

**WILSON CENTRAL SCHOOL DISTRICT**

**FINANCIAL STATEMENTS**

**JUNE 30, 2025**

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## INDEPENDENT AUDITORS' REPORT

The Board of Education  
Wilson Central School District

### Report on the Audit of the Financial Statements

#### *Opinions*

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

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

#### *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 GAAP, 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 one year 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 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***

GAAP requires that management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the 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 (GASB), who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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 supplementary information as listed in the table of contents, including the schedule of expenditures of federal awards required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the 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 14, 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, 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 the District's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Lynden & McCormick, LLP". The signature is written in a cursive, flowing style.

October 14, 2025

**Management's Discussion and Analysis (unaudited)**

June 30, 2025

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**Introduction**

Management's Discussion and Analysis (MD&A) of Wilson Central School District (the District) provides an overview of the District's financial performance and activities for the year ended June 30, 2025. The information contained in the MD&A should be considered in conjunction with the information presented as part of the District's financial statements that follow. This MD&A, the financial statements, and notes thereto are essential to obtaining a full understanding of the District's financial position and results of operations. The District's financial statements have the following components: (1) government-wide financial statements, (2) governmental fund financial statements, (3) reconciliations between the government-wide and governmental fund financial statements, (4) fiduciary fund financial statements, (5) notes to the financial statements, and (6) supplementary information.

In 2025, the District adopted GASB Statement No. 101, *Compensated Absences*. This statement clarifies what is considered unused leave balances for employees. Under this statement, compensated absences are recognized as liabilities on the government-wide financial statements for leave that has not been used and leave that has been used but not yet paid or settled.

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business. The statement of net position presents information on all of the District's assets and deferred outflows of resources less liabilities and deferred inflows of resources, with the difference reported as net position. The statement of activities presents information showing how the District's net position changed during each year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future periods. The government-wide financial statements present information about the District as a whole. All of the activities of the District are considered to be governmental activities.

Governmental fund financial statements focus on near-term inflows and outflows of resources, as well as on balances of resources available at the end of the year. Such information may be useful in evaluating the District's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the District's near-term financing decisions. The reconciliation portion of the financial statements facilitates the comparison between governmental funds and governmental activities.

Fiduciary funds are used to report fiduciary activities, which may include pension and other postemployment benefit trust funds, investment trust funds, private-purpose trust funds, and custodial funds. The District maintains a custodial fund for student activity accounts. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's programs.

The notes to the financial statements provide additional information that is essential for a full understanding of the government-wide, governmental fund, and fiduciary fund financial statements.

Supplementary information further explains and supports the financial statements and includes information required by generally accepted accounting principles, the New York State Education Department, and the Federal government.

<b>Condensed Statement of Net Position</b>	<b>2025</b>	2024	Change	
			\$	%
Current and other assets	\$ 36,442,000	\$ 30,176,000	\$ 6,266,000	20.8%
Capital assets	32,173,000	30,125,000	2,048,000	6.8%
<b>Total assets</b>	<b>68,615,000</b>	60,301,000	8,314,000	13.8%
<b>Deferred outflows of resources</b>	<b>5,035,000</b>	6,032,000	(997,000)	(16.5%)
Long-term liabilities	12,360,000	14,043,000	(1,683,000)	(12.0%)
Other liabilities	8,465,000	1,993,000	6,472,000	324.7%
<b>Total liabilities</b>	<b>20,825,000</b>	16,036,000	4,789,000	29.9%
<b>Deferred inflows of resources</b>	<b>4,965,000</b>	3,139,000	1,826,000	58.2%
<b>Net position</b>				
Net investment in capital assets	22,123,000	22,215,000	(92,000)	(0.4%)
Restricted	26,499,000	23,733,000	2,766,000	11.7%
Unrestricted	(762,000)	1,210,000	(1,972,000)	(163.0%)
<b>Total net position</b>	<b>\$ 47,860,000</b>	\$ 47,158,000	\$ 702,000	1.5%

Net position amounted to \$47,860,000 and \$47,158,000 as of June 30, 2025 and 2024, respectively. A significant portion of the District's net position reflects its investment in capital assets consisting of land, buildings and improvements, and furniture and equipment, less outstanding debt used to acquire those assets. The District uses capital assets to provide services to students; consequently, these assets are not available for future spending.

The District's net position includes resources that are subject to external restrictions on how they may be used. These reserves are set aside for specific purposes governed by laws and regulations and include the debt service reserve, which is set aside for the repayment of bonds issued to finance capital projects; the capital reserve, which is dedicated for future renovations as approved by the District's voters; the workers' compensation reserve, which is restricted to pay expenses incurred as part of the District's participation in a workers' compensation consortium; and the retirement contribution reserve, which is restricted to fund contributions paid by the District to the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS). Other restricted resources include the unemployment insurance, employee benefit accrued liability, insurance, repair, and tax certiorari reserves, amounts restricted for scholarships to students, and the District's proportionate share of the TRS net pension asset.

Total assets increased \$8,314,000 (\$3,498,000 or 6.2% increase in 2024). Current and other assets increased \$6,266,000 (\$2,761,000 or 10.1% increase in 2024) due to unspent proceeds from bond anticipation notes (BANs) and the recognition of the District's proportionate share of the TRS net pension asset of \$1,566,000 compared to a liability of \$627,000 in 2024. Capital assets increased \$2,048,000 (\$737,000 or 2.5% increase in 2024) due to additions exceeding depreciation and amortization expense.

Total liabilities increased \$4,789,000 (\$1,152,000 or 6.7% decrease in 2024). Other liabilities increased \$6,472,000 (\$325,000 or 19.5% increase in 2024) due to issuance of new bond anticipation notes (BANs) of \$6,724,000. The decrease in long-term liabilities of \$1,683,000 (\$1,477,000 or 9.5% decrease in 2024) was due to a decrease in the TRS and ERS net pension liabilities of \$557,000 and required principal payments on bonds of \$920,000. These decreases were offset by an increase in compensated absences of \$975,000 due to the implementation of GASB 101.

Changes in deferred outflows and deferred inflows of resources include changes in pension and OPEB activity. Deferred outflows and deferred inflows of resources include contributions required to be paid by the District after the measurement date and also reflect variances from actuarial assumptions, actual results of investment earnings compared to projected earnings, and changes of assumptions.

<b>Condensed Statement of Activities</b>	<b>2025</b>	2024	\$	Change %
<b>Revenues</b>				
Program revenues				
Charges for services	\$ 127,000	\$ 149,000	\$ (22,000)	(14.8%)
Operating grants and contributions	1,968,000	3,187,000	(1,219,000)	(38.2%)
General revenues				
Property taxes	13,395,000	13,073,000	322,000	2.5%
State aid	14,910,000	15,165,000	(255,000)	(1.7%)
Other	1,537,000	1,728,000	(191,000)	(11.1%)
<b>Total revenues</b>	<b>31,937,000</b>	<b>33,302,000</b>	<b>(1,365,000)</b>	<b>(4.1%)</b>
<b>Expenses</b>				
Instruction	24,309,000	23,923,000	386,000	1.6%
Support services				
General support	4,046,000	3,552,000	494,000	13.9%
Pupil transportation	1,827,000	1,764,000	63,000	3.6%
Food service	784,000	769,000	15,000	2.0%
Interest	269,000	140,000	129,000	92.1%
<b>Total expenses</b>	<b>31,235,000</b>	<b>30,148,000</b>	<b>1,087,000</b>	<b>3.6%</b>
Change in net position	702,000	3,154,000	(2,452,000)	(77.7%)
Net position – beginning	47,158,000	44,004,000	3,154,000	7.2%
<b>Net position – ending</b>	<b>\$ 47,860,000</b>	<b>\$ 47,158,000</b>	<b>\$ 702,000</b>	<b>1.5%</b>

District revenues decreased \$1,365,000 in 2025 (7.0% or \$2,168,000 increase in 2024). The decrease in operating grants and contributions of \$1,219,000 (35.7% or \$838,000 increase in 2024) is due to a decrease in Federal Education Stabilization Funds (ESF) of \$1,250,000, as the COVID-related grants expired. The decrease in state aid of \$255,000 (4.7% or \$678,000 increase in 2024) was primarily due to decreases in building aid of \$201,000, excess cost aid of \$225,000, and BOCES aid of \$130,000, which was offset by increases in lottery aid of \$149,000 and general aid of \$104,000. Other revenues decreased \$191,000 (33.1% or \$430,000 increase in 2024) due to proceeds of insurance recoveries for the emergency roof replacement in 2024.

Total expenses increased \$1,087,000 (\$908,000 or 3.1% increase in 2024). Payroll increased \$316,000 due to contractual salary increases and stipends, retirement incentives increased by \$280,000 due to six teachers retiring during 2025, health insurance increased \$250,000 due to premium adjustments, tuition for students attending out of District placements increased \$270,000, and interest expense increased due to amounts due on BANs.

### Financial Analysis of the District's Funds

Total fund balances for the governmental funds decreased from \$28,187,000 to \$26,419,000. Expenditures of \$33,705,000 exceeded revenues of \$31,937,000, resulting in a decrease in total fund balance of \$1,768,000.

