

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT

AUDIT REPORTING PACKAGE

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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2024 REPORTING PACKAGE

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BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT

***FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION***

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

***WITH REPORT OF
CERTIFIED PUBLIC ACCOUNTANTS***

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT

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INDEPENDENT AUDITOR'S REPORT

**To the President and Members of
The Board of Education
Bolivar-Richburg Central School District
Bolivar, New York**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of *Bolivar-Richburg Central School District* as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise *Bolivar-Richburg Central School District's* basic financial statements as listed in the table of contents. We have also audited the fiduciary fund types of the *Bolivar-Richburg Central School District* as of June 30, 2024, as displayed in the District's basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the *Bolivar-Richburg Central School District* as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Report on Summarized Comparative Information

We have previously audited the *Bolivar-Richburg Central School District's* June 30, 2023 financial statements, and our report dated December 18, 2023, expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and aggregate remaining fund information. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4-10) and budgetary comparison information (pages 39-40) schedule of changes in District's net OPEB liability and related ratios (page 46), schedule of District contributions – OPEB (page 47), schedule of the District contributions for defined benefit pension plans (page 48) and the schedule of the District's proportionate share of the net pension asset/liability (page 49) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the **Bolivar-Richburg Central School District's** basic financial statements. The accompanying combining and individual fund financial statements and other schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is also 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, other schedules, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 6, 2024, on our consideration of the ***Bolivar-Richburg Central School District's*** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the ***Bolivar-Richburg Central School District's*** internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering ***Bolivar-Richburg Central School District's*** internal control over financial reporting and compliance.

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

**Olean, New York
December 6, 2024**

**BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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I. Discussion and Analysis

The following is a discussion and analysis of the *Bolivar-Richburg Central School District's* financial performance for the year ended June 30, 2024. This section is a summary of the District's financial activities based on currently known facts, decisions, or conditions. It is based on both the government-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the District's financial statements, which follows this section.

II. Financial Highlights

The following items are the financial highlights experienced by the *Bolivar-Richburg Central School District* during the fiscal year ended June 30, 2024:

- Overall net position of the District from operations decreased during the current year in the amount of \$1,783,000 as compared to an decrease of \$579,000 during the prior fiscal year.
- The District's total revenue increased 5% from \$22,429,000 during June 30, 2023 to \$23,455,000 during June 30, 2024. This increase was primarily the result of an increase in State aid, along with increases in Pandemic-related grant funding and interest earned.
- The District's total expenses increased 10% from \$23,008,000 during the year ended June 30, 2023 to \$25,238,000 during the year ended June 30, 2024. This increase was mostly related to an increase in pension expense associated with actuarial updates, contractual expenses related to flood damage, salaries and health insurance expenses.
- The District's had capital outlays during the current year in the amount of \$5,563,000, which primarily related to costs associated with the District's capital outlay project, 2021 capital improvement project and purchase of equipment, including right-to-use assets.

III. Overview of the Financial Statements

A. Reporting the School District as a Whole (District-wide Financial Statements):

This annual report consists of three parts: MD&A (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of *Bolivar-Richburg Central School District*.

The District-wide statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. Activities that are fiduciary in nature are not included in these statements.

1. Statement of Net Position

The Statement of Net Position (page 11) shows the "assets" (what is owned), "liabilities" (what is owed) and the "net position" (the resources that would remain if all obligations were settled) of the District. The Statement categorizes assets to show that some assets are very liquid, such as cash and cash equivalents. Some assets are restricted for certain purposes or reserved for emergencies and cash flow purposes. Some assets are invested in "fixed" or "capital" assets, such as buildings, equipment and other long-lived property; and some assets are available to fund budgets of the following year.

2. Statement of Activities

The Statement of Activities (page 12) shows the amounts of program-specific and general District revenue used to support the District's various functions.

The Statement of Net Position and Statement of Activities divide the activities of the District into two categories: governmental activities (the school functions, including general support, instruction, transportation, administration, etc.; property taxes, state and federal revenue usually support most of these functions) and proprietary activities. The District only had governmental activities during the current fiscal year.

The two District-wide statements report the School District's net position and how they have changed. Net position – the difference between the District's assets and liabilities – is one way to measure the District's financial health or position. Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively. To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

**BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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**III. Overview of the Financial Statements
(continued)**

B. Reporting the District's Most Significant Funds (Fund Financial Statements):

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or major funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Significance of funds is determined based on the proportional size of the funds, the relative importance of the activities of the funds to the District's operations, and the existence of legal budget requirements. Internal Service funds are never reported as major funds but are combined and presented in a separate column.

The District has two kinds of funds:

1. Governmental Funds

Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and the balances left at year-end that are available for spending. Consequently, the governmental funds

**III. Overview of the Financial Statements
(continued)**

B. Reporting the District's Most Significant Funds (Fund Financial Statements)(continued):

1. Governmental Funds (continued)

statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.

2. Fiduciary Funds

The District is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund. The District is responsible for ensuring that the assets reported in this fund are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

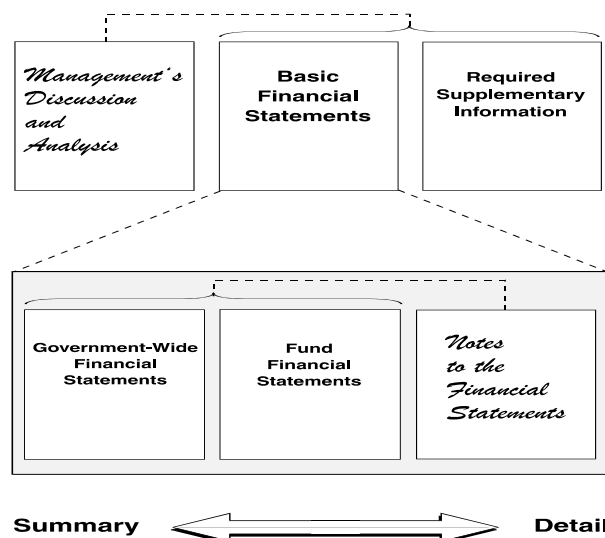
Figure A-1 - Major Features of the District-Wide Statements and Fund Financial Statements

	Fund Financial Statements		
	District-Wide	Governmental Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Funds used to account for resources held for the benefit of parties outside the District
Required financial statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenue, Expenditures, and Changes in Fund Balances	Statement of Fiduciary Net Position Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, all assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital and right-to-use assets or long-term liabilities included	All assets and liabilities, both short-term and long-term; funds do not currently contain capital and right-to-use assets, although they can
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

**BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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Figure A-2 - Required Components of the District's Annual Financial Report



IV. Financial Analysis of the School District as a Whole

Net Position

The District's total reporting entity net position was approximately \$36,435,000. The components of net position include: net investment in capital and right-to-use assets, of \$23,290,000; restricted net position of \$8,082,000; and unrestricted net position of \$5,063,000 as of June 30, 2024.

Changes in Net Position

The District's total government-wide revenue increased by approximately 5% to \$23,455,000. Approximately 12%, 12% and 71% of total revenue is derived from the property taxes, operating grants and state aid, respectively. The remaining 5% comes from federal aid, use of money and property, miscellaneous, charges for services and other operating grants and contributions.

The total cost of all programs and services of the District increased 10% to \$25,238,000. The District's expenses cover a range of services, with 67% related to instruction and 21% related to general support. Figure A-4 through figure A-8 and the narrative that follows considers the operations of governmental activities, along with revenue and net costs percentages for governmental activities.

IV. Financial Analysis of the School District as a Whole (continued)

Governmental Activities

Revenue of the District's governmental activities increased 5%, while total expenses increased 10%. The District's total net position decreased approximately \$1,783,000 from operations during the fiscal year ended June 30, 2024.

Figure A-4 presents the major sources of revenue of the District. Revenue of the District totaled \$23,455,000 for the fiscal year ended June 30, 2024. The most significant changes in the District's governmental revenue are more thoroughly discussed as follows:

- Property tax revenue which represents approximately 12% of the District's total revenue for governmental activities had no change during the year ended June 30, 2024.
- The District's most significant revenue is state sources which represent \$16,712,000 or 71% of total governmental revenue. The District's state sources increased approximately 4% which was primarily related to an increase in State aid and BOCES aid.
- During the year ended June 30, 2024, the District saw an increase in program revenue in the amount of \$134,000 which primarily resulted from an increase in operating grants and contributions in the amount of \$143,000. This increase was primarily due to Pandemic related Federal grants, along with an increase in state reimbursement in the cafeteria.

**BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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IV. Financial Analysis of the School District as a Whole (continued)

Expenses

Figure A-8 presents the cost of each of the District's five largest expenditure-type, which include; general support, instruction, transportation, debt service and cost of sales; as well as each expenditure-type's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the financial burden that was placed on the District's taxpayers and NYS by each of these functions. Total costs of the District's governmental activities were \$25,238,000. The most significant changes in the District's governmental expenses are more thoroughly discussed as follows:

- The District's general support increased by approximately \$1,274,000 or 32% which was primarily due to increases in pension expense related to actuarial updates, increases in contractual expenses related to flood damage, salaries and health insurance costs.
- The District's instruction costs increased by approximately \$661,000 or 4%. This increase was the result of increases in pension expense related to actuarial updates, salaries and health insurance expenses.
- Debt service of the District increased approximately \$127,000 during the year ended June 30, 2024 related to an increase in interest expense.
- Transportation costs of the District increased approximately \$153,000 during the year ended June 30, 2024 primarily due to increases in pension expense related to actuarial updates, salaries and fuel costs.
- The District's cost of sales (food service fund) totaled \$699,000 during the current year as compared to \$684,000 during the fiscal year ended June 30, 2023. This increase was primarily due to increases in food costs.
- The District received approximately \$2,909,000 of operating grants and charges for services from its state and federal grants and tuition and transportation aid which subsidized certain programs of the District.
- Most of the District's net costs (\$22.3 million) were financed by real property taxes and state aid.

Figure A-3 – Condensed Statement of Net Position

Bolivar-Richburg Central School District
Condensed Statement of Net Position (in thousands of dollars)

	Governmental Activities and Total District-wide		
	2024	2023	% Change
Assets			
Current and other assets	\$ 23,848	\$ 15,130	58%
Capital and right-to-use assets	32,810	29,915	10%
Total assets	56,658	45,045	26%
Deferred outflows of resources			
Deferred outflows pensions, refunding, and OPEB	3,722	4,848	-23%
Total deferred outflows of resources and assets	\$ 60,380	\$ 49,893	21%
Liabilities			
Other liabilities	\$ 15,186	\$ 1,343	1031%
Long-term debt outstanding	7,916	9,835	-20%
Total liabilities	23,103	11,178	107%
Deferred inflows of resources			
Deferred inflows related to pensions and OPEB	842	496	70%
Total deferred inflows of resources and liabilities	23,945	11,674	105%
Net Position			
Net investment in capital and right-to-use assets	23,290	23,594	-1%
Restricted	8,082	8,860	-9%
Unrestricted	5,063	5,765	-12%
Total net position	36,435	38,219	-5%
Total liabilities, deferred inflows of resources and net position	\$ 60,380	\$ 49,893	21%

Figure A-4 – Changes in Net Position

Bolivar-Richburg Central School District
Changes in Net Position from Operating Results (in thousands of Dollars)

	Governmental Activities and Total District-wide		
	2024	2023	% Change
Revenue			
Program revenue			
Charges for services	\$ 64	\$ 73	-12%
Operating grants and contributions	2,845	2,702	5%
General revenue			
Real property taxes	2,726	2,721	0%
Use of money & property	346	178	95%
Sale of property & comp for loss	63	34	86%
State sources	16,712	16,074	4%
Federal sources	106	184	-42%
Miscellaneous	593	463	28%
Total revenue	23,455	22,429	5%
Expenses			
General support	5,222	3,948	32%
Instruction	17,058	16,397	4%
Transportation	1,935	1,782	9%
Debt service - interest	324	197	64%
Cost of sales	699	684	2%
Total expenses	25,238	23,008	10%
Change in net position	\$ (1,783)	\$ (579)	

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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Figure A-5 – Sources of Revenue

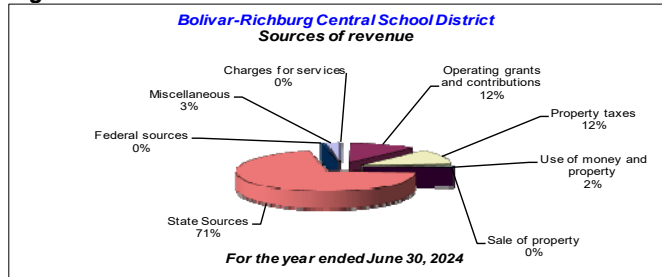


Figure A-6 - Expenses

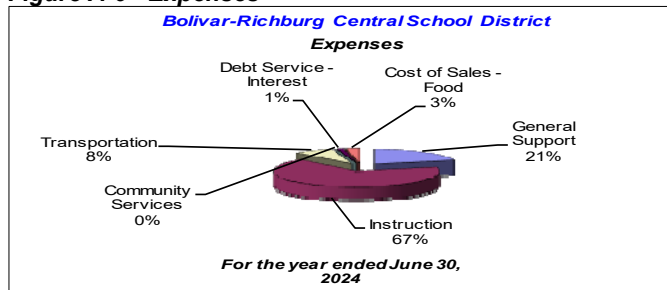


Figure A-7 – Expenditures Supported with Program Revenue

	Governmental Activities & Total District			
	2024		2023	
Expenditures supported with general revenue (from taxes & other sources)	\$ 22,330	88%	\$ 20,233	88%
Expenditures supported with program revenue	2,909	12%	2,775	12%
Total expenditures related to governmental activities	\$ 25,239	100%	\$ 23,008	100%

Figure A-8 – Net Cost of Governmental Activities

	Total cost of services			Net cost of services		
	2024	2023	Change	2024	2023	Change
General support	\$ 5,222	\$ 3,948	\$ 1,274	\$ 5,199	\$ 3,948	\$ 1,251
Instruction	17,058	16,397	661	14,782	14,169	613
Transportation	1,935	1,782	153	1,935	1,782	153
Debt service - interest	324	197	127	324	197	127
Cost of sales - food	699	684	15	89	137	(48)
Total	\$ 25,238	\$ 23,008	\$ 2,230	\$ 22,329	\$ 20,233	\$ 2,096

V. Financial Analysis of the School District's Funds

It is important to note that variances between years for the governmental fund financial statements (Balance Sheets and Statement of Revenue, Expenditures and Changes in Fund Equity) are not the same as variances between years for the District-wide financial statements (Statement of Net Position and Statement of Activities). The District's governmental funds are presented on the current financial resources measurement focus and the modified accrual basis of accounting, while the statement of net position is presented on the full accrual method of accounting. Therefore, governmental funds do not include long-term debt liabilities for the funds' projects and capital assets purchased by the funds. Governmental funds will include the proceeds received from the issuance of debt, the current payments for capital assets, and the current payments for debt. Below is a description of the most significant changes to the fund financial statements from that reported in the previous year.

General Fund

- The District's general fund expenditures and other uses exceeded revenue and other sources by approximately \$540,000.
- The District's general fund unassigned fund balance equated to approximately \$1,714,000 at June 30, 2024.
- The District maintained many fund balance reserves during the year ended June 30, 2024, and had a total restricted fund balance approximated \$6,680,000.
- The District's total assets decreased approximately \$1,107,000 as of June 30, 2024, primarily from a decrease in cash partially offset by an increase in due from other funds. The District's liabilities decreased approximately \$567,000 related to a decrease in due to other funds.
- Total revenue in the District's general fund increased \$1,106,000, primarily relating to an increase state aid, BOCES aid and interest earnings. Total expenditures in the District's general fund increased by \$2,178,000 related to an increase in salaries and health insurance costs, along with restoration costs required related to flood damage.

Food Service Fund

- The District's food service fund experienced a \$73,000 decrease in fund equity during the current year.
- Revenue in the District's food service fund was \$640,000 during 2024 as compared with \$564,000 in 2023. Expenditures increased approximately \$29,000 as a result of an increase in food costs. In the current and prior year, the District participated in the Community Eligibility Provision (CEP). In the current year, New York State Education Department reimbursed schools for meals served not reimbursed by the Federal government.

**BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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**V. Financial Analysis of the School District's Funds
(continued)**

Special Aid Fund

- The District's special aid fund revenue and expenditures increased approximately \$52,000 or 2% which was primarily the result of an increase in Pandemic related Federal grants.

Capital Projects Fund

- The District had expenditures, including interfund transfers, in the amount of \$4,429,000 in capital projects during the year ended June 30, 2024, which was primarily related to costs associated with the District's 2021 capital improvement project, capital outlay project and interfund transfers.

VI. General Fund Budgetary Highlight

Over the course of the year, the District makes many budget transfers, which is the common method utilized to manage the budget throughout the year. Actual expenditures were approximately \$1,238,000 below the revised budget. The most significant positive variances were in the area of instruction and employee benefits which totaled \$1,149,000 and \$558,000, respectively, below that budgeted, while general support was approximately \$781,000, above that budgeted. On the other hand, resources available for appropriations were approximately \$141,000, above the final budgeted amount. Significant variances of revenue items consisted of state sources, which were approximately \$332,000 below that budgeted, while local sources were \$433,000 above that budgeted.

Figure A-9 – Budget vs. Actual Comparison

Bolivar-Richburg Central School District				
General Fund - Budget vs Actual Comparison (in thousands of dollars)				
	Revised Budget	Actual	Difference	%
Revenue				
Local sources	\$ 3,151	\$ 3,584	\$ 433	14%
State sources	17,044	16,712	(332)	-2%
Federal sources	85	106	21	25%
Interfund revenue	290	309	19	7%
Total revenue	\$ 20,570	\$ 20,711	\$ 141	1%
Expenditures				
General support	\$ 3,544	\$ 4,325	\$ (781)	-22%
Instruction	11,836	10,687	1,149	10%
Transportation	1,486	1,092	394	27%
Employee benefits	4,211	3,653	558	13%
Debt service	1,252	1,399	(147)	-12%
Operating transfers	160	95	65	41%
Total expenditures	\$ 22,489	\$ 21,251	\$ 1,238	6%

VII. Capital and Right-to-Use Assets and Debt Administration

Capital and Right-to-Use Assets

As depicted in Figure A-10, as of June 30, 2024, the District had invested approximately \$32,810,000 in a broad range of capital and right-to-use assets, including reconstruction projects, transportation vehicles and other equipment. Capital additions made during the year ended June 30, 2024, totaled approximately \$5,563,000 and consisted primarily of costs associated with the District's capital outlay project, 2021 capital improvement project and purchase of equipment, including right-to-use equipment. More detailed information about the District's capital and right-to-use assets is presented in the notes of the financial statements.

Long-term Debt

As depicted in Figure A-11, as of June 30, 2024, the District had approximately \$7,916,000 in bonds, net pension liabilities, other post-employment benefits liabilities and compensated absences, a decrease of approximately 20% as compared with the previous year. The decrease in bonds payable and installment purchase debt was the result of the District making regularly scheduled principal payments. Compensated absences decreased from the prior fiscal year as a result of a decrease in accumulated sick days. The District's NYS Employees' Retirement System and NYS Teacher's Retirement System net pension liabilities decreased in the current year as a result of actuarial updates. Also, other post-employment benefits liability increased as a result of an actuarial update.

Figure A-10 – Capital and Right-to-Use Assets

Bolivar-Richburg Central School District			
Capital and Right-to-Use Assets (net of depreciation/amortization)			
	Governmental Activities & Total District-wide		
	2024	2023	Change
Land	\$ 157,686	\$ 92,686	70%
Buildings	64,398,184	63,089,384	2%
Construction in progress	6,671,305	2,761,022	142%
Equipment	6,972,072	6,803,687	2%
Accumulated depreciation/amortization	(45,389,041)	(42,831,289)	6%
Total Capital and Right-to-Use Assets, net	\$ 32,810,206	\$ 29,915,490	10%

Figure A-11 – Outstanding Long-term Debt

Bolivar-Richburg Central School District			
Outstanding Long-Term Debt and Liabilities			
	Governmental Activities & Total District-wide		
	2024	2023	Change
Bonds payable	\$ 4,700,720	\$ 5,686,497	-17%
Installment purchase debt	1,132,328	1,225,325	-8%
Net pension liabilities	1,365,668	2,216,505	100%
Other post-employment benefits	455,809	441,614	3%
Compensated absences	261,594	265,466	-1%
Total Long-Term Debt	\$ 7,916,119	\$ 9,835,407	-20%

**BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Page 10

VIII. Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was not aware of any existing circumstances that could significantly affect its financial health in the future.

- The District is uncertain as to the level of state aid in the upcoming years as it moves out of the Pandemic.
- The 2024-25 New York State budget calls for the Rockefeller Institute to conduct a study to assess the State's Foundation Aid educational funding formula. Modifications to the formula could have an impact on future state aid that is distributed to the District.

IX. Contacting the District's Financial Management

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

Bolivar-Richburg Central School District
Ms. Amy Ginnitti, Business Administrator
100 School Street
Bolivar, New York 14715

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

Schedule 1

Page 11

	<u>2024</u>	<u>2023</u>
Assets		
Cash		
Unrestricted	\$ 4,407,279	\$ 5,249,414
Restricted	8,082,084	8,860,486
Receivables		
State and federal aid	1,511,129	957,921
Other receivables	-	4,581
Due from other governments	-	15,088
Due from other fiduciary funds	108,672	-
Inventories	9,251	11,680
Cash to be used for capital assets	9,729,307	29,704
Capital and right-to-use assets, net	32,810,206	29,915,490
Total assets	<u>56,657,928</u>	<u>45,044,364</u>
Deferred Outflows of Resources		
Deferred outflows related to pensions	3,512,573	4,627,628
Deferred outflows related to OPEB	209,478	220,589
Total deferred outflows of resources	<u>3,722,051</u>	<u>4,848,217</u>
Total assets and deferred outflows of resources	<u>\$ 60,379,979</u>	<u>\$ 49,892,581</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 1,680,694	\$ 90,926
Accrued liabilities	233,421	272,348
Accrued interest	26,030	22,964
Due to other governments	536	123
Due to other fiduciary funds	-	78,028
Due to retirement systems	788,074	792,170
Unearned revenue	66,435	85,545
Bond anticipation notes payable	12,391,306	-
Long-term liabilities		
Portion due or payable within one year		
Bonds payable	430,000	865,000
Installment purchase debt	96,298	92,997
Portion due or payable after one year		
Bonds payable	4,270,720	4,821,497
Installment purchase debt	1,036,030	1,132,328
Net pension liability - NYS Employees' Retirement System	979,790	1,549,076
Net pension liability - NYS Teachers' Retirement System	385,878	667,429
Other post-employment benefits	455,809	441,614
Compensated absences	261,594	265,466
Total liabilities	<u>23,102,615</u>	<u>11,177,511</u>
Deferred Inflows of Resources		
Deferred inflows related to pensions	789,369	432,730
Deferred inflows related to OPEB	52,414	63,648
Total deferred inflows of resources	<u>841,783</u>	<u>496,378</u>
Total liabilities and deferred inflows of resources	<u>23,944,398</u>	<u>11,673,889</u>
Net Position		
Net investment in capital and right-to-use assets	23,290,149	23,593,707
Restricted	8,082,084	8,860,486
Unrestricted	5,063,348	5,764,499
Total net position	<u>36,435,581</u>	<u>38,218,692</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 60,379,979</u>	<u>\$ 49,892,581</u>

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Schedule 2

Page 12

		Indirect	Program Revenues		2024	2023
	Expenses	Expenses	Charges for	Operating	Net (Expense)	Net (Expense)
		Allocation	Services	Grants	Revenue and	Revenue and
					Changes in	Changes in
					Net Position	Net Position
Functions/Programs						
General support	\$ 4,693,404	\$ 528,676	\$ -	\$ 22,821	\$ (5,199,259)	\$ (3,947,686)
Instruction	15,404,514	1,654,416	38,308	2,238,542	(14,782,080)	(14,169,783)
Pupil transportation	1,449,810	485,407	-	-	(1,935,217)	(1,782,019)
Debt service	323,750	-	-	-	(323,750)	(197,212)
Food service program	698,566	-	25,727	583,610	(89,229)	(136,983)
Depreciation/amortization	2,668,499	(2,668,499)	-	-	-	-
Total functions and programs	<u>\$ 25,238,543</u>	<u>\$ -</u>	<u>\$ 64,035</u>	<u>\$ 2,844,973</u>	<u>(22,329,535)</u>	<u>(20,233,683)</u>
General Revenues						
Real property taxes					2,726,455	2,720,885
Use of money and property					346,299	177,989
Sale of property and compensation for gain (loss)					63,223	34,048
Miscellaneous					592,031	463,380
State sources					16,711,971	16,073,642
Federal sources					106,445	184,254
Total general revenues					<u>20,546,424</u>	<u>19,654,198</u>
Change in net position					(1,783,111)	(579,485)
Net position - beginning of year					<u>38,218,692</u>	<u>38,798,177</u>
Net position - end of year					<u>\$ 36,435,581</u>	<u>\$ 38,218,692</u>

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
COMBINED BALANCE SHEET – GOVERNMENTAL FUNDS
AS OF JUNE 30, 2024

Schedule 3

Page 13

	Governmental Funds						2024	2023
	General	Special Aid	Food Service	Debt Service	Capital Projects	Miscellaneous Special Revenue	(Memo only) Total	(Memo only) Total
Assets								
Unrestricted cash	\$ 4,263,217	\$ -	\$ 59,215	\$ -	\$ -	\$ -	\$ 4,322,432	\$ 5,421,853
Restricted cash	6,679,972	-	-	1,402,112	9,729,307	84,847	17,896,238	8,717,751
Due from other funds	1,255,064	62,968	-	-	-	-	1,318,032	1,810,091
State and federal aid receivable	218,562	1,260,307	32,260	-	-	-	1,511,129	957,921
Other receivables	-	-	-	-	-	-	-	4,581
Due from other governments	-	-	-	-	-	-	-	15,088
Inventories	-	-	9,251	-	-	-	9,251	11,680
Total assets	\$ 12,416,815	\$ 1,323,275	\$ 100,726	\$ 1,402,112	\$ 9,729,307	\$ 84,847	\$ 25,057,082	\$ 16,938,965
Liabilities and Fund Equity								
Liabilities								
Accounts payable	\$ 236,072	\$ 406,544	\$ 13,068	\$ -	\$ 1,025,010	\$ -	\$ 1,680,694	\$ 90,926
Accrued liabilities	230,648	1,603	1,170	-	-	-	233,421	272,348
Bond anticipation notes payable	-	-	-	-	12,391,306	-	12,391,306	-
Due to other funds	237,050	850,883	121,427	-	-	-	1,209,360	1,888,119
Unearned revenue	-	64,245	2,190	-	-	-	66,435	85,545
Due to other governments	-	-	536	-	-	-	536	123
Due to Teachers' Retirement System	698,546	-	-	-	-	-	698,546	717,978
Due to Employees' Retirement System	89,528	-	-	-	-	-	89,528	74,192
Total liabilities	1,491,844	1,323,275	138,391	-	13,416,316	-	16,369,826	3,129,231
Fund Equity								
Nonspendable	-	-	9,251	-	-	-	9,251	11,680
Restricted	6,679,972	-	-	1,402,112	-	-	8,082,084	8,860,486
Committed	-	-	-	-	-	84,847	84,847	87,617
Assigned	2,531,220	-	-	-	-	-	2,531,220	1,695,968
Unassigned (deficit)	1,713,779	-	(46,916)	-	(3,687,009)	-	(2,020,146)	3,153,983
Total fund equity (deficit)	10,924,971	-	(37,665)	1,402,112	(3,687,009)	84,847	8,687,256	13,809,734
Total liabilities and fund equity	\$ 12,416,815	\$ 1,323,275	\$ 100,726	\$ 1,402,112	\$ 9,729,307	\$ 84,847	\$ 25,057,082	\$ 16,938,965

See accompanying independent auditor's report and notes to financial statements.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND EQUITY – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Schedule 4

Page 14

	Governmental Funds						2024	2023
	General	Special Aid	Food Service	Debt Service	Capital Projects	Miscellaneous Special Revenue	(Memo only) Total	(Memo only) Total
Revenue								
Real property taxes	\$ 2,726,455	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,726,455	\$ 2,720,885
Charges for services	38,308	-	-	-	-	-	38,308	40,954
Use of money and property	324,336	-	5	21,958	-	-	346,299	177,989
Sale of property compensation for loss	63,223	-	-	-	-	-	63,223	34,048
Miscellaneous	431,475	-	30,638	-	57,129	72,789	592,031	463,380
State sources	16,711,971	294,739	54,549	-	-	-	17,061,259	16,552,467
Federal sources	106,445	1,966,624	505,963	-	-	-	2,579,032	2,388,557
Surplus food	-	-	23,098	-	-	-	23,098	18,910
Sales (school food service)	-	-	25,727	-	-	-	25,727	31,665
Total revenue	20,402,213	2,261,363	639,980	21,958	57,129	72,789	23,455,432	22,428,855
Expenditures								
General support	4,324,964	22,821	208,870	-	-	-	4,556,655	3,420,291
Instruction	10,686,661	1,963,674	-	-	-	-	12,650,335	11,605,313
Pupil transportation	1,092,289	-	-	-	-	-	1,092,289	1,378,174
Employee benefits	3,653,260	274,868	130,110	-	-	-	4,058,238	3,575,817
Debt service								
Principal	957,997	-	-	-	-	-	957,997	909,809
Interest	441,461	-	-	-	-	-	441,461	337,725
Capital outlay	-	-	-	-	4,371,697	-	4,371,697	2,285,649
Cost of sales	-	-	316,500	-	-	-	316,500	292,431
Other expenses	-	-	57,179	-	-	75,559	132,738	96,908
Total expenditures	21,156,632	2,261,363	712,659	-	4,371,697	75,559	28,577,910	23,902,117
Excess (deficiency) of revenue over expenditures	(754,419)	-	(72,679)	21,958	(4,314,568)	(2,770)	(5,122,478)	(1,473,262)
Other sources and uses								
Operating transfers in	309,210	-	-	37,919	94,649	-	441,778	786,951
Operating transfers out	(94,649)	-	-	(290,000)	(57,129)	-	(441,778)	(786,951)
Total other sources (uses)	214,561	-	-	(252,081)	37,520	-	-	-
Excess (deficiency) of revenue and other sources over expenditures and other uses	(539,858)	-	(72,679)	(230,123)	(4,277,048)	(2,770)	(5,122,478)	(1,473,262)
Fund equity, beginning of year	11,464,829	-	35,014	1,632,235	590,039	87,617	13,809,734	15,282,996
Fund equity (deficit), end of year	\$ 10,924,971	\$ -	\$ (37,665)	\$ 1,402,112	\$ (3,687,009)	\$ 84,847	\$ 8,687,256	\$ 13,809,734

See accompanying independent auditor's report and notes to financial statements.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2024

Schedule 5

Page 15

	Private Purpose Trust 06/30/24	Private Purpose Trust 06/30/23
Assets		
Cash	\$ 22,943	\$ 22,551
Investments	5,153,766	3,550,248
Due from other funds	181,774	78,028
Total assets	<u>\$ 5,358,483</u>	<u>\$ 3,650,827</u>
Due to other funds	\$ 290,446	\$ -
Total liabilities	<u>290,446</u>	<u>-</u>
Net position		
Reserved for scholarships	<u>\$ 5,068,037</u>	<u>\$ 3,650,827</u>
Total liabilities and net position	<u>\$ 5,358,483</u>	<u>\$ 3,650,827</u>

