statutory limits. Liabilities of the plan are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include provisions for claims reported and claims incurred but not reported.

**Note 5 - Tax Abatement**

The School District has real property tax abatement agreements with the City of Glen Cove (“City”) and the County of Nassau Industrial Development Agency (“IDA”), established by Article 18-A of General Municipal Law of New York State, under the authority of New York State General Municipal Law Section 922.

Copies of the agreements may be obtained from the School District. Information relevant to disclosure of these agreements for the fiscal year ended June 30, 2025 is as follows:

<u>Start Date</u>	<u>Agreement</u>	<u>Taxable Assessed Value</u>	<u>Tax Rate</u>	<u>Tax Value</u>	<u>PILOT Received</u>	<u>Taxes Abated</u>
11/1/2001	Avalon I	\$ 49,323,500	\$ 3.93	\$ 1,938,414	\$ 1,210,239	\$ 728,175
12/27/2013	Movie Theatre	2,428,500	3.93	95,440	49,102	46,338
12/1/2014	Fair Housing	8,259,000	1.26	104,063	45,203	58,860
4/19/2016	The Regency	8,072,000	3.93	317,230	316,407	823
12/1/2016	Samuel Pierce Apartments	6,107,000	3.93	240,005	41,347	198,658
12/1/2017	50 Glen Street	2,575,000	3.93	101,198	101,090	108
1/1/2019	Village Square	18,900,000	3.93	742,770	134,601	608,169
1/1/2024	Livingston	2,552,185	3.92	100,046	102,505	(2,459)
				<u>\$ 3,639,165</u>	<u>\$ 2,000,494</u>	<u>\$ 1,638,671</u>

**Glen Cove City School District, New York**

Notes to Financial Statements (Concluded)  
June 30, 2025

---

**Note 5 - Tax Abatement (Continued)**

The School District also received a PILOT payment in the amount of \$1,309,005 from the City related to the Long Island Power Authority. This PILOT is not considered a tax abatement as the purpose of this agreement was not to abate taxes.

**Note 6 - Recently Issued GASB Pronouncements**

GASB Statement No. 103, “*Financial Reporting Model Improvements*”, has been issued to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

GASB Statement No. 104, “*Disclosure of Certain Capital Assets*”, requires certain types of capital assets to be disclosed separately in the capital assets note disclosures. Governments must separately present lease assets, right-to-use assets from public-private or public-public partnerships, subscription assets and all other intangible assets by major class. For capital assets held for sale—assets a government has decided to sell with completion of the sale probable within one year of the financial statement date—governments must disclose the historical cost, accumulated depreciation (or amortization), and the carrying amount of any pledged debt related to those assets. This Statement affects only presentation and disclosure of capital assets, not recognition or measurement requirements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the School District believes will most impact its financial statements. The School District will evaluate the impact this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

\*\*\*\*\*

**Glen Cove City School District, New York**

Required Supplementary Information - Schedule of Changes in the  
 School District's Total OPEB Liability and Related Ratios  
 Last Ten Fiscal Years (1) (2)

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Total OPEB Liability:			
Service cost	\$ 3,883,040	\$ 4,108,610	\$ 5,274,160
Interest	4,454,592	4,154,708	5,079,309
Differences between expected and actual experience	-	(32,603,569)	-
Changes in assumptions or other inputs	(18,165,138)	(4,681,225)	(2,515,299)
Benefit payments	<u>(3,849,941)</u>	<u>(3,350,431)</u>	<u>(4,567,586)</u>
Net Change in Total OPEB Liability	(13,677,447)	(32,371,907)	3,270,584
Total OPEB Liability – Beginning of Year	<u>111,371,766</u>	<u>143,743,673</u>	<u>140,473,089</u>
Total OPEB Liability – End of Year	<u>\$ 97,694,319</u>	<u>\$ 111,371,766</u>	<u>\$ 143,743,673</u>
School District's covered-employee payroll	<u>\$ 47,737,038</u>	<u>\$ 46,856,410</u>	<u>\$ 45,378,745</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>205%</u>	<u>238%</u>	<u>317%</u>
Discount Rate	<u>5.20%</u>	<u>3.93%</u>	<u>3.65%</u>

(1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

(2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.

(3) Restated for the implementation of the provisions of GASB Statement No. 75.

See independent auditors' report.