- Total fund revenue decreased \$1,365,000 or 4.1% (increase of \$2,149,000 or 6.9% in 2024). The decrease is due to the completion of the Federal Education Stabilization Fund grants, state aid, and insurance recoveries, as noted above.
- Total fund expenditures increased \$2,839,000 or 9.2% (increase of \$2,119,000 or 7.4% in 2024). Employee benefits increased \$689,000 or 11.9% (decrease of \$276,000 or 4.5%) due to health insurance and retiree incentives mentioned above. Capital outlay increased \$1,590,000 or 68.4% (\$1,702,000 or 274.3% increase in 2024) due to capital projects in progress.
- Fund balance in the general fund increased \$800,000 in 2025 (\$2,596,000 increase in 2024). Employee salaries and benefits that were paid by ESF grants in the special aid fund in 2024 were paid by the general fund in 2025, resulting in approximately \$1,200,000 of additional expenses in the general fund.

- Fund balance in the capital projects fund decreased \$2,794,000 (\$276,000 decrease in 2024) due to capital projects in progress, as noted above.
- Fund balance in the food service fund increased \$115,000 to \$736,000 (\$62,000 increase in 2024). The fund experienced positive net income as more funding was received from the Child Nutrition program.
- At June 30, 2025, the debt service reserve increased to \$2,857,000 (\$2,768,000 in 2024) and will be used to repay long-term debt as required by General Municipal Law.

**General Fund Budgetary Highlights**

Total revenues of \$29,837,000 exceeded budgeted revenue by \$929,000. The expenditure budget including carryover encumbrances was \$29,431,000. Actual expenditures and carryover encumbrances were less than the final amended budget by \$1,396,000 or 4.7%. This difference is attributable to many factors and many unknown items when the budget is prepared. The District generated savings in employee benefits, instruction, pupil transportation, and central services.

**Capital Assets**

	2025	2024
Land	\$ 81,000	\$ 81,000
Construction in progress	394,000	2,395,000
Land improvements	1,350,000	1,350,000
Buildings and improvements	58,666,000	52,781,000
Vehicles and equipment	3,863,000	3,712,000
	<u>64,354,000</u>	60,319,000
Accumulated depreciation	<u>(32,451,000)</u>	(30,509,000)
	31,903,000	29,810,000
Right-to-use leased equipment, net	270,000	315,000
	<u>\$ 32,173,000</u>	<u>\$ 30,125,000</u>

The increase in capital assets in the current year is a result of current year additions of \$4,065,000 exceeding depreciation and amortization expense of \$2,017,000.

**Debt**

At June 30, 2025, the District had \$6,990,000 in bonds outstanding, with \$940,000 due within one year (\$7,910,000 outstanding at June 30, 2024). Outstanding compensated absences payable were \$1,733,000, with \$364,000 expected to be paid or used within one year (\$758,000 outstanding at June 30, 2024).

Additional information on the District’s long-term liabilities can be found in the notes to the financial statements.

**Current Financial Issues and Concerns**

School districts in New York State remain impacted by the political pressures imposed on elected officials in funding of education. Year to year changes in funding levels and State aid formulas complicate this process.

**Contacting the District’s Financial Management**

This financial report is designed to provide our District residents, taxpayers, parents, students, 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 questions about this report or need additional financial information, contact Carolyn Oliveri, Business Administrator, Wilson Central School District, 412 Lake Street, Wilson, New York 14172.

WILSON CENTRAL SCHOOL DISTRICT

**Statement of Net Position**

June 30, 2025

(With comparative totals as of June 30, 2024)

	2025	2024
<b>Assets</b>		
Cash	\$ 12,808,884	\$ 11,147,586
Investments	20,429,926	17,010,743
Accounts receivable	16,643	17,398
Due from other governments	507,623	601,548
State and federal aid receivable	975,311	1,271,962
Inventory and prepaid expenses	137,364	126,817
Net pension asset	1,566,211	-
Capital assets (Note 4)	64,716,334	60,692,369
Accumulated depreciation and amortization	(32,543,442)	(30,567,198)
<b>Total assets</b>	<b>68,614,854</b>	<b>60,301,225</b>
<b>Deferred Outflows of Resources</b>		
Deferred outflows of resources related to pensions	4,370,350	5,159,605
Deferred outflows of resources related to OPEB	665,092	872,359
<b>Total deferred outflows of resources</b>	<b>5,035,442</b>	<b>6,031,964</b>
<b>Liabilities</b>		
Accounts payable	477,455	825,689
Accrued liabilities	46,627	15,142
Due to retirement systems	1,208,999	1,134,354
Unearned revenue	8,916	18,381
Bond anticipation notes payable	6,723,684	-
Long-term liabilities		
Due within one year:		
Bonds	940,000	920,000
Compensated absences	364,000	159,000
Due beyond one year:		
Bonds	6,050,000	6,990,000
Compensated absences	1,369,000	599,000
Net pension liability	1,100,666	1,657,806
Total OPEB liability	2,536,298	3,717,020
<b>Total liabilities</b>	<b>20,825,645</b>	<b>16,036,392</b>
<b>Deferred Inflows of Resources</b>		
Deferred inflows of resources related to pensions	1,988,215	859,683
Deferred inflows of resources related to OPEB	2,976,896	2,278,936
<b>Total deferred inflows of resources</b>	<b>4,965,111</b>	<b>3,138,619</b>
<b>Net Position</b>		
Net investment in capital assets	22,123,108	22,215,171
Restricted	26,498,961	23,732,881
Unrestricted (deficit)	(762,529)	1,210,126
<b>Total net position</b>	<b>\$ 47,859,540</b>	<b>\$ 47,158,178</b>

See accompanying notes.

WILSON CENTRAL SCHOOL DISTRICT

**Statement of Activities**

For the year ended June 30, 2025  
 (With summarized comparative totals for June 30, 2024)

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue	
		Charges for Services	Operating Grants and Contributions	2025	2024
<b>Governmental activities</b>					
General support	\$ 4,045,622	\$ 24,600	\$ 37,050	\$ (3,983,972)	\$ (3,516,833)
Instruction	24,309,464	26,606	1,130,288	(23,152,570)	(21,446,705)
Pupil transportation	1,827,505	-	-	(1,827,505)	(1,763,931)
Interest expense	269,363	-	-	(269,363)	(139,538)
School food service	783,857	75,523	800,587	92,253	54,964
	<u>\$ 31,235,811</u>	<u>\$ 126,729</u>	<u>\$ 1,967,925</u>	<u>(29,141,157)</u>	<u>(26,812,043)</u>
<b>General revenues</b>					
				13,394,891	13,072,658
Real property taxes				1,537,167	1,728,470
Miscellaneous				14,910,461	15,164,819
State aid				<u>29,842,519</u>	<u>29,965,947</u>
<b>Total general revenues</b>					
				701,362	3,153,904
Change in net position					
				47,158,178	44,004,274
Net position - beginning				<u>\$ 47,859,540</u>	<u>\$ 47,158,178</u>
<b>Net position - ending</b>					

WILSON CENTRAL SCHOOL DISTRICT

**Balance Sheet - Governmental Funds**

June 30, 2025

(With summarized comparative totals as of June 30, 2024)

	General	Capital Projects	Special Aid	Debt Service	Food Service	Miscellaneous Special Revenue	Total Governmental Funds	
							2025	2024
<b>Assets</b>								
Cash	\$ 5,481,180	\$ 3,886,832	\$ 1,654	\$ 2,753,608	\$ 664,233	\$ 21,377	\$ 12,808,884	\$ 11,147,586
Investments	20,286,708	-	-	-	-	143,218	20,429,926	17,010,743
Accounts receivable	16,643	-	-	-	-	-	16,643	17,398
Due from other governments	507,623	-	-	-	-	-	507,623	601,548
State and federal aid receivable	628,502	-	290,374	-	56,435	-	975,311	1,271,962
Due from other funds, net	276,139	-	-	103,711	-	3,600	383,450	914,142
Inventory and prepaid expenses	117,252	-	-	-	20,112	-	137,364	126,817
<b>Total assets</b>	<b>\$ 27,314,047</b>	<b>\$ 3,886,832</b>	<b>\$ 292,028</b>	<b>\$ 2,857,319</b>	<b>\$ 740,780</b>	<b>\$ 168,195</b>	<b>\$ 35,259,201</b>	<b>\$ 31,090,196</b>
<b>Liabilities</b>								
Accounts payable	\$ 345,886	\$ 119,221	\$ 12,348	\$ -	\$ -	\$ -	\$ 477,455	\$ 825,689
Accrued liabilities	37,627	-	-	-	-	-	37,627	10,142
Due to retirement systems	1,208,999	-	-	-	-	-	1,208,999	1,134,354
Due to other funds, net	-	103,711	279,680	-	59	-	383,450	914,142
Unearned revenue	4,255	-	-	-	4,661	-	8,916	18,381
Bond anticipation notes payable	-	6,723,684	-	-	-	-	6,723,684	-
<b>Total liabilities</b>	<b>1,596,767</b>	<b>6,946,616</b>	<b>292,028</b>	<b>-</b>	<b>4,720</b>	<b>-</b>	<b>8,840,131</b>	<b>2,902,708</b>
<b>Fund Balances</b>								
Nonspendable	117,252	-	-	-	20,112	-	137,364	126,817
Restricted	21,907,236	-	-	2,857,319	-	168,195	24,932,750	23,732,881
Assigned	568,792	-	-	-	715,948	-	1,284,740	1,263,529
Unassigned	3,124,000	(3,059,784)	-	-	-	-	64,216	3,064,261
<b>Total fund balances (deficit)</b>	<b>25,717,280</b>	<b>(3,059,784)</b>	<b>-</b>	<b>2,857,319</b>	<b>736,060</b>	<b>168,195</b>	<b>26,419,070</b>	<b>28,187,488</b>
<b>Total liabilities and fund balances</b>	<b>\$ 27,314,047</b>	<b>\$ 3,886,832</b>	<b>\$ 292,028</b>	<b>\$ 2,857,319</b>	<b>\$ 740,780</b>	<b>\$ 168,195</b>	<b>\$ 35,259,201</b>	<b>\$ 31,090,196</b>

See accompanying notes.

**Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Position**

June 30, 2025

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**Total fund balances - governmental funds** \$ 26,419,070

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 are not reported as assets in governmental funds. 32,172,892

The District's proportionate share of net pension position as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide financial statements and include:

Net pension asset	1,566,211	
Deferred outflows of resources related to pensions	4,370,350	
Net pension liability	(1,100,666)	
Deferred inflows of resources related to pensions	<u>(1,988,215)</u>	2,847,680

The District's total OPEB liability as well as OPEB-related deferred outflows and deferred inflows of resources are recognized on the government-wide financial statements and include:

Deferred outflows of resources related to OPEB	665,092	
Total OPEB liability	(2,536,298)	
Deferred inflows of resources related to OPEB	<u>(2,976,896)</u>	(4,848,102)

Certain liabilities are not due and payable currently and therefore are not reported as liabilities of the governmental funds. These liabilities are:

Accrued interest	(9,000)	
Bonds	(6,990,000)	
Compensated absences	<u>(1,733,000)</u>	(8,732,000)

**Net position - governmental activities** \$ 47,859,540

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WILSON CENTRAL SCHOOL DISTRICT

**Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Governmental Funds**

For the year ended June 30, 2025

(With summarized comparative totals for June 30, 2024)

	General	Capital Projects	Special Aid	Debt Service	Food Service	Miscellaneous Special Revenue	Total Governmental Funds	
							2025	2024
<b>Revenues</b>								
Real property taxes	\$ 12,041,044	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,041,044	\$ 11,602,933
Real property tax items	1,353,847	-	-	-	-	-	1,353,847	1,469,725
Charges for services	26,606	-	-	-	-	-	26,606	22,622
Use of money and property	1,117,337	-	-	73,436	5,386	5,449	1,201,608	1,159,230
Sale of property and compensation for loss	16,500	-	-	-	-	-	16,500	296,296
Miscellaneous	271,004	-	-	75,805	14,289	33,900	394,998	320,816
State sources	14,910,461	-	405,157	-	336,055	-	15,651,673	15,829,565
Federal sources	100,284	-	624,847	-	450,243	-	1,175,374	2,492,579
Sales	-	-	-	-	75,523	-	75,523	108,239
<b>Total revenues</b>	<b>29,837,083</b>	<b>-</b>	<b>1,030,004</b>	<b>149,241</b>	<b>881,496</b>	<b>39,349</b>	<b>31,937,173</b>	<b>33,302,005</b>
<b>Expenditures</b>								
General support	3,113,558	-	-	-	286,131	18,500	3,418,189	3,176,545
Instruction	15,646,087	-	880,343	-	-	-	16,526,430	16,393,072
Pupil transportation	1,797,760	-	-	-	-	-	1,797,760	1,739,789
Employee benefits	6,222,738	-	187,770	-	85,619	-	6,496,127	5,806,929
Debt service								
Principal	920,000	-	-	-	-	-	920,000	905,000
Interest	265,363	-	-	-	-	-	265,363	140,538
Cost of sales	-	-	-	-	368,858	-	368,858	381,933
Capital outlay	-	3,887,352	-	-	25,512	-	3,912,864	2,322,893
<b>Total expenditures</b>	<b>27,965,506</b>	<b>3,887,352</b>	<b>1,068,113</b>	<b>-</b>	<b>766,120</b>	<b>18,500</b>	<b>33,705,591</b>	<b>30,866,699</b>
Excess revenues (expenditures)	1,871,577	(3,887,352)	(38,109)	149,241	115,376	20,849	(1,768,418)	2,435,306
<b>Other financing sources (uses)</b>								
Operating transfers, net	(1,071,141)	1,093,032	38,109	(60,000)	-	-	-	-
Net change in fund balances	800,436	(2,794,320)	-	89,241	115,376	20,849	(1,768,418)	2,435,306
Fund balances (deficit) - beginning	24,916,844	(265,464)	-	2,768,078	620,684	147,346	28,187,488	25,752,182
<b>Fund balances (deficit) - ending</b>	<b>\$ 25,717,280</b>	<b>\$ (3,059,784)</b>	<b>\$ -</b>	<b>\$ 2,857,319</b>	<b>\$ 736,060</b>	<b>\$ 168,195</b>	<b>\$ 26,419,070</b>	<b>\$ 28,187,488</b>

See accompanying notes.

**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities**

For the year ended June 30, 2025

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**Total net change in fund balances - governmental funds** \$ (1,768,418)

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

Capital outlays are reported in governmental funds as expenditures. In the statement of activities, the cost of the assets is allocated over estimated useful lives as depreciation and amortization expense. This is the amount by which capital outlays exceed depreciation and amortization expense and disposals. 2,047,721

Pension expense is recognized when paid on the fund statement of revenues, expenditures, and changes in fund balances and actuarially determined on the statement of activities. These differences are:

2025 TRS and ERS contributions	1,371,666	
2025 ERS accrued contribution	99,226	
2024 ERS accrued contribution	(85,493)	
2025 TRS net pension expense	(883,289)	
2025 ERS net pension expense	<u>(296,546)</u>	205,564

OPEB expense is recognized when paid on the fund statement of revenues, expenditures, and changes in fund balances and actuarially determined on the statement of activities. 275,495

Payments of long-term liabilities are reported as expenditures in the governmental funds and as a reduction of debt in the statement of net position. 920,000

In the statement of activities, certain expenses are measured by the amounts earned during the year. In the governmental funds these expenditures are reported when paid.

These differences are:

Interest	(4,000)	
Compensated absences	<u>(975,000)</u>	(979,000)

**Change in net position - governmental activities** \$ 701,362

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WILSON CENTRAL SCHOOL DISTRICT

**Statement of Revenues, Expenditures, and Changes in Fund Balance Budget (Non-GAAP) and Actual - General Fund**

For the year ended June 30, 2025

	Budgeted Amounts		Actual (Budgetary Basis)	Encumbrances	Variance with Final Budget Over/(Under)
	Original	Final			
<b>Revenues</b>					
Local sources					
Real property taxes	\$ 13,351,053	\$ 12,041,044	<b>\$ 12,041,044</b>		\$ -
Real property tax items	37,800	1,347,809	<b>1,353,847</b>		6,038
Charges for services	14,500	14,500	<b>26,606</b>		12,106
Use of money and property	322,000	322,000	<b>1,117,337</b>		795,337
Sale of property and compensation for loss	190	190	<b>16,500</b>		16,310
Miscellaneous	340,000	340,000	<b>271,004</b>		(68,996)
State sources	14,802,297	14,802,297	<b>14,910,461</b>		108,164
Federal sources	40,000	40,000	<b>100,284</b>		60,284
<b>Total revenues</b>	<b>28,907,840</b>	<b>28,907,840</b>	<b>29,837,083</b>		<b>929,243</b>
<b>Expenditures</b>					
General support					
Board of education	49,000	49,000	<b>39,309</b>	-	(9,691)
Central administration	273,640	282,175	<b>273,882</b>	-	(8,293)
Finance	376,333	371,798	<b>359,939</b>	-	(11,859)
Staff	190,522	147,370	<b>105,621</b>	-	(41,749)
Central services	2,284,508	2,263,308	<b>2,066,787</b>	19,190	(177,331)
Special items	268,000	268,100	<b>268,020</b>	-	(80)
Instruction					
Instruction, administration, and improvement	834,196	843,101	<b>809,403</b>	192	(33,506)
Teaching - regular school	6,779,819	6,801,193	<b>6,729,002</b>	2,520	(69,671)
Programs for children with handicapping conditions	4,486,965	4,526,041	<b>4,394,671</b>	11,812	(119,558)
Occupational education	1,007,967	1,003,920	<b>995,472</b>	-	(8,448)
Teaching - special schools	20,000	28,500	<b>28,333</b>	-	(167)
Instructional media	1,096,495	1,091,289	<b>1,020,286</b>	2,367	(68,636)
Pupil services	1,687,586	1,700,643	<b>1,668,920</b>	31,353	(370)
Pupil transportation	2,008,000	1,946,213	<b>1,797,760</b>	-	(148,453)
Community services	1,000	1,000	<b>-</b>	-	(1,000)
Employee benefits	6,851,522	6,880,902	<b>6,222,738</b>	1,358	(656,806)
Debt service					
Principal	960,000	960,000	<b>920,000</b>	-	(40,000)
Interest	254,963	265,963	<b>265,363</b>	-	(600)
<b>Total expenditures</b>	<b>29,430,516</b>	<b>29,430,516</b>	<b>27,965,506</b>	<b>68,792</b>	<b>(1,396,218)</b>
Excess revenues (expenditures)	(522,676)	(522,676)	<b>1,871,577</b>	(68,792)	2,325,461
<b>Other financing sources (uses)</b>					
Operating transfers in	-	-	<b>66,968</b>		66,968
Operating transfers out	(140,000)	(140,000)	<b>(1,138,109)</b>		998,109
Appropriated fund balance and carryover encumbrances	662,676	662,676	<b>-</b>		(662,676)
<b>Total other financing sources (uses)</b>	<b>522,676</b>	<b>522,676</b>	<b>(1,071,141)</b>		<b>(1,593,817)</b>
<b>Excess revenues (expenditures) and other financing sources (uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 800,436</b>	<b>\$ (68,792)</b>	<b>\$ 731,644</b>

