

Syosset Central School District

Preparing our students for a continually changing world

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
WITH INDEPENDENT AUDITOR'S REPORTS
June 30, 2025

SYOSSET CENTRAL SCHOOL DISTRICT
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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 2 to the financial statements, "Change in Accounting Principle", the District has adopted the provisions of GASB Statement No. 101, *Compensated Absences*, as of June 30, 2025. Our opinion is not modified with respect to this new accounting principle.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, schedule of revenues, expenditures, and changes in fund balance – budget and actual – general fund, schedule of the district's proportionate share of the net pension asset/(liability), schedule of district pension contributions, and schedule of changes in the district's total OPEB liability and related ratios on pages 4 through 20 and 63 through 67, respectively, 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 Syosset Central School District's basic financial statements. The accompanying combining nonmajor funds financial statements on pages 68 and 69 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor funds financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

The other information on pages 70 through 75 is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is other information requested by the New York State Education Department. Management is responsible for the other information. The other information does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2025, on our consideration of Syosset Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Syosset Central School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Syosset Central School District's internal control over financial reporting and compliance.

Cullen & Danowski, LLP

Port Jefferson Station, New York
October 3, 2025

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

The Syosset Central School District's ("the District") discussion and analysis of the financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2025 in comparison with the year ended June 30, 2024, with emphasis on the current year. This should be read in conjunction with the financial statements, notes to financial statements, and required supplementary information, which immediately follow this section.

1. FINANCIAL HIGHLIGHTS

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

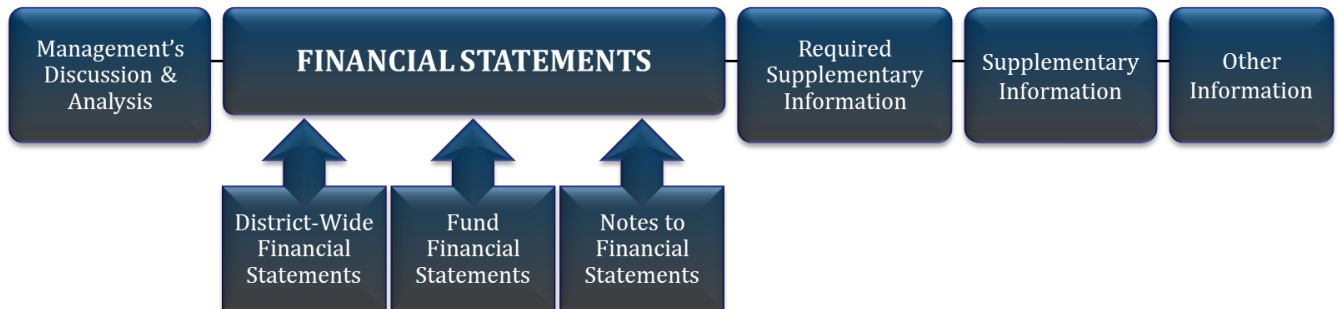
- The District's total net position was a deficit of \$240,451,510 in the district-wide financial statements at June 30, 2025, compared to a deficit of \$242,127,264 at June 30, 2024. The deficit decreased by \$2,335,588 from the prior year due to an excess of revenues over expenses using the economic resources measurement focus and the accrual basis of accounting.
- For the fiscal year ended June 30, 2025, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. The implementation of this statement resulted in an increase in compensated absences payable and a decrease in total net position of \$659,834.
- The District's expenses for the year, as reflected in the district-wide financial statements, totaled \$285,823,582. Of this amount, \$9,476,341 was offset by program charges for services, operating grants and contributions, and capital grants. General revenues of \$278,682,829 amount to 96.71% of total revenues.
- The District's general fund fund balance, as reflected in the fund financial statements was \$50,888,111 at June 30, 2025. This balance represents a \$4,777,832 decrease (8.58%) from the prior year due to an excess of expenditures and other financing uses over revenues, using the current financial resources measurement focus and the modified accrual basis of accounting, as follows:
 - Nonspendable fund balance decreased by \$857 due to the change in the amount of prepaids.
 - Restricted fund balances decreased by \$4,927,634, due to the use of reserves, offset by the allocation of interest earnings and funding transfers to the reserves.
 - Assigned fund balance decreased \$252,456, as the District had a decrease in the assigned for encumbrances.
 - Unassigned fund balance increased by \$403,115 to \$11,832,896.
- On February 13, 2018, the voters approved capital improvement projects – Phase II for district-wide improvements, more specifically described in the architect and engineers prepared document. The estimated cost of the work is \$45,810,000. The District funded \$11,465,000, and the balance of \$34,345,000 was to be obtained through issuing debt as authorized by the voters. A total of \$43,685,366 has been expended as of June 30, 2025.
- On February 13, 2018, the voters authorized the District to make energy efficient improvements to various District buildings and facilities at a maximum estimated cost of \$19,989,248. On July 15, 2020, the District issued bonds in the amount of \$19,985,000 to fund these improvements and a total of \$19,618,371 has been expended as of June 30, 2025.

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
(Continued)

- On June 9, 2020, the voters approved the capital reserve known as the “2020 Construction Capital Reserve Fund.” The reserve has a funding cap of \$20,000,000, plus investment income over a probable term of 10 years, and provides for funding of annual amounts not exceeding \$5,000,000 from the general fund or transfers from other reserves. This reserve has been funded by the District in the amount of \$10,825,000, plus interest through June 30, 2025. Authorized capital expenditures of \$4,729,870 have been incurred through June 30, 2025.
- On October 1, 2024, the voters approved two propositions for the construction of improvements and additions. The propositions were for specified district-wide projects in an amount not to exceed the estimated total cost of \$147,850,000. Funding from the 2014, 2018 and 2020 capital reserves provided \$4,100,368, and bonds were authorized in the aggregate amount not to exceed \$143,810,000. A total of \$2,564,794 has been expended through June 30, 2025.
- The District’s 2025 property tax levy of \$226,511,537 was a 3.16% increase over the 2024 tax levy. The District’s property tax cap was 3.23%.

2. OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – management’s discussion and analysis (MD&A), the financial statements, required supplementary information (RSI), supplementary information, and other information. The financial statements consist of district-wide financial statements, fund financial statements, and notes to financial statements. A graphic display of the relationship of these statements follows:



A. District-Wide Financial Statements

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

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

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The Statement of Net Position

The Statement of Net Position presents information on all of the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. To assess the overall health of the District, one needs to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of the District's school buildings and other capital assets.

The Statement of Activities

The Statement of Activities presents information showing the change in net position during the fiscal year. All changes in net position are recorded at the time the underlying financial event occurs. Revenues are recognized in the period when they are earned and expenses are recognized in the period when the liability is incurred. Therefore, revenues and expenses are reported in the statement for some items that will result in cash flows in future fiscal periods.

B. Fund Financial Statements

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

Governmental Funds

These statements utilize the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting recognizes revenues in the period when they become measurable and available. It recognizes expenditures in the period when the District incurs the liability, except for certain expenditures such as debt service on general long-term indebtedness, lease liabilities, workers' compensation, compensated absences, pension costs, and other postemployment benefits (OPEB), which are recognized as expenditures to the extent the related liabilities mature each period.

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

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

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The District maintains eight individual governmental funds: general fund, special aid fund, school food service fund, debt service fund, capital projects fund, extraclassroom activities fund, scholarships fund, and permanent fund. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, special aid fund and capital projects fund, since the District has elected to report them as major funds. Combining information for the nonmajor funds can be found elsewhere in this report.

The District adopts an annual budget for the general fund. A budgetary comparison statement has been provided for the general fund within the RSI to demonstrate compliance with the budget.

Fiduciary Fund

The District reports its fiduciary activities in the fiduciary fund – custodial fund. This fund reports real property taxes and payments in lieu of taxes (PILOT) collected on behalf of other governments and disbursed to those governments, and utilizes the economic resources measurement focus and the accrual basis of accounting. All of the District's fiduciary activities are reported in separate statements. The fiduciary activities have been excluded from the district-wide financial statements because the District cannot use these assets to finance its operations.

3. FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

A. Net Position

The District's total net position increased by \$2,335,588 between fiscal year 2024 and 2025. In addition, due to a change in accounting principle, a decrease of \$659,834 is reflected in the ending net position. The impact of the change in accounting principle was not required to be restated in the MD&A. The increase is due to revenues in excess of expenses using the economic resources measurement focus and the accrual basis of accounting. A summary of the District's Statements of Net Position, follows:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Assets				
Current and Other Assets	\$ 94,717,675	\$ 97,060,034	\$ (2,342,359)	(2.41)%
Capital Assets, Net	156,237,147	157,031,752	(794,605)	(0.51)%
Net Pension Assets - Proportionate Share	<u>18,123,159</u>	<u>-</u>	<u>18,123,159</u>	N/A
Total Assets	<u>269,077,981</u>	<u>254,091,786</u>	<u>14,986,195</u>	5.90 %
Deferred Outflows of Resources	<u>142,642,643</u>	<u>130,777,350</u>	<u>11,865,293</u>	9.07 %
Liabilities				
Current and Other Liabilities	29,400,791	30,177,640	(776,849)	(2.57)%
Long-Term Liabilities	57,002,795	60,965,039	(3,962,244)	(6.50)%
Total OPEB Liability	401,769,321	401,791,719	(22,398)	(0.01)%
Net Pension Liabilities - Proportionate Share	<u>10,332,578</u>	<u>16,975,911</u>	<u>(6,643,333)</u>	(39.13)%
Total Liabilities	<u>498,505,485</u>	<u>509,910,309</u>	<u>(11,404,824)</u>	(2.24)%

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Deferred Inflows of Resources	\$ 153,666,649	\$ 117,086,091	\$ 36,580,558	31.24 %
Net Position (Deficit)				
Net Investment in Capital Assets	113,039,500	108,219,421	4,820,079	4.45 %
Restricted	55,431,075	40,688,933	14,742,142	36.23 %
Unrestricted (Deficit)	<u>(408,922,085)</u>	<u>(391,035,618)</u>	<u>(17,886,467)</u>	4.57 %
Total Net Position (Deficit)	<u>\$ (240,451,510)</u>	<u>\$ (242,127,264)</u>	<u>\$ 1,675,754</u>	(0.69)%

The decrease in current and other assets is primarily related to a decrease in cash, offset by increases in taxes receivable and due from state and federal.

The decrease in capital assets, net is due to depreciation/amortization expense in excess of capital assets additions. The "Capital Assets" Note provides additional information.

Net pension assets – proportionate share represents the District's share of the New York State Teachers' Retirement System's (TRS) net pension assets, at the measurement date of the respective year. In the current year, the District's proportionate share switched from a liability to an asset. This change was driven by strong market performance. The "Pension Plans – New York State" Note provides additional information.

Deferred outflows of resources represents contributions to the pension plans subsequent to the measurement dates and actuarial adjustments of the pension and OPEB plans that will be amortized in future years.

The decrease in current and other liabilities is mainly due to a decrease in accounts payable, offset by an increase in due to teachers' retirement system.

The decrease in long-term liabilities is primarily the result of the repayment of the current maturity of the bond indebtedness. In addition, the long-term liabilities reflect a \$659,834 increase in the compensated absences liability as of July 1, 2024, as a result of the implementation of GASB Statement No. 101, *Compensated Absences*.

Total OPEB liability decreased based on the actuarial valuation of the plan. The "Postemployment Healthcare Benefits" Note provides additional information.

Net pension liability – proportionate share represents the District's share of the New York State and Local Employees' Retirement System's (ERS) net pension liability at the measurement date. The net change in the net pension liability – proportionate share is the result of an increase in the proportionate share for the ERS, which was due to the net result of several factors, including increases in benefits earned by active employees, cost-of-living adjustments, and an increase in the number of retirees, resulting in larger benefit payments, offset by the switch in the TRS net pension liability – proportionate share to an asset. The "Pension Plans – New York State" Note provides additional information.

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Deferred inflows of resources represents actuarial adjustments of the pension and OPEB plans that will be amortized in future years.

The net investment in capital assets is the investment in capital assets at cost, net of accumulated depreciation/amortization and related outstanding debt. The accompanying Other Information, Schedule of Net Investment in Capital Assets provides additional information.

The restricted amount relates to the District's reserves, which increased over the prior year, mainly due to interest earnings and funding transfers into the reserves. In addition, the amount of the net pension asset has also been restricted in the district-wide statement of net position.

The unrestricted (deficit) amount relates to the balance of the District's net position. This balance does not include the District's reserves, which are classified as restricted. Additionally, certain unfunded liabilities will have the effect of reducing the District's unrestricted net position. One such unfunded liability is the total OPEB liability. In accordance with state guidelines, the District is only permitted to fund OPEB on a "pay as you go" basis, and is not permitted to accumulate funds for the OPEB liability. The unrestricted (deficit) amount also reflects an increase of \$659,834 as of July 1, 2024, as a result of the change in the compensated absences liability due to the implementation of GASB Statement No. 101.

B. Changes in Net Position

The results of operations, as a whole, are reported in the Statement of Activities in a programmatic format. In the accompanying financial statements, school tax relief (STAR) revenue is included in the other tax items line. However, in this MD&A, STAR revenue has been combined with property taxes. A summary of this statement for the years ended June 30, 2025 and 2024, is as follows:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Revenues				
Program Revenues				
Charges for Services	\$ 3,140,967	\$ 3,312,492	\$ (171,525)	(5.18)%
Operating Grants & Contributions	6,229,772	5,146,272	1,083,500	21.05 %
Capital Grants	105,602	812,745	(707,143)	(87.01)%
General Revenues				
Property Taxes & STAR	226,545,083	219,641,381	6,903,702	3.14 %
State Sources	35,076,839	34,671,976	404,863	1.17 %
Other	17,060,907	17,230,771	(169,864)	(0.99)%
Total Revenues	<u>288,159,170</u>	<u>280,815,637</u>	<u>7,343,533</u>	2.62 %

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Expenses				
General Support	\$ 39,217,690	\$ 35,903,150	\$ 3,314,540	9.23 %
Instruction	227,876,937	232,341,438	(4,464,501)	(1.92)%
Pupil Transportation	13,453,260	13,179,173	274,087	2.08 %
Community Services	450,537	410,360	40,177	9.79 %
Debt Service - Interest	1,485,647	2,025,263	(539,616)	(26.64)%
Food Service Program	3,339,511	3,250,013	89,498	2.75 %
Total Expenses	<u>285,823,582</u>	<u>287,109,397</u>	<u>(1,285,815)</u>	<u>(0.45)%</u>
Change in Net Position	<u>2,335,588</u>	<u>\$ (6,293,760)</u>	<u>\$ 8,629,348</u>	137.11 %
Total Net Position (Deficit) - Beginning of Year, as Previously Reported	(242,127,264)			
Change in Accounting Principle	<u>(659,834)</u>			
Total Net Position (Deficit) - Beginning of Year, as Restated	<u>(242,787,098)</u>			
Total Net Position (Deficit) - End of Year	<u>\$ (240,451,510)</u>			

The District's net position increased by \$2,335,588 and decreased by \$6,293,760 for the years ended June 30, 2025 and 2024, respectively.

The District's revenues increased when compared to the prior year, primarily due to the following major changes:

- Real property taxes and STAR increased to fund for additional appropriations in the voter-approved 2024-2025 budget.
- The increase in operating grants and contributions related to new funding for the universal pre-k expansion.
- The increase in state sources is chiefly due to the District receiving more in excess cost aid and BOCES aid.
- Capital grants decreased as the smart schools bond act projects are nearing completion.

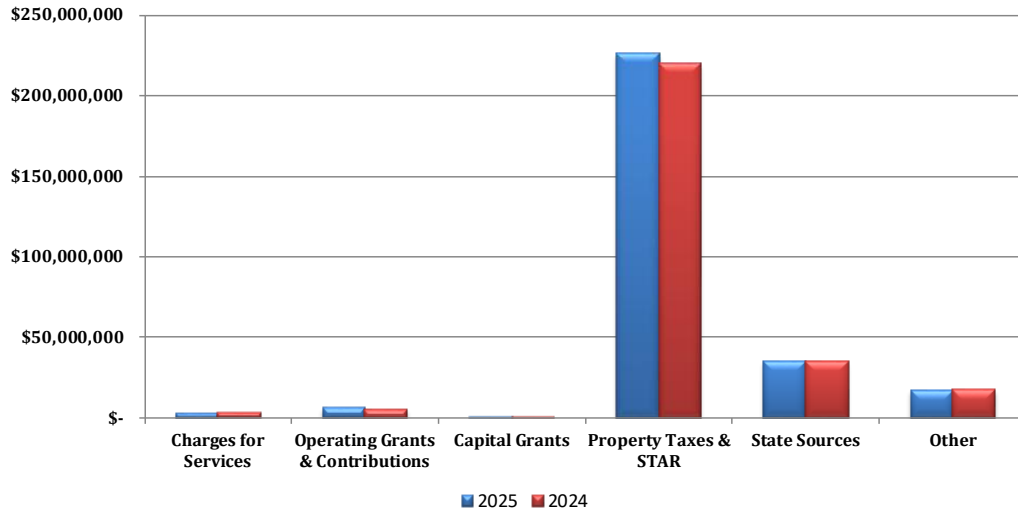
The District's expenses decreased when compared to the prior year, primarily due to the following major changes:

- General support increased as a result of the settlement of litigation, as well as the upgrading of the security infrastructure.
- General support and instruction expenses decreased based on the impact of allocations of the net change in actuarially determined expenses for TRS and OPEB costs, offset by routine salary raises and step changes.