2022	2021	2020	2019	2018	
\$ 7,775,441	\$ 6,185,271	\$ 3,882,402	\$ 4,307,806	\$ 4,436,118	
3,781,168	3,740,682	4,764,455	4,564,330	4,241,500	
(2,244,447)	(136,770)	(14,225,354)	(142,206)	62,106	
(37,524,644)	1,621,577	49,269,711	(5,409,208)	-	
<u>(3,946,236)</u>	<u>(3,690,473)</u>	<u>(3,634,761)</u>	<u>(3,774,635)</u>	<u>(3,754,667)</u>	
(32,158,718)	7,720,287	40,056,453	(453,913)	4,985,057	
<u>172,631,807</u>	<u>164,911,520</u>	<u>124,855,067</u>	<u>125,308,980</u>	<u>120,323,923</u>	(3)
<u>\$ 140,473,089</u>	<u>\$ 172,631,807</u>	<u>\$ 164,911,520</u>	<u>\$ 124,855,067</u>	<u>\$ 125,308,980</u>	
<u>\$ 44,271,947</u>	<u>\$ 41,024,579</u>	<u>\$ 40,014,189</u>	<u>\$ 40,487,744</u>	<u>\$ 39,308,489</u>	
<u>317%</u>	<u>421%</u>	<u>412%</u>	<u>308%</u>	<u>319%</u>	
<u>3.54%</u>	<u>2.16%</u>	<u>2.21%</u>	<u>3.87%</u>	<u>3.87%</u>	

**Glen Cove City School District, New York**

Required Supplementary Information - Schedule of the  
New York State Teachers' Retirement System  
Last Ten Fiscal Years

Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset) (1)

	2025 (3)	2024 (3)	2023 (2)	2022 (3)
School District's proportion of the net pension liability (asset)	<u>0.219630%</u>	<u>0.217616%</u>	<u>0.220777%</u>	<u>0.215748%</u>
School District's proportionate share of the net pension liability (asset)	<u>\$ (6,552,908)</u>	<u>\$ 2,488,626</u>	<u>\$ 4,236,476</u>	<u>\$ (37,387,024)</u>
School District's covered payroll	<u>\$ 41,935,195</u>	<u>\$ 40,188,266</u>	<u>\$ 39,108,786</u>	<u>\$ 38,074,877</u>
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	<u>-15.63%</u>	<u>6.19%</u>	<u>10.83%</u>	<u>(98.19)%</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	<u>102.10%</u>	<u>99.17%</u>	<u>98.57%</u>	<u>113.20%</u>
Discount Rate	<u>6.95%</u>	<u>6.95%</u>	<u>6.95%</u>	<u>6.95%</u>

Schedule of Contributions

	2025	2024	2023	2022
Contractually required contribution	\$ 4,234,879	\$ 4,092,875	\$ 4,135,373	\$ 3,832,661
Contributions in relation to the contractually required contribution	<u>(4,234,879)</u>	<u>(4,092,875)</u>	<u>(4,135,373)</u>	<u>(3,832,661)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	<u>\$ 41,888,022</u>	<u>\$ 41,935,195</u>	<u>\$ 40,188,266</u>	<u>\$ 39,108,786</u>
Contributions as a percentage of covered payroll	<u>10.11%</u>	<u>9.76%</u>	<u>10.29%</u>	<u>9.80%</u>

(1) The amounts presented for each fiscal year were determined as of the June 30 measurement date of the prior fiscal year.

(2) Increase in the School District's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

(3) Decrease in the School District's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

<u>2021 (2)</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>0.212736%</u>	<u>0.214532%</u>	<u>0.211353%</u>	<u>0.215753%</u>	<u>0.217187%</u>	<u>0.218589%</u>	<u>0.221498%</u>
<u>\$ 5,878,458</u>	<u>\$ (5,573,543)</u>	<u>\$ (3,821,825)</u>	<u>\$ (1,639,938)</u>	<u>\$ 2,326,168</u>	<u>\$ (22,704,389)</u>	<u>\$ (24,673,535)</u>
<u>\$ 36,107,957</u>	<u>\$ 35,809,765</u>	<u>\$ 34,959,034</u>	<u>\$ 34,187,065</u>	<u>\$ 34,406,892</u>	<u>\$ 32,834,973</u>	<u>\$ 32,506,623</u>
<u>16.28%</u>	<u>(15.56)%</u>	<u>(10.93)%</u>	<u>(4.80)%</u>	<u>6.76%</u>	<u>(69.15)%</u>	<u>(75.90)%</u>
<u>97.76%</u>	<u>102.17%</u>	<u>101.53%</u>	<u>100.66%</u>	<u>99.01%</u>	<u>110.46%</u>	<u>111.48%</u>
<u>7.10%</u>	<u>7.10%</u>	<u>7.25%</u>	<u>7.25%</u>	<u>7.50%</u>	<u>8.00%</u>	<u>8.00%</u>