WILSON CENTRAL SCHOOL DISTRICT

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**Statement of Fiduciary Net Position - Custodial Fund**

June 30, 2025

(with comparative totals as of June 30, 2024)

	2025	2024
<b>Assets</b>		
Cash	\$ 54,261	\$ 114,133
Investments	74,552	-
Total assets	<u>128,813</u>	114,133
<b>Liabilities</b>		
Accrued liabilities	<u>60</u>	123
<b>Net Position</b>		
Extraclassroom activity balances	<u>\$ 128,753</u>	<u>\$ 114,010</u>

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WILSON CENTRAL SCHOOL DISTRICT

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**Statement of Changes in Fiduciary Net Position - Custodial Fund**

For the year ended June 30, 2025

(with comparative totals for June 30, 2024)

	2025	2024
<b>Additions</b>		
Student activity additions	\$ 206,532	\$ 164,011
<b>Deductions</b>		
Student activity deductions	<u>191,789</u>	145,543
Change in net position	14,743	18,468
Net position - beginning	<u>114,010</u>	95,542
<b>Net position - ending</b>	<u>\$ 128,753</u>	<u>\$ 114,010</u>

**Notes to Financial Statements**

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**1. Summary of Significant Accounting Policies**

**Reporting Entity**

Wilson Central School District (the District) is governed by Education and other laws of the State of New York (the State). The District's Board of Education has responsibility and control over all activities related to public school education within the District. The District's Superintendent is the chief executive officer and the President of the Board serves as the chief fiscal officer. The Board members are elected by the public and have decision-making authority, the power to designate management, the ability to influence operations, and the primary accountability for fiscal matters.

The District provides education and support services such as administration, transportation, and plant maintenance. The District receives funding from local, state, and federal sources and must comply with requirements of these funding sources. However, the District is not included in any other governmental reporting entity as defined by accounting principles generally accepted in the United States of America (GAAP), nor does it contain any component units.

The financial statements of the District have been prepared in conformity with 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 more significant of the District's accounting policies are described below.

**Joint Venture**

The District is one of 13 participating school districts in the Orleans/Niagara Board of Cooperative Educational Services (BOCES). Formed under §1950 of Education Law, a BOCES is a voluntary cooperative association of school districts in a geographic area that shares planning, services, and programs, and also provides educational and support activities. There is no authority or process by which the District can terminate its status as a component of BOCES.

The component school district boards elect the members of the BOCES governing body. There are no equity interests and no single participant controls the financial or operating policies. BOCES may also contract with other municipalities on a cooperative basis under State General Municipal Law.

A BOCES' budget is comprised of separate spending plans for administrative, program, and capital costs. Each component school district shares in administrative and capital costs determined by its enrollment. Participating districts are charged a service fee for programs in which students participate, and for other shared contracted administrative services. Participating districts may issue debt on behalf of BOCES; there is currently no such debt issued by the District.

During the year ended June 30, 2025, the District was billed \$3,756,000 for BOCES administrative and program costs and recognized revenue of \$230,000 as a refund from prior year expenditures paid to BOCES. Audited financial statements are available from BOCES' administrative offices.

**Risk Management**

The District participates in the Orleans/Niagara School Health Plan and the Niagara County Mutual Self-Insurance Plan, which are public entity risk pools. These plans are designed to provide health insurance and workers' compensation coverage for participating entities. These activities are further discussed in Note 9.

## Basis of Presentation

*Government-Wide Financial Statements:* The statement of net position and the statement of activities display financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize double counting of internal activities. These statements are required to distinguish between *governmental* and *business-type* activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The District does not maintain any business-type activities.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities.

- Direct expenses are those that are specifically associated with a program or are clearly identifiable to a particular function. Indirect expenses relate to the administration and support of the District's programs, including personnel, overall administration, and finance. Employee benefits are allocated to functional expenses as a percentage of related payroll expense.
- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational requirements of a particular program, and (c) capital grants and contributions limited to the purchase or construction of specific capital assets, if any. Revenues that are not classified as program revenues, including all taxes and state aid, are presented as general revenues.

*Fund Financial Statements:* The fund financial statements provide information about the District's funds. Separate statements for each fund category – *governmental and fiduciary* – are presented. The emphasis of the fund financial statements is on major governmental funds, each displayed in a separate column.

The District reports the following major funds:

- *General fund.* This is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
- *Capital projects fund.* This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The District also elected to display the following as major funds:

- *Special aid fund.* This fund is used to account for the proceeds of specific revenue sources – other than expendable trusts or major capital projects – such as federal, state, and local grants and awards that are restricted or committed to expenditure for specific purposes. Either governments or other third parties providing the grant funds impose these restrictions.
- *Debt service fund.* This fund is used to account for resources that are restricted to expenditure for principal and interest.
- *Food service fund.* This fund is a special revenue fund whose specific revenue sources, including free and reduced meal subsidies received from state and federal programs, are assigned to the operation of the District's breakfast and lunch programs.
- *Miscellaneous special revenue fund.* This fund is used to account for resources that are restricted to student scholarships. Donations are made by third parties and District personnel manage the funds and assist with determination of scholarship recipients.

Fiduciary fund reporting focuses on net position and changes in net position. Fiduciary funds are used to report fiduciary activities, which may include pension and other postemployment benefit trust funds, investment trust funds, private-purpose trust funds, and custodial funds. The District maintains a custodial fund for its student activity accounts.

The financial statements include certain prior year summarized comparative information in total but not by separate governmental activities and major funds. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

### **Basis of Accounting and Measurement Focus**

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

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if they are collected within ninety days after year end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset additions are reported as expenditures in governmental funds. Proceeds of long-term liabilities are reported as other financing sources.

Under the terms of grant agreements, revenues are recognized to the extent of program expenditures. Amounts received in advance of the expenditures are considered unearned and reported as revenue when the expense is incurred.

### **Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

### **Real Property Taxes**

The District levies real property taxes no later than September 1. For the year ended June 30, 2025, the tax lien was issued on August 13, 2024 for collection from September 1, 2024 through November 1, 2024. Thereafter, uncollected amounts became the responsibility of Niagara County. Such amounts were submitted to the District by April 1<sup>st</sup> of the following year as required by law.

### **Budget Process, Amendments, and Encumbrances**

District administration prepares a proposed budget for the general fund requiring approval by the Board. A public hearing is held upon completion and filing of the tentative budget. Subsequently, the budget is adopted by the Board. The proposed budget is then presented to voters of the District. The budget for the fiscal year beginning July 1, 2024 was approved by a majority of the voters in a general election held on May 21, 2024.

Annual appropriations are adopted and employed for control of the general fund. These budgets are adopted on a GAAP basis under the modified accrual basis of accounting. Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) which may be incurred. Appropriations authorized for the current year may be increased by the planned use of specific restricted, committed, and assigned fund balances and subsequent budget amendments approved by the Board as a result of new revenue sources not included in the original budget.

Major capital expenditures are subject to individual project budgets based on the cost of the project and external financing rather than annual appropriations. For the capital projects fund, these budgets do not lapse at year end and are carried over to the completion of the project.

Encumbrance accounting is used to assure budgetary control over commitments related to unperformed (executory) contracts for goods or services outstanding at the end of each year. Encumbrances are budgetary expenditures in the year committed and again in the subsequent period when the expenditure is paid. All budget appropriations that are unencumbered lapse at the end of the fiscal year. Encumbrances outstanding at year end are presented for GAAP-related purposes as committed or assigned fund balances and do not constitute expenditures or liabilities. At July 1, encumbrances carried forward from the prior year are reestablished as budget appropriations.

**Cash and Investments**

Cash and investment management is governed by State laws and as established in the District’s written policies. Cash must be deposited in FDIC-insured commercial banks or trust companies located within the State. The District’s policies permit the Treasurer to use demand and time accounts, certificates of deposit, obligations of the United States Treasury and its Agencies, and obligations of the State or its localities, including those held under repurchase agreements or in external investment pools.

Custodial credit risk is the risk that in the event of a bank failure the District’s deposits may not be returned to it. Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts. At June 30, 2025, the District’s bank deposits were fully collateralized by FDIC coverage and securities held by the pledging institutions’ agents in the District’s name.

Investments include U.S. Treasury bills with original maturities in excess of three months.

**Inventory and Prepaid Expenses**

Inventory consists of food and similar goods related to food service operations and is recorded at the lower of first-in, first-out cost or net realizable value. Donated commodities are stated at values which approximate market. Certain payments to vendors reflect expenditures applicable to future periods and are reflected as prepaid expenses.

**Capital Assets**

Capital assets are reported at actual or estimated historical cost based on appraisals. Contributed assets are recorded at fair value at the time received. Depreciation and amortization are provided in the government-wide financial statements over estimated useful lives using the straight-line method. Maintenance and repairs are expensed as incurred; significant improvements are capitalized.

