



Shenendehowa

Central Schools

FROM: Kathleen A. Wetmore-Chase
TO: Dr. Wilson-Turner, Interim Superintendent of Schools
DATE: October 7, 2025
SUBJECT: Board of Education Approval of **Acceptance of 2024-25 Audit Reports**

Background

The District's annual audit for the year ended June 30, 2025, has been completed by the EFPR Group, CPAs. General Municipal Law requires school districts to have annual audits of district funds performed by an independent certified public accountant.

Analysis

The auditors' reports give the District an "unqualified opinion" on our General Purpose, Single Audit (audit of Federal financial assistance), and Extra classroom Activity Funds financial statements. This means that the auditors found our books to be in order and our financial statements accurately presented.

The Audit Committee met with auditors on September 22, 2025 to review the financial statements and findings. It is recommended that the Board accept the audited financial statements as presented.

Recommended Resolution

That the Board of Education acknowledges receipt of the audit reports from the independent auditor, EFPR Group, CPAs, for the fiscal year ending June 30, 2025, as listed below:

- **Financial Report**
- **Single Audit Supplementary Financial Report**
- **Extra classroom Activity Funds**

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Basic Financial Statements,
Supplementary Information and
Independent Auditors' Report

June 30, 2025

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

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AT CLIFTON PARK, NEW YORK

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INDEPENDENT AUDITORS' REPORT

The Board of Education
Shenendehowa Central School District
at Clifton Park, New York:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Shenendehowa Central School District at Clifton Park, New York (the District), as of and for the year ended June 30, 2025, and the related notes to 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, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 the management's discussion and analysis and additional information on pages 67 through 71 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying other supplementary information as listed in the table of contents is 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 GAAS. In our opinion, the other supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 8, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 District's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
October 8, 2025

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Management's Discussion and Analysis

June 30, 2025

This section of the Shenendehowa Central School District at Clifton Park, New York's (the District) annual financial report presents its discussion and analysis of the District's financial performance during the year ended June 30, 2025. It is based on both the Governmental-Wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

The District completed the 2024-2025 year with the following:

- An increase in restricted reserve funds of \$10.1 million, mainly due to increased funding of reserves.
- An increase of capital assets, net of depreciation/amortization, of \$9.5 million, due to an increase in construction in progress.
- A decrease in unrestricted net position of \$10.3 million, primarily due to changes in postemployment benefits and in net pension costs.

Property tax revenue increased by \$4.5 million in 2024-2025. This represents an increase in tax revenue of 3.49% over 2023-2024, with a true value tax rate decrease of 4.07%. An average annual tax base increase of 8.64% over the last five years has allowed the District to absorb tax levy increases with modest increases or sometimes decreases in the tax rate.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are District-Wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the District-Wide statements.
- The governmental fund statements tell how basic services such as instruction and transportation were financed in the short-term as well as what remains for future spending.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Management's Discussion and Analysis, Continued

- Proprietary fund statements offer short-and long-term financial information about the activities the District operates like a business, such as the Enterprise Fund. This fund is used to account for the cost of fuel and services rendered to other school districts, municipalities and not-for-profit organizations on a fee for service basis.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1

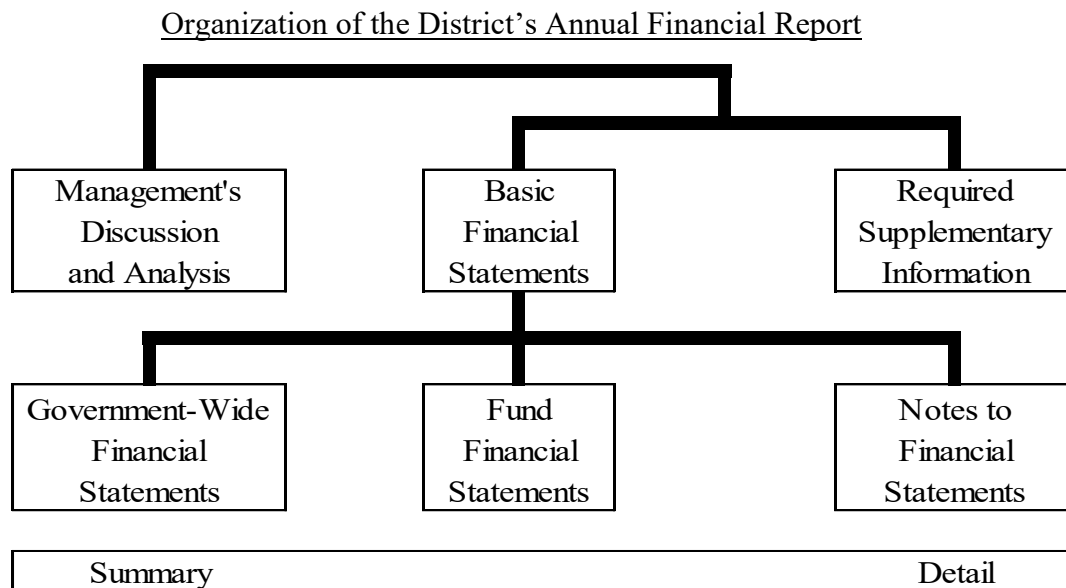


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Management's Discussion and Analysis, Continued

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

Description	District-wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as regular and special education and building maintenance	Activities the District operates similar to private businesses: Regional Transportation Fund
Required financial statements	• Statement of net position • Statement of activities	• Balance sheet • Statement of revenue, expenditures and changes in fund balances	• Statement of net position • State of revenue, expenses and changes in net position • Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Management's Discussion and Analysis, Continued

DISTRICT-WIDE STATEMENTS

The District-Wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two District-Wide statements report the District's net position and how it has changed. Net position - the difference between the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources - is one way to measure the District's financial health or position.

- Over time, increases and decreases in net assets are an indicator of whether its financial position is improving or deteriorating respectively.
- To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.
- In the District-Wide financial statements, the District's activities are divided into two categories:
- Governmental activities - Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state aid finance most of these activities.
- Business-type activities - The District charges fees to help it cover the costs of certain services it provides through the District's Regional Transportation Program.

FUND FINANCIAL STATEMENTS

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

- Some funds are required by state law and by bond requirements.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenue (such as federal grants).

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Management's Discussion and Analysis, Continued

The District has two kinds of funds:

- Governmental funds - Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-Wide statements, additional information at the bottom of or following the governmental funds statements explains the relationship (or differences) between them.
- Proprietary funds - Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-Wide statements. The District's enterprise fund (one type of proprietary fund) is the same as its business-type activities but provides more detail and additional information, such as cash flows. The District currently does not use internal service funds (the other kind of proprietary fund) to report activities.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's net position increased by \$28.6 million from \$(195.8) million to \$(167.2) million. This is mainly due to the increases in property taxes and state sources as well as the Net Pension Proportionate Share of the Teachers' Retirement System (TRS) becoming an asset.

Total assets and deferred outflows increased \$6.2 million, or 2.3%. Current and other assets increased \$0.06 million due mainly to an increase in investments. Capital assets increased \$9.5 million as a result of capital assets additions of \$16.9 million offset by \$7.4 million in net disposals and depreciation/amortization cost.

Total liabilities and deferred inflows decreased by \$22.3 million, or 4.7%. This is mainly due to a decrease in actuarial determinations regarding the postemployment benefits liability. The decrease in the short term liabilities is mainly due to the decrease in BAN's payable.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Management's Discussion and Analysis, Continued

The Tax Certiorari Reserve includes estimates to fund property tax claims filed against the District. The District utilized \$27,860 in 2024-2025 for claim settlements. The balance of the reserve represents the estimated liability of claims outstanding as of June 30, 2025. The District will continue to adjust the reserve appropriately and evaluate on an ongoing basis.

The District will utilize the Employee Benefit Accrued Liabilities Reserve to fund future leave credits that have accumulated and are to be paid out at retirement. As of June 30, 2025, the District did not utilize or replenish any of the reserve.

The business activities of the District represent a very small percent of the District's net position.

Figure-A-3

Condensed Statement of Net Position - Governmental Activities
(in thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>		<u>Percentage change</u>
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	
Current and other assets	\$ 102,008	90,092	175	175	102,183	90,267	13.2%
Capital assets	<u>125,625</u>	<u>116,197</u>	<u>-</u>	<u>-</u>	<u>125,625</u>	<u>116,197</u>	8.1%
Total assets	<u>227,633</u>	<u>206,289</u>	<u>175</u>	<u>175</u>	<u>227,808</u>	<u>206,464</u>	10.3%
Deferred outflows of resources	<u>53,203</u>	<u>68,305</u>	<u>-</u>	<u>-</u>	<u>53,203</u>	<u>68,305</u>	(22.1%)
Liabilities:							
Current	27,021	37,695	-	-	27,021	37,695	(28.3%)
Long-term liabilities	<u>272,325</u>	<u>306,313</u>	<u>-</u>	<u>-</u>	<u>272,325</u>	<u>306,313</u>	(11.1%)
Total liabilities	<u>299,346</u>	<u>344,008</u>	<u>-</u>	<u>-</u>	<u>299,346</u>	<u>344,008</u>	(13.0%)
Deferred inflows of resources	<u>148,722</u>	<u>126,388</u>	<u>-</u>	<u>-</u>	<u>148,722</u>	<u>126,388</u>	17.7%
Net position:							
Net investment in capital assets	81,531	64,690	-	-	81,531	64,690	26.0%
Restricted	64,122	42,067	-	-	64,122	42,067	52.4%
Unrestricted	<u>(312,885)</u>	<u>(302,559)</u>	<u>175</u>	<u>175</u>	<u>(312,710)</u>	<u>(302,384)</u>	3.4%
Total net position	<u>\$ (167,232)</u>	<u>(195,802)</u>	<u>175</u>	<u>175</u>	<u>(167,057)</u>	<u>(195,627)</u>	(14.6%)

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Management's Discussion and Analysis, Continued

CHANGES IN NET POSITION FROM OPERATING RESULTS

The District experienced an increase in net position of \$28.6 million in 2024-2025, due to revenue exceeding expenditures as well as the proportionate share of TRS becoming an asset. Retirement and postemployment benefits, which increased expenses this year, and depreciation/amortization expense of \$7.4 million do not affect the District's budgetary appropriations.

The District's total revenue increased by 0.9%, or \$2.0 million, to a total of \$227.5 million (see Figure A-4). An increase in taxes of \$4.2 million, and increase of \$1.4 million in state aid accounted for this increase.

Expenditures decreased 5.1% or \$10.7 million to a total of \$199.0 million. The decrease is largely due to actuarial assumptions in regards to postemployment benefits and pensions.

Figure A-4

Changes in Net Position from Operating Results
(in thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>		<u>Percentage change</u>
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	
Revenue:							
Program revenue:							
Charges for services	\$ 2,867	3,010	-	-	2,867	3,010	(4.8%)
Operating grants	9,528	12,263	-	-	9,528	12,263	(22.3%)
General revenue:							
Property and other taxes	141,740	137,564	-	-	141,740	137,564	3.0%
State sources	66,494	65,061	-	-	66,494	65,061	2.2%
Other	<u>6,848</u>	<u>7,553</u>	<u>-</u>	<u>-</u>	<u>6,848</u>	<u>7,553</u>	(9.3%)
Total revenue	<u>227,477</u>	<u>225,451</u>	<u>-</u>	<u>-</u>	<u>227,477</u>	<u>225,451</u>	0.9%
Expenses:							
General support	29,978	20,046	-	-	29,978	20,046	49.5%
Instruction	141,540	113,463	-	-	141,540	113,463	24.7%
Pupil transportation	15,182	11,420	-	-	15,182	11,420	32.9%
Community services	837	1,186	-	-	837	1,186	(29.4%)
Employee benefits	-	52,433	-	-	-	52,433	(100.0%)
Interest expense	1,339	1,622	-	-	1,339	1,622	(17.4%)
Unallocated depreciation	7,418	7,452	-	-	7,418	7,452	(0.5%)
School lunch program	<u>2,613</u>	<u>1,951</u>	<u>-</u>	<u>-</u>	<u>2,613</u>	<u>1,951</u>	33.9%
Total expenses	<u>198,907</u>	<u>209,573</u>	<u>-</u>	<u>-</u>	<u>198,907</u>	<u>209,573</u>	(5.1%)
Change in net position	<u>\$ 28,570</u>	<u>15,878</u>	<u>-</u>	<u>-</u>	<u>28,570</u>	<u>15,878</u>	79.9%

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK
Management's Discussion and Analysis, Continued

Figure A-5

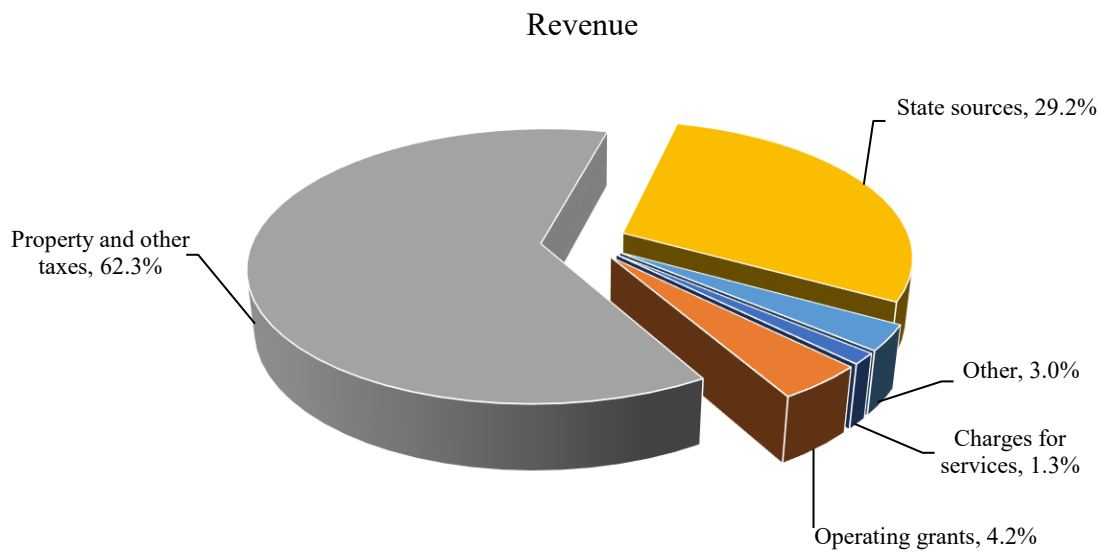
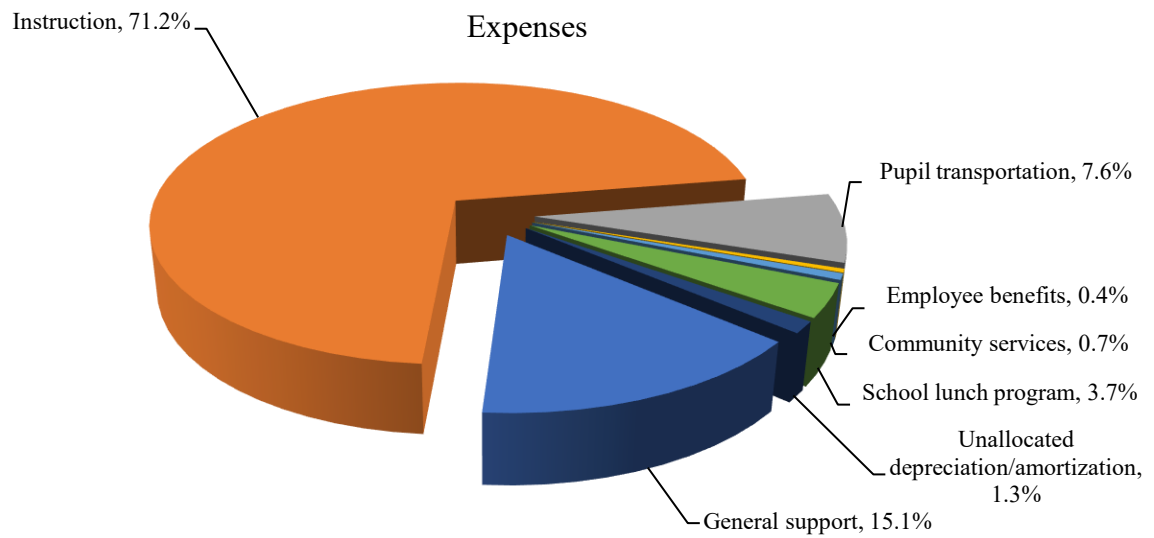


Figure A-6



SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Management's Discussion and Analysis, Continued

GOVERNMENTAL ACTIVITIES

The total net cost of all programs decreased \$7.8 million or 4.0%. The decrease in overall costs resulted mainly from decreases in benefit costs. Compared with total cost of services, the net cost of services reflects the offset of various revenue items, including \$9.5 million in state and federal grants, \$2.9 million in food service sales and surplus food, tuitions, admissions, student charges and rental fees for public use of facilities.

