CALEDONIA-MUMFORD
CENTRAL SCHOOL DISTRICT, NEW YORK

BASIC FINANCIAL STATEMENTS

For Year Ended June 30, 2026

MMB+CO | BUSINESS ADVISORS AND CPAS

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Caledonia-Mumford Central School District, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Caledonia-Mumford Central School District, New York (the District), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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 District, as of June 30, 2026, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in District's total OPEB liability and related ratio, schedule of the District's proportionate share of the net pension liability, schedule of District contributions, and budgetary comparison information on pages 4-19 and 54-59 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 District's basic financial statements. The accompanying supplemental information as listed in the table of contents and 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 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information as listed in the table of contents and schedule of expenditures of federal awards 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. Such 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 supplementary information as listed in the table of contents and schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2026 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Mengel, Metzger, Barr & Co. LLP

Fairport, New York
October 16, 2026

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Caledonia-Mumford Central School District

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2026

The following is a discussion and analysis of the District's financial performance for the fiscal year ended June 30, 2026. This section is a summary of the District's financial activities based on currently known facts, decisions, and/or conditions. It is also 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 immediately follow this section.

Financial Highlights

At the close of the fiscal year, the total assets plus deferred outflows (what the District owns) exceeded its total liabilities plus deferred inflows (what the District owes) by $28,797,665 (net position) an increase of $2,059,426 from the prior year.

General revenues which include Federal and State Aid, Real Property Taxes, Non Property Taxes, Investment Earnings, Compensation for Loss, and Miscellaneous accounted for $21,971,189 or 93% of all revenues. Program specific revenues in the form of Charges for Services and Operating Grants and Contributions, accounted for $1,610,760 or 7% of total revenues.

As of the close of the fiscal year, the District's governmental funds reported combined fund balances of $15,565,443 an increase of $4,851,117 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report also contains individual fund statements and schedules in addition to the basic financial statements.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the District's assets plus deferred outflow of resources and liabilities plus deferred inflow of resources, with the difference between the two reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The *governmental* activities of the District include instruction, pupil transportation, cost of food sales, general administrative support, community service, and interest on long-term debt.

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

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The District maintains six individual governmental funds: General Fund, Special Aid Fund, School Lunch Fund, Miscellaneous Special Revenue Fund, Debt Service Fund and Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Capital Projects Fund, and the Special Aid Fund which are reported as major funds. Data for the School Lunch Fund, the Debt Service Fund, and the Miscellaneous Special Revenue Fund, are aggregated into a single column and reported as nonmajor funds. Additionally, for each major fund, a detailed analysis of the financial position (fund balance or net position) and results of operations are also provided within the MD&A.

The District adopts, and voters approve an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the budget.

Fiduciary funds are used to account for assets held by the District in an agency capacity which accounts for assets held by the District on behalf of others. Fiduciary funds are not reflected in the government-wide financial statement because the resources of these funds are *not* available to support the District's programs.

The financial statements for the governmental and fiduciary funds can be found in the basic financial statement section of this report.

Major Feature of the Government-Wide and Fund Financial Statements			
	Government-Wide Statements	**Fund Financial Statements**	
		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, scholarship programs, and building maintenance	Instances in which the District administers resources on behalf of someone else, such as student activities monies
Required financial statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balance	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, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

Notes to the Financial Statements

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

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all the District's assets and liabilities. All the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position, the difference between the District's assets plus deferred outflow of resources and liabilities plus deferred inflow of resources, 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. Additional non-financial factors such as changes in the District’s property tax base and the condition of the school buildings and facilities must also be considered to assess the District’s overall health.

All of the District's services are reported in the government-wide financial statements as governmental activities. Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes, federal and state aid, and investment earnings finance most of these activities.

Financial Analysis of the School District As a Whole

Net Position

	Governmental Activities		Total Variance	Total Percent Variance
ASSETS:	**2026**	**2025**		
Current and Other Assets	$ 19,261,926	$ 14,045,127	$ 5,216,799	37.14%
Capital Assets	31,986,822	23,249,861	8,736,961	37.58%
Total Assets	**$ 51,248,748**	**$ 37,294,988**	**$ 13,953,760**	**37.41%**
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred Outflows of Resources	**$ 3,467,920**	**$ 3,081,851**	**$ 386,069**	**12.53%**
LIABILITIES:				
Long-Term Debt Obligations	$ 21,570,253	$ 9,296,378	$ 12,273,875	132.03%
Other Liabilities	1,269,777	2,186,491	(916,714)	(41.93%)
Total Liabilities	**$ 22,840,030**	**$ 11,482,869**	**$ 11,357,161**	**98.91%**
DEFERRED INFLOWS OF RESOURCES:				
Deferred Inflows of Resources	**$ 2,766,695**	**$ 2,155,731**	**$ 610,964**	**28.34%**
NET POSITION:				
Net Investment in Capital Assets	$ 18,979,497	$ 17,814,704	$ 1,164,793	6.54%
Restricted For:				
Retirement Contribution Reserve	980,559	921,465	59,094	6.41%
Unemployment Insurance Reserve	1,002,096	967,074	35,022	3.62%
Capital Reserve	3,482,134	2,909,761	572,373	19.67%
Other Purposes	2,187,226	3,583,922	(1,396,696)	(38.97%)
Unrestricted	2,166,153	541,313	1,624,840	300.17%
Total Net Position	**$ 28,797,665**	**$ 26,738,239**	**$ 2,059,426**	**7.70%**

Key Variances

- Current and Other Assets increased $5,216,799 as a result of increased cash on hand from the issuance of bonds to fund the District's capital project, as well as an increase in the District's proportionate share of the New York State pension system asset, as determined by an actuary.
- Capital Assets increased $8,736,961 as a result of construction work completed on the District's capital improvement project.
- Long-Term Debt Obligations increased 12,273,875 as a result of bonds issued to finance the District's capital improvement project.

The District's financial position is the product of many factors.

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

There are four restricted net position balances: Retirement Contribution Reserve, Unemployment Reserve Capital Reserve, and Other Purposes. The remaining balance of unrestricted net position of $2,166,153 is deemed available for use by the District.

Changes in Net Position

The District's total revenue increased 6% to $23,581,949. State and federal aid 54% and property taxes 34% accounted for most of the District's revenue. The remaining 12% of the revenue comes from operating grants, charges for services, use of money and property, compensation for loss, and miscellaneous revenues.