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>\$ 3,488,068</u>	<u>\$ 3,199,165</u>	<u>\$ 3,802,997</u>	<u>\$ 3,425,985</u>	<u>\$ 4,006,724</u>	<u>\$ 4,562,354</u>	<u>\$ 5,755,971</u>
<u>(3,488,068)</u>	<u>(3,199,165)</u>	<u>(3,802,997)</u>	<u>(3,425,985)</u>	<u>(4,006,724)</u>	<u>(4,562,354)</u>	<u>(5,755,971)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 38,074,877</u>	<u>\$ 36,107,957</u>	<u>\$ 35,809,765</u>	<u>\$ 34,959,034</u>	<u>\$ 34,187,065</u>	<u>\$ 34,406,892</u>	<u>\$ 32,834,973</u>
<u>9.16%</u>	<u>8.86%</u>	<u>10.62%</u>	<u>9.80%</u>	<u>11.72%</u>	<u>13.26%</u>	<u>17.53%</u>

**Glen Cove City School District, New York**

Required Supplementary Information - Schedule of the  
New York State and Local Employees' Retirement System  
Last Ten Fiscal Years

Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset) (1)

	2025 (2)	2024 (3)	2023 (2)	2022 (3)
School District's proportion of the net pension liability	<u>0.0213086%</u>	<u>0.0240197%</u>	<u>0.0222428%</u>	<u>0.0206595%</u>
School District's proportionate share of the net pension liability (asset)	<u>\$ 3,653,510</u>	<u>\$ 3,536,666</u>	<u>\$ 4,769,754</u>	<u>\$ (1,688,832)</u>
School District's covered payroll	<u>\$ 8,662,576</u>	<u>\$ 8,393,259</u>	<u>\$ 8,127,420</u>	<u>\$ 7,412,507</u>
School District's proportionate share of the net pension liability as a percentage of its covered payroll	<u>42.18%</u>	<u>42.14%</u>	<u>58.69%</u>	<u>(22.78)%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>93.08%</u>	<u>93.88%</u>	<u>90.78%</u>	<u>103.65%</u>
Discount Rate	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>

Schedule of Contributions

	2025	2024	2023	2022
Contractually required contribution	<u>\$ 1,241,193</u>	<u>\$ 1,076,665</u>	<u>\$ 822,633</u>	<u>\$ 1,033,992</u>
Contributions in relation to the contractually required contribution	<u>(1,241,193)</u>	<u>(1,076,665)</u>	<u>(822,633)</u>	<u>(1,033,992)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	<u>\$ 8,950,192</u>	<u>\$ 8,394,366</u>	<u>\$ 8,048,258</u>	<u>\$ 7,497,032</u>
Contributions as a percentage of covered payroll	<u>13.87%</u>	<u>12.83%</u>	<u>10.22%</u>	<u>13.79%</u>

(1) The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

(2) Increase in the School District's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

(3) Decrease in the School District's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

See independent auditors' report.

2021 (3)	2020 (2)	2019	2018	2017	2016	2015
0.0210178%	0.0221311%	0.0213287%	0.0212100%	0.0221864%	0.0230197%	0.0242949%
\$ 20,928	\$ 5,860,439	\$ 1,511,207	\$ 684,543	\$ 2,084,687	\$ 3,694,725	\$ 820,741
\$ 6,568,484	\$ 7,073,232	\$ 6,738,774	\$ 6,382,384	\$ 6,181,669	\$ 6,155,611	\$ 6,221,449
0.32%	82.85%	22.43%	10.73%	33.72%	60.02%	13.19%
99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%
5.90%	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%

2021	2020	2019	2018	2017	2016	2015
\$ 1,009,724	\$ 959,081	\$ 922,715	\$ 963,650	\$ 929,770	\$ 1,031,048	\$ 1,343,082
(1,009,724)	(959,081)	(922,715)	(963,650)	(929,770)	(1,031,048)	(1,343,082)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 7,031,779	\$ 7,061,306	\$ 6,810,526	\$ 6,473,741	\$ 6,237,893	\$ 6,107,293	\$ 6,179,303
14.36%	13.58%	13.55%	14.89%	14.91%	16.88%	21.74%