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024

Schedule 6

Page 16

	Purpose Trust 06/30/24	Purpose Trust 06/30/23
Additions		
Gifts and contributions	\$ 974,076	\$ 377,056
Interest and dividends	192,777	46,226
Gain on investments	442,337	303,241
Total additions	1,609,190	726,523
Deductions		
Scholarships awarded	191,980	190,046
Total deductions	191,980	190,046
Change in net position	1,417,210	536,477
Net position - beginning of year	3,650,827	3,114,350
Net position - end of year	<u>\$ 5,068,037</u>	<u>\$ 3,650,827</u>

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

Total fund balances - governmental funds

\$ 8,687,256

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

Capital and right-to-use assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. Capital and right-to-use assets consist of the following at year-end:

Cost of the assets	\$ 78,199,247	
Accumulated depreciation/amortization	<u>(45,389,041)</u>	32,810,206

Interest on long-term liabilities is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(26,030)
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Deferred inflows/outflows of resources related to actuarial pension differences are reported on the statement of net position and amortized over the average members' years of service. In the governmental funds, pension expense is based on required contributions.	2,723,204
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Deferred inflows/outflows of resources related to actuarial OPEB differences are reported on the statement of net position and amortized over the average members' years of service. In the governmental funds, OPEB expense is based on required contributions.	157,064
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of the following:

Bonds payable	(4,700,720)	
Installment purchase debt	(1,132,328)	
Net pension liability - ERS	(979,790)	
Net pension liability - TRS	(385,878)	
Other post-employment benefits	(455,809)	
Compensated absences	<u>(261,594)</u>	(7,916,119)

Total net position - governmental activities

\$ 36,435,581

	Total Governmental Funds	Long-term Asset and Outflow Transactions	Long-term Liability and Inflow Transactions	Reclassification and Eliminations	Statement of Net Position
Assets					
Cash	\$ 22,218,670	\$ -	\$ -	\$ (9,729,307)	\$ 12,489,363
Due from other funds	1,318,032	-	-	(1,209,360)	108,672
State and federal aid receivable	1,511,129	-	-	-	1,511,129
Inventories	9,251	-	-	-	9,251
Cash to be used for capital assets	-	-	-	9,729,307	9,729,307
Capital and right-to-use assets, net	-	32,810,206	-	-	32,810,206
Total assets	25,057,082	32,810,206	-	(1,209,360)	56,657,928
Deferred Outflows of Resources					
Deferred outflows related to pensions	-	3,512,573	-	-	3,512,573
Deferred outflows related to OPEB	-	209,478	-	-	209,478
Total assets and deferred outflows of resources	\$ 25,057,082	\$ 36,532,257	\$ -	\$ (1,209,360)	\$ 60,379,979
Liabilities, Deferred Inflows of Resources and Fund Equity/Net Position					
Liabilities					
Accounts payable	\$ 1,680,694	\$ -	\$ -	\$ -	\$ 1,680,694
Accrued liabilities	233,421	-	-	-	233,421
Accrued interest	-	-	26,030	-	26,030
Due to other funds	1,209,360	-	-	(1,209,360)	-
Unearned revenue	66,435	-	-	-	66,435
Due to other governments	536	-	-	-	536
Due to retirement systems	788,074	-	-	-	788,074
Bond anticipation notes payable	12,391,306	-	-	-	12,391,306
Bonds payable	-	-	4,700,720	-	4,700,720
Installment purchase debt	-	-	1,132,328	-	1,132,328
Net pension liability - NYS ERS	-	-	979,790	-	979,790
Net pension liability - NYS TRS	-	-	385,878	-	385,878
Other post-employment benefits	-	-	455,809	-	455,809
Compensated absences	-	-	261,594	-	261,594
Total liabilities	16,369,826	-	7,942,149	(1,209,360)	23,102,615
Deferred Inflows of Resources					
Deferred inflows related to pensions	-	-	789,369	-	789,369
Deferred inflows related to OPEB	-	-	52,414	-	52,414
Total liabilities and deferred inflows of resources	16,369,826	-	8,783,932	(1,209,360)	23,944,398
Fund equity and net position	8,687,256	36,532,257	(8,783,932)	-	36,435,581
Total liabilities, deferred inflows of resources and fund equity/net position	\$ 25,057,082	\$ 36,532,257	\$ -	\$ (1,209,360)	\$ 60,379,979

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS REVENUE, EXPENDITURES
AND CHANGES IN FUND EQUITY TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Total net change in fund balances - governmental funds \$ (5,122,478)

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. Activity for the current fiscal year ended was as follows:

Capital outlays	\$ 5,563,215	
Depreciation expense/amortization	<u>(2,668,499)</u>	2,894,716

Repayment of bond principal, including bond refundings, bond anticipation notes principal is an expenditure the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		957,997
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Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus required the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. In addition, premiums on debt obligations are recorded as revenue in the governmental funds, whereas in the statement of activities, premiums are amortized into interest expense.		117,711
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District's proportionate share of actuarial calculated pension expense and net amortization of deferred outflows and inflows related to pension are recorded in the statement of activities, whereas in the governmental funds pension expense is based on District's required contribution to pension plans.		(620,857)
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District's actuarial calculated OPEB expense and net amortization of deferred outflows and inflows related to OPEB are recorded in the statement of activities, whereas in the governmental funds OPEB expense is based on District's required contribution to the OPEB plan.		(14,072)
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In the statement of activities, certain operating expenses - compensated absences, and special termination benefits - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, compensated absences and special termination benefits changed by this amount.		<u>3,872</u>
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Change in net position of governmental activities		<u><u>\$ (1,783,111)</u></u>
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	Total Governmental Funds	Long-term Asset and Outflow Transactions	Long-term Asset and Inflow Transactions	Reclassification and Eliminations	Statement of Activities Totals
Revenue					
Real property taxes	\$ 2,726,455	\$ -	\$ -	\$ -	\$ 2,726,455
Charges for services	38,308	-	-	(38,308)	-
Use of money and property	346,299	-	-	-	346,299
Sale of property compensation for loss	63,223	-	-	-	63,223
Miscellaneous	592,031	-	-	-	592,031
State sources	17,061,259	-	-	(349,288)	16,711,971
Federal sources	2,579,032	-	-	(2,472,587)	106,445
Surplus food	23,098	-	-	(23,098)	-
Sales (school food service)	25,727	-	-	(25,727)	-
Total revenue	23,455,432	-	-	(2,909,008)	20,546,424
Expenditures					
General support	4,556,655	343,684	-	298,920	5,199,259
Instruction	12,650,335	661,983	(3,872)	1,473,634	14,782,080
Pupil transportation	1,092,289	485,407	-	357,521	1,935,217
Employee benefits	4,058,238	-	634,929	(4,693,167)	-
Debt service	1,399,458	-	(1,075,708)	-	323,750
Capital outlay	4,371,697	(4,371,697)	-	-	-
Cost of sales	316,500	-	-	(227,271)	89,229
Other expenses	132,738	(14,093)	-	(118,645)	-
Total expenditures	28,577,910	(2,894,716)	(444,651)	(2,909,008)	22,329,535
Excess (deficiency) of revenue over expenditures	(5,122,478)	2,894,716	444,651	-	(1,783,111)
Other sources and uses					
Operating transfers in	441,778	-	-	(441,778)	-
Operating transfers out	(441,778)	-	-	441,778	-
Total other sources (uses)	-	-	-	-	-
Net change for year	\$ (5,122,478)	\$ 2,894,716	\$ 444,651	\$ -	\$ (1,783,111)

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Significant Accounting Policies

The accompanying financial statements of the *Bolivar-Richburg Central School District* have been prepared in conformity with generally accepted accounting principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB) which is the standard setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The financial statements include all funds and account groups of the School District as well as the component units and other organizational entities determined to be includable in the School District's financial reporting entity.

The decision to include a potential component unit in the School District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities included in the School District's reporting entity:

1. The Extraclassroom Activity Funds

The extraclassroom activity funds of the *Bolivar-Richburg Central School District* represents funds of the students of the School District. The Board of Education exercises general oversight of these funds and has adopted the guidance prescribed by the New York State Education Department for safeguarding, accounting and auditing of extraclassroom activity funds. As a result, these funds do not meet the criteria required to be reported as fiduciary funds and are reported in a governmental fund. The cash and investment balances as well as revenues and expenditures are reported in a miscellaneous special revenue fund of the District. The audited financial statements (cash basis) of the extraclassroom activity funds are available at the District's offices.

B. Joint Venture

The *Bolivar-Richburg Central School District* is one of 22 component school districts in the Cattaraugus-Allegany Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that share planning, services, and programs which provide educational and support activities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Joint Venture (continued)

BOCES are organized under Section 1950 of the Education Law. A BOCES Board is considered a corporate body. All BOCES property is held by the BOCES Board as a corporation (Section 1950(6)). In addition, BOCES Boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under Section 119-n(a) of the General Municipal Law.

A BOCES budget is comprised of separate budgets for administrative, program, and capital costs. Each component school district's share of the administrative and capital cost is determined by resident public school district enrollment as defined in Education Law, Section 1950(4)(b)(7).

There is no authority or process by which a school district can terminate its status as a BOCES component. In addition, component school districts pay tuition or a service fee for programs in which its students participate. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of Section 1950 of the Education Law.

During the year, the District was billed \$5,051,000 for BOCES administration and program costs. The District's share of BOCES aid and refunds amounted to \$2,800,000 for the year ended June 30, 2024. Financial statements for the Cattaraugus-Allegany BOCES are available at the BOCES administrative offices in Olean, New York.

C. Basis of Presentation

1. District-wide Statements

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

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

1. District-wide Statements (continued)

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 and are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. Fund Financial Statements

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

The District reports the following major governmental funds:

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

Special Aid - is used to account for the proceeds of specific revenue sources such as Federal and State grants, which are legally restricted to expenditures for specified purposes, whose funds are restricted as to use. These legal restrictions may be imposed by either governments that provide the funds or outside parties.

Food Service - is used to account for all revenue and expenditures pertaining to the cafeteria operations.

Capital Projects - is used to account for the financial resources used for acquisition, construction, or major repair of capital facilities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

2. Fund Financial Statements (continued)

Debt Service - is used to account for the accumulation of resources and the payment of general long-term debt principal and interest.

Miscellaneous Special Revenue - is used to account for and report revenues that are committed to expenditures for student activities.

3. Fiduciary Fund Types

This fund is used to account for fiduciary activities. Fiduciary activities are those in which the District acts as trustee or agent for resources that belong to others. These activities are not included in the District-wide financial statements, because their resources do not belong to the District, and are not available to be used. Included in the Fiduciary Fund are Private Purpose Trust Funds. Private Purpose Trust Funds are accounted for on the accrual basis of accounting.

D. Measurement Focus and Basis of Accounting

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

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within the current period or soon enough thereafter to be used to pay liabilities of the current period, except for real property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year. Non-expendable trust funds are accounted for on the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recorded when incurred.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Measurement Focus and Basis of Accounting (continued)

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. General capital and right-to-use asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

E. Cash and Cash Equivalents

For financial statement purposes, all highly liquid investments of three months or less are considered as cash equivalents. New York State law governs the District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance.

F. Inventory

Inventories of food in the School Food Service Fund are recorded at cost on a first-in, first-out basis or in the case of surplus food, at stated value which approximates market. Purchases of inventoriable items in other funds are recorded as expenditures at the time of purchase.

G. Investments

Investments are stated at current market value.

H. Capital Assets

Capital assets are reported at estimated historical costs, based on appraisals conducted by independent third-party professionals. Donated assets are reported at estimated fair market value at the time received.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Capital Assets (continued)

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings	\$ 2,000	Straight-line	15-40 years
Land improvements	2,000	Straight-line	15-40 years
Furniture and equipment	2,000	Straight-line	5-20 years
Transportation Vehicles	2,000	Straight-line	8 years

I. Due To/From Other Funds

The amounts reported on the Statement of Net Position for due to and from other funds represent amounts due between different fund types (governmental activities, and fiduciary funds). Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the individual fund balances at year-end is provided subsequently in these notes.

J. Deferred Inflows and Outflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category. The first item is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The second item is the District contributions to the pension systems (TRS and ERS Systems) subsequent to the measurement date. The third item relates to OPEB reporting in the District-wide Statement of Net Position. This represents the effect of the net changes of assumptions or other outputs, differences between expected and actual experience, along with benefit payments made subsequent to the measurement date.

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

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Deferred Inflows and Outflows of Resources (continued)

The District has two items that qualify for reporting in this category. First is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability (TRS and ERS Systems) and difference during the measurement periods between the District's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The second item is related to OPEB reported in the District-wide Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs and differences between expected and actual experience.

K. Compensated Absences

Sick leave and Retirement Incentive Pay - certain of the District's employee groups have negotiated retirement incentive benefits payable based on accumulated unused sick days. Generally, the employee must have accumulated minimum years of service with the District and must be eligible for retirement under the provisions of either the teacher or employee retirement systems. The District has recorded an estimated liability in the District-wide financial statement amounting to \$261,594 to recognize the cost of the incentive benefits for those employees eligible to receive such a benefit. Payment of these benefits is dependent on many factors; therefore, the timing of future payments is not readily determinable.

The District believes sufficient resources and budgetary appropriations will be available as the benefits become payable in future years. The liability for compensated absences is calculated at rates in effect as of the balance sheet date and is recorded in the government-wide financial statements.

L. Post-Employment Benefits

In addition to the retirement benefits described in Note 3VIB, the District provides post-employment health insurance coverage to its retired employees and their survivors in accordance with the provisions of the employment contracts negotiated between the School District and its employee groups.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Unearned Revenue

Unearned revenue is reported on the District's combined balance sheet. Unearned revenue arises when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Unearned revenue also arises when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the District has legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized.

N. Fund Equity

1. Governmental Funds

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be reported within one of the fund balance categories listed below:

A. Nonspendable

Fund balance associated with assets that are inherently nonspendable in the current period because of their form or because they must be maintained intact, including inventories, prepaids, long-term loans and notes receivable, and property held for relate (unless the proceeds are restricted, committed, or assigned). Nonspendable Fund Balance includes the following category:

1. Inventory Reserve

This reserve is used to limit the investment in inventory and to restrict that portion of fund balance which is unavailable for appropriation. This reserve is accounted for in the School Food Service Fund.

B. Restricted

Fund balance amounts that can be spent only for specific purposes stipulated by constitutional, external resource providers including creditors, grantors, contributors, etc., or through enabling legislation. Restricted Fund Balance includes the following categories:

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
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FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Fund Equity (continued)

1. Governmental Funds (continued)

B. Restricted (continued)

1. Capital and Transportation Reserves

This reserve is used to accumulate funds to finance all or a portion of future capital projects and vehicles for which bonds may be issued. Voter authorization is required for both the establishment of the reserve and payments from the reserve. These reserves are accounted for in the General Fund.

2. Insurance Reserve

This reserve is used to pay liability, casualty and other types of losses, except losses incurred for which the following type of insurance may be purchased: life, accident, health, annuities, fidelity and surety, credit, title residual value and mortgage guarantee. The reserve is recorded in the General Fund.

3. Reserve for Employee Benefits

The purpose of this reserve is to reserve funds for the payment of any accrued employee benefit due an employee upon termination of service. This reserve fund may be established by a majority vote of the board of education and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. This reserve is accounted for in the General Fund.

4. Unemployment Reserve

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Fund Equity (continued)

1. Governmental Funds (continued)

B. Restricted (continued)

5. Employee Retirement Contribution Reserve

This reserve is used to accumulate funds for employee retirement system contributions. The reserve may be established by a majority vote of the Board of Education and is accounted for in the General Fund.

6. Teachers' Retirement System Reserve Subfund

This reserve is used to accumulate funds for teachers' retirement system contributions and has limits of 2% annually and 10% in total of teacher retirement system salaries. The reserve may be established by a majority vote of the Board of Education and is accounted for in the General Fund.

7. Debt Service Reserve

This reserve is used to account for proceeds from the sale of property that was financed by obligations still outstanding, interest and earnings on outstanding obligations, and remaining bond proceeds not to be utilized for the intended purpose. These monies must be used to pay the debt service of the obligations from which they originated or were designated by Board resolution. These reserves are accounted for in the Debt Service Fund.