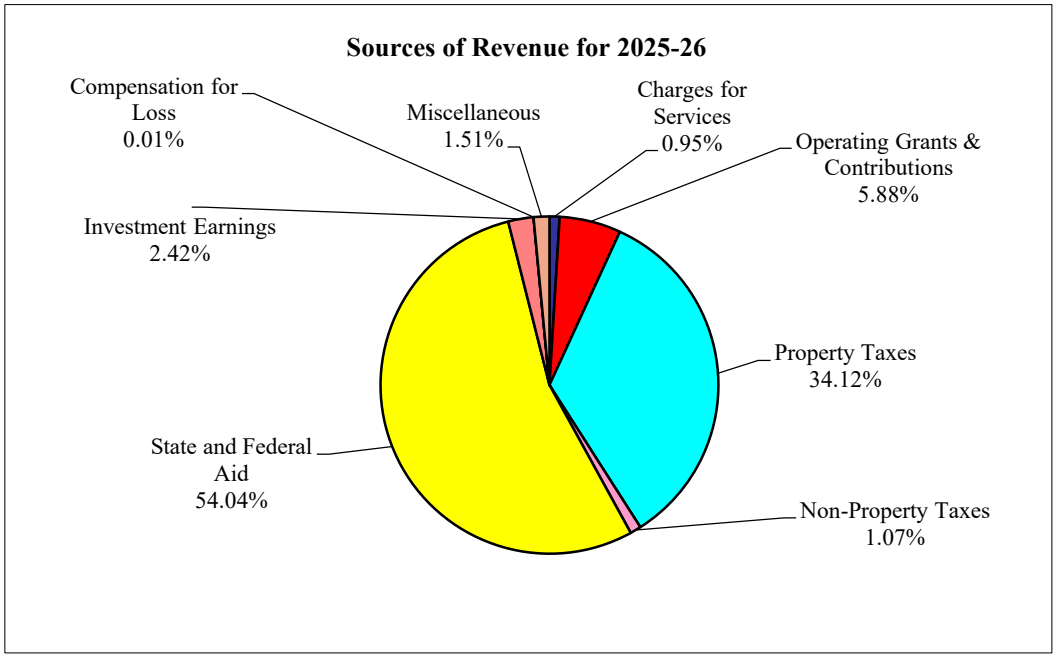
The total cost of all the programs and services increased to $21,522,523. The District's expenses are predominately related to education and caring for the students (instruction) 69%. General support which included expenses associated with the operation, maintenance and administration of the District accounted for 19% of the total costs. See table below:

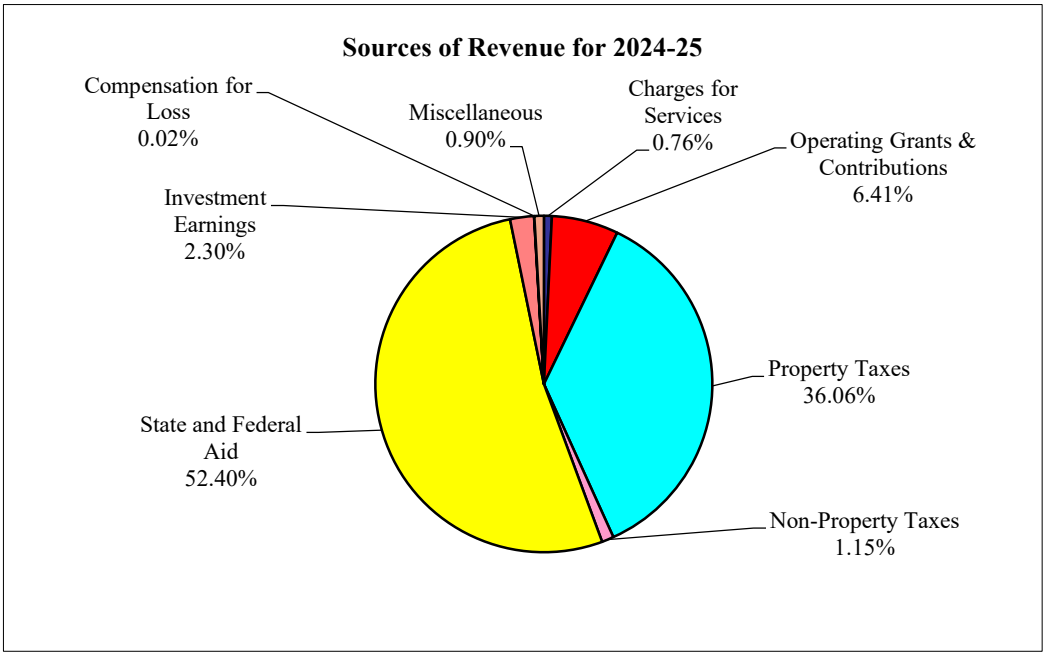
	Governmental Activities		Total Variance	Total Percent Variance
	2026	2025		
REVENUES:				
Program -				
Charges for Service	$ 223,802	$ 168,972	$ 54,830	32.45%
Operating Grants & Contributions	1,386,958	1,425,337	(38,379)	(2.69%)
Total Program	$ 1,610,760	$ 1,594,309	$ 16,451	1.03%
General -				
Property Taxes	$ 8,046,381	$ 8,019,930	$ 26,451	0.33%
Non Property Taxes	251,413	254,996	(3,583)	(1.41%)
State and Federal Aid	12,744,551	11,653,277	1,091,274	9.36%
Investment Earnings	569,961	511,192	58,769	11.50%
Compensation for Loss	2,804	5,216	(2,412)	(46.24%)
Miscellaneous	356,079	201,027	155,052	77.13%
Total General	$ 21,971,189	$ 20,645,638	$ 1,325,551	6.42%
TOTAL REVENUES	**$ 23,581,949**	**$ 22,239,947**	**$ 1,342,002**	**6.03%**
EXPENSES:				
General Support	$ 4,190,862	$ 3,498,925	$ 691,937	19.78%
Instruction	14,767,004	15,903,156	(1,136,152)	(7.14%)
Pupil Transportation	1,255,463	1,164,027	91,436	7.86%
Community Services	15,033	17,602	(2,569)	(14.59%)
School Lunch	816,466	735,866	80,600	10.95%
Interest	477,695	159,551	318,144	199.40%
TOTAL EXPENSES	**$ 21,522,523**	**$ 21,479,127**	**$ 43,396**	**0.20%**
CHANGE IN NET POSITION	**$ 2,059,426**	**$ 760,820**		
NET POSITION, BEGINNING OF YEAR	26,738,239	25,977,419		
NET POSITION, END OF YEAR	**$ 28,797,665**	**$ 26,738,239**		