**Glen Cove City School District, New York**

General Fund  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual  
 Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
<b>REVENUES</b>					
Real property taxes	\$ 74,312,115	\$ 74,312,115	\$ 74,308,998	\$	\$ (3,117)
Other tax items	6,956,896	6,956,896	6,583,282		(373,614)
Non-property taxes	1,500,000	1,500,000	1,719,747		219,747
Charges for services	137,500	137,500	307,541		170,041
Use of money and property	538,631	538,631	1,610,698		1,072,067
Sale of property and compensation for loss	-	-	82,226		82,226
State aid	27,787,398	27,787,398	27,992,380		204,982
Federal aid	259,500	259,500	311,471		51,971
Miscellaneous	45,000	45,000	1,205,901		1,160,901
<b>Total Revenues</b>	<b>111,537,040</b>	<b>111,537,040</b>	<b>114,122,244</b>		<b>2,585,204</b>
<b>EXPENDITURES</b>					
Current					
General support					
Board of education	130,931	145,648	129,758	-	15,890
Central administration	427,761	443,125	440,634	-	2,491
Finance	981,429	1,077,684	996,323	47,750	33,611
Staff	808,674	883,413	802,392	-	81,021
Central services	7,521,042	7,800,532	7,186,324	125,064	489,144
Special items	1,745,794	1,773,496	1,768,046	-	5,450
<b>Total General Support</b>	<b>11,615,631</b>	<b>12,123,898</b>	<b>11,323,477</b>	<b>172,814</b>	<b>627,607</b>
Instruction					
Instruction, administration and improvement	4,904,356	4,831,467	4,710,941	325	120,201
Teaching - Regular school	30,388,176	30,785,167	30,083,083	-	702,084
Programs for students with disabilities	22,281,604	22,234,427	20,061,151	-	2,173,276
Occupational education	1,050,395	1,066,788	1,015,345	-	51,443
Teaching - Special schools	551,250	463,768	460,782	-	2,986
Instructional media	2,833,341	2,479,379	2,129,704	7,452	342,223
Pupil services	4,846,854	4,937,062	4,687,708	-	249,354
<b>Total Instruction</b>	<b>66,855,976</b>	<b>66,798,058</b>	<b>63,148,714</b>	<b>7,777</b>	<b>3,641,567</b>
Pupil transportation	6,508,540	6,667,321	6,597,223	-	70,098
Community services	18,650	18,650	15,331	-	3,319
Employee benefits	25,755,279	24,770,219	23,996,760	-	773,459
Debt service					
Principal	558,738	902,731	902,731	-	-
Interest	885,026	716,963	600,460	-	116,503
<b>Total Expenditures</b>	<b>112,197,840</b>	<b>111,997,840</b>	<b>106,584,696</b>	<b>180,591</b>	<b>5,232,553</b>
Excess (Deficiency) of Revenues Over Expenditures	(660,800)	(460,800)	7,537,548	(180,591)	7,817,757
<b>OTHER FINANCING USES</b>					
Transfers out	(1,650,000)	(10,850,000)	(10,742,281)	-	107,719
<b>Net Change in Fund Balance</b>	<b>(2,310,800)</b>	<b>(11,310,800)</b>	<b>(3,204,733)</b>	<b>\$ (180,591)</b>	<b>\$ 7,925,476</b>
<b>FUND BALANCE</b>					
Beginning of Year	2,310,800	11,310,800	44,975,426		
End of Year	\$ -	\$ -	\$ 41,770,693		

See independent auditors' report.