8. Reserve for Repairs

This reserve is used to accumulate funds to finance future costs of major repairs to capital improvements or equipment. Voter authorization is required to fund the reserve. Expenditures from this reserve may be made only after a public hearing has been held. In an emergency, expenditures may be made from the reserve fund without a public hearing with approval of two-thirds of the Board of Education. The emergency expenditure must be repaid within the next two succeeding years. This reserve is accounted for in the General Fund.

9. Endowment Scholarships Reserve

This reserve is used to account for endowments, scholarships and other funds held by the School District. These monies and earnings must be used for the specific purpose of the original contribution. This reserve is accounted for in the private purpose trust fund.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Fund Equity (continued)

1. Governmental Funds (continued)

B. Restricted (continued)

10. Liability Reserve

This reserve is used to accumulate funds to pay liability claims incurred. The total amount accumulated in the reserve may not exceed 3% of the total annual budget. The reserve is accounted for in the General Fund.

C. Committed

Fund balance amounts that can be used only for specific purposes determined by a formal action of the District's Board of Education, which is the District's highest level of decision-making authority. The District reports the fund balance of the extraclassroom activities as committed fund balance as of June 30, 2024.

D. Assigned

Fund balance intended to be used by the District for specific purposes but does not meet the criteria to be restricted or committed. Along with the District's Board of Education, the Business Manager and Treasurer has been authorized to assign fund balance amounts for specific purposes through the establishment of an encumbrance.

1. Encumbrance Reserve

Encumbrance accounting, under which purchase orders, contracts, and other commitments of the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is used in the General Fund, Special Revenue Funds, and Capital Projects Fund.

The cost of construction contract commitments generally is recorded as an encumbrance of Capital Projects Fund and is presented as a reserve for encumbrances. These committed amounts generally will become liabilities in future periods as the construction work is performed by the contractors. Encumbrances outstanding at year-end are reported as reservations of fund equity since they do not constitute expenditures or liabilities. Reserve for encumbrances totaled \$454,946 as of June 30, 2024.

2. Appropriated Fund Equity

General Fund - The amount of \$2,076,274 has been designated as the amount estimated to be appropriated to reduce taxes for the year ending June 30, 2025 as allowed by Section 1318 of the Real Property Tax Law.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Fund Equity (continued)

1. Governmental Funds (continued)

E. Unassigned

The residual classification of the general fund and includes all spendable amounts not contained in the other classifications.

2. Government-wide Financial Statements

A. Net investment in capital and right-to-use assets

This designation of net position is used to accumulate the capital and right-to-use asset balance in the statement of net position less accumulated depreciation/amortization and outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

B. Restricted

This category represents amounts that can be spent only for specific purposes stipulated by constitutional, external resource providers including creditors, grantors, contributors, etc., or through enabling legislation.

C. Unrestricted

This category represents net position of the District not restricted for any other purpose

3. Order of Fund Balance Spending Policy

When more than one classification of fund balance of the District are eligible to be utilized for an expenditure of the District, the order in which the fund balance classifications will be utilized will be as follows:

- a. Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation;
- b. Committed fund balance for which action has been taken by the Board of Education, a designated school official, or by the voters of the District, specifically designating funds to the expenditure;
- c. Assigned fund balance created specifically for the expenditure (encumbered fund balance)
- d. Assigned fund balance within funds other than the General Fund of the District to which the expenditure relates;
- e. Unassigned fund balance.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Budgetary Procedures and Budgetary Accounting

1. Budget Policies

The budget policies are as follows:

- a) The School District administration prepares a proposed budget for approval by the Board of Education for the General Fund and the School Food Service Fund.
- b) The proposed appropriations budget is approved by the voters within the District.
- c) Appropriations are adopted at the program level.
- d) Appropriations established by adoption of the budget constitute a limitation on expenditures and encumbrances which may be incurred. Appropriations lapse at the fiscal year end. Supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need which exists which was not determined at the time the budget was adopted. The District had supplemental appropriations of \$110,000 during the fiscal year ended June 30, 2024 related to the purchase of a truck, plow and field groomer.

2. Budget Basis for Accounting

Budgets are adopted annually on a basis consistent with the fund financial statements and the modified accrual basis of accounting. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

The budget and actual comparison for the Food Service Fund reflects budgeted and actual amounts for funds with legally authorized (appropriated) budgets.

Budgetary controls for the special revenue and capital funds are established in accordance with the applicable grant agreement or authorized project limit which may cover a period other than the District's fiscal year. Consequently, the budgets for such funds have been excluded from the combined schedule of revenue, expenditures and changes in fund equity - budget and actual.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Property Taxes

1. Calendar

Real property taxes are levied annually by the Board of Education no later than September 1 and become a lien on October 31.

2. Enforcement

Uncollected real property taxes are subsequently enforced by the County, in which the School District is located. An amount representing uncollected real property taxes transmitted to the County for enforcement is paid by the County to the District no later than the forthcoming April 1.

Q. Interfund Transfers

The operations of the School District give rise to certain transactions between funds, including transfers to provide services and construct assets.

R. Deferred Compensation Plan

Bolivar-Richburg Central School District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b) - Tax Sheltered Annuities (TSA). The plan is available to all school employees and permits them to defer taxation on a portion of their salary until future years. The deferred portion is withheld by the District and disbursed to the employees' TSA plan administrator. The TSA plans are owned by the individuals and held in trust by the plan administrator. The School District has a fiduciary responsibility for funds withheld and remittance to trustees.

S. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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**NOTE 2 - EXPLANATION OF CERTAIN DIFFERENCES
BETWEEN GOVERNMENTAL FUND STATEMENTS
AND DISTRICT-WIDE STATEMENTS**

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

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

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

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

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of five broad categories. The amounts shown below represent:

1. Long-term Revenue Differences

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

2. Capital Related Differences

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

**NOTE 2 - EXPLANATION OF CERTAIN DIFFERENCES
BETWEEN GOVERNMENTAL FUND STATEMENTS AND
DISTRICT-WIDE STATEMENTS (continued)**

B. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities (continued)

3. Long-term Debt Transaction Differences

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

4. Pension Differences

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

5. OPEB Differences

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

NOTE 3 - DETAIL NOTES ON ALL FUNDS

I. Cash

The *Bolivar-Richburg Central School District's* investment policies are governed by State statutes. School District monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The District treasurer is authorized to use demand accounts and certificates of deposits. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by 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.

Custodial credit risk is the risk that in the event of a bank failure the District's deposits may not be returned to it. While the District does not have a specific policy with regards to custodial credit risk, New York State statutes govern the District's investment policies. At June 30, 2024, the District's deposits were fully collateralized.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

I. Cash (continued)

A. Deposits

Deposits are valued at cost or cost plus interest and are categorized as either:

- (1) Insured through the Federal Deposit Insurance Corporation or collateralized with securities held by the entity or by its agent in the entity's name;
- (2) Collateralized with securities held by the pledging financial institution's trust department or agency in the entity's name; or
- (3) Uncollateralized

Total financial institution (bank) balances at June 30, 2024 per the bank were approximately \$22,517,000. Deposits on hand at June 30, 2024 are categorized as follows:

Category 1	Category 2	Category 3	Carrying Value
\$ 750,000	\$ 21,767,000	\$ -	\$ 22,517,000

II. Investments

Investments are stated at current market value and are categorized as either:

- (1) Insured or registered, or investments are held by the School District or by the School District's agent in the School District's name,
- (2) Uninsured and unregistered, with the investments held by the financial institutions trust department in the School District's name;
- (3) Uninsured and unregistered, with investments held by the financial institution or its trust department, but not in the School District's name.

Private Purpose Trust	Market Value
Mutual Funds	\$ 5,153,766

These investments are held in the School District's name and are uninsured. The market value of the investments as of June 30, 2024 is based on unadjusted quoted prices in active markets for identical assets and liabilities.

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

III. Interfund Transactions

Interfund balances and transactions as of and during the year ended June 30, 2024 are as follows:

	Interfund Receivable	Interfund Payable
General Fund	\$ 1,255,064	\$ 237,050
Debt Service Fund	-	-
School Lunch Fund	-	121,427
Special Aid Fund	62,968	850,883
Capital Fund	-	-
Private Purpose Trust Fund	181,774	290,446
Total	\$ 1,499,806	\$ 1,499,806

	Interfund Revenue	Interfund Expenditures
General Fund	\$ 309,210	\$ 94,649
School Lunch Fund	-	-
Special Aid Fund	-	-
Capital Fund	94,649	57,129
Debt Service Fund	37,919	290,000
Total	\$ 441,778	\$ 441,778

During the year ended June 30, 2024, the District transferred \$94,649 from the general fund to the capital fund towards the capital outlay project. The District also transferred \$37,919 from the capital projects fund to the debt service fund and \$57,129 from the capital projects fund to the general fund related to premiums earned on bond anticipation notes. Lastly, the District transferred 290,000 from the debt service fund to the general fund to be utilized towards debt payments as budgeted.

IV. Receivables

Receivables at June 30, 2024 are stated at net realizable value. District management has deemed the amounts to be fully collectible.

Fund	Description	Amount
Special Aid	State and Federal Aid	\$ 1,260,307
Food Service	State and Federal Aid	32,260
General	State and Federal Aid	218,562
General	Due from Other Governments	-
		\$ 1,511,129

V. Capital and Right-to-Use Assets

A. Right-to-Use Asset

The District reported right-to-use assets net of amortization as of June 30, 2024 and 2023 in the amount of \$523,058 and \$557,916, respectively. More information related to the right-to-use assets is disclosed in Note 8.

B. Additions

Total additions, including right-to-use assets, during the current year amounted to \$5,563,215.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 3 – DETAIL NOTES ON ALL FUNDS (continued)

V. Capital and Right-to Use Assets (continued)

C. Capital Assets

Capital asset balances and activity for the year ended June 30, 2024 were as follows:

Governmental activities:	Beginning Balance 06/30/23	Net change	Ending Balance 06/30/24
Capital assets that are not depreciated:			
Land	\$ 92,686	\$ 65,000	\$ 157,686
Construction-in-progress	2,761,022	3,910,283	6,671,305
Capital assets that are depreciated:			
Buildings and improvements	63,089,384	1,308,800	64,398,184
Furniture and Equipment	5,955,134	131,585	6,086,719
Total historical cost	71,898,226	5,415,668	77,313,894
Less accumulated depreciation:			
Buildings and improvements	38,955,801	1,957,864	40,913,665
Furniture and equipment	3,584,851	528,230	4,113,081
Total accumulated depreciation	42,540,652	\$ 2,486,094	45,026,746
Total net book value	\$ 29,357,574		\$ 32,287,148

D. Depreciation and Amortization

Depreciation and amortization expense was charged to governmental functions during the current year as follows:

General support	\$ 528,676
Instruction	1,654,416
Pupil transportation	485,407
	<u>\$ 2,668,499</u>

VI. Liabilities

A. Pension Plans

1. Plan Descriptions and Benefits Provided

a. Teachers' Retirement System (TRS)

The District participates in the New York State Teachers' Retirement System (TRS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as, death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. The System is governed by a 10-member Board of Trustees. System benefits are established under

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities

A. Pension Plans (continued)

1. Plan Descriptions and Benefits Provided (continued)

a. Teachers' Retirement System (TRS) continued

New York State Law. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. Additional information regarding the System, may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSSTR Comprehensive Annual Financial report which can be found on the System's website at www.nystsr.org.

b. Employees' Retirement System (ERS).

The District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The District also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

A. Pension Plans (continued)

2. Contributions

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education law.

Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

Year	TRS	ERS
2024	\$ 612,000	\$ 297,000
2023	\$ 641,000	\$ 250,000
2022	\$ 604,000	\$ 333,000

ERS has provided additional disclosures through entities that elected to participate in Chapter 260, 57, and 105.

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

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

At June 30, 2024, the District reported the following asset (liability) for its proportionate share of the net pension asset (liability) for each of the Systems. The net pension asset (liability) was measured as of March 31, 2024 for ERS and June 30, 2023 for TRS. The total pension asset (liability) used to calculate the net pension asset (liability) was determined by an actuarial valuation. The District's proportion of the net pension asset (liability) was based on a projection of the District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS Systems in reports provided to the District.

Measurement date	ERS 3/31/2024	TRS 6/30/2023
Net pension asset (liability)	\$ (979,790)	\$ (385,878)
District's portion of the Plan's total net pension Liability	.0066544%	.033743%

For the year ended June 30, 2024, the District's recognized pension expense of \$443,662 for ERS and \$1,100,577 for TRS. At June 30, 2024 the District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience	\$ 315,589	\$ 935,652	\$ 26,716	\$ 2,312
Changes of assumptions	370,436	830,784	-	181,065
Net difference between projected and actual earnings on pension plan investments	-	197,253	478,622	-
Changes in proportion and differences between the Districts contributions and proportionate share of contributions	91,463	70,166	55,313	45,341
District's contributions subsequent to the measurement date	89,528	611,702	-	-
Total	\$ 867,016	\$ 2,645,557	\$ 560,651	\$ 228,718

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

A. Pension Plans (continued)

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

District contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, including pension contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

	ERS	TRS
Year ending:		
2025	\$ (164,176)	\$ 166,356
2026	208,234	(200,693)
2027	282,047	1,557,580
2028	(109,268)	120,875
2029	-	97,397
Thereafter	-	63,622

4. Actuarial Assumptions

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

Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement date	3/31/24	6/30/23
Actuarial valuation date	4/1/23	6/30/22
Interest rate	5.9%	6.95%
Salary scale	4.4% average 4/1/15 – 3/31/20 System's	1.95% - 5.18% 7/1/15 – 6/30/20 System's
Decrement tables	Experience	Experience
Inflation rate	2.9%	2.4%

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

A. Pension Plans (continued)

4. Actuarial Assumptions (continued)

For ERS, annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System's experience with adjustments for mortality improvements based on MP-2021. For TRS, annuitant mortality rates are based on member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP2021, applied on a generational basis. Active members' mortality rates are based on plan members' experience.

For ERS, the actuarial assumptions used in the April 1, 2023 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2021. For TRS, the actuarial assumptions used in the June 30, 2022 valuation are based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2020.

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

	ERS 3/31/24	Expected Rate of Return	TRS 6/30/23	Expected Rate of Return
Measurement date				
Asset Type:				
Domestic equity	32%	4.00%	33%	6.8%
International equity	15%	6.65%	15%	7.7%
Global equity	-%	-%	4%	7.2%
Private equity	10%	7.25%	9%	10.1%
Real Estate	9%	4.60%	11%	6.3%
Opportunistic/ARS portfolio	3%	5.25%	-%	-%
Credit	4%	5.40%	-%	-%
Real assets	3%	5.79%	-%	-%
Domestic fixed income	-%	-%	16%	2.2%
Global Bonds	-%	-%	2%	1.6%
Real estate debt	-%	-%	6%	3.2%
Private debt	-%	-%	2%	6.0%
High-yield fixed income	-%	-%	1%	4.4%
Fixed Income	23%	1.50%	-%	-%
Cash	1%	.25%	1%	.3%
Total:	<u>100%</u>		<u>100%</u>	

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

A. Pension Plans (continued)

5. Discount Rate

The discount rate used to calculate the total pension asset (liability) was 5.9% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset (liability).

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

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

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
ERS			
Employer's proportionate share of the net pension asset/ (liability)	\$ (3,080,559)	\$ (979,790)	\$ 774,788

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

A. Pension Plans (continued)

6. Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption (continued)

	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
TRS			
Employer's proportionate share of the net pension asset (liability)	\$ (5,877,122)	\$ (385,878)	\$ 4,232,495

7. Pension Plan Fiduciary Net Position

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

	(Dollars in Thousands)	
	ERS	TRS
Measurement date	3/31/24	6/30/23
Employers' total pension liability	\$ 240,696,851	\$ 138,365,122
Plan net position	\$ 225,972,801	\$ 137,221,537
Employers' net pension asset (liability)	\$ (14,724,050)	\$ (1,143,585)
Ratio of plan net position to be Employers' total pension asset (liability)	93.88%	99.20%

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

A. Pension Plans (continued)

8. Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of June 30, 2024 represent the projected employer contribution for the period of April 1, 2024 through June 30, 2024 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2024 amounted to \$89,528.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2024 are paid to the System in September, October and November 2024 through a state aid intercept. Accrued retirement contributions as of June 30, 2024 represent employee and employer contributions for the fiscal year ended June 30, 2024 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2024 amounted to \$698,546 (employer contribution \$611,702 and employee contributions of \$86,844).