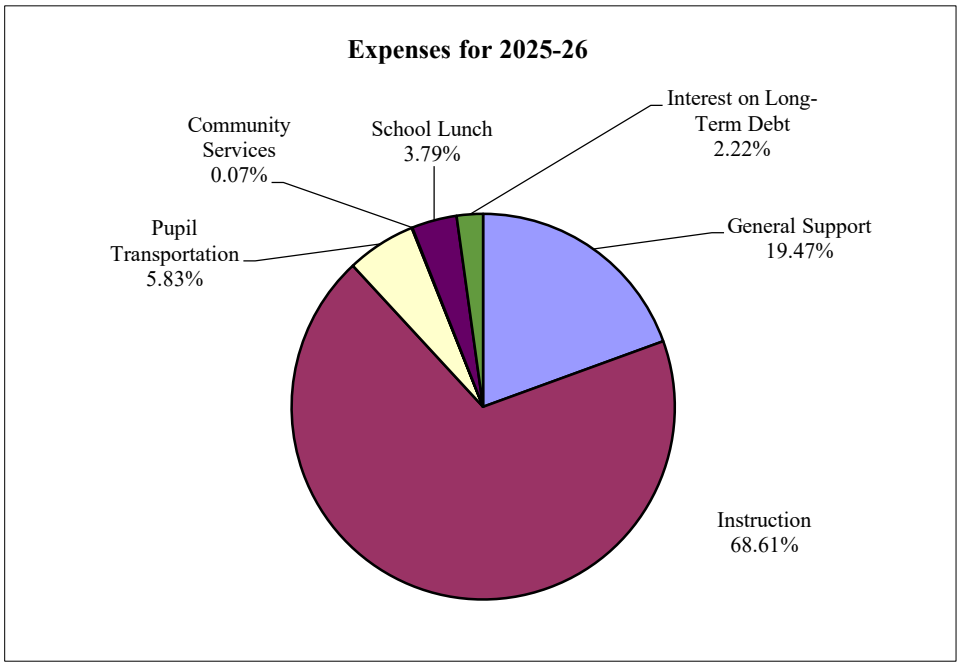
The overall change in net position increased $2,059,426 which is $1,298,606 higher than the prior year change in net position. The most significant variable which increased the District's position was an increase in State & Federal aid which is due to a combination of factors such as wealth index, strategic purchases through BOCES to increase BOCES Aid, as well as a significant increase in building aid as a new project was initiated in the 25/26 school year.

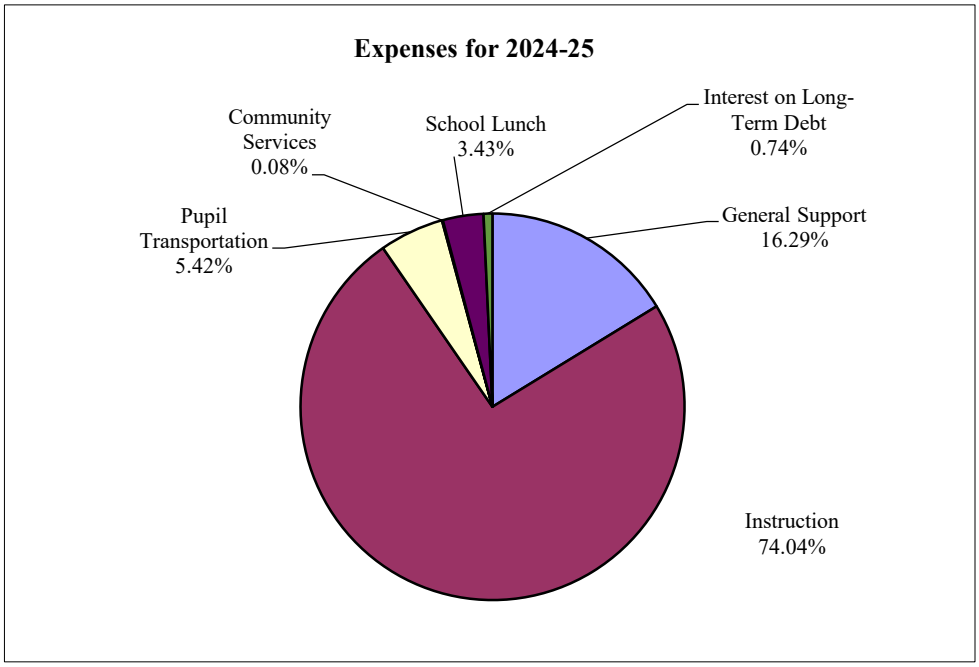
Key Variances

- State and Federal Aid increased $1,091,274 as a result of increases in State funding based on Foundation Aid adjustments and increases in expense based aids as the District seeks to maximize funding opportunities.
- Instruction decreased $1,136,152 as a result of the allocation of changes to the actuarially determined liabilities for OPEB and the District's proportionate share of the New York State pension systems' assets and liabilities.


Sources of Revenue for 2025-26
Compensation for Loss 0.01%
Miscellaneous 1.51%
Charges for Services 0.95%
Operating Grants & Contributions 5.88%
Investment Earnings 2.42%
Property Taxes 34.12%
State and Federal Aid 54.04%
Non-Property Taxes 1.07%


Sources of Revenue for 2024-25
Compensation for Loss 0.02%
Miscellaneous 0.90%
Charges for Services 0.76%
Operating Grants & Contributions 6.41%
Investment Earnings 2.30%
Property Taxes 36.06%
State and Federal Aid 52.40%
Non-Property Taxes 1.15%


Expenses for 2025-26
Interest on Long-Term Debt 2.22%
School Lunch 3.79%
Community Services 0.07%
Pupil Transportation 5.83%
General Support 19.47%
Instruction 68.61%


Expenses for 2024-25
Interest on Long-Term Debt 0.74%
School Lunch 3.43%
Community Services 0.08%
Pupil Transportation 5.42%
General Support 16.29%
Instruction 74.04%

Financial Analysis of the District's Funds

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported combined fund balances of $15,565,443 which is more than last year's ending fund balance of $10,714,326. The District reports two major governmental funds individually in the governmental funds financial statements. Those funds are the General Fund, the Capital Projects Fund, and the Special Aid Fund

General Fund

The General Fund is the chief operating fund of the District. At the end of the current year, the total fund balance of the General Fund was $9,292,306. Fund balance for the General Fund increased by $1,254,069 compared with the prior year, which was primarily a result of lower-than-anticipated expenditures due to breakage, this also includes reduced utilization of budgeted contingency funds designated for unforeseen expenses, combined with higher-than-projected revenues from sources such as BOCES Aid, interest earnings, and property taxes. See table below:

General Fund:	2026	2025	Total Variance	Total Percent Variance
Total Revenues	$ 21,881,879	$ 20,635,468	$ 1,246,411	6.04%
Total Expenditures	19,212,064	19,378,320	(166,256)	(0.86%)
Other Financing Sources				
Transfers-In	-	8,221	(8,221)	(100.00%)
Transfers-Out	(1,415,746)	(1,111,345)	(304,401)	27.39%
Change in Fund Balance	**$ 1,254,069**	**$ 154,024**	**$ 1,708,847**	**1109.47%**
Fund Balance				
Nonspendable	$ 167,278	$ -	$ 167,278	100.00%
Restricted	6,654,598	5,837,298	817,300	14.00%
Assigned	1,528,013	1,334,512	193,501	14.50%
Unassigned	942,417	866,427	75,990	8.77%
Total Fund Balance	**$ 9,292,306**	**$ 8,038,237**	**$ 1,254,069**	**15.60%**

Nonspendable Fund Balance – represents 2% of the total fund balance and represents those items that represent prepaid expenditures for health, workers' compensation, and liability insurances.