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

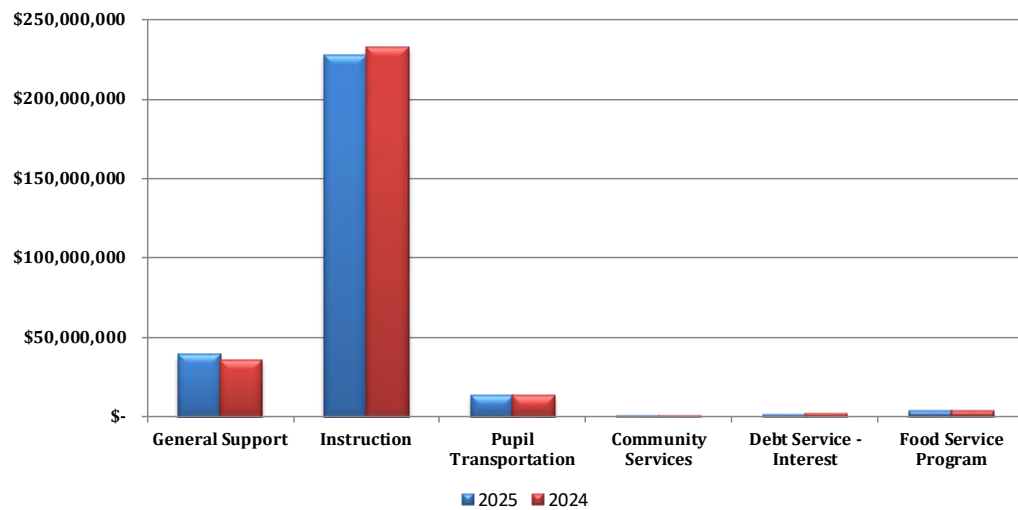
As indicated on the graphs that follow, real property taxes and STAR is the largest component of revenues recognized (i.e., 78.6% and 78.2% of the total for the years 2025 and 2024, respectively). Instruction expenses is the largest category of expenses incurred (i.e., 79.7% and 81.0% of the total for the years 2025 and 2024, respectively).

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



	Charges for Services	Operating Grants & Contributions	Capital Grants	Property Taxes & STAR	State Sources	Other
2025	1.1%	2.2%	0.0%	78.6%	12.2%	5.9%
2024	1.2%	1.8%	0.3%	78.2%	12.3%	6.2%

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



	General Support	Instruction	Pupil Transportation	Community Services	Debt Service - Interest	Food Service Program
2025	13.7%	79.7%	4.7%	0.2%	0.5%	1.2%
2024	12.5%	81.0%	4.6%	0.1%	0.7%	1.1%

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

4. FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At June 30, 2025, the District's governmental funds reported a combined fund balance of \$65,321,597, which is a decrease of \$785,250 from the prior year. This decrease is due to an excess of expenditures and other financing uses over revenues and other financing sources using the current financial resources measurement focus and the modified accrual basis of accounting. A summary of the change in the components of fund balance by fund, is as follows:

	June 30, 2025	June 30, 2024	Increase (Decrease)	Percentage Change
General Fund				
Nonspendable: Prepays	\$ 26,837	\$ 27,694	\$ (857)	(3.09)%
Restricted				
Workers' compensation	3,577,336	4,284,417	(707,081)	(16.50)%
Unemployment insurance	732,845	714,772	18,073	2.53 %
Retirement contribution				
Teachers' retirement system	9,191,284	9,580,859	(389,575)	(4.07)%
Employees' retirement system	13,082,783	13,194,138	(111,355)	(0.84)%
Insurance	175,541	167,974	7,567	4.50 %
Employee benefit accrued liability	3,306,107	3,301,950	4,157	0.13 %
Capital	5,472,386	9,227,689	(3,755,303)	(40.70)%
Repairs	186,903	181,020	5,883	3.25 %
Assigned:				
Appropriated fund balance	2,900,000	2,900,000	-	0.00 %
Unappropriated fund balance	403,193	655,649	(252,456)	(38.50)%
Unassigned: Fund balance	11,832,896	11,429,781	403,115	3.53 %
	<u>50,888,111</u>	<u>55,665,943</u>	<u>(4,777,832)</u>	<u>(8.58)%</u>
School Food Service Fund				
Nonspendable: Inventory		689	(689)	(100.00)%
Assigned: Unappropriated fund balance	-	499,300	(499,300)	(100.00)%
	<u>-</u>	<u>499,989</u>	<u>(499,989)</u>	<u>(100.00)%</u>
Debt Service Fund				
Restricted: Debt	-	29,607	(29,607)	(100.00)%
Capital Projects Fund				
Restricted:				
Capital	1,538,916	3,341	1,535,575	45,961.54 %
Unspent debt proceeds	2,995,182	3,513,913	(518,731)	(14.76)%
Assigned: Unappropriated fund balance	8,475,222	5,824,228	2,650,994	45.52 %
	<u>13,009,320</u>	<u>9,341,482</u>	<u>3,667,838</u>	<u>39.26 %</u>

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

	June 30, 2025	June 30, 2024	Increase (Decrease)	Percentage Change
Extraclassroom Activities Fund				
Assigned: Unappropriated fund balance	\$ -	\$ 566,660	\$ (566,660)	(100.00)%
Scholarships Fund				
Restricted: Scholarships	-	166	(166)	(100.00)%
Permanent Fund				
Nonspendable	-	3,000	(3,000)	(100.00)%
Nonmajor				
Nonspendable:				
Inventory	13,759	-	13,759	N/A
Scholarships	3,000	-	3,000	N/A
Restricted:				
Debt	40,580	-	40,580	N/A
Scholarships	235	-	235	N/A
Assigned: Unappropriated fund balance	1,366,592	-	1,366,592	N/A
	<u>1,424,166</u>	<u>-</u>	<u>1,424,166</u>	N/A
 Total Fund Balance	 <u>\$ 65,321,597</u>	 <u>\$ 66,106,847</u>	 <u>\$ (785,250)</u>	 (1.19)%

A. General Fund

The general fund – fund balance is a net decrease of \$4,777,832 compared to an increase of \$6,686,961 in 2024. This resulted from expenditures and other financing uses in excess of revenues.

The following is a summary of the major changes that resulted in revenues increasing over the prior year.

	2025	2024	Increase (Decrease)	Percentage Change
Real Property Taxes & STAR	\$ 226,545,083	\$ 219,641,381	\$ 6,903,702	3.14 %
Other Local Sources	15,424,654	15,854,202	(429,548)	(2.71)%
State Sources	35,076,839	34,771,976	304,863	0.88 %
Medicaid Reimbursement	55,492	54,386	1,106	2.03 %
Federal Sources	45,248	36,575	8,673	23.71 %
	<u>\$ 277,147,316</u>	<u>\$ 270,358,520</u>	<u>\$ 6,788,796</u>	2.51 %

- Property taxes and STAR increased due to an increase in the tax levy in accordance with the 2024-2025 voter-approved budget.

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The following is a summary of the major changes that resulted in expenditures and other financing uses increasing over the prior year:

	2025	2024	Increase (Decrease)	Percentage Change
General Support	\$ 32,807,595	\$ 27,756,271	\$ 5,051,324	18.20 %
Instruction	149,767,602	144,310,916	5,456,686	3.78 %
Pupil Transportation	12,985,433	12,736,851	248,582	1.95 %
Community Services	305,961	260,070	45,891	17.65 %
Employee Benefits	70,751,707	66,591,473	4,160,234	6.25 %
Debt Service	2,037,615	2,376,821	(339,206)	(14.27)%
Other Financing Uses	13,269,235	9,639,157	3,630,078	37.66 %
	<u>\$ 281,925,148</u>	<u>\$ 263,671,559</u>	<u>\$ 18,253,589</u>	6.92 %

- General support increased primarily as a result of the security infrastructure upgrades, and a legal settlement.
- Employee benefits increased due to higher health insurance costs.
- Instruction expenditures increased due to routine salary raises and step changes.

The following is a summary of the District's general fund restricted fund balance activity:

	Balance June 30, 2024	Use of Reserves	Interest	Funding	Balance June 30, 2025
Workers' compensation	\$ 4,284,417	\$ (900,000)	\$ 192,919	\$	\$ 3,577,336
Unemployment insurance	714,772	(14,112)	32,185		732,845
Retirement contribution					
TRS	9,580,859	(2,109,435)	431,416	1,288,444	9,191,284
ERS	13,194,138	(3,669,034)	557,679	3,000,000	13,082,783
Insurance	167,974		7,567		175,541
EBALR	3,301,950	(150,000)	154,157		3,306,107
Capital					
May 2014	12,827	(12,827)			-
May 2018	27,096	(27,096)			-
June 2020	9,187,766	(4,060,445)	345,065		5,472,386
Repairs	181,020		5,883		186,903
	<u>\$ 40,652,819</u>	<u>\$ (10,942,949)</u>	<u>\$ 1,726,871</u>	<u>\$ 4,288,444</u>	<u>\$ 35,725,185</u>

Additional detail regarding capital reserves can be found in the "Restricted for Capital Reserve" Note.

B. Special Aid Fund

The special aid fund accounts for federal and state aid grants in which revenues and other financing sources less expenditures equal and the fund balance is zero. Both revenues and other financing sources, and expenditures in the current year increased by \$1,128,510, primarily as a result of the universal pre-k expansion.

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

C. Capital Projects Fund

The capital projects fund – fund balance net increase is primarily the result of a budgeted operating transfer from the general fund in addition to a transfer related to the bond proposition approved by voters in October 2024, offset by expenditures related to ongoing capital improvement projects.

The following is a summary of the District's capital projects fund restricted fund balance activity:

Reserve Designation	Balance June 30, 2024	Use of Reserves	Funding	Balance June 30, 2025
June 2020	\$ 3,341	\$	\$ 1,535,575	\$ 1,538,916

D. Reclassification of Major Funds to Nonmajor Funds

During the year ended June 30, 2025, the District reclassified the school food service, debt service, extraclassroom activities, scholarships, and permanent funds from major funds to nonmajor funds. This change is a voluntary presentation change made to improve the clarity of the financial statements and has no impact on the overall governmental fund balances. The funds were previously presented as major funds, but changes in financial activity during the current year now justify the nonmajor classification.

E. Nonmajor Funds

The net change in the remaining nonmajor funds – fund balance is an increase of \$324,744, as revenues and other financing sources of \$10,135,332 exceeded expenditures of \$9,810,588, compared to a decrease of \$203,283 in 2024.

The following is a summary of the District's nonmajor funds restricted fund balance activity, for which funding represents revenues and other financing sources in excess of expenditures:

	Balance June 30, 2024	Use of Reserves	Interest	Funding	Balance June 30, 2025
Debt	\$ 29,607	\$	\$	\$ 10,973	\$ 40,580
Scholarships	166			69	235
	<u>\$ 29,773</u>	<u>\$</u>	<u>\$</u>	<u>\$ 11,042</u>	<u>\$ 40,815</u>

5. GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2024-2025 Budget

The District's general fund adopted budget for the year ended June 30, 2025 was \$285,744,550. This amount was increased by encumbrances carried forward from the prior year in the amount of \$655,649, and budget revisions of \$4,102,766, for a total final budget of \$290,502,965.

The final budget was funded through a combination of estimated revenues and appropriated fund balance. The majority of this funding source was \$226,511,537 in estimated property taxes and STAR.

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

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

The general fund's unassigned fund balance is the component of total fund balance that is the residual of current and prior years' excess revenues over expenditures, net of transfers to reserves, appropriations to fund the subsequent year's budget, encumbrances, and amounts classified as nonspendable. The change in this balance, demonstrated through a comparison of the actual revenues and expenditures for the year compared to budget, follows:

Opening, Unassigned Fund Balance	\$ 11,429,781
Revenues Over Budget	1,502,658
Expenditures, Other Financing Uses, and Encumbrances Under Budget	8,174,624
Unused Appropriated Reserves	(359,709)
Net Change in Nonspendable Fund Balance	857
Allocation to Reserves	(6,015,315)
Appropriated to Fund the June 30, 2026 Budget	(2,900,000)
Closing, Unassigned Fund Balance	\$ 11,832,896

Opening, Unassigned Fund Balance

The \$11,429,781 shown in the table is the portion of the District's June 30, 2024 fund balance that was retained as unassigned.

Revenues Over Budget

The 2024-2025 final budget for revenues was \$275,644,658. Actual revenues recognized for the year were \$277,147,316. The excess of actual revenues over estimated or budgeted revenues was \$1,502,658, which contributes directly to the change to the general fund unassigned fund balance from June 30, 2024 to June 30, 2025. The accompanying Required Supplementary Information, Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, provides additional information.

Expenditures, Other Financing Uses, and Encumbrances Under Budget

The 2024-2025 final budget for expenditures and other financing uses was \$290,502,965. Actual expenditures and other financing uses as of June 30, 2025 were \$281,925,148 and outstanding encumbrances were \$403,193. Combined, the expenditures and other financing uses plus encumbrances for 2024-2025 were \$282,328,341. The final budget variance was \$8,174,624, which contributes directly to the change to the general fund unassigned fund balance from June 30, 2024 to June 30, 2025. The accompanying Required Supplementary Information, Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, provides additional information.

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Unused Appropriated Reserves

In the 2024-2025 budget, \$7,202,290 of reserves was appropriated to reduce the tax levy. Due to lower than anticipated reserve expenditures, \$359,709 from the unemployment reserve and the retirement contribution ERS reserve was not needed and, therefore, was to be returned to the reserve and is available for future use.

Net Change in Nonspendable Fund Balance

Nonspendable fund balance consists of various prepaid insurance premiums. The resulting balance sheet asset cannot be spent because it is not in spendable form, meaning it will not be converted to cash. Accordingly, an equal amount of fund balance is classified as nonspendable. The decrease in nonspendable fund balance increases unassigned fund balance.

Allocation to Reserves

Monies transferred into authorized reserves do not affect the total fund balance unless, and until these monies are actually expended. The transfers do, however, reduce the District's discretion regarding the use of these transferred monies, and thus, reduce the unassigned fund balance by the amount of the transfers. The table in §4.A. "General Fund" (summary of restricted fund balance activity) of this MD&A details the allocation of interest earnings and funding transfers to the reserves.

Appropriated Fund Balance

The District has chosen to use \$2,900,000 of the available June 30, 2025 unassigned fund balance to partially fund the 2025-2026 approved operating budget. As such, the June 30, 2025 unassigned fund balance must be reduced by this amount.

Closing, Unassigned Fund Balance

Based upon the summary changes shown in the table, the unassigned fund balance at June 30, 2025 was \$11,832,896. This amount equals 4% of the 2025-2026 budget, which complies with the statutory limit as established by §1318 of the New York State Real Property Tax Law.

6. CAPITAL ASSETS, DEBT ADMINISTRATION, AND OTHER LONG-TERM LIABILITIES

A. Capital Assets

At June 30, 2025, the District had invested in a broad range of capital assets, as indicated in the table below. The net increase in capital assets is due to depreciation/amortization of \$8,168,752 in excess of capital outlays and other additions expense of \$7,374,147 recorded for the year ended June 30, 2025. A summary of the District's capital assets, net of accumulated depreciation/amortization at June 30, 2025 and 2024, is as follows:

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Increase (Decrease)</u>
Land	\$ 1,254,281	\$ 1,254,281	\$ -
Construction in progress	26,914,736	50,760,799	(23,846,063)
Buildings and improvements	109,250,074	86,245,128	23,004,946
Land improvements	9,697,469	8,784,351	913,118
Furniture, equipment and vehicles	7,566,376	7,602,783	(36,407)
Leased equipment and fixtures	<u>1,554,211</u>	<u>2,384,410</u>	<u>(830,199)</u>
Capital assets, net	<u>\$ 156,237,147</u>	<u>\$ 157,031,752</u>	<u>\$ (794,605)</u>

B. Debt Administration

At June 30, 2025, the District had combined total debt of \$45,050,996. The decreases in outstanding debt represent principal payments made throughout the year, while the increase indicates a new obligation. A summary of the outstanding debt at June 30, 2025 and 2024, is as follows:

<u>Issue/ Commencement Date</u>	<u>Interest Rate</u>	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Increase (Decrease)</u>
Bonds Payable				
10/2013	2.0-5.0 %	\$ 915,000	\$ 1,785,000	\$ (870,000)
10/2013	2.0-5.0 %	405,000	790,000	(385,000)
5/2015	2.0-5.0 %	295,000	440,000	(145,000)
9/2019	2.0-2.25%	23,345,000	24,770,000	(1,425,000)
7/2020	2.0%	<u>18,500,000</u>	<u>20,000,000</u>	<u>(1,500,000)</u>
		<u>\$ 43,460,000</u>	<u>\$ 47,785,000</u>	<u>\$ (4,325,000)</u>
Lease Liabilities				
10/2021	1.080%	\$ 25,774	\$ 128,175	\$ (102,401)
4/2021	2.240%	678,622	1,565,915	(887,293)
7/2022	2.275%	100,171	198,091	(97,920)
9/2022	2.275%	78,819	144,734	(65,915)
7/2023	4.420%	316,148	416,336	(100,188)
7/2024	4.850%	<u>391,462</u>	<u>391,462</u>	<u>391,462</u>
		<u>\$ 1,590,996</u>	<u>\$ 2,453,251</u>	<u>\$ (862,255)</u>

The District's latest underlying, long-term credit rating from Moody's Investors Service, Inc. is Aa1. The District's outstanding serial bonds at June 30, 2025 are approximately 2.75% of the District's debt limit.

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

C. Other Long-Term Liabilities

Included in the District's long-term liabilities are the estimated amounts due for compensated absences, and early retirement incentive, which are based on employment contracts, and total OPEB liability and net pension liabilities – proportionate share, which are based on actuarial valuations. The compensated absences liability, at June 30, 2025, includes the effect of the implementation of GASB Statement No. 101. The net change in the net position liabilities – proportionate share reflects the change in the TRS position from a liability to an asset as previously discussed. A summary of the outstanding other long-term liabilities at June 30, 2025 and 2024, is as follows:

	June 30, 2025	June 30, 2024	Increase (Decrease)
Compensated absences payable	\$ 5,649,852	\$ 4,825,880	\$ 823,972
Workers' compensation liabilities	5,857,184	5,285,727	571,457
Total OPEB liability	401,769,321	401,791,719	(22,398)
Net pension liabilities - proportionate share	10,332,578	16,975,911	(6,643,333)
	\$ 423,608,935	\$ 428,879,237	\$ (5,270,302)

7. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

A. Subsequent Year's Budget

The general fund budget, the only fund with a legally adopted budget, as approved by the voters on May 20, 2025, for the year ending June 30, 2026 is \$295,822,420. This is an increase of \$10,077,870 or 3.53% over the previous year's budget.