Figure A-7

Net Cost of Governmental Activities
(in thousands)

	<u>Total Cost of Services</u>			<u>Net Cost of Services</u>		
	<u>2025</u>	<u>2024</u>	<u>Percentage change</u>	<u>2025</u>	<u>2024</u>	<u>Percentage change</u>
General support	\$ 29,978	20,046	49.5%	29,978	20,046	49.5%
Instruction	141,540	113,463	24.7%	133,679	102,562	30.3%
Pupil transportation	15,182	11,420	32.9%	15,182	11,420	32.9%
Community services	837	1,186	(29.4%)	837	1,186	(29.4%)
Employee benefits	-	52,433	(100.0%)	-	52,433	(100.0%)
Interest expense	1,339	1,622	(17.4%)	1,339	1,622	(17.4%)
Depreciation/amortization - unallocated	7,418	7,452	(0.5%)	7,418	7,452	(0.5%)
School lunch program	<u>2,613</u>	<u>1,951</u>	33.9%	<u>(1,922)</u>	<u>(2,421)</u>	(20.6%)
Total	<u>\$ 198,907</u>	<u>209,573</u>	(5.1%)	<u>186,511</u>	<u>194,300</u>	(4.0%)

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The District completed the year with its governmental funds reporting combined fund balances of \$70.8 million, which is an increase of \$12.8 million from 2023-2024. The General Fund reported a fund balance of \$51.6 million, or an increase of \$2.3 million from 2023-2024. The Nonmajor Fund reported a fund balance of \$2.5 million, which is a decrease of \$5.6 million from 2023-2024.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Management's Discussion and Analysis, Continued

General Fund Budgetary Highlights

The General Fund ended the year expending 97.0% of the budget and realizing just over 100% of revenue, resulting in an unassigned fund balance of approximately \$8.3 million. This represents 3.7% of the ensuing year's budget which is within the 4% statutory cap.

Expenditures

The cost of programs and services (including encumbrances) was approximately \$1.2 million less than budgeted. This is a direct result of the District's continued strategy to contain costs in a variety of ways that creates the least impact on student programs. The most significant variances are noted below.

- Salaries expended for all employee groups amounted to \$2.1 million less than budgeted mainly due to retirements and resignations as well as delaying replacements where possible.
- Overall, benefit costs were approximately \$2.6 million less than budgeted. Approximately \$1.3 million of this savings came from health and dental expenditures. The savings were derived from several sources. Premiums were expected to increase an average of 10%, depending on the plan. The actual increase average was 11.85%. One bargaining unit agreed to a 1% increase in the employee in contributions. Self-funded prescription and dental plans continue to result in contained costs in addition to prescription rebates from the pharmacy benefit manager utilized. The District's benefits' broker negotiated deep discount arrangements with the current Pharmacy Benefit Manager resulting in significant prescription plan rebates. Retirement and social security costs were under budget by approximately \$1.1 million combined, due to newer and less costly employees participation in the retirement systems.
- Due to approximately \$7.3 million in budgetary savings, the District transferred \$5.7 million to the capital fund to reduce future impact on the budget for current approved capital projects.
- In general, costs were contained by careful planning and utilizing federal funds as appropriated and available.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Management's Discussion and Analysis, Continued

Revenue

The District recognized just over 100% of revenue budgeted. The District experienced increased revenue of \$6.7 million, \$1.8 million and \$0.7 million in excess of budget in other tax items, use of money and property, and Federal sources, respectively.

Special Aid Fund (Federal and State Grants)

The Federal and state governments subsidized certain programs with grants and contributions. Funding received from these sources amounted to approximately \$2.7 million less than in 2023-2024.

School Lunch Fund

The fund balance of the School Lunch Fund increased to \$0.05 million as revenue exceeded expenses for 2024-2025.

Business-Type Activities

Enterprise Fund

The District has a Regional Transportation Program which operates on a fee for service basis. This program provides fuel and transportation to local school districts, municipalities and not-for-profit organizations on a cost reimbursement basis.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The District has invested \$125.7 million, net of depreciation/amortization, in a broad range of assets, including school buildings, furniture and equipment, transportation facility, and administrative offices. Net capital assets increased approximately \$9.5 million from 2023-2024. This is mainly due to the acquisitions and adjustments of approximately \$16.9 million, offset by \$7.4 million of depreciation/amortization expense. Most of the additions are a result of construction in progress as part of the capital project passed by the voters in 2021.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Management's Discussion and Analysis, Continued

Figure A-8

<u>Capital Assets (net of depreciation/amortization)</u> (in thousands)			
	Total School District		Percentage change
	<u>2025</u>	<u>2024</u>	
Land	\$ 822	822	-
Construction in progress	41,355	29,488	40.2%
Buildings	67,128	71,259	(5.8%)
Equipment and furniture	16,310	14,526	12.3%
Right to use lease asset	<u>11</u>	<u>102</u>	(89.2%)
Total	\$ <u>125,626</u>	<u>116,197</u>	8.1%

See the notes to financial statements for more detailed information.

Long-Term Debt Account Group

At year-end, the District held \$280.0 million in general obligation bonds and other long term debt outstanding. This represents a decrease of approximately \$31.9 million or 10.2% over the prior year. The change is comprised primarily of the following:

- Repayment of general obligation debt of \$5.5 million
- Decrease in accrual for postemployment benefits of \$40.4 million
- Decrease of \$15.6 million in Districts proportionate share of the net pension liabilities
- New bond issuance of \$16.6 million

Figure A-9

<u>Outstanding Long-term Debt and Deferred Inflows</u> (in thousands)			
	Total School District		Percentage change
	<u>2025</u>	<u>2024</u>	
General obligation bonds, notes and premiums	\$ 47,177	35,903	31.4%
Other general obligation debt	232,856	275,988	(15.6%)
Deferred inflows	<u>148,722</u>	<u>126,389</u>	17.7%
Total	\$ <u>428,755</u>	<u>438,280</u>	(2.2%)

See the notes to financial statement for more detailed information.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Management's Discussion and Analysis, Continued

FACTORS BEARING ON THE DISTRICT'S FUTURE

The New York State mandate regarding the electrification of buses is not only a fiscal issue, but a major question about New York's capacity to provide the requisite electrical infrastructure. The District is engaged in ongoing planning at local and state levels to address the excessive cost of eBuses, the reconstruction and construction of transportation facilities, and the provision of additional electrical power generation infrastructure.

The District has been contracting with Capital District Regional Planning Commission (CDRPC) each year to prepare enrollment projections as a basis for budget planning. The report dated November 2023 projected stable enrollments over the next 5 years. CDRPC also noted that the Global Foundries Semiconductor Manufacturing Facility in Malta, as well as the supporting industries that have been building in the area, will likely continue to drive some diverse student population into the future.

The District also utilizes a Futures Committee to further monitor the growth of the area and its anticipated impact on District enrollment. The Committee last reported to the Board of Education in May 2019. Their report concluded that while growth is projected to be stable, the District should consider a redistricting plan to provide equity in enrollments across the K-8 buildings.

The Committee strongly recommended that the Board of Education take steps to secure land to provide for future growth. A grant of \$350,000 was set aside for this purpose. In addition, the District recently sold a portion of unused land near the Shatekon Elementary School to the Town of Clifton Park for park land use. The District received \$1.1 million in 2017-2018 from the town and will use the proceeds of the sale to purchase more suitable land for the purpose of erecting another school building when it becomes necessary to do so. Firm consideration should be given to the Town of Halfmoon in regards to location.

Lastly, the Committee recommended a feasibility study of a capital project to build a school facility or an addition to an existing facility. Particular emphasis should be placed on yielding ample capacity to accommodate full-day kindergarten. In December of 2022, the District accepted a donation of a 150,000 square foot office building in the center of Clifton Park for the purpose of creating an Early Learning Center that will provide full-day kindergarten. In addition, the District will be able to consolidate all administrative offices there and reduce the number of leased facilities. The current administrative office building is expected to be sold to further offset the costs of opening a new facility.

The District is engaged in long-term planning to open this Early Learning Center tentatively in 2026. The voters approved a \$55 million capital project for renovation purposes and reserves have been funded to help offset the costs of opening and operating a new facility without major impact to the taxpayers in any given year.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Management's Discussion and Analysis, Continued

In May 2021, the voters approved a \$26.5 million capital project that will expand electrical capacity, expand air conditioning to all elementary schools, replace athletic turf field and install an additional multi-use turf field, abate floor tiles, replace aging plumbing, and replace lighting with LED fixtures. The third and final phase was completed in 2024-2025.

In May 2025, the voters approved an \$85.5 million capital project that will complete air conditioning in the remaining schools, update roofs, HVAC systems, boilers, water pipes, and paving for various buildings, construct more infrastructure for electric buses, asbestos abatement, address safety audit recommendations and upgrade PA systems. The District also plans to establish space for an entertainment production studio and CTE/ Robotics. Synthetic turf will also be provided for softball and baseball fields. Work is expected to begin in the summer of 2026 through winter of 2029.

The District's favorable bond rating from Standard & Poors (AA with a stable outlook) allowed the District to refinance several issues of long term debt over the last few years to take advantage of lower interest rates. Savings derived from refinancing has provided some financial flexibility to obtain voter support for the capital projects that have minimal impact on taxpayers.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact:

The Office of Financial Services
Shenendehowa Central School District
5 Chelsea Place
Clifton Park, New York 12065-3240

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Statement of Net Position
June 30, 2025

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and equivalents:			
Unrestricted	\$ 16,934,173	175,145	17,109,318
Restricted	11,612,327	-	11,612,327
Investments:			
Unrestricted	18,073,494	-	18,073,494
Restricted	35,495,339	-	35,495,339
Receivables:			
State and Federal aid	5,783,653	-	5,783,653
Accounts receivable	238,790	-	238,790
Due from other governments	1,728,725	-	1,728,725
Inventories	320,298	-	320,298
Less reserve for inventories	(157,709)	-	(157,709)
Long-term assets:			
Capital assets - nondepreciable	42,176,272	-	42,176,272
Capital assets - depreciable, net	83,449,507	-	83,449,507
Net pension asset - proportionate share - TRS System	11,978,477	-	11,978,477
Total assets	227,633,346	175,145	227,808,491
Deferred outflows of resources:			
Pensions	35,837,197	-	35,837,197
Other post employment benefits	17,365,983	-	17,365,983
Total deferred inflows of resources	53,203,180	-	53,203,180
	<u>Liabilities</u>		
Current liabilities:			
Accounts payable	6,233,961	-	6,233,961
Accrued liabilities	306,713	-	306,713
Accrued interest payable	48,491	-	48,491
Due to other governments	160	-	160
Unearned revenue	1,066,271	-	1,066,271
Due to teachers' retirement system	8,799,283	-	8,799,283
Due to employees' retirement system	1,209,355	-	1,209,355
Payroll liabilities	1,649,233	-	1,649,233
Long-term liabilities - due and payable within one year:			
Bonds payable	7,700,000	-	7,700,000
Lease payable	7,656	-	7,656
Total current liabilities	27,021,123	-	27,021,123
Long-term liabilities:			
Bonds payable	36,255,000	-	36,255,000
Bond premiums	3,221,988	-	3,221,988
Lease payable	3,218	-	3,218
Compensated absences	12,941,117	-	12,941,117
Postemployment benefits	203,920,910	-	203,920,910
Judgments and claims	2,889,763	-	2,889,763
Net pension liability - proportionate share	13,093,376	-	13,093,376
Total noncurrent liabilities	272,325,372	-	272,325,372
Total liabilities	299,346,495	-	299,346,495
Deferred inflows of resources:			
Pensions	15,742,440	-	15,742,440
OPEB	132,979,295	-	132,979,295
Total deferred inflows of resources	148,721,735	-	148,721,735
Net position:			
Net investment in capital assets	81,531,115	-	81,531,115
Restricted	64,121,987	-	64,121,987
Unrestricted	(312,884,806)	175,145	(312,709,661)
Total net position	\$ (167,231,704)	175,145	(167,056,559)

See accompanying notes to financial statements.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK

Statement of Activities
Year ended June 30, 2025

		Program Revenue		Net (Expense) Revenue and Changes in Net Position		
		Charges for <u>Services</u>	Operating <u>Grants</u>	Governmental <u>Activities</u>	Business-type <u>Activities</u>	<u>Total</u>
	<u>Expenses</u>					
Functions/programs:						
General support	\$ 29,978,222	-	-	(29,978,222)	-	(29,978,222)
Instruction	141,539,778	971,043	6,889,940	(133,678,795)	-	(133,678,795)
Pupil transportation	15,181,871	-	-	(15,181,871)	-	(15,181,871)
Community services	837,455	-	-	(837,455)	-	(837,455)
Employee benefits	-	-	-	-	-	-
Debt service - interest	1,338,759	-	-	(1,338,759)	-	(1,338,759)
Depreciation/amortization - unallocated	7,417,775	-	-	(7,417,775)	-	(7,417,775)
School Lunch Program	2,612,828	1,896,242	2,638,520	1,921,934	-	1,921,934
Total functions and programs	<u>\$ 198,906,688</u>	<u>2,867,285</u>	<u>9,528,460</u>	<u>(186,510,943)</u>	<u>-</u>	<u>(186,510,943)</u>
General revenue:						
Real property taxes				134,385,259	-	134,385,259
Other tax items				7,354,977	-	7,354,977
Use of money and property				4,101,493	-	4,101,493
Sale of property and compensation for loss				95,910	-	95,910
Donations and gifts				52,300	-	52,300
Contributions				808,243	-	808,243
State sources				66,494,124	-	66,494,124
Federal sources				993,477	-	993,477
Miscellaneous				795,894	-	795,894
Total general revenue				<u>215,081,677</u>	<u>-</u>	<u>215,081,677</u>
Change in net position				28,570,734	-	28,570,734
Net position at beginning of year				<u>(195,802,438)</u>	<u>175,145</u>	<u>(195,627,293)</u>
Net position at the end of year				<u>\$ (167,231,704)</u>	<u>175,145</u>	<u>(167,056,559)</u>

See accompanying notes to financial statements.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Balance Sheet - Governmental Funds
June 30, 2025

	<u>General</u>	<u>Capital Projects</u>	<u>Special Aid</u>	<u>Debt Service</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>						
Cash and equivalents - unrestricted	\$ 8,611,610	6,410,257	610,852	-	1,301,454	16,934,173
Cash and equivalents - restricted	-	-	-	11,320,368	291,959	11,612,327
Investments - unrestricted	18,073,494	-	-	-	-	18,073,494
Investments - restricted	35,495,339	-	-	-	-	35,495,339
Accounts receivable	201,134	-	-	-	37,656	238,790
Due from other funds	6,455,476	17,930,713	5,463,207	2,139,763	1,172,941	33,162,100
Due from State and Federal	1,776,714	-	3,842,074	-	164,865	5,783,653
Due from other governments	1,728,725	-	-	-	-	1,728,725
Inventory	157,709	-	-	-	162,589	320,298
Less reserve for inventory	(157,709)	-	-	-	-	(157,709)
Total assets	<u>\$ 72,342,492</u>	<u>24,340,970</u>	<u>9,916,133</u>	<u>13,460,131</u>	<u>3,131,464</u>	<u>123,191,190</u>
<u>Liabilities and Fund Balances</u>						
Liabilities:						
Accounts payable	2,642,420	3,317,059	234,318	-	40,164	6,233,961
Accrued liabilities	1,899,674	-	7,051	-	38,863	1,945,588
Due to other governments	-	-	-	-	160	160
Due to other funds	6,169,360	13,505,158	9,079,799	4,330,713	77,070	33,162,100
Due to teachers' retirement system	8,786,240	-	-	-	13,043	8,799,283
Due to employees' retirement system	1,209,355	-	-	-	-	1,209,355
Prepaid revenue	-	-	-	-	480,387	480,387
Payroll liabilities	10,358	-	-	-	-	10,358
Unearned revenue	-	-	585,868	-	16	585,884
Total liabilities	<u>20,717,407</u>	<u>16,822,217</u>	<u>9,907,036</u>	<u>4,330,713</u>	<u>649,703</u>	<u>52,427,076</u>
Fund balances:						
Nonspendable - inventory and prepaid expenses	-	-	-	-	162,589	162,589
Restricted:						
Employee benefits and accrued liabilities	11,586,975	-	-	-	-	11,586,975
Debt	-	-	-	9,129,418	-	9,129,418
Workers' compensation	2,323,893	-	-	-	-	2,323,893
Retirement Contributions	9,014,977	-	-	-	-	9,014,977
Retirement contributions - TRS sub reserve	4,814,420	-	-	-	-	4,814,420
Capital outlay	4,500,000	7,518,753	-	-	-	12,018,753
Tax certiorari	3,255,074	-	-	-	-	3,255,074
Assigned:						
General support	976,269	-	9,097	-	-	985,366
Instruction	1,768,254	-	-	-	-	1,768,254
Pupil transportation	91,225	-	-	-	-	91,225
Community service	-	-	-	-	173,968	173,968
Employee benefits	47,454	-	-	-	-	47,454
Scholarships	-	-	-	-	291,959	291,959
Activity funds	-	-	-	-	505,463	505,463
School lunch	-	-	-	-	1,347,782	1,347,782
Designated for subsequent year's expenditures	4,993,959	-	-	-	-	4,993,959
Unreserved - unassigned	8,252,585	-	-	-	-	8,252,585
Total fund balances	<u>51,625,085</u>	<u>7,518,753</u>	<u>9,097</u>	<u>9,129,418</u>	<u>2,481,761</u>	<u>70,764,114</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 72,342,492</u>	<u>24,340,970</u>	<u>9,916,133</u>	<u>13,460,131</u>	<u>3,131,464</u>	<u>123,191,190</u>