Restricted Fund Balance – is the largest component of fund balance, 52% relate to the capital reserves and 22% relate to the ERS and TRS reserve. A detail of the restricted reserves can be found in the footnotes to the financial statements.

Assigned Fund Balance – represents the smallest portion of fund balance consisting of encumbrances for items that have been ordered but not yet received. The District has also appropriated fund balances to support next year's budget totaling $647,303 representing 3% of next years budget.

Unassigned Fund Balance – increased 9% over the prior year and represents 4% of the subsequent years budget and is within the requirements of Section 1318 of the Real Property Tax Law. These funds are available for cashflow and unanticipated ordinary contingent expenditures.

Capital Projects Fund

The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for the acquisition or construction of capital facilities and other capital assets, such as equipment. A Capital Projects Fund must be used if the acquisition or construction is financed in whole or in part from the proceeds of obligations, but may include funding from Federal, State and local sources. At the end of the current year, the total fund balance of the Capital Projects Fund was $5,082,477 and a summary of the projects can be found in the financial statements.

The largest component of the capital projects fund is the 2025 capital improvement project, which accounted for 97% of the expenditures in the current year; to date the District has spent $10,340,544 of the $15,230,000 authorized by voters for the project. Fund balance for the Capital Projects Fund increased by $3,299,636 compared with the prior year. See table below:

Capital Projects Fund:	2026	2025	Total Variance	Total Percent Variance
Total Expenditures	$ 9,837,404	$ 929,441	$ 8,907,963	958.42%
Other Financing Sources				
Transfers-In	594,040	225,697	368,343	163.20%
Transfers-Out	-	(8,221)	8,221	(100.00%)
Proceeds from Obligations	12,480,000	-	12,480,000	100.00%
BANs Redeemed from Appropriations	63,000	143,000	(80,000)	(55.94%)
Change in Fund Balance	**$ 3,299,636**	**$ (568,965)**	**$ 3,868,601**	**(679.94%)**
Fund Balance				
Restricted	$ 5,207,134	$ 1,969,677	$ 3,237,457	164.36%
Unassigned	(124,657)	(186,836)	$ 62,179	(33.28%)
Total Fund Balance	**$ 5,082,477**	**$ 1,782,841**	**$ 3,299,636**	**185.08%**

Key Variances

- Capital Fund activity was increased significantly in the current year as a result of the 2025 capital improvement project; the District had substantial construction costs incurred and issued a bond to finance the project during the current year.

Special Aid Fund

The Special Aid Fund is a Special Revenue Fund used to account for and report special projects or programs supported in whole or in part by Federal funds or State-funded grants.

Special Aid Fund:	2026	2025	Total Variance	Total Percent Variance
Total Revenues	$ 695,018	$ 762,202	$ (67,184)	(8.81%)
Total Expenditures	748,561	826,987	(78,426)	(9.48%)
Other Financing Sources				
Transfers-In	53,543	64,785	(11,242)	(17.35%)
Change in Fund Balance	**$ -**	**$ -**	**$ -**	**0.00%**

Key Variances

- Special Aid Fund revenues and expenditures decreased as a result of the ending of the federal stimulus funding related to the COVID-19 pandemic during the 2025 fiscal year.

Significant Capital Asset and Long-Term Financing Activity

Significant Capital and Right to Use Assets

Capital assets are accounted for at historical (actual) cost or, if the cost is not practicably determinable, at estimated cost. The cost of the capital asset should include ancillary charges necessary to place the asset into use. Donated capital assets and capital assets acquired in a service concession arrangement should be recorded at acquisition value. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date, or the amount at which a liability could be liquidated with the counter party at the acquisition. Right to use assets (leases) are valued at the future minimum lease payment. By the end of the 2026 fiscal year, the District had invested $31,986,822 in a broad range of capital and lease assets, including land, work in progress, buildings and improvements, and machinery and equipment. The change in capital assets and leased assets, net of accumulated depreciation (capital assets) and amortization (leased assets), is reflected below:

	2026	2025	Total Variance	Total Percent Variance
Capital Assets:				
Land	$ 26,149	$ 26,149	$ -	0.00%
Work in Progress	10,759,962	808,357	9,951,605	1231.09%
Buildings and Improvements	19,406,916.00	20,568,072	(1,161,156)	(5.65%)
Machinery and Equipment	1,140,028.00	1,107,768	32,260	2.91%
Total Capital Assets	**$ 31,333,055**	**$ 22,510,346**	**$ 8,822,709**	**39.19%**
Lease Assets:				
Equipment	$ 653,767	$ 739,515	$ (85,748)	(11.60%)
Total Lease Assets	**$ 653,767**	**$ 739,515**	**$ (85,748)**	**(11.60%)**

Key Variances

- Work in Progress increased $9,951,605 as a result of construction costs incurred in relation to the District's capital improvement project.
- Buildings and Improvements decreased $1,161,156 as a result of depreciation charged against buildings in the current year.

More detailed information can be found in the notes to the financial statements.

Long-Term Financing Activity

At year end, the District had $21,570,253 in general obligation bonds and other long-term debt outstanding as follows:

Type	2026	2025	Total Variance	Total Percent Variance
Serial Bonds Payable	$ 16,900,000	$ 5,015,000	$ 11,885,000	236.99%
Unamortized Bond Premium	452,707	205,288	247,419	120.52%
OPEB Liability	1,947,749	1,462,375	485,374	33.19%
Net Pension Liability	253,969	780,033	(526,064)	(67.44%)
Retainage Payable	419,417	28,033	391,384	1396.15%
Compensated Absences	1,596,411	1,805,649	(209,238)	(11.59%)
Total Long-Term Financing	**$ 21,570,253**	**$ 9,296,378**	**$ 12,273,875**	**132.03%**

Key Variances

- Serial Bonds Payable increased $11,885,000 as a result of the issuance of a new bond in the current year to permanently finance the capital improvement project, net of payments made on previously outstanding bonds.
- Net Pension Liability decreased $526,064 as a result of changes to the District's proportionate share of the New York State pension systems' liability, as determined by an actuary.