The District budgeted revenues other than property taxes and STAR at a \$1,861,662 increase over the prior year's estimate, which is principally due to an estimated increase in state aid. The assigned appropriated fund balance, applied to the budget in the amount of \$2,900,000, is the same as the previous year. Additionally, the District has elected to appropriate \$9,142,435 of reserves towards the next year's budget, which is an increase of \$1,940,145 over the previous year. A property tax increase of \$6,276,063 (2.77%), levy to levy, was needed to meet the funding shortfall and cover the increase in appropriations.

B. Future Budgets

Factors to consider that could influence future budgets:

- Uncertainty with state aid, which complicates long-range planning.
- The rise in employee salaries and health benefits, as well as contributions to pension programs.
- Changing circumstances of unforeseen events and risks including natural disasters and global pandemics.
- Economic conditions, including the impact of high inflation and interest rates.
- Legal and intergovernmental factors constraining tax increases, modifying revenue sources, and other regulatory changes.

SYOSSET CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

C. Tax Cap

New York State law limits the annual increase in the property tax levy of school districts to the lesser of 2% or the rate of inflation plus additional statutory adjustments to the tax levy limit. School districts may override the tax levy limit (tax cap) by presenting to the voters a budget that requires a tax levy that exceeds the statutory limit; however, that budget must be approved by at least 60% of the votes cast. Based on the law, the District's tax cap for 2025-2026 is 2.80%. The District's 2025-2026 property tax increase of 2.77% was less than the tax cap and did not require an override vote.

8. CONTACTING THE DISTRICT

This financial report is designed to provide the reader with a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Requests for additional information can be directed to:

Dr. Patricia M. Rufo
Assistant Superintendent for Business
Syosset Central School District
99 Pell Lane
Syosset, New York 11791

SYOSSET CENTRAL SCHOOL DISTRICT
Statement of Net Position
June 30, 2025

ASSETS

Cash and cash equivalents	
Unrestricted	\$ 42,418,955
Restricted	40,300,098
Receivables	
Accounts receivable	75,933
Taxes receivable	4,192,442
Due from state and federal	7,216,623
Due from other governments	473,028
Prepays	26,837
Inventory	13,759
Capital assets:	
Not being depreciated	28,169,017
Being depreciated/amortized, net of accumulated depreciation/amortization	128,068,130
Net pension assets - proportionate share	<u>18,123,159</u>
 Total Assets	 <u>269,077,981</u>

DEFERRED OUTFLOWS OF RESOURCES

Pensions	49,345,888
Other postemployment benefits	<u>93,296,755</u>
 Total Deferred Outflows of Resources	 <u>142,642,643</u>

LIABILITIES

Payables	
Accounts payable	10,846,579
Accrued liabilities	1,105,183
Due to fiduciary fund	322,615
Due to other governments	16,680
Due to teachers' retirement system	13,941,375
Due to employees' retirement system	1,264,439
Compensated absences payable	223,397
Other liabilities	1,016,361
Unearned credits	
Collections in advance	664,162
Long-term liabilities	
Due and payable within one year	
Bonds payable, net	4,615,560
Lease liabilities	1,063,646
Compensated absences payable	1,238,678
Workers' compensation liabilities	1,237,422
Total other postemployment benefits liability	16,226,074
Due and payable after one year	
Bonds payable, net	39,289,203
Lease liabilities	527,350
Compensated absences payable	4,411,174
Workers' compensation liabilities	4,619,762
Total other postemployment benefits liability	385,543,247
Net pension liabilities - proportionate share	<u>10,332,578</u>
 Total Liabilities	 <u>498,505,485</u>

DEFERRED INFLOWS OF RESOURCES

Pensions	22,798,088
Other postemployment benefits	<u>130,868,561</u>
 Total Deferred Inflows of Resources	 <u>153,666,649</u>

NET POSITION (DEFICIT)

Net investment in capital assets	<u>113,039,500</u>
Restricted:	
Workers' compensation	3,577,336
Unemployment insurance	732,845
Retirement contribution	
Teachers' retirement system	9,191,284
Employees' retirement system	13,082,783
Insurance	175,541
Employee benefit accrued liability	3,306,107
Capital	7,011,302
Repairs	186,903
Debt	40,580
Scholarships	3,235
Pension	<u>18,123,159</u>
	<u>55,431,075</u>
Unrestricted (Deficit)	<u>(408,922,085)</u>
 Total Net Position (Deficit)	 <u>\$ (240,451,510)</u>

SYOSSET CENTRAL SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2025

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants & Contributions	
FUNCTIONS/PROGRAMS				
General support	\$ 39,217,690	\$	\$	\$ (39,217,690)
Instruction	227,876,937	767,318	5,202,783	(221,801,234)
Pupil transportation	13,453,260			(13,453,260)
Community services	450,537			(450,537)
Debt service - interest	1,485,647			(1,485,647)
Food service program	3,339,511	2,373,649	1,026,989	61,127
Total Functions and Programs	<u>\$ 285,823,582</u>	<u>\$ 3,140,967</u>	<u>\$ 6,229,772</u>	<u>\$ (276,347,241)</u>
GENERAL REVENUES				
Real property taxes				222,341,415
Other tax items				14,475,312
Use of money and property				3,242,462
Sale of property and compensation for loss				126,492
Miscellaneous				2,427,317
State sources				35,076,839
Intergovernmental revenue				937,500
Medicaid reimbursement				55,492
Total General Revenues				<u>278,682,829</u>
Change in Net Position				<u>2,335,588</u>
Total Net Position (Deficit) - Beginning of Year, as Previously Reported				(242,127,264)
Change in Accounting Principle				<u>(659,834)</u>
Total Net Position (Deficit) - Beginning of Year, as Restated				<u>(242,787,098)</u>
Total Net Position (Deficit) - End of Year				<u>\$ (240,451,510)</u>

SYOSSET CENTRAL SCHOOL DISTRICT
Balance Sheet - Governmental Funds
June 30, 2025

	General	Special Aid	Capital Projects	Formerly Major Funds					Nonmajor Governmental Funds	Total Governmental Funds
				School Food Service	Debt Service	Extraclassroom Activities	Scholarships	Permanent		
ASSETS										
Cash and cash equivalents										
Unrestricted	\$ 31,463,607	\$ 3,071	\$ 8,816,372	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,135,905	\$ 42,418,955
Restricted	35,722,185		4,534,098						43,815	40,300,098
Receivables										
Accounts receivable	67,520								8,413	75,933
Taxes receivable	4,192,442									4,192,442
Due from other funds	2,997,959	67,671	2,775						175,637	3,244,042
Due from state and federal	3,298,901	2,839,641	1,012,938						65,143	7,216,623
Due from other governments	398,028		75,000							473,028
Prepays	26,837									26,837
Inventory									13,759	13,759
Total Assets	<u>\$ 78,167,479</u>	<u>\$ 2,910,383</u>	<u>\$ 14,441,183</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,442,672</u>	<u>\$ 97,961,717</u>
LIABILITIES										
Payables										
Accounts payable	\$ 9,294,929	\$ 464,068	\$ 697,070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 390,512	\$ 10,846,579
Accrued liabilities	911,590	10,113							5,731	927,434
Due to other funds	568,698	2,436,202	561,757							3,566,657
Due to other governments									16,680	16,680
Due to teachers' retirement system	13,941,375									13,941,375
Due to employees' retirement system	1,264,439									1,264,439
Compensated absences payable	223,397									223,397
Other liabilities	1,016,361									1,016,361
Unearned credits										
Collections in advance	58,579								605,583	664,162
Total Liabilities	<u>27,279,368</u>	<u>2,910,383</u>	<u>1,258,827</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,018,506</u>	<u>32,467,084</u>
DEFERRED INFLOWS OF RESOURCES										
Unavailable revenue			173,036							173,036
FUND BALANCES										
Nonspendable:										
Prepays	26,837									26,837
Inventory									13,759	13,759
Scholarships									3,000	3,000
Restricted:										
Workers' compensation	3,577,336									3,577,336
Unemployment insurance	732,845									732,845
Retirement contribution										
Teachers' retirement system	9,191,284									9,191,284
Employees' retirement system	13,082,783									13,082,783
Insurance	175,541									175,541
Employee benefit accrued liability	3,306,107									3,306,107
Capital	5,472,386		1,538,916							7,011,302
Repairs	186,903									186,903
Debt									40,580	40,580
Scholarships									235	235
Unspent debt proceeds			2,995,182							2,995,182
Assigned:										
Appropriated fund balance	2,900,000									2,900,000
Unappropriated fund balance	403,193		8,475,222						1,366,592	10,245,007
Unassigned: Fund balance	<u>11,832,896</u>									<u>11,832,896</u>
Total Fund Balances	<u>50,888,111</u>	<u>-</u>	<u>13,009,320</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,424,166</u>	<u>65,321,597</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 78,167,479</u>	<u>\$ 2,910,383</u>	<u>\$ 14,441,183</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,442,672</u>	<u>\$ 97,961,717</u>

SYOSSET CENTRAL SCHOOL DISTRICT
Reconciliation of the Governmental Funds Balance Sheet
to the District-wide Statement of Net Position
June 30, 2025

Total Governmental Fund Balances		\$ 65,321,597
Amounts reported for governmental activities in the Statement of Net Position are different because:		
<p>The costs of building, acquiring, and the right-to-use capital and intangible assets financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the Balance Sheet. However, the Statement of Net Position includes those capital assets among the assets of the District as a whole, and their original costs are expensed annually over their useful lives.</p>		
Original cost or present value of capital and intangible assets	\$ 265,322,206	
Less: Accumulated depreciation/amortization	<u>(109,085,059)</u>	156,237,147
<p>Proportionate share of long-term assets and liabilities, as well as deferred outflows and inflows associated with participation in the state retirement systems are not current financial resources or liabilities and are not reported in the funds.</p>		
Deferred outflows of resources	49,345,888	
Net pension asset - teachers' retirement system	18,123,159	
Net pension liability - employees' retirement system	(10,332,578)	
Deferred inflows of resources	<u>(22,798,088)</u>	34,338,381
<p>Total other postemployment benefits liability, as well as deferred outflows and inflows related to providing benefits in retirement are not current financial resources or liabilities and are not reported in the funds.</p>		
Deferred outflows of resources	93,296,755	
Total other postemployment benefits liability	(401,769,321)	
Deferred inflows of resources	<u>(130,868,561)</u>	(439,341,127)
<p>Some of the District's revenues will be collected after the year end, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the governmental funds, but are not deferred on the Statement of Net Position.</p>		
		173,036
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year end consist of:</p>		
Accrued interest on debt	(177,749)	
Bonds payable, net	(43,904,763)	
Lease liabilities	(1,590,996)	
Compensated absences payable	(5,649,852)	
Workers' compensation liabilities	<u>(5,857,184)</u>	(57,180,544)
Total Net Position (Deficit)		<u>\$ (240,451,510)</u>

SYOSSET CENTRAL SCHOOL DISTRICT
Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2025

	General	Special Aid	Capital Projects	Formerly Major Funds					Nonmajor Governmental Funds	Total Governmental Funds
				School Food Service	Debt Service	Extraclassroom Activities	Scholarships	Permanent		
REVENUES										
Real property taxes	\$ 222,341,415	\$	\$	\$	\$	\$	\$	\$	\$	\$ 222,341,415
Other tax items	14,475,312									14,475,312
Charges for services	767,318									767,318
Use of money and property	3,193,097								49,365	3,242,462
Sale of property and compensation for loss	126,492									126,492
Miscellaneous	1,066,103								1,361,346	2,427,449
Intergovernmental revenue									937,500	937,500
State sources	35,076,839	2,686,894	914,903						37,473	38,716,109
Medicaid reimbursement	55,492									55,492
Federal sources	45,248	2,470,641							989,516	3,505,405
Sales									2,373,517	2,373,517
Total Revenues	277,147,316	5,157,535	914,903	-	-	-	-	-	5,748,717	288,968,471
EXPENDITURES										
General support	32,807,595									32,807,595
Instruction	149,767,602	5,614,789							1,229,892	156,612,283
Pupil transportation	12,985,433									12,985,433
Community services	305,961									305,961
Employee benefits	70,751,707									70,751,707
Debt service										
Principal	1,342,234								4,325,000	5,667,234
Interest	695,381								989,725	1,685,106
Food service program									3,265,971	3,265,971
Capital outlay			6,152,410							6,152,410
Total Expenditures	268,655,913	5,614,789	6,152,410	-	-	-	-	-	9,810,588	290,233,700
Excess (Deficiency) of Revenues Over Expenditures	8,491,403	(457,254)	(5,237,507)	-	-	-	-	-	(4,061,871)	(1,265,229)
OTHER FINANCING SOURCES AND (USES)										
Proceeds of debt			479,979							479,979
Operating transfers in		457,254	8,425,366						4,386,615	13,269,235
Operating transfers (out)	(13,269,235)									(13,269,235)
Total Other Financing Sources and (Uses)	(13,269,235)	457,254	8,905,345	-	-	-	-	-	4,386,615	479,979
Net Change in Fund Balances	(4,777,832)	-	3,667,838	-	-	-	-	-	324,744	(785,250)
Fund Balances - Beginning of Year, as Previously Reported	55,665,943	-	9,341,482	499,989	29,607	566,660	166	3,000	-	66,106,847
Change to or Within Reporting Entity				(499,989)	(29,607)	(566,660)	(166)	(3,000)	1,099,422	-
Fund Balances - Beginning of Year, as Restated	55,665,943		9,341,482						1,099,422	66,106,847
Fund Balances - End of Year	\$ 50,888,111	\$ -	\$ 13,009,320	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,424,166	\$ 65,321,597

SYOSSET CENTRAL SCHOOL DISTRICT
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balances to the District-wide Statement of Activities
For the Year Ended June 30, 2025

Net Change in Fund Balances \$ (785,250)

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

Long-Term Revenue and Expense Differences

Certain revenues are recognized in the governmental funds when they provide current financial resources. However, these revenues were recognized in the Statement of Activities in prior years when they were earned.

\$ (809,301)

Certain operating expenses do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds, but are expensed in the Statement of Activities.

Increase in compensated absences payable
Increase in workers' compensation liabilities

(164,138)
(571,457)

(1,544,896)

Capital Related Differences

Capital outlays to purchase, build, or the right-to-use capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized and shown in the Statement of Net Position and allocated over their useful lives as annual depreciation/amortization expense in the Statement of Activities. This is the amount by which depreciation/amortization expense exceeded capital outlays and other additions in the period.

Capital outlays and other additions
Depreciation/amortization expense

7,374,147
(8,168,752)

(794,605)

Long-Term Debt Transactions Differences

Proceeds from the issuance of debt are other financing sources in the governmental funds, but increase long-term liabilities in the Statement of Net Position and do not affect the Statement of Activities.

(479,979)

The amortization of the deferred premium decreases interest expense in the Statement of Activities.

170,418

Repayment of long-term debt principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.

Bond payable
Lease liabilities

4,325,000
1,342,234

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the amount by which accrued interest decreased from June 30, 2024 to June 30, 2025.

29,041

5,386,714

Pension and Other Postemployment Benefits Differences

The change in the proportionate share of the collective pension expense of the state retirement plans and the change in other postemployment benefits expense reported in the Statement of Activities did not affect current financial resources and, therefore, are not reported in the governmental funds.

Teachers' retirement system
Employees' retirement system
Other postemployment benefits

1,951,944
1,028,299
(2,906,618)

73,625

Change in Net Position of Governmental Activities

\$ 2,335,588

SYOSSET CENTRAL SCHOOL DISTRICT
Statement of Fiduciary Net Position - Fiduciary Fund
June 30, 2025

	Custodial
ASSETS	
Due from governmental funds	\$ 322,615
LIABILITIES	
Due to other governments	322,615
NET POSITION	
Restricted for individuals, organizations, and other governments	\$ -

Statement of Changes in Fiduciary Net Position - Fiduciary Fund
For the Year Ended June 30, 2025

	Custodial
ADDITIONS	
Real property taxes and PILOT collected for the Library	\$ 8,339,860
Interest and earnings	7
Total Additions	8,339,867
DEDUCTIONS	
Real property taxes and PILOT disbursed to the Library	8,339,860
Asset distribution	1,690
Total Deductions	8,341,550
Change in Net Position	(1,683)
Net Position - Beginning of Year	1,683
Net Position - End of Year	\$ -

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Syosset Central School District (“the District”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting principles and policies used by the District, are as follows:

A. Reporting Entity

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

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

The accompanying financial statements present the activities of the District. The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District’s reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, there are no other entities that would be included in the District’s reporting entity.

B. Joint Venture

The District is a component district in the Board of Cooperative Educational Services of Nassau (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs which provide educational and support activities. BOCES are organized under §1950 of the New York State Education Law (“the Education Law”). A BOCES board is considered a corporate body. Members of a BOCES board are nominated and elected by their component member boards in accordance with provisions of §1950 of the Education Law. All BOCES property is held by the BOCES board as a corporation under §1950(6). In addition, BOCES boards are also considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under §119-n(a) of the New York State General Municipal Law (GML). A BOCES budget is comprised of separate budgets for administrative, program, and capital costs. Each component district’s share of administrative and capital costs is determined by resident public school district enrollment as defined in Education Law, §1950(4)(b)(7). There is no authority or process by which a school district can terminate its status as a BOCES component. In addition, component school districts pay tuition or a service fee for programs in which its students participate.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Basis of Presentation

District-Wide Financial Statements

The Statement of Net Position and the Statement of Activities present information about the overall governmental financial activities of the District, except for fiduciary activities. Eliminations have been made to minimize the double counting of interfund transactions. Governmental activities are generally financed through taxes, state aid, intergovernmental revenues, and other exchange and nonexchange transactions. Operating grants and contributions include operating-specific and discretionary (either operating or capital) grants and contributions, while capital grants reflect capital-specific grants, if any.