Capitalization thresholds for determining which assets are added to capital accounts and the estimated useful lives of capital assets are:

	Capitalization Policy	Estimated Useful Life in Years
Land improvements	\$ 1,500	20
Buildings and improvements	\$ 1,500	50
Vehicles and equipment	\$ 1,500	5 - 20

## Compensated Absences

The liability for compensated absences reported in the government-wide financial statements consists of unpaid and unused accumulated vacation and sick time that is more likely than not to be used, paid, or settled by noncash means prior to or at termination of employment. Such accumulated time is valued based on a combination of the applicable employees' rates of pay at year end and contractual rates of payout at retirement, based on estimates of amounts to be used for each. The liability also includes an estimate of leave that is not attributable to a specific employee but rather is available for use by all employees within certain bargaining units and is valued at the estimated pay rates of all eligible employees. Year to year changes in the liability are presented as a net increase or decrease (Note 6).

## Pensions

The District participates in the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS) (the Systems) as mandated by State law. The Systems recognize benefit payments when due and payable in accordance with benefit terms; investment assets are reported at fair value. On the government-wide financial statements, the District recognizes its proportionate share of net pension position, deferred outflows and deferred inflows of resources, pension expense (revenue), and information about and changes in the fiduciary net position (Note 7) on the same basis as reported by the respective defined benefit pension plans.

## Other Postemployment Benefits (OPEB)

On the government-wide financial statements, the total OPEB liability, deferred outflows and deferred inflows of resources, and OPEB expense for the District's defined benefit healthcare plan (Note 8) have been measured on the same basis as reported by the plan. Benefit payments are due and payable in accordance with benefit terms.

## Equity Classifications

### Government-Wide Financial Statements

The District is required to classify net position into three categories:

- *Net investment in capital assets* – consists of capital assets, net of accumulated depreciation and amortization, reduced by outstanding balances of any related debt obligations that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* – consists of restricted assets reduced by related liabilities and deferred inflows of resources. Restrictions are imposed by external organizations such as federal or state laws or required by the terms of the District's bonds.
- *Unrestricted* – the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position and therefore are available for general use by the District.

### Governmental Fund Financial Statements

The District considers unrestricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, unless the use of the restricted amount was appropriated in the current year's budget. Within unrestricted fund balance, the District considers committed, assigned, then unassigned resources to have been spent when an expenditure is incurred for which amounts in any of those fund balance classifications could be used.

Fund balance is categorized as follows:

Nonspendable:	
Inventory	\$ 20,112
Prepaid expenses	117,252
Restricted:	
Capital	16,168,903
Debt service	2,857,319
Employee benefit accrued liability	430,519
Insurance	854,213
Retirement contribution	2,755,662
Unemployment insurance	449,899
Workers' compensation	952,413
Repair	284,245
Tax certiorari	11,382
Scholarships	168,195
Assigned:	
Designated for subsequent year	500,000
Encumbrances	68,792
Food service	715,948
Unassigned	64,216
	<u>\$ 26,419,070</u>

Nonspendable fund balances represent resources that cannot be spent as they are not expected to be converted to cash.

Restricted fund balances generally result from reserves created by the State of New York Legislature and included in General Municipal Law, State Education Law, or Real Property Tax Law as authorized for use by the Board of Education. Certain reserves may require voter approval for their establishment and/or use. Earnings on invested resources are required to be added to the various reserves.

Fund balance restrictions include scholarships donated to the District by third parties for the benefit of students and the following reserves:

- *Capital* – is used to accumulate funds to finance all or a portion of future capital projects for which bonds may be issued. Voter authorization is required for both the establishment of the reserve and payments from the reserve. During 2007, 2011, 2017, and 2021, voters approved capital reserves of \$5,000,000 each, during 2022 approved a capital reserve of \$1,000,000, and during 2025 approved capital reserves of \$5,000,000 and \$3,000,000, for a total of \$29,000,000; each reserve has a term of 20 years. To date, \$20,406,000 has been funded and \$16,168,903 is available for use in the general fund.
- *Debt service* – is used to account for proceeds from the sale of property that was financed by obligations still outstanding, interest and earnings on outstanding obligations (including bond premiums), and remaining bond proceeds not needed for their original purpose as required under §165 of Finance Law. This reserve must be used to pay the debt service obligations for which the original money was generated.
- *Employee benefit accrued liability* – is used to account for the payment of accumulated vacation and sick time due upon termination of an employee's services. It is established by a majority vote of the Board and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated.
- *Insurance* – is used to pay liability, casualty, and other types of losses except losses incurred for which insurance may be purchased. The amount is funded through budgetary appropriations which may not exceed 5% of the budget.
- *Retirement contribution* – is used to finance retirement contributions payable to TRS and ERS. For TRS, funding is limited to 2% annually of eligible salaries with a maximum reserve of 10% of eligible salaries. At June 30, 2025, the retirement contribution reserve includes \$1,004,317 for TRS and \$1,751,345 for ERS.
- *Unemployment insurance* – is used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants as the District has elected to use the benefit reimbursement method.
- *Workers' compensation* – is used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law, and for payment of expenses of administering this program.

- *Repair* – is used to accumulate funds to finance costs of major repairs to capital improvements or equipment, and requires a public hearing for its use.
- *Tax certiorari* – is used to pay judgments and claims resulting from tax certiorari proceedings in accordance with Real Property Tax Law. Funds not used by July 1 of the fourth fiscal year following their deposit must be returned to unassigned fund balance.

Committed fund balances are authorized by the Board of Education as recommended by the District’s management prior to the end of the fiscal year, although funding of the commitment may be established subsequent to year end.

Assigned fund balances include the planned use of existing fund balance to offset the subsequent year’s tax levy. Additionally, the Board of Education has given the District’s management the authority to assign fund balances for specific purposes that are neither restricted nor committed.

**Interfund Balances**

The operations of the District include transactions between funds including resources for cash flow purposes. These interfund receivables and payables are normally repaid within one year. Permanent transfers of funds provide financing or other services.

In the government-wide financial statements, the amounts reported on the statement of net position for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all interfund receivables and payables between the funds, with the exception of those due from or to fiduciary funds.

Interfund receivables and payables are netted on the accompanying governmental funds balance sheet as the right of legal offset exists. It is the District’s practice to settle these amounts at the net balances due between funds.

**2. Stewardship and Compliance**

The District’s unassigned fund balance in the general fund exceeds 4% of the 2026 budget, which is a limitation imposed by New York State Real Property Tax Law §1318. The capital projects deficit fund balance of \$3,059,784 will be funded when the District obtains permanent financing.

**3. Interfund Transactions – Fund Financial Statements**

Fund	Receivable	Payable	Transfers	
			In	Out
General	\$ 320,315	\$ 44,176	\$ 66,968	\$ 1,138,109
Capital projects	-	103,711	1,100,000	6,968
Special aid	40,576	320,256	38,109	-
Debt service	103,711	-	-	60,000
Food service	-	59	-	-
Miscellaneous special revenue	3,600	-	-	-
	<u>\$ 468,202</u>	<u>\$ 468,202</u>	<u>\$ 1,205,077</u>	<u>\$ 1,205,077</u>

The general fund provides cash flow to the various other funds; these amounts will be repaid when funds are received from the State after final expenditure reports have been submitted and approved or when permanent financing is obtained. The general fund made permanent transfers to the special aid fund to cover its share of costs related to the summer school handicap program and to the capital projects fund for voter-approved improvements. In addition, the debt service fund transferred funds to the general fund for debt service obligations and the capital projects fund returned unused District funds to the general fund.

#### 4. Capital Assets

	July 1, 2024	Increases	Retirements/ Reclassifications	June 30, 2025
<b>Non-depreciable and non-amortizable capital assets:</b>				
Land	\$ 80,850	\$ -	\$ -	\$ 80,850
Construction in progress	2,395,462	251,216	(2,253,174)	393,504
<b>Total non-depreciable and non-amortizable assets</b>	<b>2,476,312</b>	<b>251,216</b>	<b>(2,253,174)</b>	<b>474,354</b>
<b>Depreciable capital assets:</b>				
Land improvements	1,350,082	-	-	1,350,082
Buildings and improvements	52,780,952	3,632,043	2,253,174	58,666,169
Vehicles and equipment	3,711,515	151,860	-	3,863,375
<b>Total depreciable assets</b>	<b>57,842,549</b>	<b>3,783,903</b>	<b>2,253,174</b>	<b>63,879,626</b>
<b>Accumulated depreciation:</b>				
Land improvements	(1,350,082)	-	-	(1,350,082)
Buildings and improvements	(26,637,725)	(1,707,716)	-	(28,345,441)
Vehicles and equipment	(2,521,320)	(234,343)	-	(2,755,663)
<b>Total accumulated depreciation</b>	<b>(30,509,127)</b>	<b>(1,942,059)</b>	<b>-</b>	<b>(32,451,186)</b>
<b>Total depreciable assets, net</b>	<b>27,333,422</b>	<b>1,841,844</b>	<b>2,253,174</b>	<b>31,428,440</b>
<b>Right-to-use lease assets:</b>				
Equipment	373,508	29,362	(40,516)	362,354
Accumulated amortization	(58,071)	(74,701)	40,516	(92,256)
<b>Total right-to-use assets, net</b>	<b>315,437</b>	<b>(45,339)</b>	<b>-</b>	<b>270,098</b>
	<b>\$ 30,125,171</b>	<b>\$ 2,047,721</b>	<b>\$ -</b>	<b>\$ 32,172,892</b>

Depreciation and amortization expense have been allocated to the following functions: general support \$226,778, instruction \$1,746,733, and food service \$43,249.