NYS ERS and TRS Pension Systems

All non-teaching and non-certified administrative employees of the District eligible for pension or retirement benefits under the Retirement and Social Security Law of the State are members of the New York State and Local Employees' Retirement System ("ERS"). In the District's 2026-27 budget, the appropriation for payments to ERS is $316,200.

Teachers and certified administrators are members of the New York State Teachers' Retirement System ("TRS" and collectively with ERS, the "Retirement Systems"). Payments to the TRS are deducted from the District's State aid payments. In the District's 2026-27 budget, the appropriation for payments to TRS is $790,221.

The average contribution rate for the ERS for the 2025-26 fiscal year is 16.5%. The average contribution rate for the TRS for the 2025-26 fiscal year is 9.59%. The funding status of the ERS pension system as of March 31, 2025 indicates the System is funded at 97.78% while the TRS System is funded at 104%. As a result the Teachers Retirement System reports a net pension asset totaling $2,044,556.

Other Postemployment Benefits (OPEB)

The District and other municipal units of government in the State are prohibited from reducing health benefits received by or increasing health care contributions paid by retirees below the level of benefits or contributions afforded to or required from active employees.

OPEB consists primarily of health care benefits and may include other benefits such as disability benefits and life insurance. There is no authority in current State law to establish a trust account in order to fund any part of this liability, however, the District budgets and pays the actual costs relating to this expenditure in the General Fund.

Bond Rating

The underlying rating assigned to the School District by S&P Global Ratings, a division of S&P Global Inc., is an A+ rating, which was assigned in connection with the issuance by the School District of $6,840,000 School District (Serial) Bonds dated April 27, 2017.

More detailed information can be found in the notes to the financial statements.

Currently Known Facts, Decision or Conditions

Employee Contracts

The District has the following significant employee contracts:

Contracts	Periods Covered
Teachers' Association	07-01-25/06-30-28
Support Staff Association	07-01-22/06-30-26

Unemployment Rate

Unemployment statistics are not available for the District as such, smallest area for which such statistics are available (which includes the District) is Livingston County. The data set forth below with respect to the County.

Year	County Unemployment Rate	New York State Unemployment Rate	U.S. Unemployment Rate
2021	4.4%	7.1%	5.3%
2022	3.4%	4.3%	3.6%
2023	3.5%	4.1%	3.6%
2024	3.8%	4.3%	4.0%

Tax Levy Limitation Law

On June 24, 2011, Chapter 97 of the Laws of 2011 (herein referred to as the "Tax Levy Limit Law" or "Law") was signed by the Governor. The Tax Levy Limit Law modifies current law by imposing a limit on the amount of real property taxes that a school district may levy. The Law will affect school district tax levies for the school district financial year beginning July 1, 2012. On April 12, 2019 the enacted State budget legislation for fiscal year 2020 made the Tax Levy Limitation Law permanent.

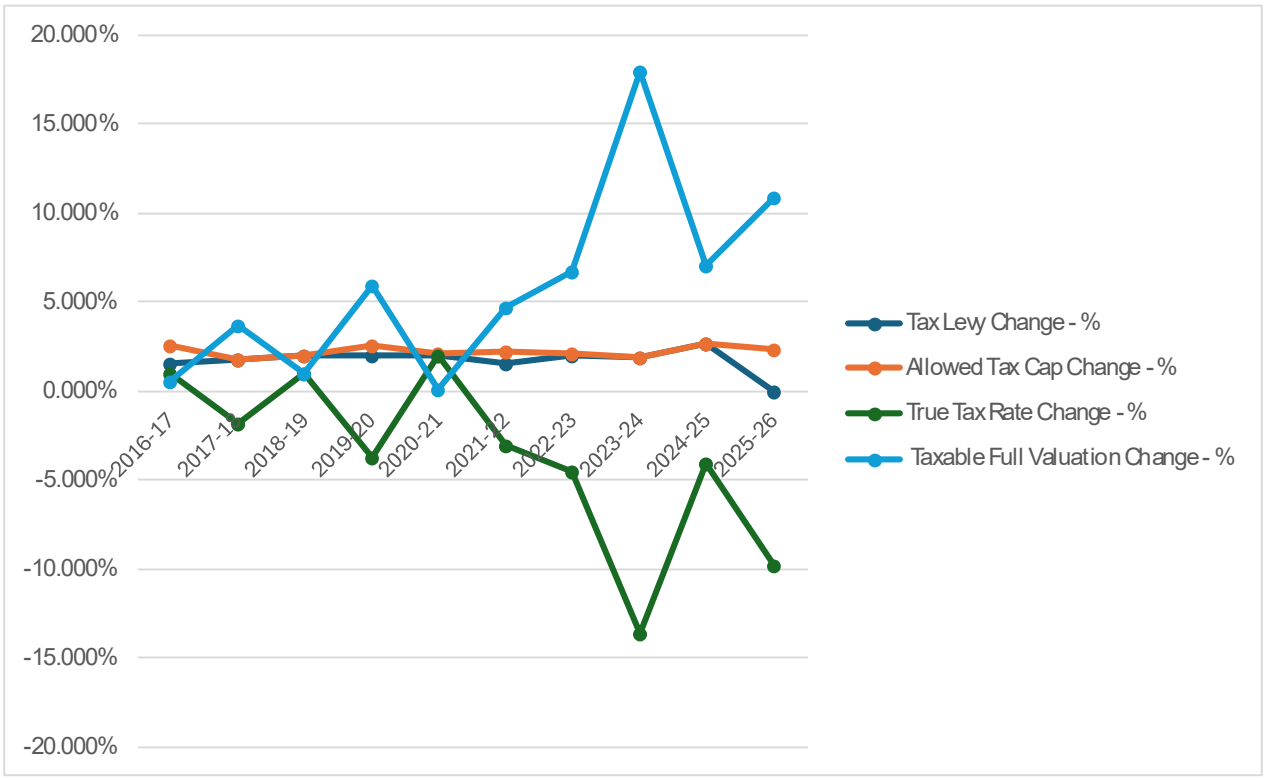
Prior to the enactment of the Law, there was no statutory limitation on the amount of real property taxes that a school district could levy if its budget had been approved by a simple majority of its voters. In the event the budget had been defeated by the voters, the school district was required to adopt a contingency budget. Under a contingency budget, school budget increases were limited to the lesser of four percent (4%) of the prior year's budget or one hundred twenty percent (120%) of the consumer price index ("CPI").