The Statement of Net Position presents the financial position of the District at fiscal year-end. The Statement of Activities presents a comparison between program expenses and revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Employee benefits are allocated to functional areas in proportion to the payroll expended for those areas. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including real property taxes and state aid, are presented as general revenues.

Fund Financial Statements

The fund financial statements provide information about the District's funds, including the fiduciary fund. Separate statements for each fund type, governmental and fiduciary, are presented. The District's financial statements present the following fund types:

Governmental Funds - are those through which most governmental functions are financed. The acquisition, use, and balances of expendable financial resources, and the related liabilities are accounted for through governmental funds. The emphasis of governmental fund financial statements is on major funds as defined by GASB, each displayed in a separate column. The following are the District's major governmental funds:

General Fund - is the general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund.

Special Aid Fund - is used to account for the proceeds of specific revenue sources such as federal and state grants that are legally restricted to expenditures for specified purposes. These legal restrictions may be imposed by either government that provides the funds, or outside parties.

Capital Projects Fund - is used to account for the financial resources used for the acquisition, construction, renovation, major repair, or the right-to-use capital facilities and other capital and intangible assets.

The following are the District's nonmajor governmental funds:

School Food Service Fund - is used to account for the activities of the food service program.

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

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Extraclassroom Activities Fund – is used to account for the funds operated by and for the students of the District. The Board exercises general oversight of these funds. The extraclassroom activities fund are independent of the District with respect to its financial transactions and the designation of student management. Separate audited financial statements of the extraclassroom activities fund can be found at the District’s Business Office.

Scholarships Fund – is used to account for funds collected that benefit annual third-party awards and scholarships for students.

Permanent Fund – used to account for resources that are legally restricted to the extent that only earnings and not principal may be used for scholarship purposes.

Fiduciary Funds – are used to account for activities in which the District acts as trustee or custodian for resources that belong to others. These activities are not included in the district-wide financial statements, because their resources do not belong to the District, and are not available to be used to finance District operations. The following is the District’s fiduciary fund:

Custodial Fund – is used to account for real property taxes and PILOT collected on behalf of other governments and disbursed to those governments and disbursed to those governments.

D. Measurement Focus and Basis of Accounting

Measurement focus describes what type of information is reported, and is either the economic resources measurement focus or the current financial resources measurement focus. The economic resources measurement focus reports all assets, liabilities, and deferred resources related to a given activity, as well as transactions of the period that affect net position. For example, all assets, whether financial (e.g., cash and receivables) or capital (e.g., property and equipment) and liabilities (including long-term debt and obligations) are reported. The current financial resources measurement focus reports more narrowly on assets, liabilities, and deferred resources that are relevant to near-term liquidity, along with net changes resulting from transactions of the period. Consequently, capital assets and the unmatured portion of long-term debt and certain other liabilities the District would not expect to liquidate currently with expendable available financial resources (e.g., compensated absences for employees still in active service) would not be reported.

Basis of accounting describes when changes are recognized, and is either the accrual basis of accounting or the modified accrual basis of accounting. The accrual basis of accounting recognizes changes in net position when the underlying event occurs, regardless of the timing of related cash flows. The modified accrual basis of accounting recognizes changes only at the point they affect near-term liquidity.

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

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

The governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 180 days after the end of the fiscal year, except for real property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, lease liabilities, workers' compensation, compensated absences, pension costs, and OPEB, which are recognized as expenditures to the extent they have matured. Capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

E. Real Property Taxes and Other Tax Items

Calendar

Real property taxes are levied annually by the Board in August and become a lien on October 1st and April 1st. Taxes are collected by the Town of Oyster Bay ("the Town") and remitted to the District from December to June.

Enforcement

Uncollected real property taxes are subsequently enforced by the County of Nassau in June.

School Tax Relief (STAR) Aid

New York State implemented the STAR program with the enactment of Chapter 389 of the Laws of 1997 to reduce the school property tax burden on residential homeowners. A school district's annual property tax levy as adopted is reduced by the total amount of the STAR exemptions granted to homeowners. School districts are reimbursed for this loss in property tax revenues by the state with STAR aid, which is reported as other tax items revenue.

F. Payments in Lieu of Taxes (PILOT)

The District reports PILOT revenues in the general fund as part of other tax items revenues. These PILOT revenues are often the result of tax abatements granted by industrial development agencies of the Town and/or the County to help promote local economic development. Property owners make PILOT payments to the government agencies, which in turn remit the collected payments to the District.

PILOT payments collected on behalf of the Library are remitted to the Library. These pass-through amounts are not included in the District's other tax items revenue; however, the amounts are recorded within the custodial fund.

The District's PILOT revenues also include payments from the Long Island Power Authority (LIPA) remitted by Nassau County. Beginning in the 2015-16 fiscal year, the Nassau County Legislature removed properties owned by LIPA from the assessment and tax rolls and, instead, allowed LIPA to make payments in lieu of taxes in response to the New York State Public Authorities Law §1020-q ("the LIPA Reform Act") enacted by the state in 2013. These LIPA payments are not the result of tax abatement agreements as defined by GASB, under which an entity receiving a reduction in tax revenues promises to take specific action that contributes to economic development or otherwise benefits the governments or residents of the governments.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

G. Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net resources are available, the District's policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these Notes to Financial Statements.

H. Interfund Transactions

The operations of the District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The District typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include transfers to provide financing or other services. This includes the transfer of unrestricted general fund revenues to finance various programs that the District must account for in other funds in accordance with budgetary authorizations.

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

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

A detailed disclosure by individual fund for interfund receivables, payables, transfers in, and transfers out activity is provided subsequently in these Notes to Financial Statements.

I. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingencies at the date of the financial statements and the reported revenues and expenses/expenditures during the reporting period. Accordingly, actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including revenue availability, compensated absences, pension costs, OPEB, workers' compensation, potential contingent liabilities, and useful lives of capital assets.

J. Cash and Cash Equivalents

Cash and cash equivalents consists of cash on hand, bank deposits, and investments with an original maturity date of 90 days or less from date of acquisition.

Certain cash balances are restricted by various legal and contractual obligations, such as legal reserves and debt agreements.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

K. Receivables

Receivables are recorded when the transaction takes place, and the respective revenues are recognized as earned in the district-wide financial statements, and when available in the fund financial statements. Receivables are shown net of an allowance for uncollectibles, if any. However, no allowance for uncollectibles has been provided since it is believed that such allowance would not be material.

L. Inventory and Prepaid Items

Inventory of food in the school food service fund is recorded at cost on a first-in, first-out basis, or in the case of surplus food donated by the U.S. Department of Agriculture, at the Government's assigned value, which approximates market. Inventory is accounted for on the consumption method. Under the consumption method, a current asset for the inventory and/or prepaid is recorded at the time of receipt and/or purchase and an expense/expenditure is reported in the year the goods or services are consumed.

Purchases of inventoriable items in other funds are recorded as expenditures at the time of purchase, and are considered immaterial in amount.

Prepaid items represent payments made by the District for which benefits extend beyond year end. These payments reflect costs applicable to a future accounting period and are recorded on the Statement of Net Position and Balance Sheet using the consumption method.

A portion of fund balance has been classified as nonspendable to indicate that inventory and prepaid items do not constitute available spendable resources.

M. Capital Assets and Intangible Assets

The district-wide financial statements report both capital and intangible assets, such as right-to-use leased assets. Capital assets are reported at actual cost, when the information is available, or at estimated historical cost based on professional third-party information. Donated assets are reported at acquisition value at the date of donation. Intangible assets are reported based on the estimated lease liabilities calculated in accordance with GASB standards.

All capital assets, except land and construction in progress, are depreciated on a straight-line basis over their estimated useful lives, intangible assets are amortized on a straight-line basis over the term of their underlying agreements, as follows:

	<u>Capitalization Threshold</u>	<u>Estimated Useful Life</u>
Buildings and improvements	\$ 10,000	50 years
Land improvements	10,000	20 years
Furniture, equipment, and vehicles	1,000	5-15 years
Leased equipment and fixtures	-	3-5 years

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

N. Deferred Outflows of Resources

Deferred outflows of resources, in the Statement of Net Position, represents a consumption of net assets that applies to a future reporting period and so will not be recognized as an outflow of resources (expense) until that time. The District has two items that qualify for reporting in this category. The first item is related to pensions and consists of the District's proportionate share of changes in the collective net pension assets or liabilities not included in collective pension expense and the District's contributions to the pension systems (TRS and ERS) subsequent to the measurement date. The second item is related to OPEB and represents the change in the total OPEB liability not included in OPEB expense.

O. Short-Term Debt

The District may issue tax anticipation notes (TAN), in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The TANs represent a liability that will be extinguished by the use of expendable, available resources of the fund.

The District may issue bond anticipation notes (BAN), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date, seven years if originally issued during calendar year 2015 through, and including, 2021. The notes, or renewal thereof, may not extend more than two years beyond the original date of issue, unless a portion is redeemed within two years and within each twelve-month period thereafter.

P. Collections in Advance

Collections in advance arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures or when charges for services monies are received in advance from payers prior to the services being rendered by the District, such as student fees in the general fund, and prepaid meals and supply chain assistance monies in the nonmajor funds (school food service). These amounts are recorded as liabilities in the financial statements. The liabilities are removed and revenues are recognized in subsequent periods when the District has legal claim to the resources.

Q. Employee Benefits – Compensated Absences

Compensated absences consist of unpaid accumulated sick leave and vacation leave.

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

Vacation eligibility and accumulation is specified in collective bargaining agreements and in individual employment contracts. Some earned benefits may be forfeited if not taken within varying time periods. Employees are compensated for unused accumulated vacation leave through paid time off or cash payment upon retirement, termination, or death.

Certain collectively bargained agreements require these payments to be paid in the form of non-elective contributions into the employee's §403(b) plan.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

In the district-wide financial statements, the District recognizes a liability for compensated absences, including vacation and sick leave, when employees have earned the right to leave and it is more likely than not that the leave will be used for time off or otherwise paid in cash, or settled through other means. The District utilizes historical data of past usage patterns to estimate the expected usage and payment of compensated absences. The liability is measured at the pay rate at the reporting date, including salary-related payments, such as social security and Medicare taxes.

In the fund financial statements, a liability is reported only for payments due for unused compensated absences for those employees that have obligated themselves to separate from service with the District by June 30th.

R. Other Benefits

Eligible District employees participate in the TRS or the ERS.

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

The District provides individual or family health insurance coverage for active employees pursuant to collective bargaining agreements and individual employment contracts.

In addition to providing these benefits, the District provides individual, family, or surviving spouse postemployment health insurance coverage for eligible retired employees. Collective bargaining agreements and individual employment contracts determine if District employees are eligible for these benefits if they reach normal retirement age while working for the District. Healthcare benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing postemployment benefits is shared between the District and the retired employee. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure in the governmental funds as the liabilities for premiums mature (come due for payment). In the district-wide statements, the cost of postemployment health insurance coverage is recognized on the economic resources measurement focus and the accrual basis of accounting as set forth by GASB.

S. Long-Term Debt

The District borrows money in order to acquire land or equipment, construct buildings, or make improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government. The repayment of principal and interest will be in the general fund and debt service fund.

In the fund financial statements, governmental funds recognize bond premiums during the current period, with the face amount of debt issued reported as other financing sources. Premiums received on long-term debt issuances are reported as other financing sources. Further, the unmatured principal of general long-term debt does not require current appropriation and expenditure of governmental fund financial resources.

In the district-wide financial statements, premiums received on long-term debt issuances are netted with bonds payable and amortized over the life of the bonds.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

T. Lease Liabilities

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term; the intangible right-to-use lease asset is initially measured at the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease liability is reduced by the principal portion of the lease payments made, and the intangible lease asset is amortized on a straight-line basis over the lease term.

U. Deferred Inflows of Resources

Deferred inflows of resources represents an acquisition of net assets that applies to a future reporting period and so will not be recognized as an inflow of resources (revenue/expense credit) until that time. The District has three items that may qualify for reporting in this category. First is unavailable revenues reported in the governmental funds when potential revenues do not meet the availability criterion for recognition in the current period. This includes receivables of certain state aid allocations. In subsequent periods, when the availability criterion is met, unavailable revenues are reclassified as revenues. In the District-wide financial statements, unavailable revenues are treated as revenues. The second item is related to pensions reported in the district-wide Statement of Net Position and consists of the District's proportionate share of the change in the collective net pension assets or liabilities not included in collective pension expense. The third item is related to OPEB reported in the district-wide Statement of Net Position and represents the change in the total OPEB liability not included in OPEB expense.

V. Equity Classifications

District-Wide Statements

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

Net investment in capital assets – Consists of net capital and intangible assets (cost less accumulated depreciation/amortization) reduced by outstanding balances of related debt obligations from the acquisition, construction, improvements of, and the right-to-use those assets, net of any unexpended proceeds.

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

Unrestricted – Reports the balance of net position that does not meet the definition of the above two classifications.

Fund Statements

The fund statements report fund balance classifications according to the relative strength of spending constraints placed on the purpose for which resources can be used, as follows:

Nonspendable – Consists of amounts that are inherently nonspendable in the current period either because of their form or because they must be maintained intact. Nonspendable fund balance consists of inventory, which is recorded in the nonmajor funds (school food service), and prepaids, which is recorded in the general fund.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Restricted – Consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation. The District has established the following restricted fund balances:

Workers' Compensation Reserve

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

Unemployment Insurance Reserve

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

Retirement Contribution Reserve

Retirement Contribution Reserve (GML §6-r) is used for the purpose of financing retirement contributions payable to the ERS and TRS. The Board, by resolution, may establish the reserve and authorize expenditures from the reserve. The reserve is funded by budgetary appropriations or taxes raised for the reserve, revenues that are not required by law to be paid into any other fund or account, transfers from reserves and other funds that may legally be appropriated. Contributions to the TRS sub-fund are limited to 2% of the total covered salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year. The TRS sub-fund is separately administered, but must comply with all the existing provisions of GML. These reserves are accounted for in the general fund.

Insurance Reserve

Insurance Reserve (GML §6-n) is used to pay liability, casualty, and other types of losses, except losses incurred for which the following types of insurance may be purchased: life, accident, health, annuities, fidelity and surety, credit, title residual value, and mortgage guarantee. In addition, this reserve may not be used for any purpose for which a special reserve may be established pursuant to law (for example, for unemployment compensation insurance). The reserve may be established by Board action, and funded by budgetary appropriations, or such other funds as may be legally appropriated. There is no limit on the amount that may be accumulated in the Insurance Reserve; however, the annual contribution to this reserve may not exceed the greater of \$33,000 or 5% of the budget. Settled or compromised claims up to \$25,000 may be paid from the reserve without judicial approval. The reserve is accounted for in the general fund.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Employee Benefit Accrued Liability Reserve

Employee Benefit Accrued Liability Reserve (GML §6-p) is used to reserve funds for the payment of accrued employee benefits primarily based on unused and unpaid sick leave, personal leave, holiday leave, or vacation leave due an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board, and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. The reserve is accounted for in the general fund.

Capital Reserve

Capital Reserve (Education Law §3651) is used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve requires authorization by a majority of the voters establishing the purpose of the reserve; the ultimate amount, its probable term, and the source of the funds. Expenditure may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. The reserves are accounted for in the general fund and capital projects fund.

Repairs Reserve

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

Restricted for Debt

Unexpended balances of proceeds of borrowings for capital projects, interest, and earnings from investing proceeds of debt, and premiums and accrued interest on long-term borrowings are recorded in the nonmajor funds (debt service) and held until appropriated for debt payments. These restricted amounts are accounted for in the nonmajor funds (debt service).

Restricted for Scholarships

Amounts restricted for scholarships are used to account for monies donated for scholarship purposes, including earnings and net of awards. These restricted funds are accounted for in the nonmajor funds (scholarships).

Restricted – Unspent Debt Proceeds

Unspent long-term debt proceeds are recorded as restricted fund balance because they are subject to external constraints contained in the debt agreement. These restricted funds are accounted for in the capital projects fund.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Assigned – Consists of amounts that are subject to a purpose constraint that represents an intended use established by the District’s Board. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual, positive amount of fund balance. Assigned fund balance also includes an amount appropriated to partially fund the subsequent year’s budget, as well as encumbrances not classified as restricted at the end of the fiscal year.

Unassigned – Represents the residual classification for the District’s general fund and could report a surplus or deficit. In funds other than the general fund, the unassigned classification is used to report a deficit fund balance resulting from overspending of available resources. NYS Real Property Tax Law §1318 restricts the unassigned fund balance of the general fund to an amount not greater than 4% of the subsequent year’s budget.

Fund Balance Classification

Any portion of fund balance may be applied or transferred for a specific purpose by law, voter approval if required by law or by formal action of the Board if voter approval is not required. Amendments or modification to the applied or transferred fund balance must also be approved by formal action of the Board.

The Board shall delegate the authority to assign fund balance, for encumbrance purposes, to the person(s) to whom it has delegated the authority to sign purchase orders.

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications (that is restricted, assigned, or unassigned), the Board will assess the current financial condition of the District and then determine the order of fund balance classification to which the expenditures will be charged.