See accompanying notes to financial statements.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Reconciliation of Balance Sheet - Governmental Funds
to the Statement of Net Position
June 30, 2025

Total governmental fund balances	\$ 70,764,114
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources, and, therefore are not reported in the funds.	125,625,779
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds	\$ (43,955,000)
Compensated absences	(12,941,117)
Accrued workers' compensation	(2,889,763)
Right to use lease asset	(10,874)
	(59,796,754)
Bond premiums, not due and payable in the current period and therefore are to reported in the funds full accrual accounting.	(3,221,988)
Interest payable is reported in the District-wide statements under full accrual accounting.	(48,491)
Other postemployment benefit liability is recognized as a liability under full accrual accounting.	(203,920,910)
Net pension liability - proportionate share - ERS System	(13,093,376)
Net pension asset - proportionate share - TRS System	11,978,477
Deferred pension and OPEB outflows, net of deferred inflows of resources.	(95,518,555)
Total net position	<u>\$ (167,231,704)</u>

See accompanying notes to financial statements.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds
Year ended June 30, 2025

	<u>General</u>	<u>Capital Projects</u>	<u>Special Aid</u>	<u>Debt Service</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
Revenue:						
Real property taxes	\$ 134,385,259	-	-	-	-	134,385,259
Other tax items	7,354,977	-	-	-	-	7,354,977
Charges for services	283,207	-	-	-	687,836	971,043
Use of money and property	3,843,838	-	-	256,716	939	4,101,493
Sale of property and compensation for loss	95,910	-	-	-	-	95,910
Donations and gifts	-	-	-	-	52,300	52,300
Contributions	-	-	-	-	808,243	808,243
State sources	66,494,124	-	1,621,163	-	747,130	68,862,417
Federal sources	993,477	-	5,268,777	-	1,891,390	8,153,644
Sales	-	-	-	-	1,896,242	1,896,242
Miscellaneous	756,713	-	37,314	611,541	1,867	1,407,435
Total revenue	<u>214,207,505</u>	<u>-</u>	<u>6,927,254</u>	<u>868,257</u>	<u>6,085,947</u>	<u>228,088,963</u>
Expenditures:						
General support	20,115,547	-	-	-	1,684,333	21,799,880
Instruction	110,175,931	-	7,050,033	-	408,700	117,634,664
Pupil transportation	12,058,963	-	-	-	-	12,058,963
Community services	16,957	-	-	-	-	16,957
Employee benefits	53,609,458	-	207,917	-	942,272	54,759,647
Cost of food sales	-	-	-	-	2,166,698	2,166,698
Scholarships	-	-	-	-	38,475	38,475
Program expense	-	-	-	-	782,023	782,023
Debt service:						
Principal	-	-	-	5,485,000	-	5,485,000
Interest	-	-	-	1,830,294	-	1,830,294
Capital outlay	-	15,414,075	-	-	-	15,414,075
Total expenditures	<u>195,976,856</u>	<u>15,414,075</u>	<u>7,257,950</u>	<u>7,315,294</u>	<u>6,022,501</u>	<u>231,986,676</u>
Excess (deficiency) of revenue over expenditures	<u>18,230,649</u>	<u>(15,414,075)</u>	<u>(330,696)</u>	<u>(6,447,037)</u>	<u>63,446</u>	<u>(3,897,713)</u>
Other financing sources (uses):						
Transfers in	-	5,700,000	330,696	9,800,000	58,651	15,889,347
Transfers (out)	(15,889,347)	-	-	-	-	(15,889,347)
Proceeds from serial bonds	-	16,650,000	-	-	-	16,650,000
Total other financing sources (uses)	<u>(15,889,347)</u>	<u>22,350,000</u>	<u>330,696</u>	<u>9,800,000</u>	<u>58,651</u>	<u>16,650,000</u>
Change in fund balances	2,341,302	6,935,925	-	3,352,963	122,097	12,752,287
Fund balance at beginning of year	49,283,783	582,828	9,097	5,776,455	2,359,664	58,011,827
Fund balance at end of year	<u>\$ 51,625,085</u>	<u>7,518,753</u>	<u>9,097</u>	<u>9,129,418</u>	<u>2,481,761</u>	<u>70,764,114</u>

See accompanying notes to financial statements.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Reconciliation of Statement of Revenue, Expenditures and
Changes in Fund Balances - Governmental Funds to the Statement of Activities
Year ended June 30, 2025

Net change in fund balances	\$ 12,752,287
Capital outlays are expenditures in governmental funds, but are capitalized in the statement of net assets.	16,852,301
Depreciation and amortization is not recorded as an expenditure in the governmental funds, but is recorded in the statement of activities.	(7,417,775)
Repayments of long-term debt are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the statement of net assets.	5,485,000
Net loss on disposal of property, plant and equipment is not recognized in the governmental funds. However, for governmental activities, the net book value of the assets disposed of is reduced by the proceeds received.	(6,198)
Interest is recognized as an expense in governmental funds when paid. For governmental activities interest expense is recognized as it accrues. The decrease in accrued interest during the year results in less expense.	(11,462)
Net proceeds of serial bond principal is revenue in governmental funds, but proceeds increase long-term liabilities in the statement of net position assets.	(16,650,000)
Premium on bond funding that occurred in the current year recognized as revenue in governmental financial statements but amortized over the bond term for full accrual statements.	(611,541)
Premium amortization for prior and current funding recognized as revenue in full accrual statements.	502,997
Certain postemployment benefits are recognized as an expense net of deferred inflows and outflows in the statement of activities under full accrual accounting.	15,966,414
Change in compensated absences and accrued workers' compensation are not reflected in governmental funds but are reflected in the statement of activities under full accrual accounting.	(1,071,794)
Payments on leases recognized as use of funds in governmental funds, but are reflected as changes in long-term debt under full accrual accounting.	92,950
Changes in net pension costs are not reflected in governmental funds but are reflected in the statement of activities under full accrual accounting.	<u>2,687,555</u>
Change in net position of governmental activities	<u><u>\$ 28,570,734</u></u>

See accompanying notes to financial statements.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Statement of Net Position - Proprietary Fund
June 30, 2025

Assets - unrestricted	<u>\$ 175,145</u>
Net position - unrestricted	<u><u>\$ 175,145</u></u>

See accompanying notes to financial statements.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Statement of Revenue, Expenses and Changes in Net Position - Proprietary Fund
Year ended June 30, 2025

Revenue - charges for services	\$ -
Expenses - operating expenses	<u>-</u>
Change in net position	-
Net position at beginning of year	<u>175,145</u>
Net position at end of year	<u><u>\$ 175,145</u></u>

See accompanying notes to financial statements.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Statement of Cash Flows - Proprietary Fund
Year ended June 30, 2025

Cash flows from operating activities	\$ <u>-</u>
Net change in cash	-
Unrestricted cash at beginning of year	<u>175,145</u>
Unrestricted cash at end of year	<u><u>\$ 175,145</u></u>

See accompanying notes to financial statements.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements

June 30, 2025

(1) Summary of Significant Accounting Policies

The financial statements of the Shenendehowa Central School District at Clifton Park, New York (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies used by the District are described below:

(a) Reporting Entity

The District is governed by the laws of New York State (NYS). The District is an independent entity governed by an elected Board of Education consisting of seven 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 of public school education within the District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

The reporting entity of the District is based upon criteria set forth by GASB. 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 and its component unit. The District is not a component unit of another reporting entity.

The decision to include a potential component unit in the reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the District has no component units.

(b) Joint Venture

The District is one of 24 component school districts in the Capital Region Board of Cooperative Educational Services (BOCES). 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 Section 1950 of the Education Law. A BOCES Board is considered a corporate body. All BOCES property is held by the BOCES Board as a corporation (Section 1950(6)). In addition, BOCES Boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under Section 119-n(a) of the General Municipal Law.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(b) Joint Venture, Continued

A BOCES budget is comprised of separate budgets for administrative, program and capital costs. Each component school district's share of administrative and capital cost is determined by resident public school districts enrollment as defined in Education Law, Section 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. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of Section 1950 of the Education Law.

BOCES charges districts for program costs based on participation and for administrative costs. During the year ended June 30, 2025, the District was billed \$8.8 million for BOCES administrative and program costs. In the same period, the District reported \$3.5 million in State Aid. Financial statements the BOCES are available from the BOCES administrative office at 900 Watervliet-Shaker Road, Albany, New York 12205.

(c) Basis of Presentation

District-Wide Statements

The statement of net position and the statement of activities present financial information about the District's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, State Aid, intergovernmental revenue, and other exchange and nonexchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The statement of net position presents the financial position of the District at year end. The statement of activities presents a comparison between direct expenses and program revenue 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. Program revenue include charges paid by the recipient of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that are not classified as program revenue, including all taxes, are presented as general revenue.

Fund Financial Statements

The fund financial statements provide information about the District's funds, including fiduciary funds, if applicable. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(c) Basis of Presentation, Continued

- Governmental Fund Types

The District reports the following major governmental funds:

General Fund - This is the District's primary operating fund. It accounts for all financial transactions that are not required to be accounted for in another fund.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources to be used for the acquisition, construction or renovation of various District facilities or equipment.

Special Aid Fund - Used to account for special operating projects or programs supported in whole, or in part, with Federal funds or State or Local grants.

Debt Service Fund - The Debt Service Fund is used to account for and report on the accumulation of resources to be used for reduction of general long-term indebtedness.

All remaining governmental funds are aggregated and reported as non-major funds:

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

Miscellaneous Special Revenue

Community Service and Facilities Usage Fund - Used to account for the funds and transactions of the District's community education programs and facility use by outside users. The community education program fees charged to program participants are restricted for use by the program. The District's fee structure for both programs is designed to recover only the incremental costs of the programs.

Extraclassroom Activity Fund - Used to account for the funds and transactions of the District's various club and activity accounts.

Scholarship Fund - Used to account for the funds and transactions of the District's scholarship awards.

School Lunch Fund - Used to account for transactions of the District lunch and breakfast programs.

- Proprietary Fund Types

Proprietary funds are used to account for ongoing organizations or activities which are similar to those often found in the private sector. The economic resources measurement focus is used in the determination of net income, financial position and changes in cash flows. The following proprietary fund is utilized:

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(c) Basis of Presentation, Continued

- Proprietary Fund Types, Continued

- Enterprise Fund - Regional Transportation Fund - Used to account for the cost of services rendered which are financed through charges to those purchasing the services. Services, which are provided mainly to other school districts and municipalities, include the sale of fuel and field trips. Costs recovered are direct costs, incremental costs and certain indirect costs. There was no activity in this fund in 2024-2025.

(d) Measurement Focus and Basis of Accounting

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

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

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue are recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available, if the revenue are collected, within one year 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, claims and judgments, postemployment benefits and compensated absences, which are recognized as expenditures to the extent they have matured or been paid. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(e) Unearned Revenue

The District reports unearned revenue on its statement of net position and its balance sheet. Unearned revenue arises when resources are received before the District has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, or when the District has legal claim to the resources, the liability is removed and revenue is recognized.

(f) Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. There are generally three items that qualify for reporting in this category. The first item is related to pensions reported in the District-Wide statement of net position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. Second, is the District's contributions to the pension systems (TRS and ERS Systems) and OPEB subsequent to the measurement date. The third item relates to OPEB reporting in the District-Wide statement of net position. This represents the effect of the changes of assumptions or other inputs.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflows of resources (revenue) until that time. There are generally two items that qualify for reporting in this category. The first item is related to pensions reported in the District-Wide Statement of net position. This represents the effect of the net change in the District's proportion of the collective net pension liability and difference during the measurement periods between the District's contributions and its proportionate share of total contributions to the pension system not included in pension expense. The second item is related to OPEB reported in the District-Wide statement of net position. This represents the effect of the net changes of assumptions or other inputs and differences between expected and actual results.

(g) Property Tax

Calendar - Real property taxes are levied annually by the Board of Education no later than September 1, 2024 and became a lien in November 2024. Taxes were collected during the period September 1, 2024, to November 1, 2024.

Enforcement - Uncollected real property taxes are subsequently enforced by the County of Saratoga (the County) in which the District is located. An amount representing uncollected real property taxes transmitted to the County for enforcement is paid by the County to the District no later than the forthcoming April 1.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(h) Cash and Investments

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

The District's investment policies are governed by State statutes. District monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the State. The treasurer is authorized to use demand accounts and certificates of deposit. 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. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and School Districts. Investments are stated at fair value. Certificates of deposit are classified as investments in these financial statements.

(i) Accounts Receivable

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

(j) Inventory

Inventories of food and supplies in the school lunch fund are recorded at cost using the first-in, first-out basis or, in the case of surplus food, as stated value which approximates market.

(k) Interfund Transactions

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

In the District-Wide statements, the amounts reported on the statement of net position for interfund receivables and payables represent amounts due between different fund types. Eliminations have been made for all interfund receivables and payables between the funds with the exception of those due from or to the business activities.

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

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(l) Capital Assets

Capital assets are reported at cost or estimated cost. Donated assets are reported at estimated fair market value at the time received.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the District-Wide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings	\$500	Straight Line	50 years
Building improvements	\$500	Straight Line	20 years
Site improvements	\$500	Straight Line	20 years
Furniture and equipment	\$500	Straight Line	5 - 20 years

(m) Short-Term Debt

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.

(n) Accrued Liabilities and Long-Term Obligations

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

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

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(o) 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 assets (cost less accumulated depreciation/amortization) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvements of those assets.

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

Unrestricted net position - reports the balance of net position that does not meet the definition of the above two classifications and is deemed to be available for general use by the District.

Fund statements - In the fund financial statements there are five classifications of fund balance:

Nonspendable - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance includes the inventory recorded in the school lunch fund at June 30, 2025.

Restricted - includes amounts restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

Committed - includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District Board and contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements such as the award of a bid by the District Board. The District has no committed fund balances as of June 30, 2025.

Assigned - includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances include funds that are legally mandated to be accounted for separately as well as amounts that have been contractually obligated by the District or designated by the District Board for the ensuing year's budget.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(o) Equity Classifications, Continued

The Administration's accounting software utilizes encumbrance-based accounting. As of June 30, 2025, there was a cumulative \$2,892,299 in non-restricted encumbrances of which \$2,883,202 and \$9,097 are general fund and special aid fund assigned for fund balance, respectively.

Assigned for Subsequent Year's Expenditures - Portions of fund equity are segregated for future use and are, therefore, not available for appropriation or expenditure. Reserves of unassigned fund balances in governmental funds indicate the use of these resources in the ensuing year's budget.

Assigned for Scholarships - This represents monies that are assigned to be utilized to award scholarships determined by the District on an annual basis. Assigned for Scholarships totaled \$291,959.

Assigned for Activity Funds - This represents monies that are assigned to be utilized for the District's extraclassroom activity fund and club accounts. Assigned for activity funds totaled \$505,463.

NYS Real Property Tax Law 1318 restricts the unreserved fund balance of the general fund to an amount not greater than 4% of the District's budget for the ensuing fiscal year.

Unassigned - represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund.

The District's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year by adjusting journal entries.

Fund balance restrictions are created to satisfy legal restrictions or plan for future expenditures. The following restricted funds are available to school districts within the State of New York. These restricted funds are established through Board action or voter approval and a separate identity must be maintained for each restriction. Earnings on the invested resources become part of the respective restricted funds; however, separate bank accounts are not necessary for each restricted fund. The following is a description of the restrictions utilized by the District.

- Workers' Compensation Reserve - Authorized by General Municipal Law §6-j, the District is self-insured for workers' compensation on a cost-reimbursement basis. This reserve is accounted for in the general fund.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(o) Equity Classifications, Continued

- Reserve for Debt - Authorized by General Municipal Law §6-1, this reserve is used to account for proceeds from the sale of property that was financed by obligations still outstanding, interest and earnings on outstanding obligations and remaining bond proceeds not to be utilized for the intended purpose. These monies must be used to pay the debt service of the obligations from which they originated. This reserve is accounted for in the debt service fund.
- Reserve for Tax Certiorari - Authorized by Education Law §3651.1-a, this reserve is used to establish a reserve fund for tax certioraris and to expend from the fund without voter approval. The monies held in the reserve shall not exceed the amount that might reasonably be deemed necessary to meet anticipated judgements and claims arising out of tax certiorari proceedings. Any resources deposited to the reserve which are not expended for tax certiorari proceedings in the year such monies are deposited must be returned to the General Fund on or before the first day of the fourth fiscal year after deposit of these monies. The reserve is accounted for in the general fund.
- Capital Reserve Fund - According to Education Law §3651, expenditures made from the capital reserve fund must be used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of the reserve, the ultimate amount, its probable term and the source of the funds. Expenditure may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. This reserve is accounted for in the general fund and capital project fund.
- Reserve for Retirement Contributions - According to General Municipal Law §6-r, all expenditures made from the retirement contributions received fund must be used for financing retirement contributions to the New York State and Local Employees' Retirement System. This reserve is established by Board resolution and is funded by budgetary appropriation and such other reserve and funds that may be legally appropriated. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board. This reserve is accounted for in the general fund. Effective April 1, 2019, the Board may adopt a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law §6-r. This reserve is accounted for in the general fund.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(o) Equity Classifications, Continued

- Employee Benefit Accrued Liability Reserve - Authorized by General Municipal Law §6-p, the Employee Benefit Accrued Liability Reserve is used to pay for any accrued employee benefit due an employee on termination of the employee's service. The reserve is created by resolution of the Board of Education. The reserve is accounted for in the general fund.