The Tax Levy Limit Law imposed a limitation on the amount of tax levy growth from one fiscal year to the next. Such limitation is the lesser of (i) 2% or (ii) the annual percentage increase in the consumer price index, as described in the Law. Tax levies that do not exceed such limit will require approval by at least 50% of the voters. Approval by at least 60% of the voters will be required for a tax levy in excess of the limit. In the event the voters reject the tax levy, the school district's tax levy for the ensuing fiscal year may not exceed the amount of the tax levy for the prior fiscal year, without any stated exceptions.

The Law sets forth several exceptions to the tax levy limit for school districts. These include taxes to pay the local share of debt service on voter approved capital expenditures, certain pension cost increases, and other items enumerated in the Law. School districts will be permitted to carry forward a certain portion of their unused tax levy limitation from a prior year.

The Law provides an express exception from the limitation for those taxes to be levied to pay the local share of debt service on voter approved capital expenditures. However, Such exception would not apply to taxes to be levied commencing in the 2012-13 fiscal year of a school district to pay debt service on tax anticipation notes, revenue anticipation notes, budget notes and deficiency notes; and any obligations issued to finance deficits and certain judgements, including tax certiorari payments.

Summary of Percent Change in Tax Levy, Tax Cap, True Tax Rate, and Taxable Full Valuation



As indicated in the above graph, since 2020, the District has experienced significant growth in taxable full valuation, while maintaining relatively stable tax levy increases within the allowable tax cap. This growth in taxable valuation has generally contributed to a reduction in the true tax rate, despite modest increases in the overall tax levy and more specifically having zero levy increase for three fiscal years.

2026-27 Budgetary Information

On May 19, 2026, the voters of the District approved the proposed 2026-27 budget totaling $23,560,473 with a 74% approval rate.

The overall expenditure budget increased 8.77%, while the local tax levy increased 0% which is within the property tax cap.

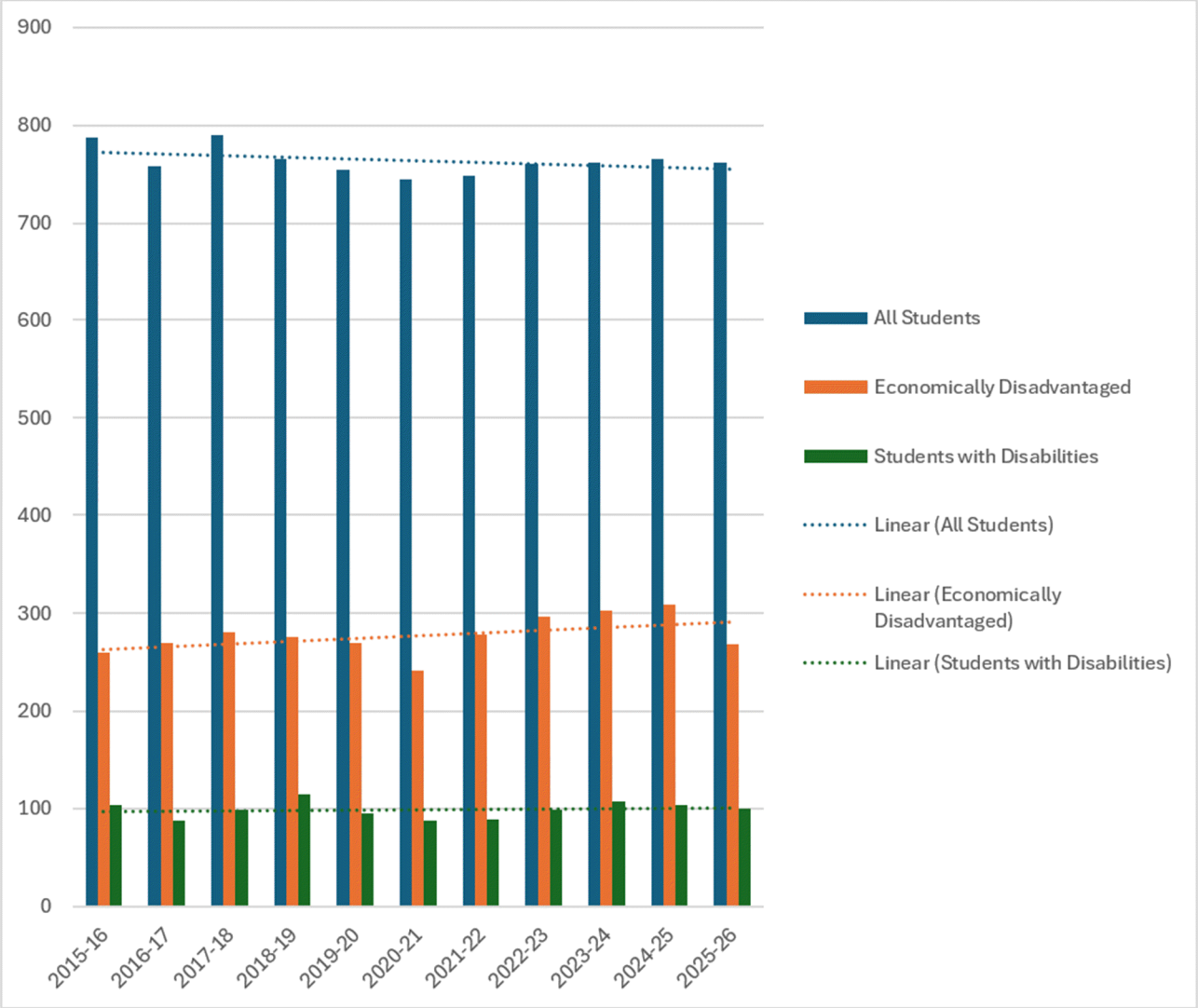
Although the District foundation aid increased $345,895 based on state aid runs this was offset by projected increases to employee benefits of $335,035.

The Caledonia-Mumford Central School District's proposed 2026-27 budget totaled $23,560,437, representing an 8.77% increase over the prior year while maintaining a 0% increase in the tax levy for the second consecutive year. The budget prioritized maintaining educational programming, expanding Universal Prekindergarten to a full-day program, and addressing rising operational costs while leveraging increased State Aid to minimize the impact on taxpayers. The budget also included a $100,000 capital outlay project to upgrade HVAC controls, with approximately 86% reimbursable through State Aid. In addition to the annual budget proposition, voters were presented with a separate referendum authorizing the purchase of one school bus at a cost not to exceed $200,000, funded entirely through the District's existing Capital Vehicle and Equipment Reserve, eliminating the need for additional borrowing or an increase to the tax levy.