2. CHANGE IN ACCOUNTING PRINCIPLE

For the year ended June 30, 2025, the District implemented GASB Statement No. 101, *Compensated Absences*. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used, but not yet paid in cash or settled through noncash means. This liability would include leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely that not to be used for time off or otherwise paid in cash, or settled through noncash means.

See “Changes to or Within Reporting Entity and Change in Accounting Principle” Note for detailed information regarding the restatement.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. FUTURE ACCOUNTING STANDARDS

The GASB Statements are issued to set GAAP for state and local governments. The following is not an all-inclusive list of GASB statements issued, but statements that the District feels may have a future impact on these financial statements. The District will evaluate the impact of these pronouncements and implement them, as applicable, if material.

Effective for the Year Ending	Statement
June 30, 2026	GASB No. 103 – <i>Financial Reporting Model Improvement</i>
June 30, 2026	GASB No. 104 - <i>Disclosure of Certain Capital Assets</i>

GASB Statement No. 103 was 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. This Statement also addresses certain application issues.

GASB Statement No. 104 requires certain types of capital assets to be disclosed separately in the capital assets note disclosure such as leased assets, intangible right-to-use assets, and assets held for sale.

4. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE DISTRICT-WIDE STATEMENTS AND THE GOVERNMENTAL FUND STATEMENTS

Due to the differences in the measurement focus and basis of accounting used in the district-wide statements and the governmental fund statements, certain financial transactions are treated differently. The financial statements contain a full reconciliation of these items.

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

Total fund balances of the District’s governmental funds differ from net position of governmental activities reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the governmental funds Balance Sheet, as applied to the reporting of capital assets and deferred outflows of resources, long-term assets and liabilities, and deferred inflows of resources.

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

Differences between the Statement of Revenues, Expenditures, and Changes in Fund Balances and the Statement of Activities fall into any of four broad categories.

Long-Term Revenue and Expense Differences

Long-term revenue differences arise because governmental funds report revenues only when they are considered “available,” whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a current financial resources measurement focus and the modified accrual basis, whereas the economic resources measurement focus and the accrual basis of accounting is used on the Statement of Activities, thereby affecting expenses such as compensated absences.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Capital Related Differences

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

Long-Term Debt Transaction Differences

Long-term debt transaction differences occur because the issuance of long-term debt provides current financial resources to governmental funds, but is recorded as a liability in the Statement of Net Position. In addition, both interest and principal payments are recorded as expenditures in the fund statements when due and payable, whereas interest expense is recorded in the Statement of Activities as it accrues, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

Pension and Other Postemployment Benefits Differences

Pension differences occur as a result of recognizing pension costs using the current financial resources measurement focus and the modified accrual basis of accounting, whereby an expenditure is recognized based on the contractually required contribution as calculated by the plan, versus the economic resources measurement focus and the accrual basis of accounting, whereby an expense is recognized related to the District's proportionate share of the collective pension expense of the plan.

OPEB differences occur as a result of recognizing OPEB costs using the current financial resources measurement focus and the modified accrual basis of accounting, whereby an expenditure is recognized for health insurance premiums and OPEB costs as they mature (come due for payment), versus the economic resources measurement focus and the accrual basis of accounting, whereby an expense is recognized related to the future cost of benefits in retirement over the term of employment.

5. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgets

The District's administration prepares a proposed budget for approval by the Board for the general fund, the only fund with a legally adopted budget.

The voters of the District approved the proposed appropriation budget for the general fund.

Appropriations are established by the adoption of the budget, are recorded at the program line item level, and constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations authorized for the year may be increased by the amount of encumbrances carried forward from the prior year. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year can be funded by the planned use of specific reserves, and can be increased by budget amendments approved by the Board as a result of selected new revenue sources not included in the original budget (when permitted by law) and appropriation of fund balances. These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. The following supplemental appropriations occurred during the year:

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Instructional expenditures funded by donations	\$ 2,398
Transfer to capital projects fund from 2014, 2018, and 2020 capital reserves based on October 2024 voter-approved bond proposition	<u>4,100,368</u>
	<u>\$ 4,102,766</u>

Budgets are adopted annually on a basis consistent with GAAP, and are established and used for individual capital projects based on authorized funding. The maximum project amount authorized is based upon the estimated cost of the project. These budgets do not lapse and are carried over to subsequent fiscal years until the completion of the projects.

B. Encumbrances

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

C. Unrestricted Net Position Deficit

At June 30, 2025, the governmental activities reported an unrestricted net position deficit of \$408,922,085. This deficit is primarily the result of unfunded liabilities such as the District recognizing its proportionate share of the net pension liability and total OPEB liabilities on the statement of net position. The accumulated effect of these required recognitions, coupled with the limitations from the state on funding the OPEB liabilities on a “pay as you go” basis, has resulted in a negative unrestricted net position. The District remains committed to its employees and retirees by continuing to make all required contributions to the pension plans and including these amounts in its annual budget to cover its share of the costs of postemployment health insurance coverage.

6. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

The District’s investment policies are governed by state statutes and District policy. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities. Collateral is required for demand and time deposits, and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its Agencies and obligations of New York State and its municipalities. Investments are stated at fair value.

Custodial credit risk is the risk that in the event of a bank failure, the District may be unable to recover deposits or collateral securities that are in possession of an outside agency. GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits, are as follows:

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

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

The District's aggregate bank balances were covered by FDIC insurance or fully collateralized by securities pledged and letters of credit on the District's behalf at year end.

The District did not have any investments at year end or during the year, except as indicated below. Consequently, the District was not exposed to any material interest rate risk or foreign currency risk.

Investment Pool:

The District participates in the New York Cooperative Liquid Assets Securities System – New York (NYCLASS), a multi-municipal cooperative investment pool agreement pursuant to GML Articles 3-A and 5-G, whereby it holds a portion of the investments in cooperation with other participants. NYCLASS is rated AAAM by S&P Global Ratings. The investments are highly liquid and are considered to be cash equivalents. All NYCLASS portfolio holdings are collateralized in accordance with GML §10.

The District's investments in NYCLASS consisted of repurchase agreements, U.S. Treasury Securities, and collateralized bank deposits, with various interest rates and due dates. The dollar weighted average days to maturity (WAM) of NYCLASS at June 30, 2025, was 46 days and the weighted average life (WAL) was 77 days. These investments are included in cash, as follows:

Fund	Carrying Amount
General Fund	\$ 8,740,026
Capital Projects Fund	3,182,519
	\$ 11,922,545

Securities, other than repurchase agreements, are valued at the most recent market bid price as obtained from one or more market makers for such securities. Repurchase agreements are recorded at cost, which approximates fair value. The lead participant of NYCLASS is the Village of Rhinebeck. Additional information concerning NYCLASS, including the annual report, can be found on its website at www.newyorkclass.org.

7. PARTICIPATION IN BOCES

During the year ended June 30, 2025, the District was billed \$14,279,701 for BOCES administrative and program costs. The District's share of BOCES aid amounted to \$4,668,568. Financial statements for BOCES are available from the BOCES administrative offices at 71 Clinton Road, P.O. Box 9195, Garden City, New York 11530-9195.

8. TAXES RECEIVABLE

Taxes receivable at June 30, 2025, consisted of:

General Fund	
Nassau County - school tax	<u>\$ 4,192,442</u>

District management expects these amounts to be fully collectible.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

9. DUE FROM STATE AND FEDERAL

Due from state and federal at June 30, 2025, consisted of:

General Fund	
New York State Department of Health	\$ 14,683
New York State - General aid	129,977
New York State - Excess cost aid	990,166
BOCES aid	<u>2,164,075</u>
	3,298,901
Special Aid Fund	
Federal and state grants	2,839,641
Capital Projects Fund	
Smart Schools Bond Act	1,012,938
Nonmajor Funds	
Federal and state food service program reimbursements	<u>65,143</u>
	<u>\$ 7,216,623</u>

District management expects these amounts to be fully collectible.

10. DUE FROM OTHER GOVERNMENTS

Due from other governments at June 30, 2025, consisted of:

General Fund	
Other Districts - Tuition and health services	\$ 339,134
Miscellaneous	<u>58,894</u>
	398,028
Capital Projects Fund	
Nassau County Grant - Fitness center	<u>75,000</u>
	<u>\$ 473,028</u>

District management expects these amounts to be fully collectible.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

11. CAPITAL ASSETS

A. Changes

Capital assets balances and activity for the year ended June 30, 2025, were as follows:

	Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 1,254,281	\$	\$	\$ 1,254,281
Construction in progress	50,760,799	5,128,756	(28,974,819)	26,914,736
Total capital assets not being depreciated	52,015,080	5,128,756	(28,974,819)	28,169,017
Capital assets being depreciated/amortized:				
Buildings and improvements	167,203,970	28,247,577		195,451,547
Land improvements	13,243,645	1,270,917		14,514,562
Furniture, equipment, and vehicles	19,866,080	1,221,737	(24,430)	21,063,387
Leased equipment and fixtures	5,643,714	479,979		6,123,693
Total capital assets being depreciated/amortized	205,957,409	31,220,210	(24,430)	237,153,189
Less accumulated depreciation/amortization for:				
Buildings and improvements	80,958,842	5,242,631		86,201,473
Land improvements	4,459,294	357,799		4,817,093
Furniture, equipment, and vehicles	12,263,297	1,258,144	(24,430)	13,497,011
Leased equipment and fixtures	3,259,304	1,310,178		4,569,482
Total accumulated depreciation/amortization	100,940,737	8,168,752	(24,430)	109,085,059
Total capital assets, being depreciated/amortized, net	105,016,672	23,051,458	-	128,068,130
Capital assets, net	\$ 157,031,752	\$ 28,180,214	\$ (28,974,819)	\$ 156,237,147

Depreciation/amortization expense was charged to governmental functions, as follows:

General support	\$ 849,207
Instruction	6,919,841
Pupil transportation	310,759
Community service	9,676
Food service program	79,269
Total depreciation/amortization expense	\$ 8,168,752

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Lease Assets

The District has entered into various lease arrangements whose terms vary between three and five years with discount rates ranging from 1.08% to 4.85%. These leases are included in leased equipment and fixtures as indicated in the previous table. The District has not provided any residual value guarantees related to these leased capital assets.

C. Impairment Losses

The District evaluates prominent events or changes in circumstances affecting capital or intangible assets to determine whether impairment of a capital or intangible asset has occurred. The District's policy is to record an impairment loss in the period when the District determines that the carrying amount of the asset will not be recoverable. At June 30, 2025, the District did not record any such impairment losses.

12. INTERFUND TRANSACTIONS

Interfund balances and activities at June 30, 2025, were as follows:

	Interfund			
	Receivable	Payable	Transfers In	Transfers Out
General Fund	\$ 2,997,959	\$ 568,698	\$	\$ 13,269,235
Special Aid Fund	67,671	2,436,202	457,254	
Capital Projects Fund	2,775	561,757	8,425,366	
Nonmajor Funds	175,637		4,386,615	
Total Governmental Funds	<u>3,244,042</u>	<u>3,566,657</u>	<u>\$ 13,269,235</u>	<u>\$ 13,269,235</u>
Custodial Fund	<u>322,615</u>			
 Total	 <u>\$ 3,566,657</u>	 <u>\$ 3,566,657</u>		

The District typically transfers from the general fund to the special aid fund, capital projects fund, and nonmajor funds, per the approved budget. The transfer to the special aid fund was for the District's share of the costs for summer programs for students with disabilities and the state-supported Section 4201 schools. The transfers to the capital projects fund included a \$4,325,000 budget transfer for capital improvement projects, and the October 2024 voter-approved use of the capital reserves, which resulted in a general fund budget revision in the amount of \$4,100,368.

The District also transfers from the general fund to the nonmajor funds (school food service fund and debt service fund). The transfer to the school food service fund was to provide support for the program per the approved budget and/or reimburse the school food service fund for unpaid student meals balances in accordance with state regulations, and the transfer to the debt service fund was for the payment of principal and interest on long-term outstanding indebtedness.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

13. SHORT-TERM DEBT

Short-term debt activity for the year is summarized below:

	<u>Maturity</u>	<u>Stated Interest Rate</u>	<u>Balance June 30, 2024</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance June 30, 2025</u>
TAN	6/2025	4.00%	\$ -	\$ 20,000,000	\$ (20,000,000)	\$ -

The TAN was issued to provide cash flow for the District until real property taxes are received from the Town.

Interest on short-term debt for the year was \$626,667. The District received a premium of \$132,400, which is included in miscellaneous revenue in the general fund. The net effective interest rate was 3.1549%.

14. LONG-TERM LIABILITIES

A. Changes

Long-term liabilities balances and activities, excluding pension liabilities, for the year are summarized below:

	<u>*Balance June 30, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2025</u>	<u>Amounts Due Within One Year</u>
Long-term debt:					
Bonds payable	\$ 47,785,000	\$ -	\$ (4,325,000)	\$ 43,460,000	\$ 4,450,000
Premiums on bonds	615,181		(170,418)	444,763	165,560
	48,400,181	-	(4,495,418)	43,904,763	4,615,560
Lease liabilities	2,453,251	479,979	(1,342,234)	1,590,996	1,063,646
	50,853,432	479,979	(5,837,652)	45,495,759	5,679,206
Other long-term liabilities:					
Compensated absences payable *	5,485,714	164,138		5,649,852	1,238,678
Workers' compensation liabilities	5,285,727	1,742,965	(1,171,508)	5,857,184	1,237,422
Total OPEB liability	401,791,719		(22,398)	401,769,321	16,226,074
	412,563,160	1,907,103	(1,193,906)	413,276,357	18,702,174
	<u>\$ 463,416,592</u>	<u>\$ 2,387,082</u>	<u>\$ (7,031,558)</u>	<u>\$ 458,772,116</u>	<u>\$ 24,381,380</u>

* The beginning balance of compensated absences of \$4,825,880, as previously reported, was increased by \$659,834 to present the cumulative effect of GASB Statement No. 101.

The general fund has typically been used to liquidate other long-term liabilities.

Additions and reductions to compensated absences are shown net. The maturity of compensated absences is not determinable.

For total OPEB liability, see "Postemployment Healthcare Benefits" Note for additional information.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Bonds Payable

Bonds payable is comprised of the following:

Description	Issue Date	Final Maturity	Interest Rate	Outstanding at June 30, 2025
Serial bonds (refunding)	10/2013	12/2025	2.0-5.0 %	\$ 915,000
Serial bonds (refunding)	10/2013	7/2025	2.0-5.0 %	405,000
Serial bonds (refunding)	5/2015	7/2026	2.0-5.0 %	295,000
Serial bonds	9/2019	12/2039	2.0-2.25%	23,345,000
Serial bonds	7/2020	7/2036	2.0%	<u>18,500,000</u>
				<u>\$ 43,460,000</u>

The following is a summary of principal and interest requirements for bonds payable:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 4,450,000	\$ 861,719	\$ 5,311,719
2027	3,235,000	761,369	3,996,369
2028	3,155,000	695,219	3,850,219
2029	3,200,000	631,669	3,831,669
2030	3,285,000	566,819	3,851,819
2031 - 2035	17,185,000	1,820,494	19,005,494
2036 - 2039	<u>8,950,000</u>	<u>33,872</u>	<u>8,983,872</u>
Total	<u>\$ 43,460,000</u>	<u>\$ 5,371,161</u>	<u>\$ 48,831,161</u>

C. Remedies Upon Default in Bond Payments

The bonds are general obligation contracts between the District and the owners for which the faith and credit of the District are pledged and remedies for enforcement of payment are not expressly included in the District's contract with such owners. Upon default in the payment of principal of or interest on the bonds at the suit of the owner, a court has the power, in proper and appropriate proceedings, to render judgment against the District. A court also has the power, in proper and appropriate proceedings, to order payment of a judgment on such bonds from funds lawfully available, therefore, in the absence thereof, to order the District to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy.

Section 99-b of the State Finance Law provides for a covenant between New York State and the purchasers and the holders and owners from time to time of the bonds issued by school districts in New York State. In the event a holder or owner of any bond or note issued by a school district for school purposes shall file with the Office of the New York State Comptroller (OSC), a verified statement describing such bond and alleging default in the payment thereof or the interest thereon or both. The OSC shall thereafter deduct and withhold from the next succeeding allotment, apportionment or payment of such state aid or assistance due to such school district such amount thereof as may be required to pay the principal of and interest on such bonds of such school district then in default. In the event such state aid or assistance initially so withheld shall be insufficient to pay said amounts in full, the OSC shall similarly deduct and withhold from each succeeding allotment, apportionment or payment of such state aid or assistance due such school district such amount or amounts thereof as may be required to cure such default.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Premium on Obligation

In the district-wide statements, the District is amortizing bond premiums as a component of interest expense on a weighted average basis, as follows:

<u>Year Ending June 30,</u>	<u>Amortization of Premium</u>
2026	\$ (165,560)
2027	(52,016)
2028	(46,915)
2029	(41,734)
2030	(36,432)
2031 - 2035	(99,253)
2036	<u>(2,853)</u>
Total	<u>\$ (444,763)</u>

E. Lease Liabilities

Lease liabilities is comprised of the following:

<u>Description</u>	<u>Commencement Date</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Outstanding at June 30, 2025</u>
Computer equipment	10/2021	10/2025	1.080%	\$ 25,774
Computer equipment	4/2021	4/2026	2.240%	678,622
Canon copier machines	7/2022	6/2026	2.275%	100,171
Canon IMC print shop	9/2022	8/2026	2.275%	78,819
Chromebooks and cases	7/2023	6/2028	4.420%	316,148
Computer equipment	7/2024	6/2029	4.850%	<u>391,462</u>
				<u>\$ 1,590,996</u>

The following is a summary of principal and interest requirements for lease liabilities:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,063,646	\$ 37,660	\$ 1,101,306
2027	212,088	19,912	232,000
2028	210,181	10,399	220,580
2029	<u>105,081</u>	<u>2,781</u>	<u>107,862</u>
Total	<u>\$ 1,590,996</u>	<u>\$ 70,752</u>	<u>\$ 1,661,748</u>

There were no variable payments or other payments made for leases included above.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

F. Interest Expense

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

Interest paid	\$ 1,058,439
Less interest accrued in the prior year	(206,790)
Plus interest accrued in the current year	177,749
Less amortization of deferred amounts	<u>(170,418)</u>
 Total interest expense on long-term debt	 <u>\$ 858,980</u>

G. Library Debt

In 2013, the District advance refunded \$8,035,000 of serial bonds on behalf of the Library. The bonds were used for reconstruction of the Library building. Although the bond issue is an obligation of the District, the Library Board has committed to raise funds through its budget and tax levy sufficient enough to transfer to the District for the ensuing debt service payments. In the year ended June 30, 2025, the Library paid \$937,500 towards the current debt service payments.