(p) Postemployment Benefits

In addition to providing the retirement benefits described in note 4(b), the District provides postemployment health and drug insurance coverage to its retired employees and their survivors in accordance with the provisions of the employment contract negotiated between the District and its employee groups. Substantially, all of these employees may become eligible for these benefits if they reach normal retirement age while working for the District. Currently approximately 900 retirees meet the health insurance eligibility requirements. The District pays, depending on the applicable contract, up to 91% of the cost of premiums to an insurance company which provides health care and drug insurance. The District recognizes the cost of providing benefits for year ended June 30, 2025 by recording \$5,485,020, its share of health and drug insurance premiums for currently enrolled retirees, as an expenditure.

(q) Vested Employee Benefits

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

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

District employees are granted vacation in varying amounts, based primarily on length of service and service position. Some earned benefits may be forfeited if not taken within varying time periods.

Consistent with GASB Statement No. 101 - "Compensated Absences," the liability has been calculated using the vesting method and an accrual for that liability is included in the District- wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year end.

In the funds statements, only the amount of matured liabilities are accrued within the general fund based upon expendable and available financial resources. These amounts are expensed on a pay-as-you go basis.

(r) Risk Management

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

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(r) Risk Management, Continued

- Workers' Compensation Plan - The District is self-insured for workers' compensation benefits on a cost-reimbursement basis. Under the program, the District is responsible for claim payments. The Workers' Compensation Reserve restricted for future claim payments at June 30, 2025, amounted to \$2,323,893.
- Dental and Prescription Drug Insurance Plans - The District provides self-insured dental and prescription drug insurance benefit plans for its active employees and requires employees to contribute towards its cost. There is no provision in state law to have dental or prescription drug insurance reserves.
- Method of Calculating Expense of the Plans - All known claims filed and an estimate of all incurred but unreported claims existing at June 30, 2025, have been recorded as accounts payable in the general fund.

The District establishes dental and prescription drug insurance claim liabilities based on estimates of the ultimate cost of claims. Claims under this plan are paid during the year or in the subsequent year. The length of time claims may be submitted is limited to ninety days after year end.

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

Adjustments to claim liabilities are charged or credited to the liability in the periods in which they are made.

As discussed above, the District establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. The following represents changes in those aggregate liabilities for the District during the past two years:

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(r) Risk Management, Continued

	2025			2024		
	Workers' <u>Compensation</u>	<u>Dental</u>	Prescription <u>Drug</u>	Workers' <u>Compensation</u>	<u>Dental</u>	Prescription <u>Drug</u>
Unpaid claims and claim adjustment expenses at beginning of year	<u>\$ 2,092,097</u>	<u>61,000</u>	<u>20,000</u>	<u>2,008,196</u>	<u>61,000</u>	<u>(2,539)</u>
Incurred claims and claim adjustment expenses:						
Provision for incurred claims expense for events of the current year	1,634,550	1,549,663	9,476,645	429,084	1,522,513	9,040,000
Increase (decrease) in provision for incurred events of prior years	<u>16,020</u>	<u>(135,833)</u>	<u>(131,713)</u>	<u>11,845</u>	<u>(139,652)</u>	<u>(120,816)</u>
Total incurred claims and claim adjustment expenses	1,650,570	1,413,830	9,344,932	440,929	1,382,861	8,919,184
Payments made for claims during the current year	<u>(852,904)</u>	<u>(1,406,830)</u>	<u>(9,342,932)</u>	<u>(357,028)</u>	<u>(1,382,861)</u>	<u>(8,896,645)</u>
Total unpaid claims and claim adjustment expenses at end of year	<u>\$ 2,889,763</u>	<u>68,000</u>	<u>22,000</u>	<u>2,092,097</u>	<u>61,000</u>	<u>20,000</u>

(s) Estimates

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

(t) Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net assets 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.

(u) Future Changes in Accounting Standards

GASB has issued the following pronouncements which will be implemented in the years required. The effects of the implementation of these pronouncements are not known at this time.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(u) Future Changes in Accounting Standards, Continued

Statement No. 103 - Financial Reporting Model Improvements. Effective for fiscal years beginning after June 15, 2025.

Statement No. 104 - Disclosure of Certain Capital Assets. Effective for fiscal years beginning after June 15, 2025.

(v) Subsequent Events

Management has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

The District issued a bond anticipation note payable of \$36,500,000 on July 22, 2025. The bond anticipation note matures on June 23, 2026 and has a stated interest rate of 4.00%.

(2) Explanation of Certain Differences Between Fund Statements and District-Wide Statements

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

(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 additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets.

(b) Statement of Revenue, Expenditures and Changes in Fund Balance vs. Statement of Activities

Differences between the funds statement of revenue, expenditures and changes in fund balance and the statement of activities fall into one of three broad categories. The amounts shown below represent:

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

Capital Related Differences - Capital related differences include the difference between proceeds for 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 purchase of capital items in the fund statements and depreciation expense on those items as recorded in the statement of activities.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(2) Explanation of Certain Differences Between Fund Statements and District-Wide Statements,
Continued

(b) Statement of Revenue, Expenditures and Changes in Fund Balance vs. Statement of Activities,
Continued

Long-Term Debt Transaction Differences - Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the fund statements, whereas interest payments are recorded in the statement of activities as incurred, and principal payments are recorded as a reduction of liabilities in the statement of net position.

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

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

The costs of building and acquiring capital assets (land, buildings and equipment) financed from governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the balance sheet. However, the statement of net position includes those capital assets among the assets of the District as a whole, and their original costs are expensed annually over their useful lives.

Original cost of capital assets	\$ 317,387,052
Accumulated depreciation/amortization	(191,761,273)
Capital assets, net	\$ <u>125,625,779</u>
Deferred outflows of resources, pensions and OPEB	\$ <u>53,203,180</u>

Long-term liabilities and deferred inflows of resources are reported in the statement of net position, but not in the governmental funds, because they are not due and payable in the current period. Balances at June 30, 2025 were as follows:

Bonds payable	\$ 43,955,000
Bond premiums	\$ 3,221,988
Leases payable	\$ 10,874
Compensated absences payable	\$ 12,941,117
Postemployment benefits payable (OPEB)	\$ 203,920,910
Workers' compensation liability	\$ 2,889,763
Net pension liability - proportionate share - ERS System	\$ 13,093,376
Deferred inflows of resources, pensions and OPEB	\$ 148,721,735

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(2) Explanation of Certain Differences Between Fund Statements and District-Wide Statements, Continued

(b) Statement of Revenue, Expenditures and Changes in Fund Balance vs. Statement of Activities, Continued

In the statement of activities, certain operating expenses are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

When the purchase or construction of capital assets is financed through governmental funds, the resources expended for those assets are reported as expenditures in the years they are incurred. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.

Pension expense is calculated under GASB Statement No. 68 and OPEB expense is calculated under GASB Statement No. 75 in the statement of activities.

Repayments of bond principal are 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. In addition, proceeds of bonding are revenue in the governmental funds but are reflected as liabilities under full accrual accounting. In addition, premiums earned on new bond issuances are revenue in the governmental funds but are reflected as liabilities under full accrual accounting. Premium amortization on bond issuances is recognized as revenue under full accrual accounting.

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is reported 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.

(3) Stewardship, Compliance and Accountability

(a) Deficit Fund Balances

Capital Projects Funds - The \$22 million and \$26 million capital project funds have deficit fund balances of \$(576,661) and \$(5,907,882), respectively, due to expending funds prior to obtaining permanent financing for the capital projects.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(3) Stewardship, Compliance and Accountability, Continued

(b) Budgetary Data

- Budget Policies - The budget policies are as follows:
 - The District administration prepares a proposed budget for approval by the Board of Education for the general fund.
 - The proposed appropriation budget for the general fund is approved by the voters within the District.
 - Appropriations are adopted at the program level.
 - Appropriations established by adoption of the budget constitute a limitation on expenditures (and encumbrances) which may be incurred. Appropriations lapse at the fiscal year end. Supplemental appropriations may occur subject to legal restrictions if the Board approves them because of a need which exists which was not determined at the time the budget was adopted.
 - Budgets are adopted annually on a basis consistent with generally accepted accounting principles. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

The District is not required to formally adopt annual budgets for its special revenue funds or debt service fund. Accordingly, no statement of budget and actual revenue and expenditures is presented for the special revenue funds or the debt service fund.

- Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed as a control in preventing over expenditure of established appropriations. Open encumbrances are reported as reservations of fund balance since they do not constitute expenditures or liabilities and will be honored through budget appropriations in the subsequent year.

(4) Detail Notes on All Funds

(a) Assets

- Cash and Investments
 - Cash - The District's aggregate bank balances are valued at cost or cost plus interest and are categorized as either (1) insured, or for which the securities are held by the District's agent in the District's name, (2) collateralized, and for which the securities are held by the pledging financial institution's trust department or agent in the District's name, or (3) uncollateralized. Total bank balances at June 30, 2025 were \$33,388,361. The bank balance is fully insured by the FDIC or FSLIC, or collateralized by securities held by a third party in the District's name.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(a) Assets, Continued

- Cash and Investments, Continued

- Investment and Deposit Policy - The District follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with Federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Assistant Superintendent for Finance and Operations.
- Interest Rate Risk - Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.
- Credit Risk - The District's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The District's investment and deposit policy authorizes the District to purchase the following types of investments:
 - Interest bearing demand accounts.
 - Certificates of deposit.
 - Obligations of the United States Treasury and United States agencies.
 - Obligations of New York State and its localities.
- Custodial Credit Risk - Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the District's investment and deposit policy, all deposits of the District including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the FDIC shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits. The District restricts the securities to the following eligible items:
 - Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies.
 - Obligations issued or fully insured or guaranteed by New York State and its localities.
 - Obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical ratings organizations.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(a) Assets, Continued

- Cash and Investments, Continued

- Investments - The District has few investments (primarily donated scholarship funds) and chooses to disclose its investments by specifically identifying each. The District's investment policy for these investments is also governed by New York State statutes. Investments are stated at fair value.

GAAP establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the assets or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District has the ability to access.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(a) Assets, Continued

- Cash and Investments, Continued

All of the District's investments are valued based on level 1 of the hierarchy, with the exception of NYCLASS, detailed below (Level 2).

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

Cash and equivalents - valued at cost plus accrued interest, which approximates fair market value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the District believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The District does not typically purchase investments for long enough duration to cause it to believe that it is exposed to any material interest rate risk.

The District does not typically purchase investments denominated in a foreign currency and is not exposed to foreign currency risk.

Investments are stated at fair value and are categorized as either (1) insured or registered, or investments held by the District or the District's agent in the District's name, (2) uninsured and unregistered, with the investments held by the financial institution's trust department in the District's name, (3) uninsured and unregistered, with investments held by the financial institution or its trust department but not in the District's name.

The District participates in the New York Cooperative Liquid Asset Securities System (NYCLASS), a multi-municipal cooperative investment pool agreement pursuant to New York State General Municipal Law Article 5-G, §119-0, whereby it holds a portion of the investments in cooperation with other participants. At June 30, 2025, the District held \$53,568,833 in these investments consisting of various investments in securities issued by the United States and its agencies.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(a) Assets, Continued

• Cash and Investments, Continued

The above amount represents the cost of the investment pool shares and is considered to approximate fair value. The investment pools are SEC registered and categorically exempt from the New York State collateralization requirements.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the District believes its valuation methods are appropriate and consistent with other participants, the use of different methodologies or assumptions to determine the fair value of certain financial instructions could result in a different fair value measurement at the reporting date.

Investments in Securities

<u>at Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
General Fund	\$ <u> - </u>	<u>53,568,833</u>	<u> - </u>	<u>53,568,833</u>

The above amounts represent the fair value of the investment pool shares the District invested in. For the year ended June 30, 2024, the portfolio did not have significant unobservable inputs (Level 3) used in determining fair value. Thus, are conciliation of assets in which significant unobservable inputs (Level 3) which were used in determining fair value is not applicable.

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the period. The portfolio recognizes transfers between the levels as of the beginning of the fiscal year.

- Restricted Cash and Investments

General Fund - Restricted investments at June 30, 2025 consists of \$3,255,074 restricted for tax certiorari claims, \$2,323,893 restricted for workers' compensation insurance, \$13,829,397 for retirement contributions, \$11,586,975 for employee benefits accrued liability reserve and \$4,500,000 for capital outlay.

Debt Service - Restricted cash at June 30, 2025 consists of \$11,320,368 restricted for debt service.

Special Revenue - Restricted cash at June 30, 2025 consists of \$291,959 restricted for scholarships.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(a) Assets, Continued

- Interfund Receivables and Payables - Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur. Transactions are recorded in the accounting system and payments between funds are made.

Interfund receivable and payable balances at June 30, 2025 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Interfund Revenue</u>	<u>Interfund Expenditures</u>
General fund	\$ 6,455,476	6,169,360	-	15,889,347
Special aid fund	5,463,207	9,079,799	330,696	-
School lunch fund	1,158,636	-	58,651	-
Community service fund	3,107	73,618	-	-
Debt service fund	2,139,763	4,330,713	9,800,000	-
Extraclassroom	11,198	3,452	-	-
Capital projects funds	<u>17,930,713</u>	<u>13,505,158</u>	<u>5,700,000</u>	<u>-</u>
Total governmental activities	<u>\$ 33,162,100</u>	<u>33,162,100</u>	<u>15,889,347</u>	<u>15,889,347</u>

During the current year the general fund transferred \$5,700,000 to the capital projects fund for various capital projects. The District transferred a net \$9,800,000 to the debt service fund for debt and interest related payments. The District transferred \$58,651 to the school lunch fund to supplement the current year loss. The general fund also made a transfer of \$330,696 to the special aid fund for the District's share of the special education summer school programs its students attended.

- Accounts Receivable - Accounts receivable at June 30, 2025 consisted of the following, which are stated at net realizable value. District management has deemed the amounts to be fully collectible.

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
General	Tuition and miscellaneous	\$ 201,134
Community service	Use of facilities fees	34,264
School lunch	Miscellaneous	<u>3,392</u>
		<u>\$ 238,790</u>

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(a) Assets, Continued

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Adjustments/ Reclassifications</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated/ amortized:				
Land	\$ 821,690	-	-	821,690
Construction in progress	<u>29,487,931</u>	<u>11,866,651</u>	<u>-</u>	<u>41,354,582</u>
Total capital assets not being depreciated/amortized	<u>30,309,621</u>	<u>11,866,651</u>	<u>-</u>	<u>42,176,272</u>
Capital assets being depreciated/ amortized:				
Buildings	225,219,943	-	(6,198)	225,213,745
Furniture and equipment	44,358,908	4,985,650	-	49,344,558
Right to use lease asset	<u>652,477</u>	<u>-</u>	<u>-</u>	<u>652,477</u>
Total capital assets being depreciated/amortized	<u>270,231,328</u>	<u>4,985,650</u>	<u>(6,198)</u>	<u>275,210,780</u>
Less accumulated depreciation/ amortization:				
Buildings	153,961,158	4,126,372	(1,167)	158,086,363
Furniture and equipment	29,832,470	3,201,223	-	33,033,693
Right to use lease asset	<u>549,870</u>	<u>91,347</u>	<u>-</u>	<u>641,217</u>
Total accumulated depreciation/ amortization	<u>184,343,498</u>	<u>7,418,942</u>	<u>(1,167)</u>	<u>191,761,273</u>
Total capital assets, being depreciated/amortized, net	<u>85,887,830</u>	<u>(2,433,292)</u>	<u>(5,031)</u>	<u>83,449,507</u>
Total governmental activities, net	<u>\$ 116,197,451</u>	<u>9,433,359</u>	<u>(5,031)</u>	<u>125,625,779</u>

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(b) Liabilities

(1) Pension Plans

(a) Plan Descriptions and Benefits Provided

Teachers' Retirement System (TRS)

The District participates in the New York State Teachers' Retirement System (TRS).

This is a cost-sharing multiple-employer retirement system. TRS provides retirement benefits as well as death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. TRS is governed by a 10 member Board of Trustees. Benefits are established under New York State Law. 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 TRS. Once a public employer elects to participate in TRS, the election is irrevocable. The 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 TRS by referring to the NYSSTR Comprehensive Annual Financial Report which can be found on TRS's website at www.nystrs.org.