Enrollment Information

The school district enrollment also impacts the budget process. The following graphs highlight some of the key District trends:

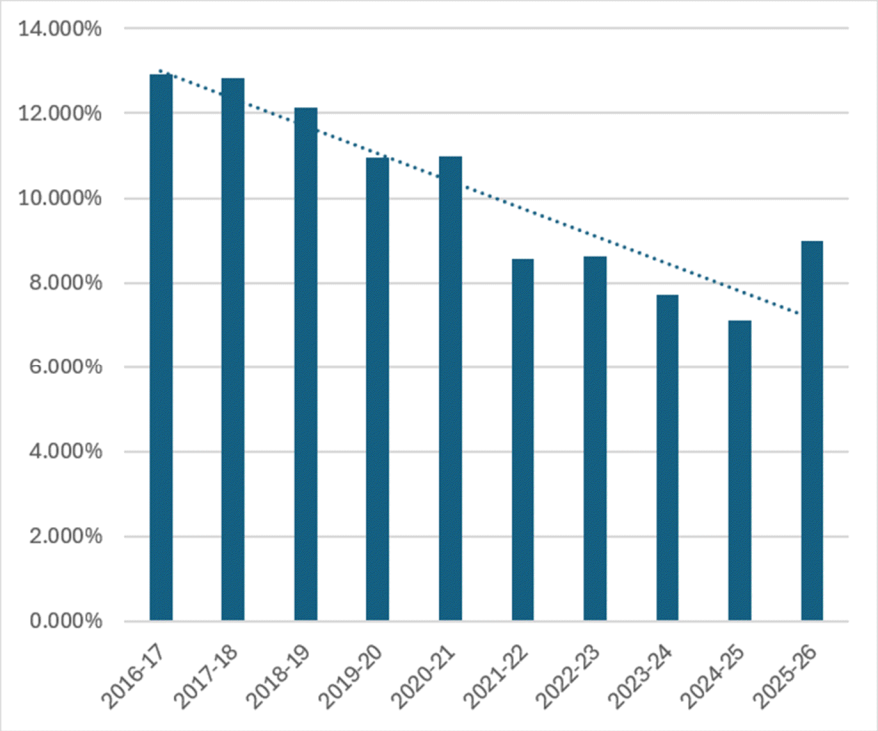
District Students: K-12 Total Enrollment, Economically Disadvantaged and Students with Disabilities Trends 2015-16 to 2025-26



The District has experienced a modest decrease in K-12 student enrollment over the past decade, from approximately 790 students in 2015-16 to 760 students in 2025-26. During this period, the number of economically disadvantaged students has generally increased, while the number of students with disabilities has remained relatively stable. These trends reflect changing student demographics and the continued importance of providing instructional programs and support services that address the diverse needs of the District's student population.

Other Postemployment Benefits (OPEB)

The chart below shows the total OPEB obligation as a percentage to the General Fund budget.



The District continues to see this expenditure to be a significant impact on the overall budget. The District reviews and evaluates the health insurance programs we participate in on an annual basis in order to control the overall cost of health insurance for our active and retired employees. Through our participation in the Genesee Area Healthcare Plan we have made available new programs for health savings accounts and other subsidy plans to help control those costs.

Zero Emission Vehicle Mandate

New York State's zero-emission school bus mandate (Education Law §3638) requires all public school districts, as well as any contracted transportation providers, to transition to fully zero-emission (primarily electric) school bus fleets over time. Under the law, districts must ensure that all new school bus purchases or leases meet zero-emission standards by the applicable deadline (originally July 1, 2027, with recent updates extending to approximately 2032) and must include the same requirement in transportation service contracts. In addition, districts are required to phase out all gasoline and diesel buses so that, by the final statutory deadline (originally July 1, 2035, with potential extension to 2040), only zero-emission buses are operated and maintained. The law also includes procurement provisions such as domestic manufacturing requirements and permits limited waivers for interim compliance challenges, while maintaining the ultimate conversion requirement. To support implementation, the State has established significant funding programs, including the NYSERDA School Bus Incentive Program funded in part by the Environmental Bond Act, which provides financial assistance for electric bus purchases, charging infrastructure, and fleet electrification planning.

Pre-K Program

For the 2026-27 school year, the Caledonia-Mumford Central School District is expanding its Universal Prekindergarten (UPK) program from three half-day sections offered in 2025-26 to three full-day sections. This transition will provide students with increased instructional time and expanded opportunities for early literacy, mathematics, social-emotional development, and kindergarten readiness through a comprehensive, developmentally appropriate curriculum.

Contacting the School District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the following:

Caledonia-Mumford Central School District
99 North Street
Caledonia, New York 14423

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Statement of Net Position

June 30, 2026

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 14,594,729
Accounts receivable	2,437,813
Inventories	16,777
Prepaid items	168,051
Net pension asset	2,044,556
Capital Assets:	
Land	26,149
Work in progress	10,759,962
Other capital assets (net of depreciation)	21,200,711
TOTAL ASSETS	$ 51,248,748
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources	$ 3,467,920
LIABILITIES	
Accounts payable	$ 312,278
Accrued liabilities	143,986
Unearned revenues	5,272
Due to other governments	380
Due to teachers' retirement system	763,938
Due to employees' retirement system	78,498
Bond anticipation notes payable	125,000
Other Liabilities	152,703
Long-Term Obligations:	
Due in one year	2,171,810
Due in more than one year	19,398,443
TOTAL LIABILITIES	$ 23,152,308
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources	$ 2,766,695
NET POSITION	
Net investment in capital assets	$ 18,979,497
Restricted For:	
Reserve for employee retirement system	980,559
Unemployment insurance reserve	1,002,096
Capital reserves	3,482,134
Other purposes	2,300,506
Unrestricted	2,052,873
TOTAL NET POSITION	**$ 28,797,665**

(See accompanying notes to financial statements)

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Statement of Activities

For The Year Ended June 30, 2026

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Primary Government -				
General support	$ 4,190,862	$ -	$ -	$ (4,190,862)
Instruction	14,767,004	168,135	676,173	(13,922,696)
Pupil transportation	1,255,463	-	-	(1,255,463)
Community services	15,033	-	-	(15,033)
School lunch	816,466	55,667	710,785	(50,014)
Interest	477,695	-	-	(477,695)
Total Primary Government	**$ 21,522,523**	**$ 223,802**	**$ 1,386,958**	$ (19,911,763)
	General Revenues:			
	Property taxes			$ 8,046,381
	Non property taxes			251,413
	State and federal aid			12,744,551
	Investment earnings			569,961
	Compensation for loss			2,804
	Miscellaneous			356,079
	Total General Revenues			$ 21,971,189
	Changes in Net Position			$ 2,059,426
	Net Position, Beginning of Year			26,738,239
	Net Position, End of Year			**$ 28,797,665**