B. Other Post-Employment Benefits

Plan Description

The District maintains a single-employer defined benefit healthcare plan (the Plan). The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefit provisions are based on bargaining agreements as negotiated from time to time. The Plan does not issue a publicly available financial report. Eligibility for the Plan is established by the District and specified in the District's employment contracts.

Employees Covered by Benefit Terms

For the fiscal year ended June 30, 2024 the plan had total active employees of 126 and retirees of 23.

Total OPEB Liability

The District's total OPEB liability of \$455,809 was measured as of July 1, 2023.

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

B. Other Post-Employment Benefits (continued)

Actuarial Assumptions and Other Inputs

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

Inflation	2.5% per year Based on NYSTRS and NYSERS valuations as of June 30, 2021 and March 31, 2022, respectively
Salary increases	4.13% as of June 30, 2024
Discount rate	8.0% for 2023, decreasing 0.5% to 4.5% for 2029 and later.
Healthcare cost trend rates	Retirees pay the full cost of coverage with the exception of certain administrators
Retirees' share of benefit-related costs	

The discount rate was based on a yield for 20-year tax-exempt general obligation municipal bonds.

Mortality rates were based on the MP-2021 Headcount Weighted Mortality Tables.

The actuarial assumptions used for the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2020 - July 1, 2021.

Changes in the Total OPEB Liability

Service cost	\$	14,439
Interest		17,692
Differences between expected and actual experience		10,110
Changes in assumptions		19,398
Benefit payments		(47,444)
Net changes		14,195
Net OPEB liability – beginning of year		441,614
Net OPEB liability – end of year	\$	455,809

Changes of assumptions and other inputs reflect a change in the discount rate from 4.09% in 2023 to 4.13% in 2024. Changes in health care trend rate from 7.5%-4.5% to 8.0%-4.5%.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

B. Other Post-Employment Benefits (continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.13%) or 1 percentage point higher (5.13%) that the current discount rate:

	1% Decrease (3.13%)	Current Assumption (4.13%)	1% Increase (5.13%)
Total OPEB liability	\$ 486,615	\$ 455,809	\$ 426,924

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

	1% Decrease (initial rate of 7.0% decreasing by .5% annually until reaching 3.5%)	Current Assumption (initial rate of 8.0% decreasing by .5% annually until reaching 4.5%)	1% Increase (initial rate of 9.0% decreasing by .5% annually until reaching 5.5%)
Total OPEB liability	\$ 414,883	\$ 455,809	\$ 502,873

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

For the year ended June 30, 2024, the District recognized OPEB expense in the amount of \$50,094. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

B. Other Post-Employment Benefits (continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 120,055	\$ 23,559
Benefit payments subsequent to the measurement date	36,022	-
Changes in assumptions	53,401	28,855
Total	\$ 209,478	\$ 52,414

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

Year ending:	
2025	\$ 17,963
2026	17,962
2027	15,113
2028	18,794
2029	20,048
Thereafter	31,162

C. Indebtedness

1. Short-Term Debt

a. Bond Anticipation Notes

The District may issue Bond Anticipation Notes, in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds.

State law requires that bond anticipation notes issued for capital purposes be converted to long-term financing within five years after the original issue date.

On December 28, 2024, the District issued bond anticipation notes in the amount of \$7,000,000 with an interest rate of 4.25%. These notes matured on June 27, 2024. On June 26, 2024, the District issued bond anticipation notes in the amount of \$12,391,306 with an interest rate of 4.25%. Proceeds from the notes were used to pay the notes that matured on June 27, 2024 and to provide \$5,391,306 of proceeds to be used towards the capital project.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

C. Indebtedness (continued)

1. Short-Term Debt (continued)

b. Short-Term Debt Interest

The District had interest on short-term debt for the year ended June 30, 2024 in the amount of \$147,924.

2. Long-Term Debt

a. Debt Limit

At June 30, 2024, total indebtedness represents 98% of its debt limit.

b. Serial Bonds

The District borrows money in order to acquire or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of capital assets. These long-term liabilities, which are full faith and credit debt of the District, are recorded in the Statement of Net Position. The provisions to be made in future budgets for capital indebtedness represents the amount, exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities. The District also has issued installment purchase debt over the years to finance the purchase of transportation vehicles and buses.

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

C. Indebtedness (continued)

2. Long-Term Debt (continued)

c. Changes

The changes in the School District's indebtedness during the year ended June 30, 2024 and 2023 are as follows:

	<u>Balance</u> <u>June 30, 2024</u>	<u>Balance</u> <u>June 30, 2023</u>
2012 Serial Bonds	\$ 103,046	\$ 592,756
2016 Serial Bonds	614,566	710,035
2020 Serial Bonds	3,983,108	4,383,706
Installment Purchase Debt	1,132,328	1,225,325
Other post-employment benefits	455,809	441,614
Compensated absences	261,594	265,466
Net pension liability - ERS	979,790	1,549,076
Net pension liability - TRS	385,878	667,429
	<u>\$ 7,916,119</u>	<u>\$ 9,835,407</u>

During the year, the District made principal payments on its serial bonds in the amount of \$865,000 and made payments on an equipment lease related to the energy performance contract in the amount of \$92,997. The District had amortization of bond premiums in the amount of \$120,777. The change in compensated absences was a net decrease of \$3,872 during the fiscal year ended June 30, 2024. The net change in other post-employment benefits was an increase of \$14,195 during the fiscal year ended June 30, 2024. Lastly, the District's proportionate share of the net pension liability related to ERS and TRS decreased by \$569,286 and \$281,551 during the current year related to actuarial updates.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

C. Indebtedness (continued)

2. Long-Term Debt (continued)

d. Maturity

1. The following is a summary of long-term debt outstanding:

Serial Bonds, issued in 2012 with a maturity date of 2028, bonds carry interest at 3.0%-5.0%.	\$	100,000
Plus: unamortized bond premium on bond issuance.		3,046
	\$	<u>103,046</u>

Serial Bonds, issued in 2016 through DASNY with a maturity date of 2030, bonds carry interest at 2.0%-5.0%.	\$	565,000
Plus: unamortized bond premium on bond issuance.		49,566
	\$	<u>614,566</u>

Serial Bonds, issued in 2020 through DASNY with a maturity date of 2033 bonds carry interest at 5.0%.	\$	3,515,000
Plus: unamortized bond premium on bond issuance.		468,108
	\$	<u>3,983,108</u>

Installment Purchase Debt related to energy performance project, issued in 2019 with a final renewal term ending in 2034, carry interest at 3.550% per annum.	\$	1,132,328
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2. The following is a summary of maturing debt service requirements for serial bonds and installment purchase debt:

Year	Serial Bonds – 2012	
	Principal	Interest
2025	\$ 25,000	\$ 3,688
2026	25,000	2,438
2027	25,000	1,688
2028	25,000	875
Total	\$ 100,000	\$ 8,689

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

C. Indebtedness (continued)

2. Long-Term Debt (continued)

d. Maturity (continued)

Year	Serial Bonds – 2016	
	Principal	Interest
2025	\$ 85,000	\$ 27,350
2026	90,000	23,100
2027	90,000	19,500
2028	95,000	15,000
2029	100,000	10,250
2030	105,000	5,250

Total	\$ 565,000	\$ 100,450
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Year	Serial Bonds – 2020	
	Principal	Interest
2025	\$ 320,000	\$ 175,750
2026	335,000	159,750
2027	350,000	143,000
2028	370,000	125,500
2029	390,000	107,000
2030-2033	1,750,000	224,250

Total	\$ 3,515,000	\$ 935,250
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Year	Installment Purchase Debt	
	Principal	Interest
2025	\$ 96,298	\$ 40,198
2026	99,717	36,779
2027	103,257	33,239
2028	106,923	29,574
2029	110,718	25,778
2030-2034	615,415	67,064

Total	\$ 1,132,328	\$ 232,632
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BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VI. Liabilities (continued)

C. Indebtedness (continued)

2. Long-Term Debt (continued)

e. Refunding of Long-Term Debt

In prior years, the District defeased other general obligations and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and liability or the defeased bonds are not included in the District's financial statements.

f. Long-Term Debt Interest

Interest expense on long-term debt amounted to \$293,537 for the year ended June 30, 2024.

g. Premiums, Debt Issuance Costs and Amortization

Net premiums resulting from bond and other debt refinancing are being amortized over the life of the relating debt using the interest method. These premiums are accordingly included in the outstanding principal balances for the bonds. Debt issuance costs related to the bonds were expensed in accordance with GASB 65.

VII. Fund Equity

A. Deficit Fund Balance

Capital Projects Fund

The District's capital project fund had an accumulated deficit in the amount of \$3,687,009 as of June 30, 2024. It is not uncommon for school districts to have deficit balances in the capital project funds as a result of short-term debt being recorded as a liability until they are converted to long-term debt (serial bonds) or redeemed at which time such proceeds are recorded as other financing sources revenue. In addition, the District had expenditures related to its smart bond act project which it anticipates will be reimbursed by New York State Education Department, at which time it will be recognized as revenue

Food Service Fund

As of June 30, 2024, the District had an accumulated deficit in the amount of \$37,665 in the food service fund. Management is developing plans to alleviate this deficit in future years.

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VII. Fund Equity

B. Classifications

The District's fund equity is comprised of the follow components:

<u>Fund</u>	<u>Reservation Purposes</u>	<u>Balance June 30, 2024</u>
Nonspendable:		
Food Service	Inventory	\$ 9,251
Restricted:		
General	Liability reserve	\$ 516,446
	Unemployment reserve	210,560
	Reserve for insurance	1,275,008
	Reserve for retirement	
	system contributions	628,413
	TRS contribution	
	reserve subfund	434,718
	Capital reserve	2,151,360
	Capital transportation reserve	592,077
	Repair reserve	67,730
	Employee benefits reserve	803,660
		<u>\$ 6,679,972</u>
Debt Service	Reserve for debt service	\$ 1,402,112
Private Purpose	Reserve for endowment	
	Scholarships	<u>\$ 5,068,037</u>
Committed:		
Miscellaneous		
Special		
Revenue	Extraclassroom fund balance	<u>\$ 84,847</u>
Assigned:		
General	Appropriated fund balance	\$ 2,076,274
	Reserve for encumbrances	454,946
		<u>\$ 2,531,220</u>

C. District-wide Net Position

Net position of the District include restricted net position of \$8,082,084 which represent restricted amounts in the general and debt service funds as presented above.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VIII. Commitments and Contingencies

A. Risk Financing and Related Insurance

1. General Information

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

2. Risk Sharing Pools

For its employee health and accident coverage, **Bolivar-Richburg Central School District** is a participant in the Cattaraugus-Allegany Regional Medical Plan, a public entity risk pool operated for the benefit of 22 individual governmental units located within Allegany and Cattaraugus Counties. The School District pays monthly premiums to the Plan for this health coverage.

The Plan is authorized to assess supplemental premiums to the participating districts. The Plan provides coverage for its members up to \$100,000 per insured event. The Cattaraugus-Allegany Regional Medical Plan obtains independent coverage for insured events in excess of this amount.

The **Bolivar-Richburg Central School District** also participates in a risk sharing pool, Cattaraugus-Allegany BOCES, to insure Workers' Compensation claims. This is a public entity risk pool created under Article 5, Workers' Compensation Law, to finance liability and risks related to Workers' Compensation claims. Administrators of the Plan have indicated that the Plan's reserves are believed to be in excess of estimated unbilled and open claims.

B. Federal and State Grants

The District has received grants reported in the special aid fund which are subject to audit by agencies of the state and federal government. Such audits may result in disallowances and a request for a return of funds.

Based on past audits and no known significant areas of non-compliance, the District believes disallowances, if any, will not be material.

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

VIII. Commitments and Contingencies (continued)

C. Compensated Absences

The District does not accrue a liability for accumulating, non-vesting sick leave, since payment is based on an uncontrollable future event (sickness). In accordance with the provisions of Governmental Accounting Standards Board Statement No. 16, the value for accumulating, non-vesting sick leave is considered a contingent liability. The District reports approximately \$299,000 as of June 30, 2024 for accumulating non-vesting sick leave.

D. Litigation

The District, in the normal course of its operations, is involved in various other litigation and arbitration cases. Management is of the opinion that any unfavorable outcome resulting from these actions would not have a material effect on the District's financial position.

NOTE 4 - CAPITAL PROJECTS

On December 8, 2021, the voters of the District approved an \$15,375,600 renovation project. The proposed budget of this capital project included expenditures for architectural and improvement costs to its Bolivar, Richburg and Pre-Kindergarten campuses. Expenditures related to the project totaled \$4,277,048 during the year ended June 30, 2024.

The District also had costs associated with a capital outlay project in the amount of \$94,649 during the year ended June 30, 2024.

NOTE 5 – FAIR VALUE MEASUREMENTS

As noted in Note 3II, the District has investments that are reported at fair value in the Statement of Fiduciary Net Position. GASB 72, *Fair Value Measurements and Application*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels. Level 1 inputs on the hierarchy consist of unadjusted quoted prices in active markets and have the highest priority. Level 2 inputs consist of quoted prices in active markets for similar assets or liabilities or quoted prices in inactive markets for identical or similar assets or liabilities. Level 3 inputs have the lowest priority and consist of assets and liabilities that are measured on a recurring basis using unobservable inputs. The District had \$5,153,766 of investments in mutual funds related to a scholarship endowment that is considered to be a level 1 input.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 6 – COVID-19 PANDEMIC

In March 2020, the World Health Organization declared the novel strain of COVID-19 (coronavirus) a global pandemic and has become increasingly widespread in the United States. The coronavirus outbreak has had a significant impact on financial markets and general economic conditions.

In December 2020, the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act was passed which provides additional assistance to school districts. The New York State Department of Education has allocated approximately \$727,000 of CRRSA Act assistance to the District. During the years ended June 30, 2024, 2023, 2022 and 2021, the District has expended \$-, \$362,353, \$364,397 and \$0, respectively, of the CRRSA funds.

Lastly, in March 2021, the American Rescue Plan (ARP) Act was passed which provided further assistance to school districts. The New York State Department of Education has allocated approximately \$3,384,000 of ARP Act assistance to the District. During the years ended June 30, 2024, 2023, 2022 and 2021, the District has expended \$1,422,793, \$790,841, \$494,579 and \$0, respectively, of the ARP funds.

NOTE 7 – PRIVATE PURPOSE TRUST FUND

During the fiscal years ended June 30, 2024 and 2023, the District received contributions totaling \$970,168 and \$362,311 from a beneficiary's will. The amount was reflected in the private purpose trust fund as gifts and contribution revenue during the current year and will provide scholarship assistance to students of the District.

NOTE 8 – RIGHT-TO-USE ASSETS/LEASES

The District has entered into various agreements with Erie 1 BOCES to acquire IT and computer equipment. The equipment is owned by Erie 1 BOCES, however the District has recognized a right-to-use asset in accordance with Governmental Accounting Standards Board Statement No. 87, Leases. The District paid cash for the equipment rather than through an installment purchase agreement. The District amortizes its right-to-use assets over a period of 5 years.

NOTE 8 – RIGHT-TO-USE ASSETS/LEASES (CONTINUED)

Below is a summary of the activity of the District's right-to-use assets during the year ended June 30, 2024:

	Balance 7/1/2023	Additions
Right-to-use asset	\$ 848,553	\$ 145,047
Accumulated amortization	(290,637)	(179,905)
	<u>\$ 557,916</u>	<u>\$ (34,858)</u>
	Deletions	Balance 6/30/2024
Right-to-use asset	\$ (108,247)	\$ 885,353
Accumulated amortization	108,247	(362,295)
	<u>\$ -</u>	<u>\$ 523,058</u>

NOTE 9 – FLOOD COSTS

On July 3, 2023, the District experienced flooding from heavy rains that moved through the area. The flood caused significant damage to its athletic fields and other property, located at its Bolivar, New York campus, which required remediation costs of approximately \$868,000. These costs are included general support expenditures during the fiscal year ended June 30, 2024 financial statements. The District received approximately \$25,000 of insurance proceeds towards the loss.