Employees' Retirement System (ERS)

The District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. ERS provides retirement benefits as well as death and disability benefits. The net position of ERS is held in the New York State Common Retirement Fund (the Fund), which was established to hold all assets and record changes in fiduciary net position allocated to ERS. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of ERS. Benefits are established under the provisions of the New York State Retirement and Social Security Law. Once a public employer elects to participate in 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. GLIP amounts are appointed to and included in ERS. 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.ny.gov/retirement/resources/financial-statements-and-supplementary-information.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(b) Liabilities, Continued

(1) Pension Plans, Continued

(a) Plan Descriptions and Benefits Provided, Continued

Employees' Retirement System (ERS), Continued

The systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3% to 5% of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale.

For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS' fiscal year ending March 31. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education law.

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

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

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2025	June 30, 2024
Actuarial valuation date	April 1, 2024	June 30, 2023
Net pension asset (liability)	\$ (13,093,376)	11,978,477
District's proportion of the Plan's net pension asset (liability)	0.0763653%	0.401476%
Change in proportionate share	(0.006504)	0.002603

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(b) Liabilities, Continued

(1) Pension Plans, Continued

(b) Pension Asset/Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Pensions, Continued

For the year ended June 30, 2025, the District recognized pension expense of \$3,288,480 for ERS and \$6,414,230 for TRS in the statement of activities. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to the pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>
Differences between expected and actual experience	\$ 3,249,864	12,898,620	153,298	-
Changes of assumptions	549,110	7,165,556	-	1,205,314
Net difference between projected and actual investment earnings on pension plan investments	1,027,270	-	-	13,309,108
Changes in proportion and differences between the District's contributions and proportionate share of contributions	1,517,052	203,791	671,366	403,354
District's contributions subsequent to the measurement date	<u>1,209,355</u>	<u>8,016,579</u>	<u>-</u>	<u>-</u>
Total	\$ <u>7,552,651</u>	<u>28,284,546</u>	<u>824,664</u>	<u>14,917,776</u>

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

<u>Year ending</u>	<u>ERS</u>	<u>TRS</u>
2026	\$ 2,631,854	(6,275,789)
2027	3,671,744	14,561,198
2028	(903,666)	(2,389,516)
2029	118,700	(2,685,244)
2030	-	1,548,839
Thereafter	<u>-</u>	<u>590,703</u>
	\$ <u>5,518,632</u>	<u>5,350,191</u>

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(b) Liabilities, Continued

(1) Pension Plans, Continued

(c) Actuarial Assumptions

The total pension asset/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 asset/liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2025	June 30, 2024
Actuarial valuation date	April 1, 2024	June 30, 2023
Investment rate of return (net of investment expense, including inflation)	5.90%	6.95%
Salary scale	4.30%	1.95% - 5.18%
Cost of living adjustments	1.50%	1.30%
Inflation rate	2.90%	2.40%

For ERS, demographic assumptions used in the April 1, 2024 actuarial valuation are based on the results of an actuarial experience study completed April 1, 2020. Demographic assumptions are primarily based on System experience over the period April 1, 2015 - March 31, 2020. Annuitant mortality rates are adjusted to incorporate mortality improvements under the Society of Actuaries' Scale MP-2021. 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, applied on a generational basis. The demographic actuarial assumptions and the salary scale are based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020. TRS runs one-year and five-year experience studies annually in order to gauge the appropriateness of the assumptions.

The long-term rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selections 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.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(b) Liabilities, Continued

(1) Pension Plans, Continued

(c) Actuarial Assumptions, Continued

The long-term expected real rates of return are presented by asset allocation classification. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of the measurement date are summarized in the following table:

<u>Asset class</u>	<u>ERS</u>		<u>TRS</u>	
	<u>Target allocation</u>	<u>Long-term expected real rate of return</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return</u>
Domestic equity	25%	3.54%	33%	6.60%
International equity	14%	6.57%	15%	7.40%
Real estate equity	-	-	11%	6.30%
Global equity	-	-	4%	6.90%
Domestic fixed income	-	-	16%	2.60%
Global bonds	-	-	2%	2.50%
High-yield bonds	-	-	1%	4.80%
Real estate debt	-	-	6%	3.90%
Real estate	12%	4.95%	-	-
Private equity	15%	7.25%	9%	10.00%
Private debt	-	-	2%	5.90%
Real assets	4%	5.55%	-	-
Fixed income	22%	2.00%	-	-
Opportunistic/ARS portfolio	3%	5.25%	-	-
Credit	4%	5.40%	-	-
Cash and equivalents	<u>1%</u>	0.25%	<u>1%</u>	0.50%
	<u>100%</u>		<u>100%</u>	

* For ERS, the real rates of return are net of a long-term inflation assumption of 2.9%. For TRS, the real rates of return are net of pension plan investment expenses and long-term inflation expectations.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(b) Liabilities, Continued

(1) Pension Plans, Continued

(d) Discount Rate

The discount rate used to calculate the total pension asset/liability was 5.9% for ERS and 6.95% for TRS. 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 those 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 asset/liability.

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

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

ERS	1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension asset (liability)	\$ (37,893,880)	(13,093,376)	7,615,060
TRS	1% Decrease (5.95%)	Current Discount (6.95%)	1% Increase (7.95%)
Employer's proportionate share of the net pension asset (liability)	\$ (55,329,275)	11,978,477	68,586,102

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(b) Liabilities, Continued

(1) Pension Plans, Continued

(f) Pension Plan Fiduciary Net Position

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

	(Dollars in Millions)	
	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2025	June 30, 2024
Employers' total pension liability	\$ (247,600)	(142,838)
Plan net position	<u>230,454</u>	<u>145,821</u>
Employers' net pension asset (liability)	\$ <u>(17,146)</u>	<u>2,983</u>
Ratio of plan net position to the employers' total pension liability	93.08%	102.10%

(g) Contributions to the Pension Plans

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 wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2025 amounted to \$1,209,355. This amount has been recorded as a liability in the governmental fund statements and in the statement of net position. Retirement contributions paid to ERS for the year ended June 30, 2025 were \$4,331,265.

TRS employer and employee contributions for the year ended June 30, 2025 are paid to the TRS in September, October and November 2025 through a state aid intercept. Accrued retirement contributions as of June 30, 2025 represent employee and employer contributions for the fiscal year ended June 30, 2025 based on paid TRS wages multiplied by the employer's contribution rate, by tier, and employee contributions for the fiscal year as reported to the TRS system. Accrued employer retirement contributions to TRS as of June 30, 2025 amounted to \$8,786,240, including employees' share. The accrued contributions have been recorded as a liability in the governmental fund statements and in the statement of net position. Retirement contributions paid to TRS for the year ended June 30, 2025 were \$8,016,579.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(b) Liabilities, Continued

(2) Other Postemployment Benefits (OPEB)

(a) General Information about the OPEB Plan

Plan Description - The District's defined benefit OPEB plan, provides OPEB for all permanent full- time general and public safety employees of the District. The plan is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Funding Policy - The obligation of the Plan members and employers are established by action of the District pursuant to applicable collective bargaining and other employment agreements. Employees contribute varying percentages of the premiums, depending on when retired and their applicable agreements. Employees are required to reach age 55 and have 3 to 15 years of service to qualify for other postemployment benefits. The District currently funds the Plan to satisfy current obligations on a pay-as-you-go basis. During the year ended June 30, 2025 approximately \$5,485,020 was paid on behalf of 900 retirees.

Benefits Provided - The District provides healthcare and live insurance benefits for retirees and their dependents. 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 June 30, 2024, the valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	900
Active employees	<u>1,580</u>
	<u>2,480</u>

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(b) Liabilities, Continued

(2) Other Postemployment Benefits (OPEB), Continued

(b) Total OPEB Liability

The District's total OPEB liability of \$203,920,910 was measured as of June 30, 2025, and was determined by an actuarial valuation as of June 30, 2024.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.6%
Salary Increases	2.2% - 12.3%, average, including inflation
Discount Rate	4.81%
Healthcare Cost Trend Rates	6.75% for 2025 decreasing to an ultimate rate of 4.04% by 2075

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

Mortality rates were based on the April 1, 2015 - March 31, 2020 NYSLRS experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP - 2021.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020.

(c) Changes in the Total OPEB Liability

Balance at June 30, 2024	\$ 244,362,399
Changes for the year:	
Service cost	10,407,422
Interest	10,611,540
Changes in benefit terms	(856,924)
Changes in assumptions or other inputs	(55,118,507)
Benefit payments	<u>(5,485,020)</u>
Net changes	<u>(40,441,489)</u>
Balance at June 30, 2025	\$ <u>203,920,910</u>

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(b) Liabilities, Continued

(2) Other Postemployment Benefits (OPEB), Continued

(c) Changes in the Total OPEB Liability, Continued

Changes of assumptions and other inputs reflect a change in the discount rate from 4.21% in 2024 to 4.81% in 2025.

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 or 1 percentage point higher than the current discount rate:

	1% Decrease (3.81%)	Current Discount Rate (4.81%)	1% Increase (5.81%)
Total OPEB liability	\$ <u>240,187,328</u>	<u>203,920,910</u>	<u>175,067,971</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 or 1 percentage point higher than the current healthcare care trend rate:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ <u>169,801,743</u>	<u>203,920,910</u>	<u>248,335,996</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 \$(10,517,394). At June 30, 2025, the District reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual results	\$ -	60,101,539
Changes of assumptions or other inputs	<u>17,365,983</u>	<u>72,877,756</u>
	\$ <u>17,365,983</u>	<u>132,979,295</u>

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(b) Liabilities, Continued

(2) Other Postemployment Benefits (OPEB), Continued

(d) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, Continued

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

<u>Year ending</u>	<u>Amount</u>
2026	\$ (30,316,776)
2027	(28,921,691)
2028	(27,494,449)
2029	(12,612,592)
2030	(8,393,729)
Thereafter	<u>(7,874,075)</u>
	\$ <u>(115,613,312)</u>

(3) Indebtedness

(a) Short-Term Debt

- Bond Anticipation Notes - 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. Such notes may be classified as part of the General Long-Term Debt Account Group when (1) the intention is to refinance the debt on a long-term basis and (2) the intention can be substantiated through a post balance-sheet issuance of long-term debt or by an acceptance financing agreement. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date. Transactions in short-term debt related to BANs for the year ended June 30, 2025 are as follows:

<u>Maturity</u>	<u>Interest Rate</u>	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
6/27/2025	4.5%	\$ <u>15,500,000</u>	<u>-</u>	<u>(15,500,000)</u>	<u>-</u>

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(b) Liabilities, Continued

(3) Indebtedness, Continued

(b) Long-Term Debt

- Serial Bonds - The District borrows money in order to acquire or construct buildings, improvements and buses. 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 District.

Interest on long-term debt in the District-Wide financial statements for the year was composed of:

Interest paid	\$ 1,830,294
Less interest accrued in the prior year	(37,029)
Plus interest accrued in the current year	48,491
Less amortization of bond premium	<u>(502,997)</u>
Total expense	\$ <u>1,338,759</u>

- Other Long-Term Obligations - In addition to the above long-term debt, the District has the following noncurrent liabilities:

Compensated Absences - Represents the value of earned and unused portion of the liability for employees' vacation and sick pay.

Workers' Compensation Liability - Represents the unbilled and noncurrent portion of workers' compensation claims to be paid in future years.

Other Postemployment Benefits - Represents the actuarial valuation of the District's accrued liability for postemployment health insurance coverage provided to retirees in accordance with the provisions of various employment contracts.

Net Pension Liabilities - Represents the District's proportionate share of the ERS liability.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(b) Liabilities, Continued

(3) Indebtedness, Continued

(c) Changes

The changes in indebtedness and unauthorized bond premium during the year ended June 30, 2025 are summarized as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	Ending <u>Balance</u>
Serial bonds	\$ 32,790,000	16,650,000	5,485,000	43,955,000
Bond premium	3,113,444	611,541	502,997	3,221,988
Leases payable	103,824	-	92,950	10,874
Compensated absences*	12,750,890	190,227	-	12,941,117
Accrued workers' compensation	2,008,196	881,567	-	2,889,763
Other postemployment benefits	244,362,399	-	40,441,489	203,920,910
Net pension liability - proportionate share - ERS System	12,201,686	891,690	-	13,093,376
Net pension liability (asset) - proportionate share - TRS System	<u>4,560,764</u>	<u>-</u>	<u>16,539,241</u>	<u>(11,978,477)</u>
Total	<u>\$ 311,891,203</u>	<u>19,225,025</u>	<u>63,061,677</u>	<u>268,054,551</u>

* Additions and deletions to compensated absences are shown net since it is impractical to determine these amounts separately.

(d) Maturity

The following is a summary of indebtedness:

<u>Description of Issue</u>	Original <u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Outstanding June 30, 2025</u>
Bonds:				
Refunding of Shatekon	2015	2027	4.28%	\$ 2,375,000
Refunding of MS, Shatekon, Trans & Multi-Project	2017	2027	1.75%	85,000
Reconstruction of School Buildings	2019	2034	2.17%	5,580,000
Multi Project	2020	2036	3.00%	13,445,000
Buses DTC	2021	2025	4.00%	355,000
Buses DCT	2021	2025	5.00%	25,000
2022-23 Buses	2022	2026	4.00%	825,000
Reconstruction of School Buildings	2023	2038	3.00%	2,980,000
2023-24 Buses	2024	2028	2.00%	1,635,000
2024-25 Buses/Capital Projects	2025	2039	4.00%	<u>16,650,000</u>
Total bonds				<u>\$ 43,955,000</u>

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(4) Detail Notes on All Funds, Continued

(b) Liabilities, Continued

(3) Indebtedness, Continued

(d) Maturity, Continued

The 2024-2025 Buses/Capital Projects serial bond was issued June 25, 2025, with an interest rate of 4.00%, and a maturity date of June 15, 2039.

The following is a summary of the maturity of debt service requirements for bonds:

<u>Year ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Premium Amortization</u>
2026	\$ 7,700,000	1,574,881	9,274,881	500,840
2027	7,580,000	1,297,357	8,877,357	439,038
2028	6,345,000	1,000,900	7,345,900	249,119
2029	3,710,000	774,450	4,484,450	242,634
2030	3,765,000	643,000	4,408,000	242,634
2031-2035	13,235,000	1,620,900	14,855,900	1,168,094
2036-2039	<u>1,620,000</u>	<u>106,150</u>	<u>1,726,150</u>	<u>379,629</u>
Total	<u>\$ 43,955,000</u>	<u>7,017,638</u>	<u>50,972,638</u>	<u>3,221,988</u>

(e) Leases Payable

The District is leasing space and equipment under various lease agreements with expirations through November 2026. The gross amount of the right to use lease assets was \$652,477 and accumulated amortization of \$641,217. Amortization is included in depreciation and loss on disposal-unallocated in the statement of activities. Future minimum payments under the lease agreements are as follows:

<u>Year ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 7,656	84	7,740
2027	<u>3,218</u>	<u>7</u>	<u>3,225</u>
Total	<u>\$ 10,874</u>	<u>91</u>	<u>10,965</u>

(f) Constitutional Debt Limit

The constitution of the State of New York limits the amounts of indebtedness which may be issued by the District. The District may issue indebtedness to the extent that the aggregate outstanding debt issues which are subject to such limit does not exceed 10% of the full valuation of taxable real estate within the District. At June 30, 2025, the District has exhausted 3.88% of its limit.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(5) Commitments and Contingencies

(a) Federal and State Grants

The District receives federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, District management believes such disallowances, if any, would not be material.

(b) Litigation and Tax Certiorari

The District is party to various legal proceedings and other claims incidental to the ordinary course of its operations. Liabilities, if any, are recorded when they become fixed or determinable in amount.

Several tax certiorari actions are pending against the District for reductions in the assessment value of various properties. Management believes that the likelihood of a reduction is probable. Provisions for losses for those cases are recorded as long-term liabilities. The District plans on funding any settlements from the Tax Certiorari Reserve and/or future appropriations.

(c) Payments in Lieu of Taxes

The County enters into payment in lieu of taxes (PILOTS) agreements with some local businesses for the purpose of economic development. For the year ended June 30, 2025, the District recognized \$766,003 in PILOT revenue. Abated property taxes amounted to \$1,481,237 under this program.

(6) Concentrations - Workforce Covered by Collective Bargaining Agreements

(a) Collective Bargaining Units

The District's workforce has collective bargaining agreements which dictate employment terms including payroll and related expenditures as well as benefits. The following is a summary of the District's significant collective bargaining agreements:

<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
School Alliance of Substitutes in Education	June 30, 2026

Other collective bargaining agreements are maintained by the District and available upon request.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(6) Concentrations - Workforce Covered by Collective Bargaining Agreements, Continued

(b) Constraints

(i) Limitations on Raising Revenue

The District's ability to raise revenue through property taxes is subject to Article VIII of the New York State Constitution and the Real Property Tax Law, including the property tax levy limit (tax cap) imposed by Chapter 97 of the Laws of 2011. The annual increase in the property tax levy cannot exceed the lesser of 2% or change in the consumer price index, unless approved by a 60% supermajority of the taxpayers.

(ii) Limitations on Spending

Expenditures must be authorized in accordance with the annual budget adopted by the District, pursuant to New York State General Municipal Law (GML) and local charter provisions. The District may not incur expenditures in excess of appropriations, except for legally authorized emergency expenditures.