As of June 30, 2025, net investment in capital assets consists of the following:

Capital assets, net of accumulated depreciation and amortization	\$ 32,172,892
BANs and bonds, net of unspent proceeds	(10,049,784)
	<u>\$ 22,123,108</u>

#### 5. Short-Term Debt

Bond anticipation notes (BANs) issued in July 2024 amounted to \$3,200,000, carried interest at 4.5%, and matured in June 2025. The District then issued additional BANs totaling \$6,723,684, with interest of 4.25%, which remain outstanding at June 30, 2025. The District intends to continue to reissue the BANs until paid or converted to permanent financing.

#### 6. Long-Term Liabilities

	July 1, 2024	Increases	Decreases	June 30, 2025	Amount Due in One Year
Bonds	\$ 7,910,000	\$ -	\$ 920,000	\$ 6,990,000	\$ 940,000
Compensated absences	758,000	975,000	-	1,733,000	364,000
	<u>\$ 8,668,000</u>	<u>\$ 975,000</u>	<u>\$ 920,000</u>	<u>\$ 8,723,000</u>	<u>\$ 1,304,000</u>

## Existing Obligations

Description	Maturity	Rate	Balance
2013 Bonds	June 2028	1.0%-2.3%	\$ 575,000
2016 Bonds	June 2031	2.0%-2.5%	1,410,000
2021 Bonds	June 2035	1.0%-2.0%	5,005,000
			<u>\$ 6,990,000</u>

## Debt Service Requirements

Years ending June 30,	Principal	Interest
2026	\$ 940,000	\$ 113,013
2027	950,000	98,693
2028	850,000	85,206
2029	750,000	73,032
2030	765,000	60,994
2031-2035	2,735,000	131,800
	<u>\$ 6,990,000</u>	<u>\$ 562,738</u>

## 7. Pension Plans

### Plan Descriptions

The District participates in the following cost-sharing, multiple employer, public employee retirement systems:

- TRS is administered by the New York State Teachers' Retirement Board and provides 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 issues a publicly available financial report that contains financial statements and required supplementary information. The report may be obtained from the New York State Teachers' Retirement System at [www.nystrs.org](http://www.nystrs.org).
- ERS provides retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law governs obligations of employers and employees to contribute and provide benefits to employees. ERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained from the New York State and Local Retirement System at [www.osc.state.ny.us/retire](http://www.osc.state.ny.us/retire).

*Benefits:* The Systems provide retirement, disability, and death benefits for eligible members, including automatic cost of living adjustments. In general, retirement benefits are determined based on an employee's individual circumstances using a pension factor, an age factor, and final average salary. The benefits vary depending on the individual's employment tier. Pension factors are determined based on tier and an employee's years of service, among other factors.

*Contribution Requirements:* No employee contribution is required for those hired prior to July 1976. The Systems require employee contributions of 3% of salary for the first 10 years of service for those employees who joined the Systems from July 1976 through December 2009. Participants hired on or after January 1, 2010 through March 31, 2012 are required to contribute 3.5% (TRS) or 3% (ERS) of compensation throughout their active membership in the Systems. Participants hired on or after April 1, 2012 are required to contribute a percentage ranging from 3% to 6% each year, based on their level of compensation. Pursuant to Article 11 of Education Law, an actuarially determined contribution rate is established annually for TRS by the New York State Teachers' Retirement Board. This rate was 10.11% for 2025. For ERS, the Comptroller annually certifies the rates used, expressed as a percentage of the wages of participants, to compute the contributions required to be made by the District to the pension accumulation fund. For 2025, these rates ranged from 11.4% - 17.9%.

The amount outstanding and payable to TRS for the year ended June 30, 2025 was \$1,029,888. A liability to ERS of \$99,226 is accrued based on the District's legally required contribution for employee services rendered from April 1 through June 30, 2025.

## Net Pension Position, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, the District reported an asset of \$1,566,211 for its proportionate share of the TRS net pension position and a liability of \$1,100,666 for its proportionate share of the ERS net pension position.

The TRS total pension liability at the June 30, 2024 measurement date was determined by an actuarial valuation as of June 30, 2023, with update procedures applied to roll forward the total pension liability to June 30, 2024. The District's proportion of the net pension position was based on the ratio of its actuarially determined employee contribution to TRS's total actuarially determined employer contributions for the fiscal year ended on the measurement date. At June 30, 2024, the District's proportion was 0.052494%, a decrease of 0.002357 from its proportion measured as of June 30, 2023.

The ERS total pension liability at the March 31, 2025 measurement date was determined by an actuarial valuation as of April 1, 2024, with update procedures applied to roll forward the total pension liability to March 31, 2025. The District's proportion of the net pension position was based on the ratio of its actuarially determined employer contribution to ERS's total actuarially determined employer contributions for the fiscal year ended on the measurement date. At March 31, 2025, the District's proportion was 0.0064195%, a decrease of 0.0005795 from its proportion measured as of March 31, 2024.

For the year ended June 30, 2025, the District recognized net pension expense of \$1,179,835 on the government-wide statements (TRS expense of \$883,289 and ERS expense of \$296,546). At June 30, 2025, the District reported deferred outflows and deferred inflows of resources as follows:

	TRS		ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,686,521	\$ -	\$ 273,193	\$ (12,887)
Changes of assumptions	936,911	(157,597)	46,160	-
Net difference between projected and actual earnings on pension plan investments	-	(1,740,193)	86,355	-
Changes in proportion and differences between contributions and proportionate share of contributions	114,564	(21,860)	97,532	(55,678)
District contributions subsequent to the measurement date	1,029,888	-	99,226	-
	<u>\$ 3,767,884</u>	<u>\$ (1,919,650)</u>	<u>\$ 602,466</u>	<u>\$ (68,565)</u>

District contributions subsequent to the measurement date will be recognized as an addition to (a reduction of) the net pension asset (liability) in the subsequent year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending June 30,	TRS	ERS
2026	\$ (784,801)	\$ 219,527
2027	1,930,414	297,764
2028	(299,971)	(87,035)
2029	(335,962)	4,419
2030	219,752	-
Thereafter	88,914	-
	<u>\$ 818,346</u>	<u>\$ 434,675</u>

## Actuarial Assumptions

For TRS, the actuarial assumptions used in the June 30, 2023 valuation, with update procedures used to roll forward the total pension liability to June 30, 2024, were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020. These assumptions are:

*Inflation* – 2.4%

*Salary increases* – Based on TRS member experience, dependent on service, ranging from 1.95%-5.18%

*Projected Cost of Living Adjustments (COLA)* – 1.3% compounded annually

*Investment rate of return* – 6.95% compounded annually, net of investment expense, including inflation

*Mortality* – Based on TRS member experience, with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021, applied on a generational basis

*Discount rate* – 6.95%

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

For ERS, the actuarial assumptions used in the April 1, 2024 valuation, with update procedures used to roll forward the total pension liability to March 31, 2025, were based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020. These assumptions are:

*Inflation* – 2.9%

*Salary increases* – 4.3%

*COLA* – 1.5% annually

*Investment rate of return* – 5.9% compounded annually, net of investment expense, including inflation

*Mortality* – Society of Actuaries' Scale MP-2021

*Discount rate* – 5.9%

The long-term expected rate of return on ERS pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

## Investment Asset Allocation

Best estimates of arithmetic real rates of return (net of the long term inflation assumption) for each major asset class and the Systems' target asset allocations as of the applicable valuation dates are summarized as follows:

Asset Class	TRS		ERS	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	33%	6.6%	25%	3.5%
Global and international equities	19%	6.9%-7.4%	14%	6.6%
Private equities	9%	10.0%	15%	7.3%
Real estate equities	11%	6.3%	12%	5.0%
Domestic fixed income securities	16%	2.6%	22%	2.0%
Global and high-yield bonds	3%	2.5%-4.8%	-	-
Cash and cash equivalents	1%	0.5%	1%	0.3%
Other	8%	3.9%-5.9%	11%	5.3%-5.6%
	<u>100%</u>		<u>100%</u>	

**Discount Rate**

The discount rate projection of cash flows assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on 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 liability.

The following presents the District’s proportionate share of its net pension position calculated using the discount rate of 6.95% (TRS) and 5.9% (ERS) and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1.0% Decrease	At Current Discount Rate	1.0% Increase
District’s proportionate share of the TRS net pension asset (liability)	\$ (7,234,417)	\$ 1,566,211	\$ 8,967,775
District’s proportionate share of the ERS net pension asset (liability)	\$ (3,185,465)	\$ (1,100,666)	\$ 640,143

**8. OPEB**

**Plan Description**

The District maintains a single-employer defined benefit healthcare plan (the Plan) providing for continuation of medical and dental insurance for certain current and former administrators. The District pays 100% of medical insurance for life for certain administrators upon retirement from the District for those who meet the required years of service. Benefit provisions are based on individual contracts with the District, as negotiated from time to time. The Plan is also open to all eligible employees and provides continued insurance through the conversion of sick time or by payment of monthly premiums by retirees through participation in the District’s policies. The District thereby provides an implicit rate subsidy on behalf of all eligible employees. Plan options include single and two-person coverage. The Plan has no assets, does not issue financial statements, and is not a trust.

At June 30, 2024, employees covered by the Plan include:

Active employees	169
Inactive employees or beneficiaries currently receiving benefits	13
Inactive employees entitled to but not yet receiving benefits	-
	<u>182</u>

**Total OPEB Liability**

The District’s total OPEB liability of \$2,536,298 was measured as of June 30, 2024 and was determined by an actuarial valuation as of the same date.