**Glen Cove City School District, New York**

General Fund  
 Schedule of Revenues Compared to Budget  
 Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REAL PROPERTY TAXES</b>	\$ 74,312,115	\$ 74,312,115	\$ 74,308,998	\$ (3,117)
<b>OTHER TAX ITEMS</b>				
School tax relief reimbursement	3,024,816	3,024,816	3,024,816	-
Payments in lieu of taxes	3,682,080	3,682,080	3,309,497	(372,583)
Interest and penalties on real property taxes	250,000	250,000	248,969	(1,031)
	<u>6,956,896</u>	<u>6,956,896</u>	<u>6,583,282</u>	<u>(373,614)</u>
<b>NON-PROPERTY TAXES</b>				
Non-property tax distribution from County	1,500,000	1,500,000	1,719,747	219,747
<b>CHARGES FOR SERVICES</b>				
Day school tuition	100,000	100,000	219,946	119,946
Adult education fees	9,500	9,500	13,905	4,405
Other student fees and charges	28,000	28,000	73,690	45,690
	<u>137,500</u>	<u>137,500</u>	<u>307,541</u>	<u>170,041</u>
<b>USE OF MONEY AND PROPERTY</b>				
Earnings on investments	518,631	518,631	1,572,063	1,053,432
Rental of real property	20,000	20,000	38,635	18,635
	<u>538,631</u>	<u>538,631</u>	<u>1,610,698</u>	<u>1,072,067</u>
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>				
Insurance recoveries	-	-	82,226	82,226
<b>STATE AID</b>				
Basic formula	26,254,064	26,254,064	22,524,639	(3,729,425)
Lottery aid	-	-	3,969,694	3,969,694
BOCES aid	1,212,264	1,212,264	1,199,960	(12,304)
Textbook aid	209,351	209,351	154,631	(54,720)
Computer software aid	87,938	87,938	88,355	417
Disabled students tuition/transfer aid	-	-	10,705	10,705
Library aid	23,781	23,781	23,893	112
Other	-	-	20,503	20,503
	<u>27,787,398</u>	<u>27,787,398</u>	<u>27,992,380</u>	<u>204,982</u>
<b>FEDERAL AID</b>				
Impact aid	9,500	9,500	11,783	2,283
Medical assistance	250,000	250,000	299,688	49,688
	<u>259,500</u>	<u>259,500</u>	<u>311,471</u>	<u>51,971</u>

(Continued)

**Glen Cove City School District, New York**

General Fund  
Schedule of Revenues Compared to Budget (Continued)  
Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>MISCELLANEOUS</b>				
Refund of prior year's expenditures	\$ -	\$ -	\$ 120,554	\$ 120,554
Refund for BOCES aided services	-	-	369,853	369,853
Gifts and donations	-	-	2,325	2,325
E-rate recovery	45,000	45,000	333,813	288,813
Other	-	-	379,356	379,356
	<u>45,000</u>	<u>45,000</u>	<u>1,205,901</u>	<u>1,160,901</u>
<b>TOTAL REVENUES</b>	<u>\$ 111,537,040</u>	<u>\$ 111,537,040</u>	<u>\$ 114,122,244</u>	<u>\$ 2,585,204</u>

See independent auditors' report.

**Glen Cove City School District, New York**

General Fund  
 Schedule of Expenditures and Other Financing Uses Compared to Budget  
 Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
<b>BOARD OF EDUCATION</b>					
Board of education	\$ 70,181	\$ 81,651	\$ 76,202	\$ -	\$ 5,449
District meeting	60,750	63,997	53,556	-	10,441
Total Board of Education	130,931	145,648	129,758	-	15,890
<b>CENTRAL ADMINISTRATION</b>					
Chief school administrator	427,761	443,125	440,634	-	2,491
<b>FINANCE</b>					
Business administration	681,229	734,761	715,488	-	19,273
Auditing	198,500	186,223	124,478	47,750	13,995
Tax collection service	-	50,000	50,000	-	-
Treasurer	86,700	86,700	86,700	-	-
Fiscal agent fees	15,000	20,000	19,657	-	343
Total Finance	981,429	1,077,684	996,323	47,750	33,611
<b>STAFF</b>					
Legal	290,000	290,000	220,105	-	69,895
Personnel	364,536	388,658	386,369	-	2,289
Records management	50,988	88,844	88,844	-	-
Public information and services	103,150	115,911	107,074	-	8,837
Total Staff	808,674	883,413	802,392	-	81,021
<b>CENTRAL SERVICES</b>					
Operation and maintenance of plant	7,265,042	7,554,432	6,977,180	125,064	452,188
Central printing and mailing	256,000	246,100	209,144	-	36,956
Total Central Services	7,521,042	7,800,532	7,186,324	125,064	489,144
<b>SPECIAL ITEMS</b>					
Unallocated insurance	634,662	657,201	656,595	-	606
School association dues	45,500	45,500	40,656	-	4,844
Refunds of real property taxes	550,000	555,163	555,163	-	-
Administrative charge - BOCES	515,632	515,632	515,632	-	-
Total Special Items	1,745,794	1,773,496	1,768,046	-	5,450
Total General Support	11,615,631	12,123,898	11,323,477	172,814	627,607
<b>INSTRUCTION</b>					
<b>INSTRUCTION, ADMINISTRATION AND IMPROVEMENT</b>					
Curriculum development and supervision	2,557,123	2,510,061	2,466,174	325	43,562
Supervision - Regular school	2,347,233	2,321,406	2,244,767	-	76,639
Total Instruction, Administration and Improvement	4,904,356	4,831,467	4,710,941	325	120,201

(Continued)