(iii) Limitations on the Incurrence of Debt

The District is subject to a constitutional debt limit, which is 10% of the full value on the most recent tax roll. The debt limit may be exceeded if authorized by 60% of the voters and approved by the Board of Regents and the New York State Comptroller. All borrowings must be approved by a majority vote of the District's residents at a public referendum.

(7) Additional Disclosures

(a) Assigned Fund Balance Designated for Subsequent Years' Expenditures

Appropriated fund balance used for levy of taxes, including appropriated reserves amounted to \$4,993,959.

(b) Restricted Fund Balances

Restricted net position consists of the following:

Employee benefits and accrued liabilities	\$ 11,586,975
Debt	9,129,418
Workers' compensation	2,323,893
Employee retirement contributions	9,014,977
Teacher retirement contributions	4,814,420
Capital outlay	12,018,753
Tax certiorari	<u>3,255,074</u>
Restricted fund balance	\$ <u>52,143,510</u>

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Financial Statements, Continued

(8) Change in Major Fund Presentation

The Debt Service and Special Aid Funds are presented as major governmental funds for the year ended June 30, 2025. For the year ended June 30, 2024, the Debt Service and Special Aid Funds were presented as nonmajor governmental funds as these funds did not meet the qualitative requirements to be considered a major governmental fund. The following is a summary of the change in the aggregate major and nonmajor governmental fund balance as of June 30, 2025:

	Major Governmental <u>Funds</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Fund balance as of June 30, 2025, before change	\$ 49,866,611	8,145,216	58,011,827
Change in major fund presentation	<u>5,785,552</u>	<u>(5,785,552)</u>	<u>-</u>
Fund balance as of June 30, 2025, as restated	\$ <u>55,652,163</u>	<u>2,359,664</u>	<u>58,011,827</u>

REQUIRED SUPPLEMENTARY INFORMATION

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Required Supplementary Information
Schedule of Revenue, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund
Year ended June 30, 2025

	Original <u>Budget</u>	Final <u>Budget</u>	Actual (Budgetary Basis)	Final Budget Variance with Budgetary <u>Actual</u>
Revenue:				
Real property taxes	\$ 140,822,711	140,822,711	134,385,259	(6,437,452)
Other tax items	673,000	673,000	7,354,977	6,681,977
Charges for services	260,675	260,675	283,207	22,532
Use of money and property	2,002,500	2,002,500	3,843,838	1,841,338
Sale of property and compensation for loss	50,800	50,800	95,910	45,110
State sources	66,400,508	66,400,508	66,494,124	93,616
Federal sources	300,000	300,000	993,477	693,477
Miscellaneous	<u>351,700</u>	<u>351,700</u>	<u>756,713</u>	<u>405,013</u>
Total revenue	<u>\$ 210,861,894</u>	<u>210,861,894</u>	<u>214,207,505</u>	<u>3,345,611</u>

(Continued)

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK

Required Supplementary Information

Schedule of Revenue, Expenditures, and Changes in Fund Balance -

Budget and Actual - General Fund, Continued

	Original <u>Budget</u>	Final <u>Budget</u>	Actual (Budgetary Basis)	Year-End <u>Encumbrances</u>	Final Budget Variance with Budgetary Actual and <u>Encumbrances</u>
Expenditures:					
General support:					
Board of education	\$ 62,385	65,886	51,840	-	14,046
Central administration	535,741	537,669	535,035	164	2,470
Finance	1,492,970	1,513,251	1,449,333	38,874	25,044
Staff	1,279,078	1,416,725	1,354,855	23,704	38,166
Central services	14,997,331	15,955,646	14,566,240	913,527	475,879
Special items	2,265,799	2,294,146	2,158,244	-	135,902
Instructional:					
Instruction, adm. and imp.	7,954,655	8,042,318	7,816,793	24,410	201,115
Teaching - regular school	65,058,463	66,140,556	64,870,051	735,578	534,927
Programs for children with handicapping conditions	18,934,309	19,520,106	18,434,570	819,846	265,690
Instructional media	6,040,121	6,190,824	5,966,634	37,874	186,316
Pupil services	11,249,711	11,814,223	10,824,559	89,059	900,605
Special needs	580,700	593,659	405,336	61,487	126,836
Occupational education	1,682,160	1,857,988	1,857,988	-	-
Pupil transportation	12,872,636	12,677,140	12,058,963	91,225	526,952
Community services	17,650	21,959	16,957	-	5,002
Employee benefits	57,748,185	56,317,947	53,609,458	47,454	2,661,035
Total expenditures	202,771,894	204,960,043	195,976,856	2,883,202	6,099,985
Other financing uses - transfers out	11,000,000	11,000,000	15,889,347	-	(4,889,347)
Total expenditures and other uses	<u>\$ 213,771,894</u>	<u>215,960,043</u>	<u>211,866,203</u>	<u>2,883,202</u>	<u>1,210,638</u>
Net change in fund balance			2,341,302		
Fund balance at beginning of year			49,283,783		
Fund balance at end of year			<u>\$ 51,625,085</u>		

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Required Supplementary Information
Schedule of Changes in the District's
Total OPEB Liability and Related Ratios
June 30, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability								
Service cost	\$ 10,407,422	10,216,550	9,933,451	14,360,475	16,269,251	10,698,842	12,795,605	13,366,627
Interest	10,611,540	9,941,199	9,113,084	6,831,482	7,538,488	8,828,642	12,598,617	11,013,219
Changes of benefit terms	(856,924)	-	(858,889)	-	(2,225,176)	-	(1,939,926)	-
Changes of assumptions or other inputs	(55,118,507)	(3,637,605)	(29,532,022)	(69,820,085)	(39,260,461)	69,281,070	(90,786,442)	(15,456,986)
Benefit payments	<u>(5,485,020)</u>	<u>(5,243,359)</u>	<u>(6,083,694)</u>	<u>(5,510,610)</u>	<u>(4,989,738)</u>	<u>(4,596,205)</u>	<u>(4,576,936)</u>	<u>(3,015,787)</u>
Net change in total OPEB liability	(40,441,489)	11,276,785	(17,428,070)	(54,138,738)	(22,667,636)	84,212,349	(71,909,082)	5,907,073
Total OPEB liability - beginning	<u>244,362,399</u>	<u>233,085,614</u>	<u>250,513,684</u>	<u>304,652,422</u>	<u>327,320,058</u>	<u>243,107,709</u>	<u>315,016,791</u>	<u>309,139,718</u>
Total OPEB liability - ending	<u>\$ 203,920,910</u>	<u>244,362,399</u>	<u>233,085,614</u>	<u>250,513,684</u>	<u>304,652,422</u>	<u>327,320,058</u>	<u>243,107,709</u>	<u>315,046,791</u>
Covered employee payroll	\$ 103,386,331	103,507,527	95,073,191	90,410,559	85,484,567	92,642,090	88,869,003	86,286,725
Total OPEB liability as a percentage of covered employee payroll	197.24%	236.08%	245.16%	277.08%	356.38%	353.32%	273.56%	365.12%

Notes to schedule:

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

<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
4.81%	4.21%	4.13%	3.54%	2.16%	2.21%	3.50%	3.00%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District presents information for those years for which information is available.

There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Asset/Liability
June 30, 2025

<u>TRS System - Asset (Liability)</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
The District's proportion of the net pension asset (liability)	0.401476%	0.398813%	0.402094%	0.403921%	0.404348%	0.386672%	0.387541%	0.380627%	0.321294%	0.368547%
The District's proportionate share of the net pension asset (liability)	\$ 11,978,477	(4,560,764)	(7,715,756)	69,995,629	(11,173,228)	10,045,775	7,007,769	2,893,143	(4,119,957)	38,567,739
The District's covered payroll	\$ 79,293,557	76,656,009	73,657,259	71,234,163	69,094,852	69,727,029	66,145,212	64,522,029	61,567,175	60,907,383
The District's proportionate share of the net pension liability (asset) as a percentage of covered payroll	15.11%	5.95%	10.48%	98.26%	16.17%	14.41%	10.59%	4.48%	6.69%	63.32%
Plan fiduciary net position as a percentage of the total pension asset (liability)	102.10%	99.20%	98.60%	113.20%	97.80%	102.26%	101.53%	100.66%	99.01%	110.46%
<u>ERS System - Asset (Liability)</u>										
The District's proportion of the net pension asset (liability)	0.0763653%	0.0828691%	0.0780609%	7.6360800%	0.7880440%	0.0825812%	0.0817217%	0.0823727%	0.0825663%	0.0830107%
The District's proportionate share of the net pension asset (liability)	\$ (13,093,376)	(12,201,686)	(16,739,403)	6,242,182	(78,469)	(21,867,967)	(5,790,229)	(2,658,532)	(7,341,982)	(13,252,122)
The District's covered payroll	\$ 30,941,930	30,368,464	30,394,540	26,174,942	28,262,874	27,579,233	27,340,926	26,520,916	25,686,921	23,776,631
The District's proportionate share of the net pension asset (liability) as a percentage of covered payroll	42.32%	40.18%	55.07%	23.85%	0.28%	79.29%	21.18%	10.02%	28.58%	55.74%
Plan fiduciary net position as a percentage of the total pension asset (liability)	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Required Supplementary Information
Schedule of District's Employer Pension Contributions
June 30, 2025

<u>NYSTRS Pension Plan</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 8,016,579	7,481,626	7,579,332	6,980,948	6,080,676	5,860,848	6,982,037	6,147,157	6,992,117	7,562,164
Contributions in relation to the contractually required contribution	<u>8,016,579</u>	<u>7,481,626</u>	<u>7,579,332</u>	<u>6,980,948</u>	<u>6,080,676</u>	<u>5,860,848</u>	<u>6,982,037</u>	<u>6,147,157</u>	<u>6,992,117</u>	<u>7,562,164</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	79,293,557	76,656,009	73,657,259	71,234,163	69,094,852	69,727,029	66,145,212	64,522,029	61,567,175	60,907,383
Contributions as a percentage of covered payroll	10.1%	9.8%	10.3%	9.8%	8.8%	8.4%	10.6%	9.5%	11.4%	12.4%
 <u>NYSERS Pension Plan</u>										
Contractually required contribution	\$ 4,331,265	3,965,801	3,085,316	4,052,370	3,866,752	3,594,099	3,474,262	3,586,989	3,209,327	3,733,203
Contributions in relation to the contractually required contribution	<u>4,331,265</u>	<u>3,965,801</u>	<u>3,085,316</u>	<u>4,052,370</u>	<u>3,866,752</u>	<u>3,594,099</u>	<u>3,474,262</u>	<u>3,586,989</u>	<u>3,209,327</u>	<u>3,733,203</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	30,941,930	30,368,464	30,394,540	26,174,942	28,262,874	27,579,233	27,340,926	26,520,916	25,686,921	23,776,631
Contributions as a percentage of covered payroll	14.0%	13.1%	10.2%	15.5%	13.7%	13.0%	12.7%	13.5%	12.5%	15.7%

OTHER SUPPLEMENTARY INFORMATION

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK

Other Supplementary Information

Schedule of Change from Adopted Budget to Final Budget and
the Real Property Tax Limit - General Fund

Year ended June 30, 2025

Change from original budget to final budget:

Original budget	\$ 213,771,894
Add prior year's encumbrances	<u>2,160,395</u>
Adopted Budget	215,932,289
Additional budget amendments	<u>27,754</u>
Final budget	<u>\$ 215,960,043</u>

Section 1318 of Real Property Tax Law Limit Calculation

2025-2026 voter approved expenditure budget	\$ 223,237,339
Maximum allowed (4% of 2025-2026 budget)	8,929,494

General fund fund balance subject to Section 1318 of
Real Property Tax Law*:

Unrestricted fund balance:

Appropriated fund balance	\$ 4,993,959
Encumbrances	2,883,202
Unassigned fund balance	<u>8,252,585</u>

Total unrestricted fund balance	16,129,746
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Less:

Appropriated fund balance	4,993,959
Encumbrances	<u>2,883,202</u>

Total adjustments	<u>7,877,161</u>
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General fund fund balance subject to Section 1318 of Real Property Tax Law	<u>\$ 8,252,585</u>
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Actual percentage	<u>3.70%</u>
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- * Per Office of the State Comptroller's "Fund Balance Reporting and Governmental Fund Type Definitions," updated April 2011 (originally issued November 2010), the portion of [general fund] fund balance subject to Section 1318 of the Real Property Tax Law is: unrestricted fund balance (i.e., the total of the committed, assigned, and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK
Schedule of Project Expenditures and Financing Resources - Capital Projects Fund
Year ended June 30, 2025

PROJECT TITLE / NUMBER		Expenditures					Methods of Financing					Fund Equity (Deficiency) June 30, 2025
		Original	Revised	Prior	Current	Unexpended	Proceeds of	Proceeds of	Federal or	Local	Total	
		Appropriation	Appropriation	Years	Year	Balance	Obligations	Installment Purchase Debt	State Aid	Sources		
2016-17 Repair & Maintenance Fund		\$ 700,000	700,000	700,000	-	700,000	-	-	-	700,000	700,000	-
2017-18 Repair & Maintenance Fund		700,000	700,000	600,844	-	600,844	99,156	-	-	700,000	700,000	99,156
2018-19 Repair & Maintenance Fund		700,000	700,000	-	-	-	700,000	-	-	700,000	700,000	700,000
2019-20 Repair & Maintenance Fund		700,000	700,000	-	-	-	700,000	-	-	700,000	700,000	700,000
2020-21 Repair & Maintenance Fund		700,000	700,000	-	-	-	700,000	-	-	700,000	700,000	700,000
2021-22 Repair & Maintenance Fund		700,000	700,000	-	-	-	700,000	-	-	700,000	700,000	700,000
2022-23 Repair & Maintenance Fund		700,000	700,000	196,019	-	196,019	503,981	-	-	700,000	700,000	503,981
2023-24 Repair & Maintenance Fund		700,000	700,000	667,367	-	667,367	32,633	-	-	700,000	700,000	32,633
2024-25 Repair & Maintenance Fund		700,000	700,000	-	30,021	30,021	669,979	-	-	700,000	700,000	669,979
Total - Repair & Maintenance Fund		6,300,000	6,300,000	2,164,230	30,021	2,194,251	4,105,749	-	-	6,300,000	6,300,000	4,105,749
Bus Purchases (2024-25)		-	-	-	3,517,404	3,517,404	(3,517,404)	-	-	5,000,000	5,000,000	1,482,596
Bus Purchases (2023-24)		-	-	369,535	-	369,535	(369,535)	2,435,000	-	-	2,435,000	2,065,465
Bus Purchases (2022-23)		1,677,840	1,677,840	1,572,744	-	1,572,744	105,096	1,675,000	-	-	1,675,000	102,256
Bus Purchases (2021-22)		1,757,170	1,757,170	1,755,227	-	1,755,227	1,943	1,755,000	-	-	1,755,000	(227)
Bus Purchases (2020-21)		2,274,847	2,274,847	2,216,131	-	2,216,131	58,716	2,270,000	-	-	2,270,000	53,869
Bus Purchases (2019-20)		2,153,154	2,153,154	2,152,957	-	2,152,957	197	-	-	-	-	(2,152,957)
Bus Purchases (2018-19)		2,381,505	2,381,505	2,381,505	-	2,381,505	-	-	-	2,189,124	2,189,124	(192,381)
Bus Purchases (2017-18)		2,174,475	2,229,772	2,229,772	-	2,229,772	-	-	-	2,469,802	2,469,802	240,030
Bus Purchases (2016-17)		958,700	4,300,466	2,158,700	-	2,158,700	2,141,766	958,700	-	-	2,141,475	941,475
Bus Purchases (2015-16)		988,365	2,188,365	2,101,030	-	2,101,030	87,335	988,365	-	-	1,200,000	87,335
Bus Purchases (2014-15)		1,821,557	2,934,221	1,821,557	-	1,821,557	1,112,664	1,821,557	-	-	1,112,664	1,112,664
Total - Bus Purchases		16,187,613	21,897,340	18,759,158	3,517,404	22,276,562	(379,222)	11,903,622	-	14,113,065	26,016,687	3,740,125
S16M Project:												
Arongen/Shatekon	0031-010	10,762	390,962	390,962	-	390,962	-	390,962	-	-	390,962	-
Arongen/Shatekon	0031-014	-	1,103,800	1,088,186	-	1,088,186	15,614	987,239	-	-	987,239	(100,947)
Admin Building	1055-002	364	1,097	1,097	-	1,097	-	1,097	-	-	1,097	-
Bus Garage	5003-014	794	36,017	36,017	-	36,017	-	36,017	-	-	36,017	-
Chango	0010-012	15,432	277,269	277,269	-	277,269	-	277,269	-	-	277,269	-
District Office	1052-004	516	500,826	500,826	-	500,826	-	500,826	-	-	500,826	-
District Wide	7999-004	-	719,490	719,490	-	719,490	-	719,490	-	-	719,490	-
Ground Building	3045-002	71	1,280	1,280	-	1,280	-	1,280	-	-	1,280	-
High School East	0008-023	19,373	233,229	233,229	-	233,229	-	233,229	-	-	233,229	-
High School East	0008-024	230,020	4,128,851	4,128,851	-	4,128,851	-	3,628,851	-	500,000	4,128,851	-
High School East	0008-025	139,504	2,798,065	2,798,064	-	2,798,064	1	2,798,064	-	-	2,798,064	-
High School East	0008-027	-	148,454	148,454	-	148,454	-	148,454	-	-	148,454	-
High School West	0004-024	6,184	191,458	191,458	-	191,458	-	191,458	-	-	191,458	-
High School West	0004-026	-	572,359	572,359	-	572,359	-	572,359	-	-	572,359	-
Karigon/Orenda	0007-020	16,244	555,392	555,392	-	555,392	-	514,816	-	40,576	555,392	-
Karigon/Orenda	0007-022	-	87,999	87,999	-	87,999	-	87,999	-	-	87,999	-
Middle School	0001-031	15,902	84,715	84,715	-	84,715	-	84,715	-	-	84,715	-
Middle School	0001-033	69,943	904,885	904,885	-	904,885	-	904,885	-	-	904,885	-
Middle School Boiler	0001-028	-	-	-	-	-	-	-	-	-	-	-
Okte	0011-013	24,448	744,855	744,855	-	744,855	-	725,891	-	18,964	744,855	-
Press Box	7037-002	19,616	621,366	621,366	-	621,366	-	411,732	-	209,634	621,366	-
Skano/Tesago	0006-023	16,430	592,096	592,096	-	592,096	-	507,986	-	84,110	592,096	-
Skano/Tesago	0006-025	-	85,999	85,999	-	85,999	-	85,999	-	-	85,999	-
Available unassigned		16,616,000	1,816,169	(73,195)	-	(73,195)	1,889,364	2,289,882	-	162,217	2,452,099	2,525,294
Total S16M Project		17,201,603	16,596,633	14,691,654	-	14,691,654	1,904,979	16,100,500	-	1,015,501	17,116,001	2,424,347