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

*Healthcare cost trend rates* – based on the National Health Expenditure Projections 2009-2025 for short-term rates and the Society of Actuaries Getzen Long-Term Healthcare Cost Trend Resource Model v2024\_1b for long-term rates, initially 7.75% for pre-65, 4.6% for post-65, with an ultimate rate of 4.04% after 2075

*Salary increases* – 2.5%

*Mortality* – sex-distinct headcount-weighted Pub-2010 Public Retirement Plans Mortality Tables adjusted for mortality improvements with Scale MP-2021 on a fully generational basis

*Discount rate* – 3.97% based on the Fidelity Municipal General Obligation AA 20-Year Bond rate as of the measurement date

*Inflation rate* – 2.5%

### Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2024	<u>\$ (3,717,020)</u>
Changes for the year:	
Service cost	(171,588)
Interest	(146,753)
Changes of benefit terms	-
Differences between expected and actual experience	879,279
Changes of assumptions or other inputs	446,326
Benefit payments	<u>173,458</u>
Net changes	1,180,722
Balance at June 30, 2025	<u>\$ (2,536,298)</u>

The following presents the sensitivity of the District's total OPEB liability to changes in the discount rate, including what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% higher or lower than the current discount rate:

	1.0% Decrease (2.97%)	Discount Rate (3.97%)	1.0% Increase (4.97%)
Total OPEB liability	<u>\$ (2,715,434)</u>	<u>\$ (2,536,298)</u>	<u>\$ (2,366,474)</u>

The following presents the sensitivity of the District's total OPEB liability to changes in the healthcare cost trend rates, including what the District's total OPEB liability would be if it were calculated using trend rates that are 1% higher or lower than the current healthcare cost trend rates:

	1.0% Decrease (6.75% to 3.04%)	Healthcare Cost Trend Rate (7.75% to 4.04%)	1.0% Increase (8.75% to 5.04%)
Total OPEB liability	<u>\$ (2,303,336)</u>	<u>\$ (2,536,298)</u>	<u>\$ (2,804,632)</u>

### OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the District recognized OPEB income of \$126,093. At June 30, 2025, the District reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 30,815	\$ (2,495,631)
Changes of assumptions or other inputs	484,875	(481,265)
Benefit payments subsequent to the measurement date	149,402	-
	<u>\$ 665,092</u>	<u>\$ (2,976,896)</u>

Benefit payments subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the subsequent year. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending June 30,	
2026	\$ (404,220)
2027	(421,311)
2028	(467,245)
2029	(387,852)
2030	(197,773)
Thereafter	<u>(582,805)</u>
	<u>\$ (2,461,206)</u>

## **9. Risk Management**

### **General Liability**

The District purchases commercial insurance for various risks of loss due to torts, theft, damage, errors and omissions, and natural disasters. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

### **Health Insurance**

The District participates in the Orleans/Niagara School Health Plan (the Plan). The Plan has been established to administer a health insurance program to lower the costs of such coverage to the nine participating members as of June 30, 2024 (the most recent information available). The District has transferred partial risk to the Plan. Plan members pay monthly premium equivalents based upon a pro-rata share of expenditures. All funds received are pooled and administered as a common fund. Plan members could be subjected, however, to pro-rata supplemental assessments in the event that the Plan's assets are not adequate to meet claims. No such supplemental assessments have been required in the past three years.

The Plan has published its own financial report for the year ended June 30, 2024, which can be obtained from Orleans/Niagara BOCES, 4232 Shelby Basin Road, Medina, New York 14103.

### **Workers' Compensation**

The District participates in the Niagara County Mutual Self-Insurance Plan (the Plan) pursuant to Article 5 of the Workers' Compensation law to finance the liability and risk related to workers' compensation claims and to lower the costs of coverage to the participating members. The Plan includes 20 governmental entities as of December 31, 2024 (the most recent information available). The pool is funded through annual assessments for each participating entity based on payroll. The District has transferred partial risk to the Plan. Plan members pay monthly premium equivalents based upon a pro-rata share of expenditures. All funds received are pooled and administered as a common fund. Plan members could be subjected, however, to pro-rata supplemental assessments in the event that the Plan's assets are not adequate to meet claims. No such supplemental assessments have been required in the past three years.

The Plan has published its own financial report for the year ended December 31, 2024, which can be obtained from Niagara County Risk Management and Insurance Services, 111 Main Street, Suite 102, Lockport, New York 14094.

## **10. Commitments and Contingencies**

### **Grants**

The District receives financial assistance from federal and state agencies in the form of grants and calculated aid as determined by the State. The expenditure of grant funds generally requires compliance with the terms and conditions specified in the agreements and are subject to audit by the grantor agencies. State aid payments are based upon estimated expenditures and pupil statistics, are complex, and subject to adjustment. Any disallowed claims resulting from such audits could become a liability of the District. Based on prior experience, management expects such amounts to be immaterial.

### **Litigation**

The District is subject to claims and lawsuits that arise in the ordinary course of business. In the opinion of management, these claims and lawsuits will not have a material adverse effect upon the financial position of the District.

### **Construction Commitments**

The District has entered into contracts with various construction companies for its capital projects. Budgeted costs total \$9,864,000, of which \$6,190,000 has been spent to date.

WILSON CENTRAL SCHOOL DISTRICT

**Required Supplementary Information (Unaudited)  
Schedule of the District's Proportionate Share of the Net Pension Position  
New York State Teachers' Retirement System**

As of the measurement date of June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension position	0.052494%	0.054851%	0.055376%	0.055199%	0.054624%	0.054190%	0.055211%	0.055265%	0.055988%	0.056821%
District's proportionate share of the net pension asset (liability)	\$ 1,566,211	\$ (627,265)	\$ (1,062,612)	\$ 9,565,539	\$ (1,509,420)	\$ 1,407,862	\$ 998,365	\$ 420,069	\$ (599,655)	\$ 5,901,859
District's covered payroll	\$ 10,048,105	\$ 10,130,466	\$ 9,810,071	\$ 9,369,119	\$ 9,271,490	\$ 9,045,207	\$ 8,992,153	\$ 8,757,696	\$ 8,639,518	\$ 8,717,499
District's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	15.59%	(6.19%)	(10.83%)	102.10%	(16.28%)	15.56%	11.10%	4.80%	(6.94%)	67.70%
Plan fiduciary net position as a percentage of the total pension liability	102.09%	99.17%	98.57%	113.20%	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%

The following is a summary of changes of assumptions:

Inflation	2.4%	2.4%	2.4%	2.4%	2.2%	2.2%	2.25%	2.5%	2.5%	3.0%
Salary increases	1.95%-5.18%	1.95%-5.18%	1.95%-5.18%	1.95%-5.18%	1.90%-4.72%	1.90%-4.72%	1.90%-4.72%	1.90%-4.72%	1.90%-4.72%	4.0%-10.9%
Cost of living adjustments	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.5%	1.5%	1.5%	1.625%
Investment rate of return	6.95%	6.95%	6.95%	6.95%	7.1%	7.1%	7.25%	7.25%	7.5%	8.0%
Discount rate	6.95%	6.95%	6.95%	6.95%	7.1%	7.1%	7.25%	7.25%	7.5%	8.0%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2021	MP-2020	MP-2019	MP-2018	MP-2014	MP-2014	MP-2014	AA

WILSON CENTRAL SCHOOL DISTRICT

**Required Supplementary Information (Unaudited)**  
**Schedule of District Contributions**  
**New York State Teachers' Retirement System**

For the years ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 1,029,888	\$ 980,695	\$ 1,042,425	\$ 961,387	\$ 892,877	\$ 821,454	\$ 960,601	\$ 881,231	\$ 1,026,402	\$ 1,145,600
Contribution in relation to the contractually required contribution	(1,029,888)	(980,695)	(1,042,425)	(961,387)	(892,877)	(821,454)	(960,601)	(881,231)	(1,026,402)	(1,145,600)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 10,186,825	\$ 10,048,105	\$ 10,130,466	\$ 9,810,071	\$ 9,369,119	\$ 9,271,490	\$ 9,045,207	\$ 8,992,153	\$ 8,757,696	\$ 8,639,518
Contributions as a percentage of covered payroll	10.11%	9.76%	10.29%	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%

WILSON CENTRAL SCHOOL DISTRICT

**Required Supplementary Information (Unaudited)**  
**Schedule of the District's Proportionate Share of the Net Pension Position**  
**New York State and Local Employees' Retirement System**

As of the measurement date of March 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension position	0.0064195%	0.0069990%	0.0067408%	0.0064380%	0.0063006%	0.0058155%	0.0063319%	0.0066883%	0.0064228%	0.0068021%
District's proportionate share of the net pension asset (liability)	\$ (1,100,666)	\$ (1,030,541)	\$ (1,445,507)	\$ 526,280	\$ (6,274)	\$ (1,539,976)	\$ (448,636)	\$ (215,862)	\$ (603,503)	\$ (1,091,763)
District's covered payroll	\$ 2,330,765	\$ 2,376,379	\$ 2,203,054	\$ 2,163,492	\$ 2,228,261	\$ 2,115,986	\$ 2,186,359	\$ 2,107,779	\$ 2,005,765	\$ 2,008,777
District's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	(47.22%)	(43.37%)	(65.61%)	24.33%	(0.28%)	(72.78%)	(20.52%)	(10.24%)	(30.09%)	(54.35%)
Plan fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

The following is a summary of changes of assumptions:

Inflation	2.9%	2.9%	2.9%	2.7%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%
Salary increases	4.3%	4.4%	4.4%	4.4%	4.4%	4.2%	4.2%	3.8%	3.8%	3.8%
Cost of living adjustments	1.5%	1.5%	1.5%	1.4%	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%
Investment rate of return	5.9%	5.9%	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%
Discount rate	5.9%	5.9%	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%
Society of actuaries' mortality scale	MP-2021	MP-2021	MP-2021	MP-2020	MP-2020	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014

WILSON CENTRAL SCHOOL DISTRICT

**Required Supplementary Information (Unaudited)  
Schedule of District Contributions  
New York State and Local Employees' Retirement System**

For the years ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 341,778	\$ 301,381	\$ 257,524	\$ 354,754	\$ 330,514	\$ 311,836	\$ 334,206	\$ 328,403	\$ 317,390	\$ 386,217
Contribution in relation to the contractually required contribution	(341,778)	(301,381)	(257,524)	(354,754)	(330,514)	(311,836)	(334,206)	(328,403)	(317,390)	(386,217)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 2,330,765	\$ 2,376,379	\$ 2,203,054	\$ 2,163,492	\$ 2,228,261	\$ 2,115,986	\$ 2,186,359	\$ 2,107,779	\$ 2,005,765	\$ 2,008,777
Contributions as a percentage of covered payroll	14.66%	12.68%	11.69%	16.40%	14.83%	14.74%	15.29%	15.58%	15.82%	19.23%

WILSON CENTRAL SCHOOL DISTRICT

**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in the District's**  
**Total OPEB Liability and Related Ratios**

For the years ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability - beginning	\$ (3,717,020)	\$ (3,525,423)	\$ (4,360,098)	\$ (4,202,829)	\$ (6,870,272)	\$ (5,971,087)	\$ (5,743,122)	\$ (6,137,923)
Changes for the year:								
Service cost	(171,588)	(163,295)	(217,627)	(195,403)	(229,112)	(172,246)	(173,563)	(194,388)
Interest	(146,753)	(132,421)	(85,166)	(103,991)	(216,580)	(216,198)	(204,955)	(180,115)
Changes of benefit terms	-	(6,116)	-	59,717	(39,714)	-	-	-
Differences between expected and actual experience	879,279	-	753,216	-	2,878,277	-	(303,836)	-
Changes of assumptions or other inputs	446,326	(89,912)	100,299	(224,992)	(85,195)	(852,752)	135,356	441,293
Benefit payments	173,458	200,147	283,953	307,400	359,767	342,011	319,033	328,011
Net change in total OPEB liability	1,180,722	(191,597)	834,675	(157,269)	2,667,443	(899,185)	(227,965)	394,801
Total OPEB liability - ending	\$ (2,536,298)	\$ (3,717,020)	\$ (3,525,423)	\$ (4,360,098)	\$ (4,202,829)	\$ (6,870,272)	\$ (5,971,087)	\$ (5,743,122)
Covered-employee payroll	\$ 11,371,455	\$ 11,952,646	\$ 11,167,788	\$ 11,114,078	\$ 11,683,025	\$ 12,225,096	\$ 12,303,616	\$ 11,407,638
Total OPEB liability as a percentage of covered-employee payroll	22.3%	31.1%	31.6%	39.2%	36.0%	56.2%	48.5%	50.3%

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

For 2025, differences between expected and actual experience include updated expectations for retirees to migrate to a Medicare Advantage plan or seek coverage outside of the District at age 65, resulting in a \$0 liability for those aged 65 and older. For 2023, such differences include revision of the surviving spouse election from 100% to 25% to better reflect actual experience. In 2021, such differences include the impact of Congress' repeal of the Affordable Care Act's excise "Cadillac" taxes, actuarial standard changes to Medicare cost estimates, and other changes in healthcare costs. Such differences in 2019 are due to greater than expected claims costs.

The following is a summary of changes of assumptions:

Healthcare cost trend rates	7.75%-4.04%	7.75%-4.04%	6.75%-3.78%	6.75%-3.78%	6.50%-3.78%	6.75%-3.78%	7.00%-3.89%	7.50%-3.89%
Inflation rate	2.50%	2.50%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Salary increases	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Discount rate	3.97%	3.86%	3.69%	1.92%	2.45%	3.13%	3.62%	3.56%
Society of actuaries' mortality scale	MP-2021	MP-2021	MP-2021	MP-2020	MP-2019	MP-2018	MP-2017	MP-2017

Data prior to 2018 is unavailable.

**Supplementary Information**  
**Schedule of Change from Original to Final Budget and**  
**Calculation of Unrestricted Fund Balance Limit - General Fund**

For the year ended June 30, 2025

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Original expenditure budget	\$ 29,407,840
Encumbrances carried over from prior year	<u>162,676</u>
Revised expenditure budget	<u>\$ 29,570,516</u>

\* \* \*

Unrestricted Fund Balance

Assigned	\$ 568,792
Unassigned	<u>3,124,000</u>
	3,692,792
Encumbrances included in assigned fund balance	(68,792)
Appropriated fund balance used for tax levy	<u>(500,000)</u>
Amount subject to 4% limit pursuant to Real Property Tax Law §1318	<u>\$ 3,124,000</u>

§1318 of Real Property Tax Law - unrestricted fund balance limit calculation

2026 expenditure budget (unaudited)	\$ 30,800,238
4% of budget	<u>1,232,010</u>
Actual percentage of 2026 expenditure budget	<u>10.1%</u>

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**Supplementary Information  
Schedule of Capital Project Expenditures**

For the year ended June 30, 2025

Project Title	Original Budget	Revised Budget	Expenditures			Unexpended Balance
			Prior Years	Current Year	Total	
2021-2024 Reconstruction Project	\$ 9,863,584	\$ 9,863,584	\$ 2,395,462	\$ 3,794,320	\$ 6,189,782	\$ 3,673,802
2024-2025 Capital Outlay Project	100,000	93,032	-	93,032	93,032	-
	<u>\$ 9,963,584</u>	<u>\$ 9,956,616</u>	<u>\$ 2,395,462</u>	<u>\$ 3,887,352</u>	<u>\$ 6,282,814</u>	<u>\$ 3,673,802</u>

**Supplementary Information  
Schedule of Expenditures of Federal Awards**

For the year ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grantor Number	Expenditures
<u>U.S. Department of Education:</u>			
Passed Through New York State Education Department:			
Special Education Cluster:			
Special Education Grants to States	84.027	0032-25-0615	\$ 325,504
Special Education Preschool Grants	84.173	0033-25-0615	10,608
Total Special Education Cluster			336,112
Title I Grants to Local Educational Agencies	84.010	0021-25-1990	187,030
Supporting Effective Instruction State Grants	84.367	0147-25-1990	29,427
Student Support and Academic Enrichment Program	84.424	0204-25-1990	14,568
Education Stabilization Fund:			
American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	5880-21-1990	3,577
American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	5882-21-1990	51,387
American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	5884-21-1990	2,746
Total Education Stabilization Fund			57,710
Total U.S. Department of Education			624,847
<u>U.S. Department of Agriculture:</u>			
Passed Through New York State Education Department:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	133,230
National School Lunch Program	10.555	N/A	303,695
Passed Through New York State Office of General Services:			
Child Nutrition Cluster:			
National School Lunch Program	10.555	N/A	13,318
Total Child Nutrition Cluster and U.S. Department of Agriculture			450,243
Total Expenditures of Federal Awards			\$ 1,075,090

**Notes to Schedule of Expenditures of Federal Awards**

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**1. Summary of Significant Accounting Policies**

**Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs administered by Wilson Central School District (the District), an entity as defined in Note 1 to the District’s basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through from other governmental agencies, are included on the Schedule of Expenditures of Federal Awards.

**Basis of Accounting**

The District uses the modified accrual basis of accounting for each federal program, consistent with the fund basis financial statements.

The amounts reported as federal expenditures generally were obtained from the appropriate federal financial reports for the applicable programs and periods. The amounts reported in these federal financial reports are prepared from records maintained for each program, which are periodically reconciled with the District’s financial reporting system.

**Indirect Costs**

The District does not use the de minimis indirect cost rate permitted by the Uniform Guidance.

**Non-Monetary Federal Program**

The District is the recipient of a federal award program that does not result in cash receipts or disbursements, termed a “non-monetary program.” During the year ended June 30, 2025, the District used \$13,318 worth of commodities under the National School Lunch Program (Assistance Listing Number 10.555).

**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  
Wilson Central School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America (GAAP) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the remaining fund information of Wilson Central School District (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 14, 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

A handwritten signature in blue ink that reads "Lyndon & McCormick, LLP". The signature is written in a cursive, flowing style.

October 14, 2025

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

The Board of Education  
Wilson Central School District

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Wilson Central School District'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 each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditors' 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 each of its major federal programs 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 (*Government Auditing Standards*); 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 each 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 each 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 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.

*Lumden & McCormick, LLP*

October 14, 2025

**Schedule of Findings and Questioned Costs**

For the year ended June 30, 2025

**Section I. Summary of Auditors' Results**

Financial Statements

Type of auditors' report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

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

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? No

Identification of major programs:

Name of Federal Program or Cluster	Assistance Listing Number	Amount
Special Education Cluster:		
Special Education Grants to States	84.027	\$ 325,504
Special Education Preschool Grants	84.173	10,608
		<u>\$ 336,112</u>

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

Auditee qualified as low-risk auditee? Yes

**Section II. Financial Statement Findings**

No matters were reported.

**Section III. Federal Award Findings and Questioned Costs**

No matters were reported.