NOTE 10 – SUBSEQUENT EVENTS

Subsequent events were evaluated through December 6, 2024, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Adopted Budget	Final Budget	Current Year's Revenue	Over (Under) Revised Budget
Revenues				
Local Sources:				
Real property taxes and tax items	\$ 2,714,763	\$ 2,714,763	\$ 2,714,763	\$ -
Real property tax items	6,000	6,000	11,692	5,692
Charges for services	30,000	30,000	38,308	8,308
Use of money and property	50,000	50,000	324,336	274,336
Sale of property and compensation for loss	500	500	63,223	62,723
Miscellaneous	350,000	350,000	431,475	81,475
State Sources:				
Basic formula	14,424,502	14,424,502	14,193,120	(231,382)
BOCES	2,550,244	2,550,244	2,449,935	(100,309)
Textbooks	39,552	39,552	39,494	(58)
All other aid	29,421	29,421	29,422	1
Federal Sources:				
Medicaid reimbursement	85,000	85,000	106,445	21,445
Total revenue	20,279,982	20,279,982	20,402,213	122,231
Other Sources				
Operating transfer in	290,000	290,000	309,210	19,210
Total revenue and other sources	20,569,982	20,569,982	<u>\$ 20,711,423</u>	<u>\$ 141,441</u>
Supplemental appropriation - truck, plow and field groomer	-	110,000		
Appropriated fund equity - use of reserves	726,702	726,702		
Appropriated fund equity and carryover encumbrances	1,054,641	1,082,595		
Total revenue, other sources and appropriated fund equity	<u>\$ 22,351,325</u>	<u>\$ 22,489,279</u>		

See accompanying independent auditor's report.

	Adopted Budget	Final Budget	Current Year's Expenditures	Encumbrances	Unencumbered Balances
Expenditures					
General Support:					
Board of education	\$ 18,000	\$ 18,000	\$ 24,860	\$ -	\$ (6,860)
Central administration	237,610	390,025	342,152	-	47,873
Finance	287,183	287,183	321,425	-	(34,242)
Staff	429,425	437,974	578,899	-	(140,925)
Central services	1,902,899	2,028,774	2,705,532	-	(676,758)
Special items	382,026	382,026	352,096	-	29,930
Instructional:					
Instruction, administration and improvement	880,741	805,741	783,063	-	22,678
Teaching - regular school	5,671,864	5,593,909	4,898,570	-	695,339
Programs for children with handicapping conditions	2,886,131	2,886,131	2,624,652	-	261,479
Teaching - special schools	22,500	22,500	18,992	-	3,508
Occupational education	731,001	731,001	693,038	225	37,738
Instructional media	686,648	686,648	697,126	-	(10,478)
Pupil services	1,110,333	1,110,333	971,220	193	138,920
Pupil Transportation	1,482,352	1,486,422	1,092,289	454,528	(60,395)
Employee Benefits	4,211,078	4,211,078	3,653,260	-	557,818
Debt Service:					
Debt service principal	957,997	957,997	957,997	-	-
Debt service interest	293,537	293,537	441,461	-	(147,924)
Total expenditures	<u>22,191,325</u>	<u>22,329,279</u>	<u>21,156,632</u>	<u>454,946</u>	<u>717,701</u>
Other Uses:					
Transfer to other funds	160,000	160,000	94,649	-	65,351
Total other uses	<u>160,000</u>	<u>160,000</u>	<u>94,649</u>	<u>-</u>	<u>65,351</u>
Total expenditures and other uses	<u>\$ 22,351,325</u>	<u>\$ 22,489,279</u>	<u>21,251,281</u>	<u>\$ 454,946</u>	<u>\$ 783,052</u>
Excess (deficiency) of revenue and other sources over expenditures and other uses			<u>\$ (539,858)</u>		

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Schedule SS1A

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	School Food Service Fund		
	Budget (Amended) *	Actual	Variance Fav. (Unf.)
Revenue			
State sources	\$ -	\$ 54,549	\$ 54,549
Federal sources	-	505,963	505,963
Sales	-	25,727	25,727
Miscellaneous	-	30,638	30,638
Surplus food	-	23,098	23,098
Use of money and property	-	5	5
Total revenue	-	639,980	639,980
Expenditures			
General support	-	208,870	(208,870)
Employee benefits	-	130,110	(130,110)
Cost of sales	-	316,500	(316,500)
Other expenses	-	57,179	(57,179)
Total expenditures	-	712,659	(712,659)
Deficiency of revenue and other sources over expenditures and other uses	<u>\$ -</u>	<u>(72,679)</u>	<u>\$ (72,679)</u>
Fund equity, beginning of year		<u>35,014</u>	
Fund equity (deficit), end of year		<u>\$ (37,665)</u>	

* The District did not prepare a budget for its food service fund for the year ended June 30, 2024.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET
AND THE REAL PROPERTY TAX LIMIT
FOR THE YEAR ENDED JUNE 30, 2024

Schedule SS2

Page 41

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted budget	\$ 22,351,325
Additions:	
Prior year encumbrances	<u>27,954</u>
Original Budget	22,379,279
Budget Revisions:	
Supplemental appropriation - truck, plow and field groomer purchases	<u>110,000</u>
Final budget	<u><u>\$ 22,489,279</u></u>

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2024-25 voter-approved expenditure budget	\$ 22,816,498
Maximum allowed (4% of 2024-25 budget)	\$ 912,660
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law*:	
Unrestricted fund balance:	
Assigned fund balance	\$ 2,531,220
Unassigned fund balance	<u>1,713,779</u>
Total unrestricted fund balance	<u>4,244,999</u>
Less:	
Appropriated fund balance	2,076,274
Encumbrances included in committed and assigned fund balance	<u>454,946</u>
Total adjustments	<u>2,531,220</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 1,713,779</u></u>
Actual percentage	<u><u>7.5%</u></u>

* Per Office of State Comptroller's "Fund Balance Reporting and Governmental Type Definitions", Updated April 2011 (Originally Issued November 2010), the portion of the General Fund fund balance subject to Section 1318 of the Real Property Tax Law is: unrestricted fund balance (i.e., the total of the committed, assigned, and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF PROJECTS EXPENDITURES - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2024

Schedule SS3

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Project Title	Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total	(Overexpended) Balance	Proceeds of Obligations	State Sources	Local Sources	Total	Balance June 30, 2024
2024 Capital Outlay	\$ 100,000	\$ 100,000	\$ -	\$ 94,649	\$ 94,649	\$ 5,351	\$ -	\$ -	\$ 94,649	\$ 94,649	\$ -
2021 Capital Improvement Project	15,375,600	15,375,600	2,394,257	4,277,048	6,671,305	8,704,295	12,391,306	-	2,984,296	15,375,602	8,704,297
Smart Schools Bond Act Project	533,951	533,951	531,591	-	531,591	2,360	-	531,591	-	531,591	-
	<u>\$ 16,009,551</u>	<u>\$ 16,009,551</u>	<u>\$ 2,925,848</u>	<u>\$ 4,371,697</u>	<u>\$ 7,297,545</u>	<u>\$ 8,712,006</u>	<u>\$ 12,391,306</u>	<u>\$ 531,591</u>	<u>\$ 3,078,945</u>	<u>\$ 16,001,842</u>	<u>\$ 8,704,297</u>
Less: bond anticipation notes outstanding											<u>(12,391,306)</u>
Ending fund equity (deficit) balance as of June 30, 2024											<u>\$ (3,687,009)</u>

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
BUDGET COMPARISON STATEMENT FOR STATE AND
OTHER GRANT PROGRAMS - SPECIAL AID AND FOOD SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Schedule SS4A

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Grant Title	Grantors Project No.	Grant Period	Award/ Program Budget	Total Revenue	Total Expenditures
Summer school	N/A	2024	\$ 46,457	\$ 46,457	\$ 46,457
Teachers of Tomorrow grant	0644-24-0002	2024	34,000	32,068	32,068
Universal Pre-kindergarten	0409-24-7053	2024	214,599	214,599	214,599
Health Care Bonus Program	N/A	2024	1,615	1,615	1,615
State Breakfast and Lunch Program	N/A	2024	54,129	54,129	54,129
Summer Food Program	N/A	2024	420	420	420
			<u>\$ 351,220</u>	<u>\$ 349,288</u>	<u>\$ 349,288</u>

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT

Schedule SS4B

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the **Bolivar-Richburg Central School District** and is presented on the modified accrual basis of accounting. The information in the schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Therefore, some amounts presented in the schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

Basis of Accounting

The basis of accounting varies by Federal program consistent with underlying regulations pertaining to each program. The amounts reported as Federal expenditures generally were obtained from the appropriate Federal financial reports for the applicable program 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.

Note 2 - Non-monetary Federal Program

The accompanying **Bolivar-Richburg Central School District** is the recipient of a non-monetary federal award program. During the year ended June 30, 2024, the District reported in the Schedule of Federal Awards \$23,098 of donated commodities at fair market value received and disbursed.

Note 3 - Indirect Cost Rate

The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance in the current year.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Schedule SS4C

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Federal Program Title	Federal CFDA Number	Agency or Pass-through Number	Program or Award Amount	Revenue	Expenditures
U.S. Department of Education:					
<i>Passed through NYS Department of Education:</i>					
Title I, Part A	84.010A	0021-24-0140	\$ 264,204	\$ 262,250	\$ 262,250
Title IIA	84.367A	0147-24-0140	24,860	24,860	24,860
Title IV - SSAE Allocation	84.424A	0204-24-0140	22,821	22,821	22,821
Title V - Part B - Rural and Low Income Schools	84.358B	0006-24-0140	17,074	17,074	17,074
COVID-19 ARP ESSER 3	84.425U	5880-21-0140	1,633,357	928,686	928,686
COVID-19 ARP SLR Summer Enrichment	84.425U	5882-21-0140	243,945	11,885	11,885
COVID-19 ARP SLR Comprehensive Learning	84.425U	5883-21-0140	243,945	67,684	67,684
COVID-19 ARP SLR Learning Loss	84.425U	5884-21-0140	1,219,692	414,538	414,538
IDEA Part B, Section 611 *	84.027A	0032-24-0039	211,488	211,488	211,488
IDEA Part B, Section 619 *	84.173A	0033-24-0039	5,338	5,338	5,338
Total U.S. Department of Education				1,966,624	1,966,624
U.S. Department of Agriculture:					
<i>Passed through NYS Department of Education:</i>					
COVID-19 Supply Chain Assistance Program **	10.555	N/A	N/A	23,244	23,244
National School Breakfast Program **	10.553	N/A	N/A	116,406	116,406
National School Lunch Program **	10.555	N/A	N/A	335,594	335,594
National Summer Food Program **	10.559	N/A	N/A	13,718	13,718
<i>Passed through NYS Office of General Services:</i>					
National School Lunch Program **					
Non-Cash Assistance (Commodities)	10.555	N/A	N/A	23,098	23,098
<i>Passed through NYS Department of Agriculture:</i>					
Child Nutrition Discretionary Grants - Equipment Assistance Grants	10.579	N/A	N/A	17,001	17,001
Total U.S. Department of Agriculture				529,061	529,061
Total expenditures and revenue				\$ 2,495,685	\$ 2,495,685
* Constitutes a cluster of Federal programs named Special Education Cluster with revenue and expenditures of				\$	216,826
** Constitutes a cluster of Federal programs named Child Nutrition Cluster with revenue and expenditures of				\$	512,060

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF NET INVESTMENT IN CAPITAL
AND RIGHT-TO-USE ASSETS
AS OF JUNE 30, 2024

Schedule SS5

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Capital and Right-to-Use Assets, net	\$ 32,810,206
Less:	
Serial bonds	(4,700,720)
Installment purchase debt	(1,132,328)
Bond anticipation notes	(12,391,306)
Plus:	
Assets in capital project less related liabilities	<u>8,704,297</u>
Net investment in capital and right-to-use assets	<u><u>\$ 23,290,149</u></u>

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S NET
OPEB LIABILITY AND RELATED RATIOS
FOR THE YEARS ENDED JUNE 30, 2017 THROUGH 2024

Schedule SS6

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As of the measurement date of July 1,	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability								
Service cost	\$ 14,439	\$ 15,432	\$ 14,247	\$ 11,865	\$ 11,366	\$ 10,689	\$ 12,441	\$ 9,969
Interest	17,692	7,932	9,902	10,718	12,467	12,216	11,982	15,826
Differences between expected and actual experience	10,110	113,254	(13,801)	32,563	(17,661)	11,949	(21,696)	-
Changes in assumptions	19,398	(24,312)	10,248	35,885	7,799	(13,430)	(15,248)	26,111
Benefit payments	(47,444)	(34,744)	(28,940)	(24,065)	(38,283)	(47,832)	(58,036)	(53,244)
Net change in total OPEB liability	14,195	77,562	(8,344)	66,966	(24,312)	(26,408)	(70,557)	(1,338)
Total OPEB liability - beginning	441,614	364,052	372,396	305,430	329,742	356,150	426,707	25,024
Prior period adjustment	-	-	-	-	-	-	-	403,021
Total OPEB liability - ending	\$ 455,809	\$ 441,614	\$ 364,052	\$ 372,396	\$ 305,430	\$ 329,742	\$ 356,150	\$ 426,707
Plan fiduciary net position								
Contributions - employer	\$ 47,444	\$ 34,744	\$ 28,940	\$ 24,065	\$ 38,283	\$ 47,832	\$ 58,036	\$ 53,244
Benefit payments	(47,444)	(34,744)	(28,940)	(24,065)	(38,283)	(47,832)	(58,036)	(53,244)
Plan fiduciary net position - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's net OPEB liability	\$ 455,809	\$ 441,614	\$ 364,052	\$ 372,396	\$ 305,430	\$ 329,742	\$ 356,150	\$ 426,707
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	\$ 7,942,821	\$ 7,749,094	\$ 7,882,451	\$ 7,690,196	\$ 7,147,735	\$ 6,973,400	\$ 7,195,130	\$ 7,102,794
District's net OPEB liability as a percentage of covered-employee payroll	5.74%	5.70%	4.62%	4.84%	4.27%	4.73%	4.95%	6.01%

Notes to Schedule:

Benefit Changes: None

Changes in assumptions: Discount rate from 4.09% as of 7/1/22 to 4.13% as of 7/1/23

Health care trend rates from 7.50% to 4.50% as of 7/1/22 to 8.0% to 4.5% as of 7/1/23

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS - OPEB
FOR THE YEARS ENDED JUNE 30, 2017 THROUGH 2024

Schedule SS7

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For the year ended June 30,	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contributions	\$ 47,444	\$ 34,744	\$ 28,940	\$ 24,065	\$ 38,283	\$ 47,832	\$ 58,036	\$ 53,244
Contributions in relation to the actuarially determined contribution	(47,444)	(34,744)	(28,940)	(24,065)	(38,283)	(47,832)	(58,036)	(53,244)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 7,942,821	\$ 7,749,094	\$ 7,882,451	\$ 7,690,196	\$ 7,147,735	\$ 6,973,400	\$ 7,195,130	\$ 7,102,794
Contributions as a percentage of District's covered-employee payroll	0.60%	0.45%	0.37%	0.31%	0.54%	0.69%	0.81%	0.75%

Notes to Schedule:

Valuation date: 7/1/2022

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Level % of Salary Method
Discount Rate	4.13% as of July 1, 2023
Inflation	2.50% per year
Health care cost trend rates	Health care trend rates have been reset to an initial rate of 8.0% decreasing by 0.50% annually to an ultimate rate of 4.50%.
Salary increases	The salary scale for Teachers and Administrators is based on the NYSTRS valuation as of June 30, 2021. Payroll growth for Support Staff employees is based on the NYERS valuation as of March 31, 2022.
Mortality	SOA Pub-2010 Headcount Weighted Mortality Table fully generational using Scale MP-2021
Retiree Cost Sharing	Retirees are required to contribute the portion of premiums not covered by the District's explicit subsidy.
Participants	126 Active and 23 Retirees