(Continued)

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK
Schedule of Project Expenditures and Financing Resources - Capital Projects Fund, Continued

PROJECT TITLE / NUMBER		Expenditures					Methods of Financing					Fund Equity	
		Original	Revised	Prior	Current	Unexpended	Proceeds of	Proceeds of	Federal or	Local		(Deficiency)	
		Appropriation	Appropriation	Years	Year								Total
S22M Project:													
Bus Garage	5003-015	\$ 703,873	839,225	839,225	-	839,225	-	839,225	-	-	-	839,225	-
Chango	0010-015	25,509	29,002	29,002	-	29,002	-	29,002	-	-	-	29,002	-
District Office	1052-005	372,773	-	-	-	-	-	-	-	-	-	-	-
District Wide	7999-004	336,348	-	-	-	-	-	-	-	-	-	-	-
District Wide	7999-005	14,520	4,755,821	4,524,065	-	4,524,065	231,756	-	-	3,113,321	-	3,113,321	(1,410,744)
High School East	0008-027	118,979	-	-	-	-	-	-	-	-	-	-	-
High School East	0008-028	164,138	12,052,913	12,006,566	-	12,006,566	46,347	12,006,566	-	-	-	12,006,566	-
High School East	0008-029	3,567,932	4,171,386	4,171,386	-	4,171,386	-	4,171,386	-	-	-	4,171,386	-
High School West	0004-026	275,643	-	-	-	-	-	-	-	-	-	-	-
High School West	0004-027	219,560	24,224	24,224	-	24,224	-	24,224	-	-	-	24,224	-
Karigon/Orenda	0007-022	65,593	-	-	-	-	-	-	-	-	-	-	-
Karigon/Orenda	0007-023	19,395	22,051	22,051	-	22,051	-	22,051	-	-	-	22,051	-
Middle School	0001-035	45,070	-	-	-	-	-	-	-	-	-	-	-
Middle School	0001-037	502,560	723,217	723,217	-	723,217	-	723,217	-	-	-	723,217	-
Okte	0011-015	24,455	27,803	27,803	-	27,803	-	27,803	-	-	-	27,803	-
Skano/Tesago	0006-025	65,551	-	-	-	-	-	-	-	-	-	-	-
Skano/Tesago	0006-026	20,977	23,850	23,850	-	23,850	-	23,850	-	-	-	23,850	-
Technology Center	0079-001	88,262	-	-	-	-	-	-	-	-	-	-	-
Available unassigned		15,595,056	76,067	76,067	-	76,067	-	910,150	-	-	-	910,150	834,083
Total S22M Project		22,226,194	22,745,559	22,467,456	-	22,467,456	278,103	18,777,474	-	3,113,321	-	21,890,795	(576,661)
S26M Project:													
Arongen/Shatekon	0031-015	109,183	1,089,674	1,089,674	-	1,089,674	-	-	-	-	-	-	(1,089,674)
Bus Garage	5003-016	31,712	138,862	135,198	4,375	139,573	(711)	-	-	-	-	-	(139,573)
Bus Garage	5003-017	-	132,928	91,313	26,838	118,151	14,777	-	-	-	-	-	(118,151)
Chango	0010-016	90,960	1,177,618	1,066,742	104,514	1,171,256	6,362	-	-	-	-	-	(1,171,256)
District Office	1052-006	114,726	92,348	92,348	-	92,348	-	-	-	-	-	-	(92,348)
Grounds Bldg	3045-003	8,480	18,589	17,719	-	17,719	870	-	-	-	-	-	(17,719)
High School East	0008-030	214,322	2,172,493	2,171,827	-	2,171,827	666	-	-	-	-	-	(2,171,827)
High School East	0008-031	44,636	3,810,864	3,538,567	312,977	3,851,544	(40,680)	-	-	-	-	-	(3,851,544)
High School East	0008-033	-	231,406	105,770	2,891,979	2,997,749	(2,766,343)	-	-	-	-	-	(2,997,749)
High School East	008-034	-	83,150	40,474	36,850	77,324	5,826	-	-	-	-	-	(77,324)
High School West	0004-028	37,005	500,156	500,155	-	500,155	1	-	-	-	-	-	(500,155)
High School West	0004-029	-	74,817	44,505	1,421,679	1,466,184	(1,391,367)	-	-	-	-	-	(1,466,184)
Karigon/Orenda	0007-024	118,342	1,789,077	1,628,054	152,319	1,780,373	8,704	-	-	-	-	-	(1,780,373)
Middle School	0001-038	222,993	3,373,269	3,373,269	-	3,373,269	-	-	-	-	-	-	(3,373,269)
Middle School	0001-039	271,308	8,801,495	8,260,372	674,011	8,934,383	(132,888)	-	-	-	-	-	(8,934,383)
Okte	0011-016	68,502	1,009,239	918,364	87,023	1,005,387	3,852	-	-	-	-	-	(1,005,387)
Skano/Tesago	0006-027	193,284	1,753,830	1,606,721	162,406	1,769,127	(15,297)	-	-	-	-	-	(1,769,127)
Available unassigned		24,974,547	250,184	119,431	-	119,431	130,753	22,267,592	-	-	2,500,000	24,767,592	24,648,161
Total S26M Project		26,500,000	26,499,999	24,800,503	5,874,971	30,675,474	(4,175,475)	22,267,592	-	-	2,500,000	24,767,592	(5,907,882)
S55M Maxwell Road													
Unassigned	55MX80	-	-	1,875,246	5,991,679	7,866,925	(7,866,925)	-	-	-	11,600,000	11,600,000	3,733,075
		\$ 88,415,410	94,039,531	84,758,247	15,414,075	100,172,322	(6,132,791)	69,049,188	-	3,113,321	35,528,566	107,691,075	7,518,753

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Other Supplementary Information
Net Investment in Capital Assets
June 30, 2025

Capital assets, net		\$ 125,625,779
Add unspent debt proceeds		6,410,257
Deduct:		
Capital projects related accounts payable	\$ 3,317,059	
Short-term portion of bonds payable	7,700,000	
Short-term portion of lease payable	7,656	
Unamortized bond premium	3,221,988	
Long-term portion of lease payable	3,218	
Long-term portion of bonds payable	<u>36,255,000</u>	<u>50,504,921</u>
Net investment in capital assets		<u><u>\$ 81,531,115</u></u>

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Other Supplementary Information
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2025

	School <u>Lunch</u>	Miscellaneous Special <u>Revenue</u>	Total Nonmajor Governmental <u>Funds</u>
Assets:			
Cash and equivalents:			
Unrestricted	\$ 255,982	1,045,472	1,301,454
Restricted	-	291,959	291,959
Accounts receivable	3,392	34,264	37,656
Inventory	162,589	-	162,589
Due from other funds	1,158,636	14,305	1,172,941
Due from State and Federal	<u>164,865</u>	<u>-</u>	<u>164,865</u>
Total assets	<u>\$ 1,745,464</u>	<u>1,386,000</u>	<u>3,131,464</u>
Liabilities:			
Accounts payable	38,661	1,503	40,164
Accrued liabilities	29,271	9,592	38,863
Due to teachers' retirement system	-	13,043	13,043
Due to other funds	-	77,070	77,070
Due to other governments	95	65	160
Prepaid revenue	167,050	313,337	480,387
Deferred revenue	<u>16</u>	<u>-</u>	<u>16</u>
Total liabilities	<u>235,093</u>	<u>414,610</u>	<u>649,703</u>
Fund balance:			
Nonspendable	162,589	-	162,589
Assigned for activity funds	-	505,463	505,463
Assigned for general support	-	-	-
Assigned for scholarships	-	291,959	291,959
Assigned for community services	-	173,968	173,968
Assigned for school lunch	<u>1,347,782</u>	<u>-</u>	<u>1,347,782</u>
Total fund balance	<u>1,510,371</u>	<u>971,390</u>	<u>2,481,761</u>
Total liabilities and fund balance	<u>\$ 1,745,464</u>	<u>1,386,000</u>	<u>3,131,464</u>

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK

Other Supplementary Information

Combining Schedule of Revenue, Expenditures and Changes in Fund Balance -

Nonmajor Governmental Funds

Year ended June 30, 2025

	School <u>Lunch</u>	Miscellaneous Special <u>Revenue</u>	Total Nonmajor Governmental <u>Funds</u>
Revenue:			
Use of money and property	\$ 939	-	939
Charges for services	-	687,836	687,836
Donations and gifts	-	52,300	52,300
Miscellaneous	1,838	29	1,867
State sources	747,130	-	747,130
Federal sources	1,891,390	-	1,891,390
Sales	1,896,242	-	1,896,242
Contributions	-	808,243	808,243
Total revenue	<u>4,537,539</u>	<u>1,548,408</u>	<u>6,085,947</u>
Expenditures:			
General support	1,510,557	173,776	1,684,333
Instruction	-	408,700	408,700
Community services	-	-	-
Employee benefits	864,526	77,746	942,272
Debt service	-	-	-
Cost of sales	2,166,698	-	2,166,698
Scholarships	-	38,475	38,475
Program expense	-	782,023	782,023
Total expenditures	<u>4,541,781</u>	<u>1,480,720</u>	<u>6,022,501</u>
Excess (deficiency) of revenue over expenditures	(4,242)	67,688	63,446
Other financing sources - interfund transfers in	<u>58,651</u>	-	<u>58,651</u>
Changes in fund balances	54,409	67,688	122,097
Fund balances at beginning of year	<u>1,455,962</u>	<u>903,702</u>	<u>2,359,664</u>
Fund balances at end of year	<u>\$ 1,510,371</u>	<u>971,390</u>	<u>2,481,761</u>

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Other Supplementary Information
Combined Balance Sheet - Miscellaneous Special Revenue Funds
June 30, 2025

	Extraclassroom Activity <u>Funds</u>	Scholarship <u>Fund</u>	Community Service and Facilities <u>Usage</u>	<u>Total</u>
Assets:				
Cash and equivalents:				
Unrestricted	\$ 497,782	-	547,690	1,045,472
Restricted	-	291,959	-	291,959
Accounts receivable	-	-	34,264	34,264
Due from other funds	11,198	-	3,107	14,305
Total assets	<u>\$ 508,980</u>	<u>291,959</u>	<u>585,061</u>	<u>1,386,000</u>
Liabilities:				
Accounts payable	-	-	1,503	1,503
Due to teachers' retirement system	-	-	13,043	13,043
Accrued liabilities	-	-	9,592	9,592
Due to other funds	3,452	-	73,618	77,070
Due to other governments	65	-	-	65
Prepaid revenue	-	-	313,337	313,337
Total liabilities	<u>3,517</u>	<u>-</u>	<u>411,093</u>	<u>414,610</u>
Fund balances - assigned:				
Scholarships	-	291,959	-	291,959
Activity funds	505,463	-	-	505,463
Community services	-	-	173,968	173,968
Total fund balances	<u>505,463</u>	<u>291,959</u>	<u>173,968</u>	<u>971,390</u>
Total liabilities and fund balances	<u>\$ 508,980</u>	<u>291,959</u>	<u>585,061</u>	<u>1,386,000</u>

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Other Supplementary Information
Combined Statement of Revenue, Expenditures and Changes in Fund
Balances - Miscellaneous Special Revenue Funds
Year ended June 30, 2025

	Extraclassroom Activity <u>Funds</u>	Scholarship <u>Fund</u>	Community Service and Facilities <u>Usage</u>	<u>Total</u>
Revenue:				
Charges for services	\$ -	-	687,836	687,836
Use of money and property	-	29	-	29
Donations and gifts	-	52,300	-	52,300
Contributions	<u>808,243</u>	<u>-</u>	<u>-</u>	<u>808,243</u>
Total revenue	<u>808,243</u>	<u>52,329</u>	<u>687,836</u>	<u>1,548,408</u>
Expenditures:				
General support	-	-	173,776	173,776
Instruction	-	-	408,700	408,700
Employee benefits	-	-	77,746	77,746
Scholarships	-	38,475	-	38,475
Program expense	<u>782,023</u>	<u>-</u>	<u>-</u>	<u>782,023</u>
Total expenses	<u>782,023</u>	<u>38,475</u>	<u>660,222</u>	<u>1,480,720</u>
Excess of revenue over expenditures	26,220	13,854	27,614	67,688
Fund balance at beginning of year	<u>479,243</u>	<u>278,105</u>	<u>146,354</u>	<u>903,702</u>
Fund balance at end of year	<u>\$ 505,463</u>	<u>291,959</u>	<u>173,968</u>	<u>971,390</u>

INDEPENDENT AUDITORS' 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

The Board of Education
Shenendehowa Central School District
at Clifton Park, 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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Shenendehowa Central School District at Clifton Park, New York (the District) as of and for the year ended June 30, 2025, and the related notes to financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 8, 2025.

Report on Internal Control Over Financial Reporting

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

EFPR Group, CPAs, PLLC

Williamsville, New York
October 8, 2025

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Single Audit and
Independent Auditors' Report

June 30, 2025

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

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

The Board of Education
Shenendehowa Central School District
at Clifton Park, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Shenendehowa Central School District at Clifton Park, New York (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 8, 2025.

Report on Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 the 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.

EFPR Group, CPAs, PLLC

Williamsville, New York
October 8, 2025

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND
REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Board of Education
Shenendehowa Central School District
at Clifton Park, New York:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Shenendehowa Central School District at Clifton Park, New York's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on the District's major federal program for the year ended June 30, 2025. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

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

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such

that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2025, and the related notes to financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated October 8, 2025, which contained unmodified opinions on those financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Williamsville, New York
December 4, 2025

SHENENDEHOWA CENTRAL SCHOOL DISTRICT AT CLIFTON PARK, NEW YORK
Schedule of Expenditures of Federal Awards
Year ended June 30, 2025

<u>Federal Grantor/Pass-through Grantor Program Title</u>	<u>Assistance Listing Number</u>	<u>Agency or pass-through number</u>	<u>Expenditures</u>	<u>Expenditures to Subrecipients</u>
<u>U.S. Department of Agriculture Child Nutrition Cluster:</u>				
National Breakfast	10.553	Not Applicable	\$ 225,350	-
National School Lunch	10.555	Not Applicable	1,520,960	-
Food Distribution	10.559	Not Applicable	145,080	-
Total U.S. Department of Agriculture			1,891,390	-
<u>U.S. Department of Education:</u>				
Passed through New York State Education Department:				
Title I Grants to Local Educational Agencies	84.010A	0021-24-2675	106,774	-
Title I Grants to Local Educational Agencies	84.010A	0021-25-2675	289,373	-
			396,147	-
Title III - Part A - LEP	84.365A	0293-24-2675	9,710	-
Title III - Part A - LEP	84.365A	0293-25-2675	63,675	-
			73,385	-
Title II - Part A - Teacher and Principal Recruitment and Training	84.367A	0147-24-2675	3,264	-
Title II - Part A - Teacher and Principal Recruitment and Training	84.367A	0147-25-2675	159,115	-
			162,379	-
Title IV	84.424A	0204-25-2675	44,470	-
Education Stabilization Funds (ARP SLR Comprehensive)	84.425U	5886-24-2675	60,182	-
Education Stabilization Funds (ARP SLR Summer)	84.425U	5882-21-2675	150,266	-
Education Stabilization Funds (ARP SLR Learning)	84.425U	5884-21-2675	-	-
Education Stabilization Funds (CRRSA - ESSER 2)	84.425D	5891-21-2675	-	-
Education Stabilization Funds (CRRSA - GEER 2)	84.425C	5896-21-2675	-	-
Education Stabilization Funds (ARP Full Day UPK)	84.425U	5870-24-9263	998,997	-
Education Stabilization Funds (ARP Homeless III)	84.425W	5218-21-2675	8,281	-
Education Stabilization Funds (ARP-ESSER 3)	84.425U	5880-21-2675	986,130	-
			2,203,856	-
Special Education Cluster:				
Section 611 - Special Education - Grants to States	84.027A	0032-25-0808	2,309,431	-
Section 619 - Special Education-Preschool Grants	84.173A	0033-25-0808	79,109	-
Total Special Education Cluster			2,388,540	-
Total U.S. Department of Education			5,268,777	-
Total Expenditures of Federal Awards			\$ 7,160,167	-

See accompanying notes to schedule of expenditures of federal awards.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Schedule of Expenditures of Federal Awards

June 30, 2025

(1) Summary of Certain Significant Accounting Policies

The accompanying schedule of expenditures of federal awards presents the activity of federal award programs administered by the District, which is described in note 1 to the District's accompanying financial statements, using the modified accrual basis of accounting. Federal awards that are included in the schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

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

(2) Scope of Audit Pursuant to the Uniform Guidance

The District is an independent municipal corporation. All federal grant operations of the District are included in the scope of the single audit.