15. PENSION PLANS – NEW YORK STATE

A. General Information

The District participates in the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS). These are cost-sharing multiple employer, defined benefit, public employee retirement systems. The systems provide retirement, disability, withdrawal, and death benefits to plan members and beneficiaries related to years of service and final average salary.

B. Provisions and Administration

Teachers' Retirement System

The TRS is administered by the New York State Teachers' Retirement Board. The TRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law (NYSRSSL). Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors, and administrators employed in New York Public Schools and BOCES who elected to participate in the TRS. 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. Additional information regarding the TRS may be found on the TRS website at www.nystrs.org or obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, New York 12211-2395.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Employees' Retirement System

Obligations of employers and employees to contribute and benefits to employees are governed by the NYSRSSL. The net position of the ERS is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the ERS. As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as the trustee of the Fund and is the administrative head of the ERS. 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 District also participates in the Public Employees' Group Life Insurance Plan (GLIP), 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/publications/index.php or obtained by writing to the New York State and Local Employees' Retirement System, 110 State Street, Albany, New York 12244.

C. Funding Policies

Plan members who joined the systems before July 27, 1976, are not required to make contributions. Those joining on or after July 27, 1976, and before January 1, 2010, with less than ten years of credited services are required to contribute 3% of their salary. Those joining on or after January 1, 2010 and before April 1, 2012, are required to contribute 3% of their salary to ERS or 3.5% of their salary to TRS throughout active membership. Those joining on or after April 1, 2012, are required to contribute between 3% and 6% dependent on their salary throughout active membership. Employers are required to contribute at an actuarially determined rate based on covered salaries paid. For the TRS, the employers' contribution rate is established annually by the New York State Teachers' Retirement Board for the TRS' fiscal year ended June 30th, and employer and employee contributions are deducted from state aid in the subsequent months of September, October, and November, with the balance to be paid by the District, if necessary. For the ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions for the ERS' fiscal year ended March 31st, and employer contributions are either paid by the prior December 15th less a 1% discount or by the prior February 1st. The District paid 100% of the required contributions as billed by the TRS and ERS for the current year. The District's contribution rate was 9.76% of covered payroll for the TRS' fiscal year ended June 30, 2024. The District's average contribution rate was 14.41% of covered payroll for the ERS' fiscal year ended March 31, 2025.

The District's share of the required contributions, based on covered payroll for the District's year ended June 30, 2025 was \$12,145,508 for TRS at the contribution rate of 10.11% and \$3,669,034 for ERS at an average contribution rate of 14.11%.

D. Pension Asset/(Liability), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, the District reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for each of the systems. The net pension asset/(liability) was measured as of June 30, 2024, for TRS and March 31, 2025 for ERS. The total pension liability used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The District's proportion of the net pension asset/(liability) was based on a projection of the District's long-term share of contributions to the systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the TRS and the ERS in reports provided to the District.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

	<u>TRS</u>	<u>ERS</u>
Measurement date	June 30, 2024	March 31, 2025
District's proportionate share of the net pension asset/(liability)	\$ 18,123,159	\$ (10,332,578)
District's portion of the Plan's net pension liability	0.607424%	0.0602633%
Change in proportion since the prior measurement date	(0.015580)	(0.0066431)

For the year ended June 30, 2025, the District recognized a pension expense of \$10,193,564 for TRS and \$2,640,735 for ERS. At June 30, 2025, the District reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>
Differences between expected and actual experience	\$ 19,515,314	\$ 2,564,615	\$	\$ 120,974
Changes of assumptions	10,841,321	433,328	1,823,612	
Net difference between projected and actual earnings on pension plan investments		810,665	20,136,374	
Changes in proportion and differences between the District's contributions and proportionate share of contributions	763,479	1,007,219	8,512	708,616
District contributions subsequent to the measurement date	<u>12,145,508</u>	<u>1,264,439</u>		
Total	<u>\$ 43,265,622</u>	<u>\$ 6,080,266</u>	<u>\$ 21,968,498</u>	<u>\$ 829,590</u>

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

<u>Year Ending June 30,</u>	<u>TRS</u>	<u>ERS</u>
2026	\$ (9,096,515)	\$ 2,037,248
2027	22,363,762	2,724,650
2028	(3,530,143)	(844,424)
2029	(3,998,477)	68,763
2030	2,434,604	
Thereafter	<u>978,385</u>	
	<u>\$ 9,151,616</u>	<u>\$ 3,986,237</u>

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

	TRS	ERS
Measurement date	June 30, 2024	March 31, 2025
Actuarial valuation date	June 30, 2023	April 1, 2024
Inflation	2.40%	2.90%
Salary increases	1.95-5.18%	4.30%
Investment rate of return (net of investment expense, including inflation)	6.95%	5.90%
Cost of living adjustments	1.30%	150.00%

For TRS, annuitant and active mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021 for June 30, 2023 and June 30, 2022, applied on a generational basis. For ERS, annuitant mortality rates are based on April 1, 2015 – March 31, 2020 system experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021.

For TRS, assumptions were computed by the TRS’ Office of the Actuary and adopted by the TRS’ Retirement Board in October 2021. The assumptions are based upon recent TRS member experience. Detailed assumption information may be found in the TRS’ annual Actuarial Valuation Report. For ERS, the actuarial assumptions were based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020.

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* and generally accepted accounting principles. 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.

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.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized below:

	TRS		ERS	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Measurement date		June 30, 2024		March 31, 2025
Asset class				
Domestic equity	33.0%	6.60%	25.0%	3.54%
International equity	15.0%	7.40%	14.0%	6.57%
Global equity	4.0%	6.90%		
Real estate equity	11.0%	6.30%	12.0%	4.95%
Private equity	9.0%	10.00%	15.0%	7.25%
Alternatives investments			11.0%	5.25-5.55%
Domestic fixed income	16.0%	2.60%		
High-yield bonds	1.0%	4.80%		
Global bonds	2.0%	2.50%		
Fixed income			22.0%	2.00%
Private debt	2.0%	5.90%		
Real estate debt	6.0%	3.90%		
Cash equivalents	1.0%	0.50%		
Cash			1.0%	0.25%
	100.0%		100.0%	

Real rates of return are net of a long-term inflation assumption of 2.4% for TRS and 2.9% for ERS.

Discount Rate

The discount rate used to measure the total pension liability was 6.95% for TRS and 5.90% for ERS. The projection of cash flows used to determine the discount rate assumed 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 the assumptions, the systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the District's proportionate share of the net pension asset/(liability) calculated using the discount rate of 6.95% for TRS and 5.90% for ERS, as well as what the District's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1 percentage point lower (5.95% for TRS and 4.90% for ERS) or 1 percentage point higher (7.95% for TRS and 6.90% for ERS) than the current rate:

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

	1% Decrease	Current Assumption	1% Increase
TRS	5.95%	6.95%	7.95%
District's proportionate share of the net pension asset/(liability)	<u>\$ (83,711,916)</u>	<u>\$ 18,123,159</u>	<u>\$ 103,769,189</u>
	1% Decrease	Current Assumption	1% Increase
ERS	4.90%	5.90%	6.90%
District's proportionate share of the net pension asset/(liability)	<u>\$ (29,903,780)</u>	<u>\$ (10,332,578)</u>	<u>\$ 6,009,389</u>

Pension Plan Fiduciary Net Position

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

	TRS	ERS
	<i>(Dollars in Thousands)</i>	
Measurement date	June 30, 2024	March 31, 2025
Employers' total pension liability	\$ (142,837,827)	\$ (247,600,239)
Plan fiduciary net position	145,821,435	230,454,512
Employers' net pension asset/(liability)	<u>\$ 2,983,608</u>	<u>\$ (17,145,727)</u>
Ratio of plan fiduciary net position to the employers' total pension liability	102.09%	93.08%

Payables to the Pension Plan

For TRS, employer and employee contributions for the fiscal year ended June 30, 2025, are paid to the system in September, October, and November 2025 through a state aid intercept. Accrued retirement contributions as of June 30, 2025, represent employer and employee contributions for the fiscal year ended June 30, 2025, based on paid TRS covered wages multiplied by the employer's contribution rate and employee contributions for the fiscal year as reported to the TRS. Accrued retirement contributions as of June 30, 2025 amounted to \$12,145,508 of employer contributions and \$1,795,867 of employee contributions.

For ERS, employer contributions are paid annually based on the system's fiscal year, which ends on March 31st. Accrued retirement contributions as of June 30, 2025, represent the projected employer contribution for the period of April 1, 2025 through June 30, 2025 based on paid ERS covered wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2025 amounted to \$1,264,439 of employer contributions. Employee contributions are remitted monthly.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

16. PENSION PLANS - OTHER

A. Tax Sheltered Annuities

The District has adopted a §403(b) plan covering all eligible employees. Employees may defer up to 100% of their compensation subject to Internal Revenue Code elective deferral limitations. The District may also make non-elective contributions of certain compensated absence payments based on collectively bargained agreements; Contributions made by the District and the employees for the year ended June 30, 2025, totaled \$45,000 and \$6,717,384, respectively.

B. Deferred Compensation Plan

The District has established a deferred compensation plan in accordance with Internal Revenue Code §457 for all employees. The District makes no contributions to this plan. The amount deferred by eligible employees for the year ended June 30, 2025, totaled \$1,335,256.

17. POSTEMPLOYMENT HEALTHCARE BENEFITS

A. General Information about the OPEB Plan

Plan Description –The District provides OPEB for eligible retired employees of the District. The benefits provided to employees upon retirement are based on provisions in the various contracts that the District has in place with different classifications of employees. The plan is a single-employer defined benefit OPEB plan administered through the New York State Health Insurance Program – Empire Plan. No assets are accumulated in a trust.

Benefits Provided – The District provides healthcare benefits and Medicare Part B coverage for eligible retirees. The benefit terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the District offices and are available upon request.

Employees Covered by Benefit Terms – At July 1, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	1,244
Inactive employees entitled to but not yet receiving benefits	-
Active employees	887
	2,131

B. Total OPEB Liability

The District’s total OPEB liability of \$401,769,321 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2024.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Assumptions and Other Inputs – The total OPEB liability, as of the measurement date, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.40%	
Salary increases	2.40%	average, including inflation
Discount rate	5.20%	
Healthcare cost trend rates	6.60%	decreasing to an ultimate rate of 3.80% by 2073
Retirees' share of benefit-related costs	22.00%	Superintendent
	0.00%	Administrators - first eligible
	10.00%-11.00%	Administrators post-eligible and all other employees

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

Mortality rates were based on PubT-2010 Headcount-Weighted Mortality Table for Teaching Positions and PubG-2010 Headcount-Weighted Mortality Table for Non-Teaching Positions, both generationally projected using the MP 2021 Ultimate Scale.

The actuarial assumptions used in the June 30, 2025 measurement date valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor. The plan does not have credible data on which to perform an experience study. As a result, a full actuarial experience study is not applicable.

C. Changes in the Total OPEB Liability

Balance at June 30, 2024	<u>\$ 401,791,719</u>
Changes for the year	
Service cost	13,124,530
Interest on total OPEB liability	15,990,439
Differences between expected and actual experience	60,570,443
Changes in assumptions or other inputs	(73,481,736)
Benefit payments	<u>(16,226,074)</u>
	<u>(22,398)</u>
Balance at June 30, 2025	<u>\$ 401,769,321</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.93% in 2024 to 5.20% in 2025.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.20%) or 1 percentage point higher (6.20%) than the current discount rate:

	1% Decrease 4.20%	Discount Rate 5.20%	1% Increase 6.20%
OPEB			
Total OPEB liability	<u>\$ (458,779,711)</u>	<u>\$ (401,769,321)</u>	<u>\$ (354,919,043)</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.60%) or 1 percentage point higher (7.60%) than the current healthcare cost trend rate:

	1% Decrease 5.60%	Healthcare Cost Trend Rates 6.60%	1% Increase 7.60%
OPEB	decreasing to 2.80%	decreasing to 3.80%	decreasing to 4.80%
Total OPEB liability	<u>\$ (347,537,096)</u>	<u>\$ (401,769,321)</u>	<u>\$ (469,426,100)</u>

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the District recognized OPEB expense of \$19,132,692. At June 30, 2025, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred	
	Outflows of Resources	Inflows of Resources
Differences between expected and actual experience	\$ 50,860,698	\$ 24,640,436
Changes of assumptions or other inputs	42,436,057	106,228,125
Total	\$ 93,296,755	\$ 130,868,561

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Year Ending June 30,	Amount
2026	\$ (10,582,444)
2027	(15,703,506)
2028	(5,495,100)
2029	(3,638,873)
2030	(2,151,883)
	\$ (37,571,806)

18. RISK MANAGEMENT

A. General Information

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; and natural disasters. These risks are covered by a combination of self-insurance reserves and commercial insurance purchased from independent third parties. There have been no significant reductions in insurance coverage as compared to the prior year, and settled-claims from these risks have not exceeded available reserves and commercial insurance coverage for the past three years.

B. Risk Retention

The District has established a self-insured plan for risks associated with workers' compensation claims. 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 did include an amount for claims, which were incurred on or before year end, but not reported (IBNR). The liability is calculated using a 3.0% interest rate. Claims activity is summarized below:

	2024	2025
Unpaid claims at beginning of year	\$ 4,064,052	\$ 5,285,727
Incurred claims and claim adjustment expenses	2,242,184	1,742,965
Claim payments	(1,020,509)	(1,171,508)
Unpaid claims at year end	\$ 5,285,727	\$ 5,857,184

At June 30, 2025, the District had \$3,577,336 of funds in the workers' compensation reserve.

19. CHANGES TO OR WITHIN REPORTING ENTITY AND CHANGE IN ACCOUNTING PRINCIPLE

During the year ended June 30, 2025, the District reclassified the following major funds to nonmajor funds: school food service fund, debt service fund, extraclassroom activities fund, scholarships fund, and permanent fund. This change is a voluntary presentation change made to improve the clarity of the financial statements and has no impact on the overall governmental fund balances. The funds were previously presented as major funds, but changes in financial activity during the current year now justify the nonmajor classification.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Additionally, for the year ended June 30, 2025, the District implemented GASB Statement No. 101, which established a unified recognition and measurement model for compensated absences. Under the new guidance, accumulated time for leave available for use that was previously an unrecorded liability is now recognized.

The following is a summary of these reporting entity and accounting principle changes:

	As Reported June 30, 2024	Changes to or Within Reporting Entity	Change in Accounting Principle	As Restated June 30, 2024
Government-wide				
Compensated Absences	\$ 4,825,880	\$	\$ 659,834	\$ 5,485,714
Net Position (Deficit)	\$ (242,127,264)	\$	\$ (659,834)	\$ (242,787,098)
Governmental Funds				
Major Funds				
School Food Service	\$ 499,989	\$ (499,989)	\$	\$ -
Debt Service	29,607	(29,607)		-
Extraclassroom Activities	566,660	(566,660)		-
Scholarships	166	(166)		-
Permanent	3,000	(3,000)		-
Nonmajor Funds	-	1,099,422		1,099,422
	<u>\$ 1,099,422</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,099,422</u>

20. RESTRICTED FUND BALANCE – APPROPRIATED RESERVES

The District expects to appropriate the following amounts from reserves, which are reported in the June 30, 2025 restricted fund balances, to fund the budget for the year ending June 30, 2026:

Workers' Compensation	\$ 1,025,000
Unemployment Insurance	50,000
Retirement Contribution	
Teachers' Retirement System	3,057,435
Employees' Retirement System	4,500,000
Employee Benefit Accrued Liability	510,000
	<u>\$ 9,142,435</u>

21. ASSIGNED: APPROPRIATED FUND BALANCE

The amount of \$2,900,000 has been approved to reduce taxes for the year ending June 30, 2026.

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

22. RESTRICTED FOR CAPITAL RESERVE

The following is a summary of the District's restricted capital reserve activity:

Date Created	June 2020
Number of Years to Fund	10
Maximum Funding	<u>\$ 20,000,000</u>
General Fund	
Funding Provided	\$ 10,825,000
Interest Earnings	916,172
Use of Reserve	<u>(6,268,786)</u>
Total General Fund	<u>5,472,386</u>
Capital Projects Fund	
Funding Provided	6,268,786
Use of Reserve	<u>(4,729,870)</u>
Total Capital Projects Fund	<u>1,538,916</u>
Balance as of June 30, 2025	<u><u>\$ 7,011,302</u></u>

23. TAX ABATEMENTS

The Nassau County Industrial Development Agency and the Town of Oyster Bay, enter into various property tax abatement programs for the purpose of economic development. The District's property tax revenue was reduced by \$10,920,715. The District received PILOT totaling \$5,203,891.

In addition, the District recognized \$5,067,753 in LIPA PILOT, which is included in other tax items revenue; however, these payments are not the result of a tax abatement.