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS – NYSTRS AND NYSLERS
FOR THE YEARS ENDED JUNE 30, 2015 THROUGH JUNE 30, 2024

Schedule SS8

Page 48

New York State Teachers' Retirement System

For the year ended June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	\$ 611,702	\$ 641,274	\$ 603,849	\$ 569,377	\$ 521,777	\$ 611,676	\$ 536,673	\$ 651,423	\$ 700,697	\$ 919,367
Contributions in relation to the contractually required contribution	(611,702)	(641,274)	(603,849)	(569,377)	(521,777)	(611,676)	(536,673)	(651,423)	(700,697)	(919,367)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 6,267,439	\$ 6,232,012	\$ 6,161,724	\$ 5,974,575	\$ 5,889,131	\$ 5,759,661	\$ 5,476,255	\$ 5,558,217	\$ 5,284,291	\$ 5,244,535
Contributions as a percentage of District's covered-employee payroll	9.76%	10.29%	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%

New York State Local Employees' Retirement System

For the year ended March 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	\$ 296,768	\$ 249,656	\$ 332,651	\$ 277,711	\$ 275,028	\$ 278,019	\$ 286,102	\$ 275,993	\$ 311,838	\$ 327,156
Contributions in relation to the contractually required contribution	(296,768)	(249,656)	(332,651)	(277,711)	(275,028)	(278,019)	(286,102)	(275,993)	(311,838)	(327,156)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 2,401,568	\$ 2,282,865	\$ 2,063,065	\$ 2,005,927	\$ 1,999,469	\$ 2,011,708	\$ 1,956,830	\$ 1,907,366	\$ 1,801,098	\$ 1,765,763
Contributions as a percentage of District's covered-employee payroll	12.36%	10.94%	16.12%	13.84%	13.76%	13.82%	14.62%	14.47%	17.31%	18.53%

See accompanying independent auditor's report.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT**Schedule SS9****SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION
ASSET/LIABILITY – NYSTRS AND DISTRICT'S PROPORTIONATE SHARE OF
NET PENSION LIABILITY - NYSLERS****FOR THE YEARS ENDED JUNE 30, 2015 THROUGH JUNE 30, 2024****Page 49*****New York State Teachers' Retirement System - Net Pension Asset (Liability)***

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 asset (liability)	n/a	0.033743%	0.034782%	0.034184%	0.034218%	0.034506%	0.033620%	0.034862%	0.034245%	0.034914%
District's proportionate share of the net pension asset (liability)	n/a	\$ (385,878)	\$ (667,429)	\$ 5,923,749	\$ (945,531)	\$ 896,475	\$ 607,931	\$ 264,989	\$ (366,774)	\$ 3,626,436
District's covered-employee payroll	n/a	\$ 6,232,012	\$ 6,161,724	\$ 5,974,575	\$ 5,889,131	\$ 5,759,661	\$ 5,476,255	\$ 5,558,217	\$ 5,284,291	\$ 5,244,535
District's proportionate share of the net pension asset (liability) as a percentage of its covered employee payroll	n/a	-6.19%	-10.83%	99.15%	-16.06%	15.56%	11.10%	4.77%	-6.94%	-69.15%
Plan fiduciary net position as a percentage of the total pension asset (liability)	n/a	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%

New York State Local Employees' Retirement System - Net Pension Asset (Liability)

As of the measurement date of March 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension asset (liability)	0.0066544%	0.0072238%	0.0071482%	0.0060291%	0.0065449%	0.0065369%	0.0063104%	0.0063389%	0.0068004%	0.0063293%
District's proportionate share of the net pension asset (liability)	\$ (979,790)	\$ (1,549,076)	\$ 584,340	\$ (6,003)	\$ (1,733,133)	\$ (463,158)	\$ (203,665)	\$ (595,616)	\$ (1,092,123)	\$ (213,822)
District's covered-employee payroll	\$ 2,401,568	\$ 2,282,865	\$ 2,063,065	\$ 2,005,927	\$ 1,999,469	\$ 2,011,708	\$ 1,956,830	\$ 1,907,366	\$ 1,801,098	\$ 1,765,763
District's proportionate share of the net pension asset (liability) as a percentage of its covered employee payroll	-40.80%	-67.86%	28.32%	-0.30%	-86.68%	-23.02%	-10.41%	-31.23%	-60.64%	-12.11%
Plan fiduciary net position as a percentage of the total pension asset (liability)	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

See accompanying independent auditor's report.



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

**To the President and
Members of the Board of Education
Bolivar-Richburg Central School District
Bolivar, New York**

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of *Bolivar-Richburg Central School District* as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise *Bolivar-Richburg Central School District's* basic financial statements and have issued our report thereon dated December 6, 2024.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. There can be no assurance that deficiencies, significant deficiencies and material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified two deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies in the District's internal control described in the accompanying schedule of findings and questioned costs as items II.A.2024-001 and II.A.2024-002 to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether *Bolivar-Richburg Central School's* financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 one instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs as item II.B.2024-003.

Bolivar-Richburg Central School District's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on **Bolivar-Richburg Central School's** responses to the internal control over financial reporting and compliance and other matters findings identified in our audit and described in the accompanying schedule of findings and questioned costs. **Bolivar-Richburg Central School's** responses were not subjected to other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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 result of that testing, and not provided an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

**Olean, New York
December 6, 2024**



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

To the President and
Members of the Board of Education
Bolivar-Richburg Central School District
Bolivar, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

We have audited ***Bolivar-Richburg Central School District's*** 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, 2024. ***Bolivar-Richburg Central School District's*** major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, ***Bolivar-Richburg Central School 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 major federal program for the year ended June 30, 2024.

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

We are required to be independent of ***Bolivar-Richburg Central School 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 ***Bolivar-Richburg Central School 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 ***Bolivar-Richburg Central School District's*** federal programs.

Auditor's 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 ***Bolivar-Richburg Central School 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 generally accepted auditing standards, *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 ***Bolivar-Richburg Central School District*** with the requirements of each major federal program as a whole.

Auditor's Responsibilities for the Audit of Compliance (continued)

In performing an audit in accordance with generally accepted auditing standards, *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 **Bolivar-Richburg Central School 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 **Bolivar-Richburg Central School 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 **Bolivar-Richburg Central School 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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify two deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items III.B.2024-004 and III.B.2024-005 to be material weaknesses.

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 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.

Bolivar-Richburg Central School District's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on **Bolivar-Richburg Central School District's** responses to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. **Bolivar-Richburg Central School District's** responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Purpose of this Report

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.

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

**Olean, New York
December 6, 2024**

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

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Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's opinion(s) issued or whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

x yes

no

Significant deficiency(ies) identified?

yes

x none reported

Noncompliance material to financial statements noted?

x yes

no

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

x yes

no

Significant deficiency(ies) identified?

yes

x none reported

Type of auditor's opinion 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)

yes

x no

Federal Program Title	Federal CFDA Number	Amount
Total expenditures of Federal Awards		<u>\$ 2,495,685</u>
Identification of Major Programs Tested:		
COVID-19 ARP ESSER 3	84.425U	\$ 928,686
COVID-19 ARP SLR Summer Enrichment	84.425U	11,885
COVID-19 ARP SLR Comprehensive Learning	84.425U	67,684
COVID-19 ARP SLR Learning Loss	84.425U	<u>414,538</u>
Total major programs tested		<u>\$ 1,422,793</u>
% of Federal programs tested		<u>57%</u>

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low risk?

x yes

no

**BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

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II. FINANCIAL STATEMENTS AUDIT - FINDINGS

A. INTERNAL CONTROL OVER FINANCIAL REPORTING

2024-001 Adjusting Journal Entries and Required Disclosures to the Financial Statements

Year ended June 30, 2024

Condition and Criteria: During the current year, adjusting journal entries, along with footnote disclosures were proposed by the auditors and accepted by the District to properly reflect the financial statements in accordance with generally accepted accounting principles. Some of the adjustments and footnotes were related to adjusting asset and liabilities accounts to supporting documentation and converting to the full accrual method for GASB 34 purposes. In addition, a draft of the financial statements was prepared by the auditors and reviewed and approved by the District.

Cause and Effect: AU-C Section 265 entitled Communicating Internal Control related Matters Identified in an Audit, issued by the American Institute of Certified Public Accountants (AICPA) considers the need for significant adjusting journal entries and assistance when preparing the financial statement to be indicative of an internal controls deficiency. Without assistance, the potential risk exists of the District's financial statements not conforming to GAAP.

Auditor's Recommendation: Although auditors may continue to provide such assistance both now and, in the future, under the new pronouncement, the District should continue to review and accept both proposed adjusting journal entries and footnote disclosures, along with the draft financial statements.

School District's Response: The District has received, reviewed and accepted all journal entries, footnote disclosures and draft financial statements proposed for the current year audit and will continue to review similar information in future years. Further, the School Business Administrator believes she has a thorough understanding of these financial statements and the ability to make informed judgments based on these financial statements.

2024-002 Bank Reconciliations, Interfund Balances Reconciliations and Balance Sheet Account Reconciliations

Year ended June 30, 2024

Condition and Criteria: During the current year, bank reconciliations were not prepared on a regular basis and when prepared did not reconcile to the District's general ledger. In addition, the District carries interfund receivable and payable balances, however, amounts did not reconcile throughout the year. Differences that existed in cash and interfund balances had to be corrected after year-end. Lastly, we noted that the District does not perform reconciliations of assets and liability accounts during the year on regular or routine basis, including receivables, payables and withholding accounts.

Cause and Effect: The effect of not reconciling bank balances against the District's general ledger balance and reconciling interfund balances is that reporting errors in posting cash receipts and cash disbursements can occur and not be detected or resolved in a timely manner. Without regular and routine reconciliation of asset and liability accounts balances (including cash and due to/due from accounts), a significant misstatement in the general ledger of the District would go undetected for extended periods of time and could result in inaccurate or incomplete information which is ultimately utilized by management and the Board of Education in its decision making process throughout the year, including the establishments of annual budgets. Within the current audit, the lack of reconciliations resulted in significant audit adjustments.

Auditors' Recommendation: We recommend that the District prepare bank reconciliations soon after the end of each month. As part of the reconciliation process the District's general ledger cash balances should be compared against the bank reconciliation, with any differences being immediately investigated. Once complete, the bank reconciliation should be reviewed by someone independent of the preparer. In addition, a worksheet should be developed which reconciles interfund balances on a monthly basis. Any differences in the reconciliation process should be immediately investigated. We recommend that asset and liability accounts be reconciled on a regular and routine basis. Further, reconciliations should be reviewed by management to ensure their accurate and timely completion.

District's Response: The District will ensure that bank reconciliations are prepared in a timely manner and verify that balances within the general ledger cash accounts agree to the bank reconciliation, along with ensuring that interfund balances reconcile and that balance sheet asset and liabilities are reconciled to supporting documentation.

**BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

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II. FINANCIAL STATEMENTS AUDIT - FINDINGS

B. COMPLIANCE AND OTHER MATTERS

2024-003 Unassigned Fund Balance

Year ended June 30, 2024

Conditions and criteria: **Bolivar-Richburg Central School District's** unassigned fund balance in the general fund as of June 30, 2024 amounted to \$1,713,779. This amount constitutes 7.5% of the 2024-2025 school budget.

Cause and Effect: The District's unassigned fund balance violated New York State Education Law, which limits school districts from retaining an unassigned fund balance not greater than 4% of the subsequent year's budget.

Auditor's Recommendation: **Bolivar-Richburg Central School District** should continue to monitor fund balance throughout the year and continue to review its options with regards to reservation and designation of fund balance.

School District's Response: The District Administration, School Business Administrator and Superintendent of Schools, and Board of Education, has and will continue to closely monitor fund equity in the future and will review all options with regard to reservation and designation of fund balance. Due to past uncertainty related to State Aid, the District Administration and Board of Education determined it would be prudent to maintain unappropriated fund balance in excess of the recommended levels.

The District will continue to manage future fund balance in accordance with recommendations. In addition, the District Administration has reviewed each of its reserves and documented the rationale for their levels. The Business Administrator and Superintendent works in collaboration with the Board of Education in order to develop this Reserve Plan, which was last updated by the Board and Administration and adopted in February 2021. This plan is to be updated and adopted annually by March 1.

III. MAJOR FEDERAL AWARD PROGRAMS AUDIT - FINDINGS AND QUESTIONED COSTS

A. COMPLIANCE

Year ended June 30, 2024

There are no findings related to compliance being reported upon during the fiscal year June 30, 2024.

B. INTERNAL CONTROL OVER COMPLIANCE

Year ended June 30, 2024

2024-004 Adjusting Journal Entries, Required Disclosures and Draft Financial Statements

Similar finding to that identified as 2024-001 above.

2024-005 Bank Reconciliations, Interfund Balances Reconciliations and other Balance Sheet Accounts

Similar finding to that identified as 2024-002 above.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS

Page 57

I. FINANCIAL STATEMENTS AUDIT - FINDINGS

A. INTERNAL CONTROL OVER FINANCIAL REPORTING

2023-001 Adjusting Journal Entries and Required Disclosures to the Financial Statements

Year ended June 30, 2023

Summary of Prior Year Finding: Adjusting journal entries, along with footnote disclosures. During the year, adjusting journal entries, along with footnote disclosures were proposed by the auditors and accepted by the District to properly reflect the financial statements in accordance with generally accepted accounting principles. In addition, a draft of the financial statements was prepared by the auditors and reviewed and accepted by the District. AU-C Section 265 entitled Communicating Internal Control Related Matters Identified in an Audit, issued by the American Institute of Certified Public Accountants (AICPA) considers the need for significant adjusting journal entries and assistance when preparing the financial statements to be indicative of an internal control deficiency.

Current Status: Similar finding related to internal control over financial reporting is being reported upon during the year ended June 30, 2024 as finding 2024-001.

B. COMPLIANCE AND OTHER MATTERS

2023-002 Unassigned Fund Balance

Year ended June 30, 2023

Summary of Prior Year Finding: *Bolivar-Richburg Central School District's* unassigned fund balance as of June 30, 2023 amounted to \$3,153,983. This amount constituted approximately 14.1% of the 2023-2024 school budget. The District's unassigned fund balance violated New York State Education Law, which limits school districts from retaining an unassigned fund balance not greater than 4% of the subsequent year's budget.

Current Status: Similar finding related to compliance and other matters is being reported upon during the year ended June 30, 2024 as finding 2024-002.

II. MAJOR FEDERAL AWARD PROGRAMS AUDIT - FINDINGS AND QUESTIONED COSTS

A. COMPLIANCE

Year ended June 30, 2023

There were no findings related to compliance reported upon during the fiscal year June 30, 2023.

B. INTERNAL CONTROL OVER COMPLIANCE

Year ended June 30, 2023

There were no findings related to internal control over compliance during the fiscal year June 30, 2023.



To the President and Members of the
Board of Education
and School Administration
Bolivar-Richburg Central School District
Bolivar, New York

Ladies and Gentlemen:

We have completed our audit for the year ended June 30, 2024 of the District's financial statements and have issued our reports thereon dated December 6, 2024. Our audit report expressed an unmodified opinion which states that the District's financial statements are in accordance with generally accepted accounting principles for governments and school districts located in New York State. In addition, we have issued a separate report on internal controls over financial reporting and compliance with laws and regulations as required by *Government Auditing Standards*.

In planning and performing our audit of the financial statements of the **Bolivar-Richburg Central School District** for the year ended June 30, 2024, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure and its operation.

Attached to this letter is a schedule of revenue and expense comparisons (modified accrual basis) and analysis of fund equity for the school years ended June 30, 2020 through June 30, 2024. In addition, we have also presented a summary of additional comments which we desire to bring to the board and administration's attention involving various matters. Although such matters were not of sufficient nature to be disclosed in the previously mentioned reports, we do feel the comments should be reviewed and acted upon primarily by the business staff. **Bolivar-Richburg Central School** has provided responses to the additional comments, however, we did not audit these responses and, accordingly, we express no opinion on them.