(3) Subrecipients

No amounts were provided to subrecipients.

(4) Food Donation

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. For the year ended June 30, 2025, the District received food commodities totaling \$145,080.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Notes to Schedule of Expenditures of Federal Awards, Continued

(5) Relationship to Financial Statements

Federal sources included in governmental funds statement of revenue, expenditures and changes in fund balance	\$ 8,153,644
Less federal Medicaid revenue	<u>(993,477)</u>
Total expenditures of federal awards	\$ <u>7,160,167</u>

(6) Indirect Cost Rate

The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance. The District's indirect cost rate is set by New York State.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK
Schedule of Findings and Questioned Costs
Year ended June 30, 2025

Part I - SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditors' report issued on whether the basic financial statement audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

1. Material weakness(es) identified?

____ Yes x No

2. Significant deficiency(ies) identified?

____ Yes x None
reported

3. Noncompliance material to financial statements noted?

____ Yes x No

Federal Awards:

Internal control over major programs:

4. Material weakness(es) identified?

____ Yes x No

5. Significant deficiency(ies) identified?

____ Yes x None
reported

Type of auditors' report issued on compliance for major programs:

Unmodified

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) (Uniform Guidance)?

____ Yes x No

7. The District's major program audited was:

Assistance Listing
Number

Name of Federal Program

Special Education Cluster

84.027A/84.173A

8. Dollar threshold used to distinguish between Type A and Type B programs.

\$750,000

9. Auditee qualified as low-risk auditee?

x Yes ____ No

Part II - FINANCIAL STATEMENT FINDINGS SECTION

No reportable findings.

Part III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

No reportable findings or questioned costs.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK
Status of Prior Year Audit Findings
Year ended June 30, 2025

There were no audit findings in the prior year financial statements (June 30, 2024).

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Extraclassroom Activity Funds
and Independent Auditors' Report

June 30, 2025

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Extraclassroom Activity Funds

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INDEPENDENT AUDITORS' REPORT

The Board of Education
Shenendehowa Central School District
at Clifton Park, New York:

Opinion

We have audited the accompanying statement of cash receipts, cash disbursements, and cash balances of the Shenendehowa Central School District at Clifton Park, New York (the District), as of and for the year ended June 30, 2025, and the related note to financial statement.

In our opinion, the financial statement referred to above present fairly, in all material respects, the statement of cash receipts, cash disbursements and cash balances of the District, as of June 30, 2025, in accordance with the cash basis of accounting described in note 1(b).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement 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 opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to note 1(b) of the financial statement, which describes the basis of accounting. The financial statement is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statement

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

Auditors' Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 statement.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, 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 statement.
- 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 statement.
- 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.

EFPR Group, CPAs, PLLC

Williamsville, New York
October 8, 2025

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK
Extraclassroom Activity Funds
Statement of Cash Receipts, Cash Disbursements and Cash Balances
Year ended June 30, 2025

<u>High School</u>	Cash Balances at <u>July 1, 2024</u>	Cash Receipts and Transfers	Cash Disbursements and Transfers	Cash Balances at <u>June 30, 2025</u>
World of Difference	\$ 175	-	-	175
Visual Arts Club aka Art Club	2,783	-	2,783	-
Tri-M	1,811	2,442	1,927	2,326
Speech and Debate	897	1,850	2,657	90
Shen Dance Team	6,377	7,142	8,761	4,758
SFA Senate	6,590	20,890	18,845	8,635
SADD Club	825	-	825	-
National Honor Society	416	965	742	639
Latin Club	592	-	-	592
International Club	223	-	-	223
High School West Ski Club	5,371	2,600	4,826	3,145
High School Technology Club	54,193	1,037	362	54,868
High School Key Club	1,534	6,421	6,793	1,162
High School East Ski Club	10,330	10,300	12,354	8,276
French Club	118	-	-	118
FBLA	3	4,005	3,141	867
Class of 2028	-	3,301	1,131	2,170
Class of 2027	-	11,387	8,254	3,133
Class of 2026	10,032	42,939	40,973	11,998
Class of 2025	7,850	55,980	55,962	7,868
Class of 2024	943	-	943	-
Class of 2023	3,872	-	3,872	-
Class of 2022	(3,019)	3,019	-	-
Carillon Yearbook	32,524	27,205	32,396	27,333
Best Buddies	2,016	247	350	1,913
Shen Maker Club	1,453	-	-	1,453
HSW Drama Club	1,947	13,037	13,907	1,077

(Continued)

See accompanying note to financial statement.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK
Extraclassroom Activity Funds
Statement of Cash Receipts, Cash Disbursements and Cash Balances, Continued

	Cash Balances at July 1, 2024	Cash Receipts and Transfers	Cash Disbursements and Transfers	Cash Balances at June 30, 2025
<u>High School, Continued</u>				
Musical Activity	\$ 27,150	53,186	41,587	38,749
Art Club	237	899	807	329
Habitat for Humanity	283	-	-	283
National Art Honor Society	2,196	1,599	2,011	1,784
DECA Club	(1,569)	7,829	5,931	329
HSW Breakfast Club	164	-	-	164
Model UN	1,962	570	1,434	1,098
High School Women's Empowerment	440	574	461	553
High School Rho Kappa	10	400	321	89
SSNHS	1,892	70	575	1,387
Table Tennis	236	-	236	-
First Competition Club	348	1,073	1,421	-
HS Shen Society Women's Engine	107	37	-	144
HS Environmental Club	312	1,151	935	528
HSW Environment Club	361	-	-	361
Activity	89,411	152,719	149,726	92,404
Total High School	273,396	434,874	427,249	281,021
<u>Gowana Middle School</u>				
Gowana Rocket Club	290	-	290	-
Gowana Student Council	4,682	9,943	9,969	4,656
Gowana Ski Club	1,007	6,250	6,720	537
Gowana School Climate Club	8,128	3,484	2,479	9,133
Gowana Class Book Club	8,311	1,320	1,649	7,982
Gowana Latin Class	266	2,860	3,101	25
Gowana Future Cities Club	2,273	-	2,273	-
Activity	7,956	64,100	59,750	12,306
Total Gowana Middle School	32,913	87,957	86,231	34,639

(Continued)

See accompanying note to financial statement.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK
Extraclassroom Activity Funds
Statement of Cash Receipts, Cash Disbursements and Cash Balances, Continued

	Cash Balances at July 1, 2024	Cash Receipts and Transfers	Cash Disbursements and Transfers	Cash Balances at June 30, 2025
<u>Koda Middle School</u>				
Koda Student Council	\$ 8,420	759	1,226	7,953
Koda NJHS Club	5,989	624	996	5,617
Koda Musical Theater Club	10,867	6,381	5,824	11,424
Activity	<u>23,378</u>	<u>59,794</u>	<u>40,859</u>	<u>42,313</u>
Total Koda Middle School	<u>48,654</u>	<u>67,558</u>	<u>48,905</u>	<u>67,307</u>
<u>Acadia Middle School</u>				
Acadia Tri Bldg Talent Show Club	54	-	-	54
Acadia Shen Buddies Club	270	315	86	499
Acadia NJHS Club	246	1,906	1,905	247
Acadia Yearbook Club	5,326	4,306	4,003	5,629
Acadia Student Council	1,603	3,412	4,677	338
Acadia Ski Club	676	5,600	5,754	522
Acadia Odyssey of the Mind Club	301	-	60	241
Acadia Lego Bldg & Robotics Club	235	-	-	235
Acadia Future Cities Club	505	-	-	505
Acadia Adventure Club	575	-	-	575
Activity	<u>27,968</u>	<u>51,476</u>	<u>50,931</u>	<u>28,513</u>
Total Acadia Middle School	<u>37,759</u>	<u>67,015</u>	<u>67,416</u>	<u>37,358</u>
Total Middle Schools	<u>119,326</u>	<u>222,530</u>	<u>202,552</u>	<u>139,304</u>
<u>Arongen Elementary School</u>				
Arongen Student Council	1	-	-	1
Arongen Musical Theatre Co.	3,551	-	-	3,551
Arongen Music	(51)	231	180	-
Arongen Kindness Club	-	196	-	196
Arongen 3th Grade	(90)	90	-	-
Arongen 5th Grade	<u>2,170</u>	<u>9,889</u>	<u>11,087</u>	<u>972</u>
Total Arongen Elementary School	<u>5,581</u>	<u>10,406</u>	<u>11,267</u>	<u>4,720</u>

(Continued)

See accompanying note to financial statement.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK
Extraclassroom Activity Funds
Statement of Cash Receipts, Cash Disbursements and Cash Balances, Continued

	Cash Balances at July 1, 2024	Cash Receipts and Transfers	Cash Disbursements and Transfers	Cash Balances at June 30, 2025
<u>Chango Elementary School</u>				
Chango Student Council	\$ 1,641	690	341	1,990
Chango Music	96	-	-	96
Chango ISD	-	757	559	198
Chango Kindergarten	10	-	-	10
Chango 5th Grade	2,199	12,632	12,216	2,615
Chango 4th Grade	337	2,411	2,400	348
Chango 3rd Grade	642	870	1,022	490
Chango 2nd Grade	394	288	361	321
Chango 1st Grade	-	170	170	-
Total Chango Elementary School	<u>5,319</u>	<u>17,818</u>	<u>17,069</u>	<u>6,068</u>
<u>Karigon Elementary School</u>				
Karigon Student Council	4,650	-	832	3,818
Karigon School Store	2,987	3,375	3,016	3,346
Karigon School Musical	1,067	-	785	282
Karigon Chess Club	284	-	-	284
Karigon Chorus	52	1,212	1,180	84
Karigon Ski Club	-	3,475	3,442	33
Karigon 5th Grade	2,352	7,417	6,562	3,207
Karigon 4th Grade	727	2,635	1,898	1,464
Karigon 3rd Grade	29	450	415	64
Karigon 2nd Grade	22	1,902	1,437	487
Karigon 1st Grade	434	4,469	3,737	1,166
Total Karigon Elementary School	<u>12,604</u>	<u>24,935</u>	<u>23,304</u>	<u>14,235</u>

(Continued)

See accompanying note to financial statement.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK
Extraclassroom Activity Funds
Statement of Cash Receipts, Cash Disbursements and Cash Balances, Continued

	Cash Balances at July 1, 2024	Cash Receipts and Transfers	Cash Disbursements and Transfers	Cash Balances at June 30, 2025
<u>Okte Elementary School</u>				
Okte Yearbook	\$ 541	-	-	541
Okte Student Council Playground	5,811	-	-	5,811
Okte Student Council	1,893	89	979	1,003
Okte Morning Program	2,027	-	-	2,027
Okte Ski/Snowboard	-	4,200	4,200	-
Okte General Specials	113	-	-	113
Okte ISD Classroom	53	20	9	64
Okte Drama Club	1,865	860	590	2,135
Okte 5th Grade	29	930	958	1
Okte 4th Grade	65	690	720	35
Okte 2nd Grade	24	735	627	132
Okte 1st Grade	49	738	597	190
Total Okte Elementary School	<u>12,470</u>	<u>8,262</u>	<u>8,680</u>	<u>12,052</u>
<u>Orenda Elementary School</u>				
Orenda Student Council	2,684	1,922	2,098	2,508
Orenda Yearbook	644	-	-	644
Orenda Music	26	447	470	3
Orenda Orchestra	(16)	196	180	-
Orenda Ice Skating Club	217	-	-	217
Orenda Ski Club	208	4,029	4,141	96
Orenda 5th Grade	258	2,130	2,126	262
Orenda 4th Grade	111	3,094	2,883	322
Orenda 3rd Grade	73	3,629	3,149	553
Orenda 2nd Grade	222	1,190	1,102	310
Orenda 1st Grade	198	670	580	288
Total Orenda Elementary School	<u>4,625</u>	<u>17,307</u>	<u>16,729</u>	<u>5,203</u>

(Continued)

See accompanying note to financial statement.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Extraclassroom Activity Funds

Statement of Cash Receipts, Cash Disbursements and Cash Balances, Continued

	Cash Balances at July 1, 2024	Cash Receipts and Transfers	Cash Disbursements and Transfers	Cash Balances at June 30, 2025
<u>Shatekon Elementary School</u>				
Shatekon Student Council-5th grade	\$ 4,153	7,610	9,511	2,252
Shatekon Ski Club	60	4,030	3,870	220
Shatekon Music	490	570	692	368
Shatekon Drama Club	6,848	9,943	7,780	9,011
Shatekon FSD 1	-	40	-	40
Shatekon 4th Grade	434	-	-	434
Shatekon 3rd Grade	968	640	1,015	593
Shatekon 1st Grade	-	1,483	1,478	5
Total Shatekon Elementary School	12,953	24,316	24,346	12,923
<u>Skano Elementary School</u>				
Skano Ski	232	4,103	4,200	135
Skano Kindergarten	28	440	367	101
Skano 5th Grade	282	13,571	13,506	347
Skano 4th Grade	100	2,110	2,110	100
Skano 3rd Grade	98	2,620	2,582	136
Skano 2nd Grade	100	2,158	2,151	107
Skano 1st Grade	11	2,862	2,594	279
Total Skano Elementary School	851	27,864	27,510	1,205
<u>Tesago Elementary School</u>				
Tesago Yearbook	919	-	-	919
Tesago Theatre Club	2,475	10,964	12,341	1,098
Tesago Student Council	27,848	115	3,251	24,712
Tesago Ski	30	-	-	30
Tesago 5th Grade	336	7,317	6,409	1,244
Tesago 4th Grade	114	994	944	164
Tesago 3rd Grade	174	1,865	1,690	349
Tesago 2nd Grade	214	874	885	203
Tesago 1st Grade	7	577	577	7
Total Tesago Elementary School	32,117	22,706	26,097	28,726

(Continued)

See accompanying note to financial statement.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK
Extraclassroom Activity Funds
Statement of Cash Receipts, Cash Disbursements and Cash Balances, Continued

	Cash Balances at <u>July 1, 2024</u>	Cash Receipts and Transfers	Cash Disbursements and Transfers	Cash Balances at <u>June 30, 2025</u>
<u>Miscellaneous</u>				
Due to NYS Sales Tax	\$ 27	1,386	1,343	70
Due to Other Funds	2,711	741	-	3,452
Due from Other Funds	<u>(543)</u>	<u>-</u>	<u>10,654</u>	<u>(11,197)</u>
Total Miscellaneous	<u>2,195</u>	<u>2,127</u>	<u>11,997</u>	<u>(7,675)</u>
Total Elementary Schools and Miscellaneous	<u>88,715</u>	<u>155,741</u>	<u>166,999</u>	<u>77,457</u>
Total	<u>\$ 481,437</u>	<u>813,145</u>	<u>796,800</u>	<u>497,782</u>

See accompanying note to financial statement.

SHENENDEHOWA CENTRAL SCHOOL DISTRICT
AT CLIFTON PARK, NEW YORK

Extraclassroom Activity Fund

Notes to Financial Statement

June 30, 2025

(1) Summary of Significant Accounting Policies

(a) Financial Reporting Entity

The extraclassroom activity fund of the Shenendehowa Central School District at Clifton Park, New York (the District) represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The extraclassroom activity fund is independent of the District with respect to its financial transactions and the designation of student management. Separate financial statements are issued for this fund. The District also reports this fund in its financial statements, within its miscellaneous special revenue extraclassroom activity fund.

(b) Basis of Accounting

The accounts of the extraclassroom activity fund are maintained on the cash basis of accounting, and the statement of cash receipts, cash disbursements and cash balances reflects only cash received, disbursed and transferred between funds. Therefore, receivables and payables, inventory, long-lived assets, and accrued income and expenses, which would be recognized under accounting principles generally accepted in the United States of America, and which may be material in amount, are not recognized in the accompanying financial statement.