24. COMMITMENTS AND CONTINGENCIES

A. Encumbrances

All encumbrances are classified as either restricted or assigned fund balance. At June 30, 2025, the District encumbered the following amounts:

Restricted Fund Balance	
Capital Projects Fund	
Capital Projects	<u>\$ 3,244,077</u>
Assigned: Unappropriated Fund Balance:	
General Fund	
General Support	188,910
Instruction	174,346
Pupil Transportation	<u>39,937</u>
	<u>403,193</u>
Capital Projects Fund	
Capital Projects	<u>5,953,062</u>
	<u><u>\$ 9,600,332</u></u>

SYOSSET CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Grants

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

C. Litigation

The District is involved in lawsuits arising from the normal conduct of its affairs. Management has determined that it is not possible to determine with probability the outcome of legal matters, and whether there will be a financial impact to the District.

25. SUBSEQUENT EVENTS

The District has evaluated subsequent events through the date of the auditor's report, which is the date the financial statements were available to be issued. No significant events were identified that would require adjustment of or disclosure in the financial statements, except for the following:

Issuance of Tax Anticipation Notes

On August 6, 2025, the District issued tax anticipation notes in the amount of \$30,000,000, which are due June 25, 2026, and bear interest at a stated rate of 4.00%. The District received a premium of \$321,900 with the borrowings, to yield an effective interest rate of 2.7891%.

SYOSSET CENTRAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Final Budget Variance with Actual
REVENUES				
Local Sources				
Real property taxes	\$ 222,308,920	\$ 222,308,920	\$ 222,341,415	\$ 32,495
Other tax items	13,822,311	13,822,311	14,475,312	653,001
Charges for services	1,114,126	1,114,126	767,318	(346,808)
Use of money and property	2,645,000	2,645,000	3,193,097	548,097
Sale of property and compensation for loss	180,085	180,085	126,492	(53,593)
Miscellaneous	767,400	769,798	1,066,103	296,305
Total Local Sources	240,837,842	240,840,240	241,969,737	1,129,497
State Sources	34,774,418	34,774,418	35,076,839	302,421
Medicaid Reimbursement	30,000	30,000	55,492	25,492
Federal Sources			45,248	45,248
Total Revenues	275,642,260	275,644,658	277,147,316	\$ 1,502,658
APPROPRIATED FUND BALANCE				
Prior Years' Surplus	2,900,000	2,900,000		
Prior Year's Encumbrances	655,649	655,649		
Appropriated Reserves	7,202,290	11,302,658		
Total Appropriated Fund Balance	10,757,939	14,858,307		
Total Revenues and Appropriated Fund Balance	\$ 286,400,199	\$ 290,502,965		

Note to Required Supplementary Information

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

SYOSSET CENTRAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund (Continued)
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Year End Encumbrances	Final Budget Variance with Actual & Encumbrances
EXPENDITURES					
General Support					
Board of education	\$ 209,235	\$ 232,035	\$ 199,907	\$	\$ 32,128
Central administration	375,414	376,464	374,595		1,869
Finance	1,395,391	1,398,090	1,258,518	25,162	114,410
Staff	1,591,961	1,911,061	1,892,734	1,188	17,139
Central services	25,951,127	25,782,031	24,168,578	162,560	1,450,893
Special items	2,911,436	4,926,436	4,913,263		13,173
Total General Support	32,434,564	34,626,117	32,807,595	188,910	1,629,612
Instruction					
Administration & improvement	10,367,864	10,295,514	9,979,391	1,199	314,924
Teaching - regular school	87,655,955	87,259,665	85,107,415	129,712	2,022,538
Programs for students with disabilities	32,266,318	32,278,818	31,925,234		353,584
Occupational education	590,000	590,000	507,766		82,234
Teaching - special schools	538,596	529,597	494,333		35,264
Instructional media	7,856,917	7,174,453	7,023,545	9,186	141,722
Pupil services	15,483,306	15,498,306	14,729,918	34,249	734,139
Total Instruction	154,758,956	153,626,353	149,767,602	174,346	3,684,405
Pupil Transportation	13,631,142	13,638,142	12,985,433	39,937	612,772
Community Services	304,336	349,836	305,961		43,875
Employee Benefits	75,214,670	72,835,170	70,751,707		2,083,463
Debt Service					
Principal	-	1,342,234	1,342,234		-
Interest	1,024,306	793,020	695,381		97,639
Total Debt Service	1,024,306	2,135,254	2,037,615	-	97,639
Total Expenditures	277,367,974	277,210,872	268,655,913	403,193	8,151,766
OTHER FINANCING USES					
Operating Transfers Out	9,032,225	13,292,093	13,269,235		22,858
Total Expenditures and Other Financing Uses	\$ 286,400,199	\$ 290,502,965	281,925,148	\$ 403,193	\$ 8,174,624
Net Change in Fund Balance			(4,777,832)		
Fund Balance - Beginning of Year			55,665,943		
Fund Balance - End of Year			<u>\$ 50,888,111</u>		

Note to Required Supplementary Information

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

SYOSSET CENTRAL SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Asset/(Liability)
Last Ten Fiscal Years

Teachers' Retirement System

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension asset/(liability)	0.607424%	0.623004%	0.622783%	0.623005%	0.624509%	0.630640%	0.637409%	0.642724%	0.646732%	0.656143%
District's proportionate share of the net pension asset/(liability)	\$ 18,123,159	\$ (7,124,581)	\$ (11,950,526)	\$ 107,960,814	\$ (17,256,861)	\$ 16,384,076	\$ 11,526,035	\$ 4,885,341	\$ (6,926,774)	\$ 68,152,323
District's covered payroll	\$ 115,983,391	\$ 115,110,049	\$ 112,984,876	\$ 105,743,945	\$ 105,992,404	\$ 106,308,429	\$ 104,829,796	\$ 102,684,340	\$ 99,797,318	\$ 98,988,756
District's proportionate share of the net pension asset/(liability) as a percentage of its covered payroll	15.63 %	6.19 %	10.58 %	102.10 %	16.28 %	15.41 %	10.99 %	4.76 %	6.94 %	68.85 %
Plan fiduciary net position as a percentage of the total pension liability	102.09%	99.17%	98.57%	113.25%	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%
Discount rate	6.95%	6.95%	6.95%	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%

Employees' Retirement System

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension asset/(liability)	0.0602633%	0.0669064%	0.0681079%	0.0681679%	0.0609742%	0.0601077%	0.0604660%	0.0624631%	0.0619990%	0.0622257%
District's proportionate share of the net pension asset/(liability)	\$ (10,332,578)	\$ (9,851,330)	\$ (14,605,089)	\$ 5,572,443	\$ (60,714)	\$ (15,916,856)	\$ (4,284,202)	\$ (2,015,963)	\$ (5,825,569)	\$ (9,987,393)
District's covered payroll	\$ 24,205,707	\$ 23,741,596	\$ 23,740,518	\$ 22,812,374	\$ 20,952,844	\$ 20,056,573	\$ 20,063,465	\$ 19,472,315	\$ 19,756,679	\$ 18,893,119
District's proportionate share of the net pension asset/(liability) as a percentage of its covered payroll	42.69 %	41.49 %	61.52 %	24.43 %	0.29 %	79.36 %	21.35 %	10.35 %	29.49 %	52.86 %
Plan fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%
Discount rate	5.90%	5.90%	5.90%	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%

SYOSSET CENTRAL SCHOOL DISTRICT
Schedule of District Pension Contributions
 Last Ten Fiscal Years

Teachers' Retirement System

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 12,145,508	\$ 11,319,979	\$ 11,844,824	\$ 10,811,431	\$ 10,077,398	\$ 9,390,927	\$ 11,179,049	\$ 10,210,954	\$ 11,934,097	\$ 13,217,181
Contributions in relation to the contractually required contribution	<u>12,145,508</u>	<u>11,319,979</u>	<u>11,844,824</u>	<u>10,811,431</u>	<u>10,077,398</u>	<u>9,390,927</u>	<u>11,179,049</u>	<u>10,210,954</u>	<u>11,934,097</u>	<u>13,217,181</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 120,133,610	\$ 115,983,391	\$ 115,110,049	\$ 112,984,876	\$ 105,743,945	\$ 105,992,404	\$ 106,308,429	\$ 104,829,796	\$ 102,684,340	\$ 99,797,318
Contributions as a percentage of covered payroll	10%	10%	10%	10%	10%	9%	11%	10%	12%	13%

Employees' Retirement System

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 3,669,034	\$ 3,180,862	\$ 2,681,397	\$ 3,353,497	\$ 3,075,985	\$ 2,804,507	\$ 2,814,500	\$ 2,953,311	\$ 2,743,880	\$ 3,061,616
Contributions in relation to the contractually required contribution	<u>3,669,034</u>	<u>3,180,862</u>	<u>2,681,397</u>	<u>3,353,497</u>	<u>3,075,985</u>	<u>2,804,507</u>	<u>2,814,500</u>	<u>2,953,311</u>	<u>2,743,880</u>	<u>3,061,616</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 26,004,647	\$ 24,709,518	\$ 24,257,332	\$ 23,377,152	\$ 22,100,180	\$ 20,955,369	\$ 20,026,091	\$ 19,647,613	\$ 19,180,199	\$ 18,952,012
Contributions as a percentage of covered payroll	14%	13%	11%	14%	14%	13%	14%	15%	14%	16%

SYOSSET CENTRAL SCHOOL DISTRICT
Schedule of Changes in the District's Total OPEB Liability and Related Ratios
 Last Eight Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability								
Service cost	\$ 13,124,530	\$ 12,411,486	\$ 10,959,616	\$ 18,867,464	\$ 14,228,085	\$ 12,212,805	\$ 15,914,697	\$ 12,696,778
Interest on total OPEB liability	15,990,439	14,944,584	13,436,791	10,021,058	9,455,937	12,073,435	10,991,984	10,505,393
Differences between expected and actual experience	60,570,443	-	(15,638,073)	-	(63,063,280)	-	27,358,576	(1,481,942)
Changes of assumptions or other inputs	(73,481,736)	(16,333,142)	31,680,099	(94,749,217)	80,210,319	66,354,513	(61,967,401)	-
Benefit payments	(16,226,074)	(12,409,561)	(11,640,446)	(9,607,419)	(9,199,651)	(10,244,232)	(9,851,342)	(7,602,239)
Net change in total OPEB liability	(22,398)	(1,386,633)	28,797,987	(75,468,114)	31,631,410	80,396,521	(17,553,486)	14,117,990
Total OPEB liability, beginning	401,791,719	403,178,352	374,380,365	449,848,479	418,217,069	337,820,548	355,374,034	341,256,044
Total OPEB liability, ending	<u>\$ 401,769,321</u>	<u>\$ 401,791,719</u>	<u>\$ 403,178,352</u>	<u>\$ 374,380,365</u>	<u>\$ 449,848,479</u>	<u>\$ 418,217,069</u>	<u>\$ 337,820,548</u>	<u>\$ 355,374,034</u>
Covered employee payroll	\$ 103,462,367	\$ 102,462,367	\$ 103,462,367	\$ 106,294,438	\$ 106,294,438	\$ 113,117,179	\$ 113,117,179	\$ 127,500,612
Total OPEB liability as a percentage of covered employee payroll	388.32%	392.14%	389.69%	352.21%	423.21%	369.72%	298.65%	278.72%
Discount rate	5.20%	3.93%	3.65%	3.54%	2.16%	2.21%	3.50%	4.10%
Healthcare trend rates	6.60% to 3.80% by 2073	6.40% to 3.80% by 2073	6.40% to 3.80% by 2073	5.30% to 4.10% over 55 years	5.30% to 4.10% over 55 years	6.10% to 4.10% over 57 years	6.10% to 4.10% over 57 years	7.50% to 4.50% in 2022

An additional year of historical information will be added each year, subsequent to the year of implementation, until 10 years of historical data is available.

Note to Required Supplementary Information

No assets are accumulated in a trust that meets the criteria as set forth by GASB to pay related benefits.

SYOSSET CENTRAL SCHOOL DISTRICT
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2025

	School Food Service	Debt Service	Extraclassroom Activities	Scholarships	Permanent	Nonmajor Governmental Funds
ASSETS						
Cash and cash equivalents						
Unrestricted	\$ 1,423,984		\$ 711,921			\$ 2,135,905
Restricted		40,580		235	3,000	43,815
Receivables						
Accounts receivable	3,158		5,255			8,413
Due from other funds	175,637					175,637
Due from state and federal	65,143					65,143
Inventory	13,759					13,759
Total Assets	<u>\$ 1,681,681</u>	<u>\$ 40,580</u>	<u>\$ 717,176</u>	<u>\$ 235</u>	<u>\$ 3,000</u>	<u>\$ 2,442,672</u>
LIABILITIES						
Payables						
Accounts payable	\$ 371,318		\$ 19,194			\$ 390,512
Accrued liabilities	5,731					5,731
Due to other governments	16,680					16,680
Unearned credits						
Collections in advance	605,583					605,583
Total Liabilities	<u>999,312</u>	<u>-</u>	<u>19,194</u>	<u>-</u>	<u>-</u>	<u>1,018,506</u>
FUND BALANCES						
Nonspendable:						
Inventory	13,759					13,759
Scholarships					3,000	3,000
Restricted:						
Debt		40,580				40,580
Scholarships				235		235
Assigned: Unappropriated fund balance	668,610		697,982			1,366,592
Total Fund Balances	<u>682,369</u>	<u>40,580</u>	<u>697,982</u>	<u>235</u>	<u>3,000</u>	<u>1,424,166</u>
Total Fund Balances	<u>\$ 1,681,681</u>	<u>\$ 40,580</u>	<u>\$ 717,176</u>	<u>\$ 235</u>	<u>\$ 3,000</u>	<u>\$ 2,442,672</u>

SYOSSET CENTRAL SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	School Food Service	Debt Service	Extraclassroom Activities	Scholarships	Permanent	Nonmajor Governmental Funds
REVENUES						
Use of money and property	\$ 38,323	\$ 10,973	\$	\$ 69	\$	\$ 49,365
Miscellaneous	132		1,361,214			1,361,346
Intergovernmental revenue		937,500				937,500
State sources	37,473					37,473
Federal sources	989,516					989,516
Sales	2,373,517					2,373,517
Total Revenues	3,438,961	948,473	1,361,214	69	-	5,748,717
EXPENDITURES						
Instruction			1,229,892			1,229,892
Debt service						
Principal		4,325,000				4,325,000
Interest		989,725				989,725
Food service program	3,265,971					3,265,971
Total Expenditures	3,265,971	5,314,725	1,229,892	-	-	9,810,588
Excess (Deficiency) of Revenues Over Expenditures	172,990	(4,366,252)	131,322	69	-	(4,061,871)
OTHER FINANCING SOURCES AND (USES)						
Operating transfers in	9,390	4,377,225				4,386,615
Net Change in Fund Balances	182,380	10,973	131,322	69	-	324,744
Fund Balances - Beginning of Year, as Previously Reported	-	-	-	-	-	-
Change Within Reporting Entity	499,989	29,607	566,660	166	3,000	1,099,422
Fund Balances - Beginning of Year, as Restated	499,989	29,607	566,660	166	3,000	1,099,422
Fund Balances - End of Year	\$ 682,369	\$ 40,580	\$ 697,982	\$ 235	\$ 3,000	\$ 1,424,166

SYOSSET CENTRAL SCHOOL DISTRICT
Schedules of Change from Adopted Budget to Final Budget
and the Real Property Tax Limit - General Fund
For the Year Ended June 30, 2025

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted Budget		\$ 285,744,550
Additions:		
Prior year's encumbrances		655,649
Original Budget		286,400,199
Budget revision		4,102,766
Final Budget		\$ 290,502,965

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2025-2026 voter-approved expenditure budget		\$ 295,822,420
Maximum allowed (4% of 2025-2026 budget)		\$ 11,832,897
General Fund Fund Balance Subject to § 1318 of Real Property Tax Law:		
Unrestricted fund balance:		
Assigned fund balance	\$ 3,303,193	
Unassigned fund balance	11,832,896	
		\$ 15,136,089
Less:		
Appropriated fund balance	2,900,000	
Encumbrances	403,193	
Total adjustments		3,303,193
General Fund Fund Balance Subject to § 1318 of Real Property Tax Law:		\$ 11,832,896
Actual Percentage		4.00%

SYOSSET CENTRAL SCHOOL DISTRICT
Schedule of Project Expenditures and Financing Resources - Capital Projects Fund
For the Year Ended June 30, 2025