**Glen Cove City School District, New York**

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
<b>INSTRUCTION (Continued)</b>					
<b>TEACHING - REGULAR SCHOOL</b>	\$ 30,388,176	\$ 30,785,167	\$ 30,083,083	\$ -	\$ 702,084
<b>PROGRAMS FOR STUDENTS WITH DISABILITIES</b>	22,281,604	22,234,427	20,061,151	-	2,173,276
<b>OCCUPATIONAL EDUCATION</b>	1,050,395	1,066,788	1,015,345	-	51,443
<b>TEACHING - SPECIAL SCHOOLS</b>	551,250	463,768	460,782	-	2,986
<b>INSTRUCTIONAL MEDIA</b>					
School library and audiovisual	448,383	461,459	452,757	-	8,702
Computer assisted instruction	2,384,958	2,017,920	1,676,947	7,452	333,521
Total Instructional Media	2,833,341	2,479,379	2,129,704	7,452	342,223
<b>PUPIL SERVICES</b>					
Attendance - Regular school	88,277	88,277	67,032	-	21,245
Guidance - Regular school	1,181,039	1,181,039	1,161,551	-	19,488
Health services - Regular school	1,056,986	1,067,944	900,107	-	167,837
Psychological services - Regular school	809,757	813,875	809,237	-	4,638
Social work services - Regular school	529,545	461,745	456,849	-	4,896
Co-curricular activities - Regular school	209,300	259,737	243,329	-	16,408
Interscholastic athletics - Regular school	971,950	1,064,445	1,049,603	-	14,842
Total Pupil Services	4,846,854	4,937,062	4,687,708	-	249,354
Total Instruction	66,855,976	66,798,058	63,148,714	7,777	3,641,567
<b>PUPIL TRANSPORTATION</b>					
District transportation services	57,650	57,650	56,169	-	1,481
Contract and public carrier transportation	6,450,890	6,609,671	6,541,054	-	68,617
Total Pupil Transportation	6,508,540	6,667,321	6,597,223	-	70,098
<b>COMMUNITY SERVICES</b>					
Summer recreation	4,650	4,650	2,718	-	1,932
Adult continuing education	14,000	14,000	12,613	-	1,387
Total Community Services	18,650	18,650	15,331	-	3,319

(Continued)

**Glen Cove City School District, New York**

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
<b>EMPLOYEE BENEFITS</b>					
State retirement	\$ 1,345,831	\$ 1,345,831	\$ 1,275,829	\$ -	\$ 70,002
Teachers' retirement	4,289,285	4,289,285	4,235,646	-	53,639
Social security	4,074,988	4,066,988	3,742,380	-	324,608
Life insurance	6,000	6,000	4,704	-	1,296
Unemployment benefits	20,000	47,616	47,616	-	-
Hospital, medical and dental insurance	15,686,175	14,399,267	14,130,305	-	268,962
Workers' compensation benefits	325,000	605,000	555,060	-	49,940
Administrative fees	2,500	4,732	2,079	-	2,653
Disability insurance	5,500	5,500	3,141	-	2,359
<b>Total Employee Benefits</b>	<b>25,755,279</b>	<b>24,770,219</b>	<b>23,996,760</b>	<b>-</b>	<b>773,459</b>
<b>DEBT SERVICE</b>					
Principal					
Serial bonds	250,000	250,000	250,000	-	-
Energy performance contract	308,738	308,738	308,738	-	-
Financed purchase debt	-	343,993	343,993	-	-
	<b>558,738</b>	<b>902,731</b>	<b>902,731</b>	<b>-</b>	<b>-</b>
Interest					
Serial bonds	16,875	16,875	16,875	-	-
Bond anticipate notes	670,000	463,678	347,175	-	116,503
Energy performance contract	198,151	198,151	198,151	-	-
Financed purchase debt	-	38,259	38,259	-	-
	<b>885,026</b>	<b>716,963</b>	<b>600,460</b>	<b>-</b>	<b>116,503</b>
<b>Total Debt Service</b>	<b>1,443,764</b>	<b>1,619,694</b>	<b>1,503,191</b>	<b>-</b>	<b>116,503</b>
<b>TOTAL EXPENDITURES</b>	<b>112,197,840</b>	<b>111,997,840</b>	<b>106,584,696</b>	<b>180,591</b>	<b>5,232,553</b>
<b>OTHER FINANCING USES</b>					
Transfers out					
Special Aid Fund	500,000	500,000	392,281	-	107,719
Capital Projects Fund	1,150,000	10,350,000	10,350,000	-	-
<b>TOTAL OTHER FINANCING USES</b>	<b>1,650,000</b>	<b>10,850,000</b>	<b>10,742,281</b>	<b>-</b>	<b>107,719</b>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ 113,847,840</b>	<b>\$ 122,847,840</b>	<b>\$ 117,326,977</b>	<b>\$ 180,591</b>	<b>\$ 5,340,272</b>

See independent auditors' report.