The analysis of the use of the District's fund equity shows that the District maintains a number of reserves. The reserves presented here are only those that are reported in the General Fund. The uses and legal restrictions of each of these reserve categories are listed in the footnotes to the financial statements. These reserves reduce the amount of the District's unassigned fund equity.

We have reviewed the financial statements extensively with the Audit Committee, School Superintendent and the Business Manager. We believe these individuals have a good understanding of the financial condition of the District as well as the comments expressed in our annual report. We have enjoyed working with the District this year and wish to thank all of the staff who have assisted us during our audit.

Very truly yours,

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

**Olean, New York
December 6, 2024**

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
REVENUE AND EXPENDITURES COMPARISON AND ANALYSIS OF FUND
EQUITY - GENERAL FUND (AMOUNTS IN \$1,000)

Page 2

	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020
Revenue and other sources					
Property taxes	\$ 2,726	\$ 2,721	\$ 2,720	\$ 2,720	\$ 2,720
State aid	16,712	16,074	15,464	15,511	16,363
All other	1,273	810	485	793	714
	<u>20,711</u>	<u>19,605</u>	<u>18,669</u>	<u>19,024</u>	<u>19,797</u>
Expenditures and other uses					
General support	4,325	3,184	2,864	2,886	2,762
Instruction	10,687	9,776	9,342	9,366	9,601
Transportation	1,092	998	876	784	768
Benefits	3,653	3,081	3,086	3,195	3,045
Debt	1,399	1,248	1,252	1,752	1,889
Transfers	95	787	3,431	526	437
	<u>21,251</u>	<u>19,074</u>	<u>20,851</u>	<u>18,509</u>	<u>18,502</u>
Excess (deficiency) of revenue over expenditures	(540)	531	(2,182)	515	1,295
Fund equity					
Beginning of year	<u>11,464</u>	<u>10,933</u>	<u>13,115</u>	<u>12,600</u>	<u>11,305</u>
End of year	<u>\$ 10,924</u>	<u>\$ 11,464</u>	<u>\$ 10,933</u>	<u>\$ 13,115</u>	<u>\$ 12,600</u>
Analysis of fund equity					
Restricted					
Reserve for repairs	\$ 68	\$ 67	\$ 67	\$ 67	\$ 67
Employee benefit reserve	804	804	804	804	804
Reserve for capital	2,743	3,302	3,682	6,095	5,393
Reserve for retirement system	628	628	628	628	628
Reserve for TRS	435	435	435	335	225
Reserve for property loss and liability	515	506	501	501	501
Reserve for insurance	1,275	1,275	1,275	1,275	1,275
Reserve for unemployment insurance	211	210	210	210	210
Assigned					
Reserve for encumbrances	455	28	33	40	175
Next year's budget	2,076	1,055	866	600	600
Unassigned	<u>1,714</u>	<u>3,154</u>	<u>2,432</u>	<u>2,560</u>	<u>2,722</u>
	<u>\$ 10,924</u>	<u>\$ 11,464</u>	<u>\$ 10,933</u>	<u>\$ 13,115</u>	<u>\$ 12,600</u>

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SUMMARY OF ADDITIONAL COMMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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Future Governmental Accounting Standards – GASB 101 – Compensated Absences

Governmental Accounting Standards Board has issued Statement No. 101, Compensated Absences which will be effective for the fiscal year ending June 30, 2025. The standard provides guidance on how the District will account for and disclose obligations related to compensated absences, including vacation leave, sick leave, and other similar benefits. We recommend that the District begin to familiarize themselves with the new compensated absences standard, which may include continuing education, webinars and further training.

District response: The District will familiarize itself with the new accounting standards and the impact they may have on future financial statements by participating in trainings or webinars on the topics when they become available.

Grant Funding

Wind down of Pandemic grant funding

As the District winds down is Pandemic grant programs, it should develop plans to ensure that funds are fully expended and processes are in place to ensure that final reports are submitted timely. Because these grants were mostly one-time allocations, the District should also begin to determine the impact of not having funding will have on future operations.

District response: The Administrative team has reviewed and will continue to monitor the spending of Pandemic grant programs throughout the remainder of the grant period to ensure the funds are fully expended as intended. The Business Administrator will continue to work closely with the grant coordinator through BOCES to ensure timely filing of necessary paperwork. The District has been able to utilize the influx of funds strategically and the Administration will be able to continue operations as is when those funds are discontinued.

Grant Monitoring

During the audit we noted that certain expenditures reported on the final expenditure claim reports did not align with costs reported in the special aid fund where grants are tracked. Although the District had supporting documentation for expenditures claimed on the final reports, they were not classified to the appropriate account codes or period within the District's general ledger. It is critical that the District monitor its spending within the guidelines and budget of the respective grants. Having expenditures properly classified will enhance the District's monitoring of expenditures with that budgeted. When appropriate budget amendments should be submitted to the grantor in a timely manner.

District response: The District will review its processes for tracking future grants.

Food Service Program

Operating Losses

During the fiscal year ended June 30, 2024 and 2023, the District's Food Service Fund has net losses from operations of approximately \$73,000 and \$120,000, respectively. The District should continue to evaluate this deficit and develop an approach to alleviate this deficit in the future. The District may consider transferring additional funds from the General Fund to the Food Service Fund in future years.

District response: The Administrative team will monitor the purchasing of food and supplies during the year to try to detect any inefficiencies. There will only be one Cook Manager during the year. The General Fund will also budget for additional funds to support the Café fund.

Submission for Federal and State Reimbursements

During the audit, we noted certain discrepancies between meals served eligible for reimbursement and the amounts claimed for reimbursement. We recommend that the District implement a process whereby an individual independent of the preparer review the claims for reimbursements with reports that track meals served.

District response: The District will follow the recommendation in the finding and have an individual review claim forms prior to their submission.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
SUMMARY OF ADDITIONAL COMMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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Cash Accounts and Interest Earnings

During the current year, the District maintains a consolidated savings account which includes cash held in the general, debt service and capital projects fund. During the current year, interest earned on the savings account was reported as revenue in the general fund. The District should develop a worksheet that tracks interest earned on these cash accounts individually, along with the cash balances associated with reserve accounts held in the general fund. Amounts should be allocated to reflect the interest earned in each fund and reserve account. In addition, the District should consider opening a separate bank account that is specifically related to the capital project fund. Doing so, will separate bond and bond anticipation note proceeds, interest earned and payments related to the capital project.

District response: The District will develop a schedule to allocate interest to reserves in future years and will consider opening a new capital project cash account.

General Fund Budget

The District's 2023-24 budget propositions to its voters included the annual budget, along with separate propositions for the purchase of land (\$65,000), the purchase of three buses (\$458,036) from the transportation reserve and the purchase of a pickup truck and groomer (\$110,000) from the equipment reserve which are each voted upon separately for approval. We noted that the propositions for the bus purchases and land purchase were also included as a line items (\$460,000 buses and \$65,000 land) in the District's annual budget. Separate propositions should not be included in the annual budget, as they are voted upon individually.

District response: Separate propositions were not included in the 2024-25 annual budget and the District will ensure this situation does not occur in future years.

Scholarship Funds

The District maintains an expendable and non-expendable private purpose trust fund. Investment earnings in the non-expendable trust fund are utilized to pay scholarships that are paid for in the expendable trust fund. In the current year the investment earnings were not transferred to the expendable trust fund resulting in a due to/due from liability/asset being recorded at the time of the audit. We recommend that the District transfer funds and clear the interfund balances.

District response: The District will transfer funds and eliminate the intercompany balances.

Interfund Receivable and Payable

During the fiscal year, many transactions require an initial use of interfund loans. Such transactions include but are not limited to: State and Federal aid directly wired to the District's General Fund checking account related to basic state aid, Federal and State grants recorded in the Special Aid fund and free and reduced breakfast and lunch reimbursements recorded in the Food Service Fund; salaries and fringe benefits paid for through the General Fund related to the Food Service Fund and Special Aid Fund; Debt Service Fund transfers to and from the General Fund; and interest earned on cash and investments balances in the capital projects related to serial bonds issues and bond anticipation notes which must be utilized for future debt service and therefore, accumulated in the Debt Service Fund. As a result of these circumstances, large due to and due from balances may exist at certain times during the year in the General Fund, Special Aid Fund, Food Service Fund, Capital Projects Fund and Debt Service Fund. We recommend that the District closely monitor these outstanding interfund loan balances on a regular basis and where appropriate pay down these loan balances.

District's response: The District will closely monitor these interfund loan balances and will regularly pay down these loans.

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT

**EXTRACLASSROOM ACTIVITY FUND
FINANCIAL STATEMENT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**WITH REPORT OF
CERTIFIED PUBLIC ACCOUNTANTS**

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
EXTRAClassroom Activity Fund

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INDEPENDENT AUDITOR'S REPORT

**To the President and
Members of the Board of Education
Bolivar-Richburg Central School District
Bolivar, New York**

Opinion

We have audited the accompanying statement of cash receipts and disbursements of the Extraclassroom Activity Fund of the *Bolivar-Richburg Central School District* for the year ended June 30, 2024, and the related notes to the financial statement.

In our opinion, the financial statement referred to above present fairly, in all material respects, the cash transactions of the Extraclassroom Activity Fund of *Bolivar-Richburg Central School District* for the year ended June 30, 2024 on the basis of accounting described in Note 1.

Basis for Opinion

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

Basis of Accounting

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial 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 Extraclassroom Activity Fund of *Bolivar-Richburg Central School District's* ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 6, 2024, on our consideration of the **Bolivar-Richburg Central School District's** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the **Bolivar-Richburg Central School District's** internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering **Bolivar-Richburg Central School District's** internal control over financial reporting and compliance.

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

**Olean, New York
December 6, 2024**

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
STATEMENT OF RECEIPTS AND DISBURSEMENTS – CASH BASIS
JULY 1, 2023 THROUGH JUNE 30, 2024

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	Balances July 01, 2023	Total Receipts	Total Receipts & Balances	Total Payments	Balances June 30, 2024
Extracurricular activities:					
Business/Marketing Club	\$ 1,696	\$ -	\$ 1,696	\$ -	\$ 1,696
Class of 2023	6,690	200	6,890	-	6,890
Class of 2024	10,400	36,703	47,103	45,253	1,850
Class of 2025	6,545	9,905	16,450	6,920	9,530
Class of 2026	1,921	5,726	7,647	2,871	4,776
Class of 2027	-	3,323	3,323	1,948	1,375
Clothing Store	548	-	548	-	548
Ecology Club	566	-	566	-	566
FCCLA	2,028	-	2,028	-	2,028
FFA	(251)	-	(251)	200	(451)
Junior NHS	15	-	15	-	15
International Travel Club	3,995	-	3,995	2,907	1,088
Language Club	182	-	182	-	182
Library Club	1,311	2,054	3,365	2,464	901
National Honor Society	625	-	625	-	625
Rachel's Challenge	501	341	842	170	672
SADD	1,748	670	2,418	-	2,418
Sales Tax	261	2,247	2,508	-	2,508
Science Club	6,872	-	6,872	390	6,482
Sentinel	339	-	339	-	339
Ski Club	1	-	1	-	1
Student Council	15,915	2,513	18,428	6,968	11,460
Musical Club	3,411	5,628	9,039	-	9,039
Theatre Club	3,608	-	3,608	-	3,608
Yearbook Club	18,690	3,479	22,169	5,468	16,701
Total activity fund	\$ 87,617	\$ 72,789	\$ 160,406	\$ 75,559	\$ 84,847

BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
NOTE TO FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2024

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The transactions of the Extraclassroom Activity Fund are included in the financial statements of the School District. However, cash balances of \$84,847 are included in the Miscellaneous Special Revenue Fund as restricted cash, with a corresponding amount recorded as a committed fund balance.

The accounts of the Extraclassroom Activity Fund of *Bolivar-Richburg Central School District* are maintained on a cash basis, and the statement of cash receipts and disbursements reflects only cash received and disbursed. Therefore, receivables and payables, inventories, long-lived assets, and accrued income and expenses, which would be recognized under generally accepted accounting principles, and which may be material in amount, are not recognized in the accompanying financial statement.



BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

Certified Public Accountants ▲ Business Advisors

**To the President and Members of the
Board of Education
and School Administration
Bolivar-Richburg Central School District
Bolivar, New York**

Ladies and Gentlemen:

In planning and performing our audit of the statement of cash receipts and disbursements – cash basis of the Extraclassroom Activity Fund of *Bolivar-Richburg Central School District* as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered *Bolivar-Richburg Central School District's* internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of *Bolivar-Richburg Central School District's* internal control. Accordingly, we do not express an opinion on the effectiveness of *Bolivar-Richburg Central School District's* internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal control that we consider to be material weaknesses.

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. We consider the following deficiency in internal control to be material weaknesses:

Point of Sale Records

We noted several instances where the receipt of cash lacked point of sale records. Each cash receipt received by the central treasurer should be accompanied by supporting documentation which reconciles cash received to participation times rates/fees. We recommend that point of sale records be filled out in detail or an appropriate summary be attached by the student treasurer or teacher advisor, and be verified or reviewed by the central treasurer.

District's response: The District's Central Treasurer will ensure detailed supporting documentation is received with each cash receipt.

Internal Profit Margin Analysis

During our testing of cash receipts, we reviewed documentation to determine whether or not internal profit margin analyses are being performed on fundraisers. Margin analysis is an excellent tool for analyzing the profitability of a fundraiser, and also identifying any potential errors in record keeping or potential fraud. None of the receipts selected for testing had evidence that an internal profit margin analysis was performed. We recommend that the Central Treasurer monitor the completion of such analysis and follow-up with activities that are not turning over forms for review.

District response: The District's Central Treasurer will suggest internal profit margin analyses be performed on fundraisers by student treasurer or teacher advisor.

Supporting Documentation for Receipts and Disbursements

During our testing of cash receipts and cash disbursements, the District was unable to provide supporting documentation to substantiate certain purchases and receipts made in the student activity fund. Not having the necessary detail to support cash disbursements and cash receipts could lead to errors, misstatements or potential fraud. We recommend that the District ensure all supporting documentation be maintained on file and reviewed periodically by District personnel to ensure its existence.

District's response: The District's Central Treasurer will ensure that supporting documentation is received with each cash disbursement.

This communication is intended solely for the information and use of management, Board of Education, and others within **Bolivar-Richburg Central School District**, and is not intended to be, and should not be, used by anyone other than these specified parties.

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

**Olean, New York
December 6, 2024**



December 6, 2024

To the Audit Committee
and Board of Education
Bolivar-Richburg Central School
Bolivar, New York

We have audited the financial statements of Bolivar-Richburg Central School as of and for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Governmental Auditing Standards and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 1, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Bolivar-Richburg Central School are described in Note 1 to the financial statements. The District did not implement any new accounting standards in the current year. We noted no transactions entered into by Bolivar-Richburg Central School during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements were:

Management's estimate of depreciation is based on estimates of useful lives of assets and cost basis of certain assets were derived from a third-party independent appraisal company. We evaluated the key factors and assumptions used to develop depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.

In addition, the District also has estimated future costs associated with pension and other post-employment benefits and has recorded a net pension liability (TRS), a net pension liability (ERS) and an other post-employment benefit liability based on an actuarial study performed by a third-party actuary. We evaluated the key assumptions used to develop this study and its reasonableness in relation to the financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were the disclosures on long-term debt in Note 3V and COVID-19 Pandemic in Note 6 to the financial statements, due to their significance.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 6, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Bolivar-Richburg Central School's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, budgetary comparison information, schedule of changes in District's net OPEB liability and related ratios, schedule of District's contributions - OPEB, schedule of the District's share of the net pension asset/liability, and the schedule of the District's contributions for defined benefit pension plans, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on supplementary information, including combining and individual fund financial statements, the schedule of expenditures of federal awards, and other schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board and management of Bolivar-Richburg Central School and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.
Olean, New York
December 6, 2024