PROJECT TITLE	Budget		Expenditures			Unexpended Balance	Methods of Financing			Fund Balance June 30, 2025	
	June 30, 2024	June 30, 2025	Prior Years	Current Year	Total		Proceeds of Debt	State Aid	Local Sources		Total
2017-18 Capital Reserve 2014 - Phase I											
South Grove Annex V/D/G	\$ 403,725	\$ 403,725	\$ 394,381	\$ 6,446	\$ 400,827	\$ 2,898	\$ -	\$ -	\$ 403,725	\$ 403,725	\$ 2,898
AP Willits V/D/G	568,150	568,150	537,918	22,558	560,476	7,674	-	-	568,150	568,150	7,674
Berry Hill V/D/G	536,185	536,185	510,558	20,608	531,166	5,019	-	-	536,185	536,185	5,019
South Woods V/D/G	1,262,403	1,262,403	1,110,928	134,132	1,245,060	17,343	-	-	1,262,403	1,262,403	17,343
Village V/D/G	582,635	582,635	568,859	11,453	580,312	2,323	-	-	582,635	582,635	2,323
High School V/D/G	1,969,250	1,969,250	1,903,339	60,083	1,963,422	5,828	-	-	1,969,250	1,969,250	5,828
South Grove V/D/G	598,527	598,527	564,073	21,800	585,873	12,654	-	-	598,527	598,527	12,654
Baylis V/D/G	735,050	735,050	689,688	37,978	727,666	7,384	-	-	735,050	735,050	7,384
W Whitman V/D/G	877,612	877,612	856,745	16,092	872,837	4,775	-	-	877,612	877,612	4,775
Robins Lane V/D/G	546,507	546,507	518,701	24,423	543,124	3,383	-	-	546,507	546,507	3,383
HBT V/D/G	1,398,171	1,398,171	1,365,375	28,803	1,394,178	3,993	-	-	1,398,171	1,398,171	3,993
District Wide Fire Alarms	2,072,465	2,072,465	1,969,190	-	1,969,190	103,275	-	-	2,072,465	2,072,465	103,275
Baylis Fuel Tanks	151,492	151,492	151,492	-	151,492	-	-	-	151,492	151,492	-
Berry Hill Fuel Tanks	96,469	96,469	96,469	-	96,469	-	-	-	96,469	96,469	-
South Grove Fuel Tanks	105,766	105,766	105,766	-	105,766	-	-	-	105,766	105,766	-
SG Annex Fuel Tanks	99,345	99,345	99,345	-	99,345	-	-	-	99,345	99,345	-
Village Fuel Tanks	95,773	95,773	95,773	-	95,773	-	-	-	95,773	95,773	-
Whitman Fuel Tanks	124,295	124,295	124,295	-	124,295	-	-	-	124,295	124,295	-
AP Willits Fuel Tanks	91,870	91,870	91,870	-	91,870	-	-	-	91,870	91,870	-
S Woods Fuel Tanks	107,077	107,077	107,077	-	107,077	-	-	-	107,077	107,077	-
HBT Fuel Tanks	107,315	107,315	107,315	-	107,315	-	-	-	107,315	107,315	-
High School Fuel Tanks	124,202	124,202	124,202	-	124,202	-	-	-	124,202	124,202	-
High School Temporary Vestibule	16,227	16,227	16,227	-	16,227	-	-	-	16,227	16,227	-
	<u>12,670,511</u>	<u>12,670,511</u>	<u>12,109,586</u>	<u>384,376</u>	<u>12,493,962</u>	<u>176,549</u>	<u>-</u>	<u>-</u>	<u>12,670,511</u>	<u>12,670,511</u>	<u>176,549</u>
2017-18 Capital Reserve 2014 Phase II/Bond											
HBT Roof	3,299,551	3,299,551	3,299,551	-	3,299,551	-	2,441,668	-	857,883	3,299,551	-
Robins Lane Roof	1,633,556	1,633,556	1,633,556	-	1,633,556	-	1,208,831	-	424,725	1,633,556	-
South Grove Corridor Addition	723,890	723,890	723,890	-	723,890	-	535,679	-	188,211	723,890	-
HS Site Work	9,149,504	9,577,004	9,149,504	36,284	9,185,788	391,216	7,086,983	-	2,490,021	9,577,004	391,216
HS Science Research Classroom	344,806	344,806	344,806	-	344,806	-	95,135	249,671	-	344,806	-
HS Fitness Center	5,034,237	5,014,028	5,014,028	-	5,014,028	-	3,710,380	-	1,303,648	5,014,028	-
Walt Whitman Upgrades	926,356	926,356	926,356	-	926,356	-	676,356	250,000	-	926,356	-
Baylis Parking	135,959	135,959	135,959	-	135,959	-	100,610	-	35,349	135,959	-
Berry Hill Parking	474,408	474,408	474,408	-	474,408	-	351,062	-	123,346	474,408	-
Bathrooms - Baylis	250,478	250,478	250,478	-	250,478	-	185,353	-	65,125	250,478	-
Bathrooms - Berry Hill	270,599	270,599	270,599	-	270,599	-	200,243	-	70,356	270,599	-
Bathrooms - Robins Lane	252,914	252,914	252,914	-	252,914	-	187,156	-	65,758	252,914	-
Bathrooms - South Grove	300,972	300,972	300,972	-	300,972	-	222,720	-	78,252	300,972	-
Bathrooms - SG Annex	117,090	117,090	117,090	-	117,090	-	86,647	-	30,443	117,090	-
Bathrooms - Village	244,274	244,274	244,274	-	244,274	-	180,763	-	63,511	244,274	-
Bathrooms - W Whitman	256,092	256,092	256,092	-	256,092	-	189,508	-	66,584	256,092	-
Bathrooms - AP Willits	292,546	292,546	292,546	-	292,546	-	216,484	-	76,062	292,546	-
Bathrooms - South Woods	193,260	193,260	193,260	-	193,260	-	143,012	-	50,248	193,260	-
Bathrooms - HBT	525,712	525,712	525,712	-	525,712	-	389,027	-	136,685	525,712	-
Bathrooms - High School	928,379	928,379	928,379	-	928,379	-	687,000	-	241,379	928,379	-
District Wide Fire Alarms - Phase II	1,546,881	1,546,881	1,430,641	-	1,430,641	116,240	1,144,692	-	402,189	1,546,881	116,240
HS Vestibule Project - Phase II	1,322,208	1,322,208	1,322,208	-	1,322,208	-	978,434	-	343,774	1,322,208	-

SYOSSET CENTRAL SCHOOL DISTRICT
Schedule of Project Expenditures and Financing Resources - Capital Projects Fund (Continued)
For the Year Ended June 30, 2025

PROJECT TITLE	Budget		Expenditures			Unexpended Balance	Methods of Financing			Fund Balance June 30, 2025	
	June 30, 2024	June 30, 2025	Prior Years	Current Year	Total		Proceeds of Debt	State Aid	Local Sources		Total
2017-18 Capital Reserve 2014 Phase II/Bond (Continued)											
HVAC - Baylis	\$ 594,475	\$ 594,475	\$ 594,475	\$	\$ 594,475	\$ -	\$ 439,912	\$	\$ 154,563	\$ 594,475	\$ -
HVAC - Berry Hill	602,538	602,538	602,538		602,538	-	445,878		156,660	602,538	-
HVAC - Robins Lane	553,457	553,457	553,457		553,457	-	409,558		143,899	553,457	-
HVAC - South Grove	445,661	445,661	445,661		445,661	-	329,789		115,872	445,661	-
HVAC - SG Annex	255,798	255,798	255,798		255,798	-	189,291		66,507	255,798	-
HVAC - Village	560,595	560,595	560,595		560,595	-	414,840		145,755	560,595	-
HVAC - W Whitman	518,154	518,154	518,154		518,154	-	383,434		134,720	518,154	-
HVAC - AP Willits	532,533	532,533	532,533		532,533	-	394,074		138,459	532,533	-
HVAC - South Woods	643,971	643,971	643,971		643,971	-	476,539		167,432	643,971	-
HVAC - HBT	2,216,690	2,118,133	2,103,254	14,879	2,118,133	-	1,567,419		550,714	2,118,133	-
HVAC - South Woods	2,243,472	2,202,208	2,196,475	5,733	2,202,208	-	1,629,634		572,574	2,202,208	-
HVAC - High School	5,876,402	5,876,402	5,876,402		5,876,402	-	4,348,538		1,527,864	5,876,402	-
High School Storage Conversion	277,200	75,682	75,682		75,682	-	56,005		19,677	75,682	-
Village Partial Roof	1,445,052	562,201	477,582	84,619	562,201	-	416,029		146,172	562,201	-
Security Enhancements		531,000		20,051	20,051	510,949	392,940		138,060	531,000	510,949
Unallocated	1,320,001	1,605,900				1,605,900	1,433,377		172,523	1,605,900	1,605,900
	<u>46,309,671</u>	<u>46,309,671</u>	<u>43,523,800</u>	<u>161,566</u>	<u>43,685,366</u>	<u>2,624,305</u>	<u>34,345,000</u>	<u>499,671</u>	<u>11,465,000</u>	<u>46,309,671</u>	<u>2,624,305</u>
2018-19											
HB Thompson Floor	288,128	288,128	288,128		288,128	-			288,128	288,128	-
HS Lockers	160,075	160,075	160,075		160,075	-			160,075	160,075	-
HS Gym Ventilation	799,620	799,620	799,620		799,620	-			799,620	799,620	-
SG Emergency Reconstruction	235,083	235,083	235,083		235,083	-			235,083	235,083	-
Unallocated	147,114	147,114				147,114			147,114	147,114	147,114
	<u>1,630,020</u>	<u>1,630,020</u>	<u>1,482,906</u>		<u>1,482,906</u>	<u>147,114</u>	<u>-</u>	<u>-</u>	<u>1,630,020</u>	<u>1,630,020</u>	<u>147,114</u>
2019-20											
South Grove Library	56,663	56,663	56,663		56,663	-			56,663	56,663	-
W Whitman Library	56,471	56,471	56,471		56,471	-			56,471	56,471	-
HS Guard Booth	116,513	116,513	116,513		116,513	-			116,513	116,513	-
HS Pool	114,816	114,816	114,816		114,816	-			114,816	114,816	-
HS Vestibule Project - Ph II	905,620	905,620	905,620		905,620	-			905,620	905,620	-
SW Partial Roof Replacement	311,232	311,232	311,232		311,232	-			311,232	311,232	-
SW Partial Floor Replacement	529,610	529,610	529,610		529,610	-			529,610	529,610	-
Unallocated	109,075	109,075				109,075			109,075	109,075	109,075
	<u>2,200,000</u>	<u>2,200,000</u>	<u>2,090,925</u>		<u>2,090,925</u>	<u>109,075</u>	<u>-</u>	<u>-</u>	<u>2,200,000</u>	<u>2,200,000</u>	<u>109,075</u>
Energy Performance Contract											
South Grove Annex	1,342,134	1,342,134	1,306,169	35,964	1,342,133	1	1,342,134			1,342,134	1
AP Willits	1,479,076	1,479,076	1,439,539	39,537	1,479,076	-	1,479,076			1,479,076	-
Berry Hill	875,046	875,046	851,699	23,347	875,046	-	875,046			875,046	-
South Woods MS	1,691,954	1,691,954	1,607,416		1,607,416	84,538	1,687,706	4,248		1,691,954	84,538
Village	1,390,899	1,390,898	1,353,713	37,185	1,390,898	-	1,390,898			1,390,898	-
Syosset HS	4,733,640	4,733,640	4,447,335		4,447,335	286,305	4,733,640			4,733,640	286,305
South Grove Elementary	641,217	641,217	624,106	17,078	641,184	33	641,217			641,217	33
Baylis	2,533,893	2,533,894	2,465,390	68,504	2,533,894	-	2,533,894			2,533,894	-
Walt Whitman	1,164,153	1,164,153	1,133,265	30,888	1,164,153	-	1,164,153			1,164,153	-
Robbins Lane	3,091,577	3,091,577	3,008,814	82,763	3,091,577	-	3,091,577			3,091,577	-
HBT MS	1,045,659	1,045,659	1,019,512	26,147	1,045,659	-	1,045,659			1,045,659	-
	<u>19,989,248</u>	<u>19,989,248</u>	<u>19,256,958</u>	<u>361,413</u>	<u>19,618,371</u>	<u>370,877</u>	<u>19,985,000</u>	<u>-</u>	<u>4,248</u>	<u>19,989,248</u>	<u>370,877</u>

SYOSSET CENTRAL SCHOOL DISTRICT
Schedule of Project Expenditures and Financing Resources - Capital Projects Fund (Continued)
For the Year Ended June 30, 2025

PROJECT TITLE	Budget	Budget	Expenditures			Unexpended Balance	Methods of Financing				Fund Balance
	June 30, 2024	June 30, 2025	Prior Years	Current Year	Total		Proceeds of Debt	State Aid	Local Sources	Total	June 30, 2025
2020-21											
HS Site Work	\$ 605,227	\$ 605,227	\$ 605,227	\$	\$ 605,227	\$ -	\$	\$ 605,227	\$ 605,227	\$ -	
District Wide Emergency Ventilation	708,184	708,184	707,454		707,454	730		708,184	708,184	730	
South Woods Generator	389,148	370,036	368,857	1,079	369,936	100		370,036	370,036	100	
HBT DOAS Ventilation	711,536	705,589	657,899	47,690	705,589	-		705,589	705,589	-	
Hilltop Garage Ventilation	224,500	224,500	162,509		162,509	61,991		224,500	224,500	61,991	
HS Roof Project	546,297	546,297	546,297		546,297	-		546,297	546,297	-	
Unallocated	504,331	529,390				529,390		529,390	529,390	529,390	
	<u>3,689,223</u>	<u>3,689,223</u>	<u>3,048,243</u>	<u>48,769</u>	<u>3,097,012</u>	<u>592,211</u>	<u>-</u>	<u>-</u>	<u>3,689,223</u>	<u>3,689,223</u>	<u>592,211</u>
Capital Reserve 20-21											
HS DOAS Ventilation	1,665,597	1,665,597	1,665,597		1,665,597	-		1,665,597	1,665,597	-	
South Woods DOAS Ventilation	542,744	542,744	539,403		539,403	3,341		542,744	542,744	3,341	
	<u>2,208,341</u>	<u>2,208,341</u>	<u>2,205,000</u>		<u>2,205,000</u>	<u>3,341</u>	<u>-</u>	<u>-</u>	<u>2,208,341</u>	<u>2,208,341</u>	<u>3,341</u>
2021-22											
South Woods Partial Repointing	432,288	432,288	292,201		292,201	140,087		432,288	432,288	140,087	
HS Pool Ventilation	851,400	851,400	60,364		60,364	791,036		851,400	851,400	791,036	
HS Corridor Roof	523,947	523,947	469,730		469,730	54,217		523,947	523,947	54,217	
HS Roof Project Partial	105,324	105,324	105,324		105,324	-		105,324	105,324	-	
Unallocated	588	588	-		-	588		588	588	588	
	<u>1,913,547</u>	<u>1,913,547</u>	<u>927,619</u>		<u>927,619</u>	<u>985,928</u>	<u>-</u>	<u>-</u>	<u>1,913,547</u>	<u>1,913,547</u>	<u>985,928</u>
2022-23											
South Woods Library Renovation	295,540	292,351	292,351		292,351	-		292,351	292,351	-	
HS Teacher's Lot Paving	633,460	633,276	633,276		633,276	-		633,276	633,276	-	
HS Tennis Court	683,500	637,641	637,641		637,641	-		637,641	637,641	-	
Turf Field Lighting	1,023,600	858,664	858,664		858,664	-		858,664	858,664	-	
Hilltop Garage Ventilation	245,500	78,212	78,212		78,212	-		78,212	78,212	-	
South Woods Site Paving	180,000	589,672	-	15,557	15,557	574,115		589,672	589,672	574,115	
Unallocated	28,400	184	-		-	184		184	184	184	
	<u>3,090,000</u>	<u>3,090,000</u>	<u>2,500,144</u>	<u>15,557</u>	<u>2,515,701</u>	<u>574,299</u>	<u>-</u>	<u>-</u>	<u>3,090,000</u>	<u>3,090,000</u>	<u>574,299</u>
2023-24											
SWMS Site Paving	724,730	510,178	60,130	32,155	92,285	417,893		510,178	510,178	417,893	
HS Dust Collection	557,400	572,500	134,856	367,494	502,350	70,150		572,500	572,500	70,150	
HS TV Studio	440,000	310,300	41,297	161,164	202,461	107,839		310,300	310,300	107,839	
HS Testing Center	386,208	756,314	44,407	499	44,906	711,408		756,314	756,314	711,408	
SG Partial Roof & Masonry	1,127,692	1,113,592	387,750	579,052	966,802	146,790		1,113,592	1,113,592	146,790	
HBT Dust Collection	409,150	429,850	104,026	64,782	168,808	261,042		429,850	429,850	261,042	
HBT Library	628,820	598,272	143,044	455,228	598,272	-		598,272	598,272	-	
SG Emergency Radon Mitigation	215,000	215,000	27,390	97,808	125,198	89,802		215,000	215,000	89,802	
HS Emergency Electrical	208,000	208,000	167,161		167,161	40,839		208,000	208,000	40,839	
HS Testing Ctr. - Demo	51,000	33,994		33,994	33,994	-		33,994	33,994	-	
Unallocated	55,500	55,500			-	55,500		55,500	55,500	55,500	
	<u>4,803,500</u>	<u>4,803,500</u>	<u>1,110,061</u>	<u>1,792,176</u>	<u>2,902,237</u>	<u>1,901,263</u>	<u>-</u>	<u>-</u>	<u>4,803,500</u>	<u>4,803,500</u>	<u>1,901,263</u>
2024-25											
South Woods Paving		300,000				300,000		300,000	300,000	300,000	
HS Switchgear		1,756,600		85,013	85,013	1,671,587		1,756,600	1,756,600	1,671,587	
HS Partial Roof & Masonry		1,330,200		111,375	111,375	1,218,825		1,330,200	1,330,200	1,218,825	
HS Testing Center		415,000				415,000		415,000	415,000	415,000	
HBT Switchgear		523,200		41,791	41,791	481,409		523,200	523,200	481,409	
		<u>4,325,000</u>		<u>238,179</u>	<u>238,179</u>	<u>4,086,821</u>		<u>4,325,000</u>	<u>4,325,000</u>	<u>4,086,821</u>	

SYOSSET CENTRAL SCHOOL DISTRICT
Schedule of Net Investment in Capital Assets
June 30, 2025

Capital assets, net	<u>\$ 156,237,147</u>
Deduct:	
Capital related liabilities:	
Accounts payable	697,070
Short-term portion of bonds payable	4,450,000
Long-term portion of bonds payable	39,010,000
Premium on bonds payable	444,763
Less: Unspent debt proceeds	(2,995,182)
Short-term portion of lease liabilities	1,063,646
Long-term portion of lease liabilities	527,350
	<u>43,197,647</u>
Net Investment in Capital Assets	<u><u>\$ 113,039,500</u></u>



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

To the Board of Education
Syosset Central School District
Syosset, 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 Syosset Central School District ("the District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 3, 2025. That report included a qualified opinion on the extraclassroom activities fund based on a scope limitation.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Cullen & Danowski, LLP

Port Jefferson Station, New York
October 3, 2025