**Glen Cove City School District, New York**

Capital Projects Fund  
 Project-Length Schedule  
 Inception of Project Through June 30, 2025

PROJECT	Authorization	Expenditures and Transfers to Date			Unexpended Balance
		Prior Years	Current Year	Total	
Science Lab Project	\$ 250,000	\$ 9,689	\$ -	\$ 9,689	\$ 240,311
High School and Middle School Rigging	250,000	250,000	-	250,000	-
District-Wide Security	242,496	274,868	3,972	278,840	(36,344)
Middle School - Boilers	250,000	250,000	-	250,000	-
High School Boiler Room Expansion Tanks	126,000	165,710	-	165,710	(39,710)
Deasy Air Handling Unit	550,000	550,000	-	550,000	-
High School and Middle School Nurse Restrooms	200,153	200,153	-	200,153	-
Connolly Restrooms	265,420	265,420	-	265,420	-
High School - HVAC/Flooring	384,427	384,427	-	384,427	-
1910 Patio	505,000	308,497	169,326	477,823	27,177
Middle School - HVAC Improvements	195,000	113,347	8,377	121,724	73,276
Deasy Fire Alarm System	300,000	-	-	-	300,000
Energy Performance Contract	6,220,238	3,753,673	1,424,971	5,178,644	1,041,594
Installment Purchase Debt - Chromebooks	421,492	-	421,492	421,492	-
MS & HS Nurses Restrooms - new account	352,688	-	302,261	302,261	50,427
HS Library -HVAC/Flooring	439,281	-	439,281	439,281	-
Thayer House	1,000,000	-	22,638	22,638	977,362
Deasy Extension	12,809,229	2,617,112	4,737,184	7,354,296	5,454,933
Landing Extension	8,839,031	3,392,244	3,209,545	6,601,789	2,237,242
District-Wide Improvement - 2022 Bond	30,552,621	8,791,181	2,995,224	11,786,405	18,766,216
Storm IDA - Mitigation and Repairs	4,267,786	2,740,097	1,527,689	4,267,786	-
Middle School Fire & PA System	1,000,000	28,052	10,453	38,505	961,495
MS Entry Stair Replacement	208,031	-	-	-	208,031
Parking Lots - Landing/Deasy	2,179,000	-	-	-	2,179,000
Smart Schools Bond Act	921,754	-	377,455	377,455	544,299
Totals	<u>\$ 72,729,647</u>	<u>\$ 24,094,470</u>	<u>\$ 15,649,868</u>	<u>\$ 39,744,338</u>	<u>\$ 32,985,309</u>

See independent auditors' report.

Proceeds of Obligations	Methods of Financing				Fund Balance (Deficit) at June 30, 2025	Bond Anticipation Notes Outstanding at June 30, 2025
	Transfers	State and Federal Aid	Miscellaneous	Totals		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,689)	\$ -
-	-	-	-	-	(250,000)	-
-	232,640	-	-	232,640	(46,200)	-
-	-	-	-	-	(250,000)	-
-	126,000	-	-	126,000	(39,710)	-
-	300,000	-	-	300,000	(250,000)	-
-	200,153	-	-	200,153	-	-
-	265,420	-	-	265,420	-	-
-	384,427	-	-	384,427	-	-
-	505,000	-	-	505,000	27,177	-
-	195,000	-	-	195,000	73,276	-
-	300,000	-	-	300,000	300,000	-
6,220,238	-	-	4,120	6,224,358	1,045,714	-
421,492	-	-	-	421,492	-	-
-	352,688	-	-	352,688	50,427	-
-	439,281	-	-	439,281	-	-
-	1,000,000	-	-	1,000,000	977,362	-
-	12,809,229	-	-	12,809,229	5,454,933	-
-	7,197,301	-	-	7,197,301	595,512	-
-	350,000	-	-	350,000	(11,436,405)	28,615,000
-	-	436,901	-	436,901	(3,830,885)	-
-	1,000,000	-	-	1,000,000	961,495	-
-	208,031	-	-	208,031	208,031	-
-	2,179,000	-	-	2,179,000	2,179,000	-
-	-	-	-	-	(377,455)	-
<u>\$ 6,641,730</u>	<u>\$ 28,044,170</u>	<u>\$ 436,901</u>	<u>\$ 4,120</u>	<u>\$ 35,126,921</u>	<u>\$ (4,617,417)</u>	<u>\$ 28,615,000</u>

**Glen Cove City School District, New York**

Combining Balance Sheet  
 Non-Major Governmental Funds  
 June 30, 2025

	School Lunch	Special Purpose	Total Non-Major Governmental Funds
<b>ASSETS</b>			
Cash and equivalents	\$ 304,605	\$ 124,575	\$ 429,180
Receivables			
Accounts	-	-	-
State and Federal aid	153,921	-	153,921
	<u>153,921</u>	<u>-</u>	<u>153,921</u>
Inventories	1,154	-	1,154
Total Assets	<u>\$ 459,680</u>	<u>\$ 124,575</u>	<u>\$ 584,255</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 76,942	\$ 12,000	\$ 88,942
Accrued liabilities	5,105	-	5,105
Due to other funds	48,796	-	48,796
Total Liabilities	<u>130,843</u>	<u>12,000</u>	<u>142,843</u>
Fund balances			
Nonspendable	1,154	-	1,154
Restricted	-	112,575	112,575
Assigned	327,683	-	327,683
Total Fund Balances	<u>328,837</u>	<u>112,575</u>	<u>441,412</u>
Total Liabilities and Fund Balances	<u>\$ 459,680</u>	<u>\$ 124,575</u>	<u>\$ 584,255</u>

See independent auditors' report.

**Glen Cove City School District, New York**

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Non-Major Governmental Funds  
Year Ended June 30, 2025

---

	School Lunch	Special Purpose	Total Non-Major Governmental Funds
<b>REVENUES</b>			
Use of money and property	\$ 849	\$ 668	\$ 1,517
State aid	468,074	-	468,074
Federal aid	1,651,897	-	1,651,897
Miscellaneous	225,046	355,186	580,232
	<hr/>	<hr/>	<hr/>
Total Revenues	2,345,866	355,854	2,701,720
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Current			
Cost of food sales	2,231,343	-	2,231,343
Other	-	375,953	375,953
	<hr/>	<hr/>	<hr/>
Total Expenditures	2,231,343	375,953	2,607,296
	<hr/>	<hr/>	<hr/>
Excess (Deficiency) of Revenues Over Expenditures	114,523	(20,099)	94,424
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCES</b>			
Beginning of Year	214,314	132,674	346,988
	<hr/>	<hr/>	<hr/>
End of Year	\$ 328,837	\$ 112,575	\$ 441,412
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See independent auditors' report.

**Glen Cove City School District, New York**

General Fund  
Analysis of Change from Adopted Budget to Final Budget  
Year Ended June 30, 2025

---

Adopted Budget		\$ 113,416,040
Additions - Encumbrances		<u>431,800</u>
Original Budget		113,847,840
Budget Amendments		<u>9,000,000</u>
Final Budget		<u><u>\$ 122,847,840</u></u>

General Fund  
Section 1318 of Real Property Tax Law Limit Calculation  
Year Ended June 30, 2025

---

2025-2026 Expenditure Budget		<u>\$ 118,123,184</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law Unrestricted fund balance		
Assigned - Purchase on order	\$ 180,591	
Unassigned	<u>4,724,927</u>	
Total Unrestricted Fund Balance	4,905,518	
Less		
Encumbrances	<u>180,591</u>	
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		<u><u>\$ 4,724,927</u></u>
Actual Percentage		<u><u>4.00%</u></u>

See independent auditors' report.

**Glen Cove City School District, New York**

Schedule of Net Investment in Capital Assets  
Year Ended June 30, 2025

---

Capital Assets, net		\$	47,349,610
Add			
Unexpended debt proceeds			17,870,189
Less			
General obligation bonds payable	\$	250,000	
Financed purchase debt payable		809,688	
Energy performance contract debt payable		5,612,968	
Bond anticipation notes payable		<u>28,615,000</u>	
			<u>(35,287,656)</u>
Net Investment in Capital Assets		\$	<u><u>29,932,143</u></u>

See independent auditors' report.

(This page intentionally left blank)

**Report on Internal Control Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements Performed in Accordance  
With Government Auditing Standards**

**Independent Auditors' Report**

**The Board of Education of the  
Glen Cove City School District, New York**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Glen Cove City School District, New York ("School District") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 16, 2025.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the 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 the 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.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

October 16, 2025