(See accompanying notes to financial statements)

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Balance Sheet

Governmental Funds

June 30, 2026

	General Fund	Special Aid Fund	Capital Projects Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 8,539,385	$ 24,467	$ 5,036,440	$ 994,437	$ 14,594,729
Receivables	1,768,232	494,560	87,666	87,355	2,437,813
Inventories	-	-	-	16,777	16,777
Due from other funds	611,717	-	631,357	517,915	1,760,989
Prepaid items	167,278	-	-	773	168,051
TOTAL ASSETS	**$ 11,086,612**	**$ 519,027**	**$ 5,755,463**	**$ 1,617,257**	**$ 18,978,359**
LIABILITIES AND FUND BALANCES					
Liabilities -					
Accounts payable	$ 287,863	$ -	$ 23,204	$ 1,211	$ 312,278
Accrued liabilities	94,447	-	-	19,411	113,858
Notes payable - bond anticipation notes	-	-	125,000	-	125,000
Due to other funds	316,857	519,027	524,782	400,323	1,760,989
Due to other governments	-	-	-	380	380
Due to TRS	763,938	-	-	-	763,938
Due to ERS	78,498	-	-	-	78,498
Other liabilities	152,703	-	-	-	152,703
Unearned revenue	-	-	-	5,272	5,272
TOTAL LIABILITIES	$ 1,694,306	$ 519,027	$ 672,986	$ 426,597	$ 3,312,916
Deferred Inflows -					
Deferred inflows of resources	$ 100,000	$ -	$ -	$ -	$ 100,000
Fund Balances -					
Nonspendable	$ 167,278	$ -	$ -	$ 17,550	$ 184,828
Restricted	6,654,598	-	5,207,134	793,019	12,654,751
Assigned	1,528,013	-	-	380,091	1,908,104
Unassigned	942,417	-	(124,657)	-	817,760
TOTAL FUND BALANCE	$ 9,292,306	$ -	$ 5,082,477	$ 1,190,660	$ 15,565,443
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	**$ 11,086,612**	**$ 519,027**	**$ 5,755,463**	**$ 1,617,257**	

Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets/right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds.	31,986,822
Interest is accrued on outstanding bonds in the Statement of Net Position but not in the funds.	(30,128)
The following long-term obligations are not due and payable in the current period and therefore are not reported in the governmental funds:	
Serial bonds payable	(16,900,000)
OPEB liability	(1,947,749)
Retainage payable	(419,417)
Compensated absences	(1,596,411)
Unamortized bond premium	(452,707)
Net pension asset	2,044,556
Deferred outflow - pension	3,012,410
Deferred outflow - OPEB	455,510
Net pension liability	(253,969)
Deferred inflow - pension	(2,191,876)
Deferred inflow - OPEB	(474,819)
Net Position of Governmental Activities	**$ 28,797,665**

(See accompanying notes to financial statements)

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For The Year Ended June 30, 2026

	General Fund	Formerly Nonmajor Special Aid Fund	Capital Projects Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES					
Real property taxes and tax items	$ 8,046,381	$ -	$ -	$ -	$ 8,046,381
Non-property taxes	251,413	-	-	-	251,413
Charges for services	168,135	-	-	-	168,135
Use of money and property	376,164	-	-	193,797	569,961
Sale of property and compensation for loss	2,804	-	-	-	2,804
Miscellaneous	292,431	-	-	7,268	299,699
State sources	12,659,190	323,424	-	287,856	13,270,470
Federal sources	85,361	371,594	-	422,929	879,884
Sales	-	-	-	55,667	55,667
TOTAL REVENUES	$ 21,881,879	$ 695,018	$ -	$ 967,517	$ 23,544,414
EXPENDITURES					
General support	$ 3,820,427	$ -	$ -	$ -	$ 3,820,427
Instruction	10,444,273	712,572	-	-	11,156,845
Pupil transportation	942,560	16,253	177,183	-	1,135,996
Community services	12,811	-	-	-	12,811
Employee benefits	3,921,379	19,736	-	53,830	3,994,945
Debt service - principal	63,000	-	-	595,000	658,000
Debt service - interest	7,614	-	-	487,663	495,277
Cost of sales	-	-	-	397,659	397,659
Other expenses	-	-	-	242,615	242,615
Capital outlay	-	-	9,660,221	-	9,660,221
TOTAL EXPENDITURES	$ 19,212,064	$ 748,561	$ 9,837,404	$ 1,776,767	$ 31,574,796
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 2,669,815	$ (53,543)	$ (9,837,404)	$ (809,250)	$ (8,030,382)
OTHER FINANCING SOURCES (USES)					
Transfers - in	$ -	$ 53,543	$ 594,040	$ 768,163	$ 1,415,746
Transfers - out	(1,415,746)	-	-	-	(1,415,746)
Proceeds from obligations	-	-	12,480,000	-	12,480,000
BANs redeemed from appropriations	-	-	63,000	-	63,000
Premium on obligations issued	-	-	-	338,499	338,499
TOTAL OTHER FINANCING SOURCES (USES)	$ (1,415,746)	$ 53,543	$ 13,137,040	$ 1,106,662	$ 12,881,499
NET CHANGE IN FUND BALANCE	$ 1,254,069	$ -	$ 3,299,636	$ 297,412	$ 4,851,117
FUND BALANCE, BEGINNING OF YEAR	8,038,237	-	1,782,841	893,248	10,714,326
FUND BALANCE, END OF YEAR	**$ 9,292,306**	**$ -**	**$ 5,082,477**	**$ 1,190,660**	**$ 15,565,443**

(See accompanying notes to financial statements)

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

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

For The Year Ended June 30, 2026

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		$ 4,851,117
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following are the amounts by which capital outlays and additions of assets in excess depreciation in the current period:		
Capital Outlay	$ 9,660,221	
Additions to Assets, Net	746,841	
Depreciation and Amortization	(1,670,101)	
		8,736,961
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term obligations in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position. The following details these items as they effect the governmental activities:		
Debt Repayments	$ 658,000	
Proceeds from Bond Issuance	(12,480,000)	
Proceeds from BAN Redemption	(63,000)	
Unamortized Bond Premium	(247,419)	
		(12,132,419)
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(17,118)
The retainage payable does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.		(391,384)
The net OPEB liability does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.		98,261
(Increase) decrease in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds		
Teachers' Retirement System		734,970
Employees' Retirement System		(30,200)
In the Statement of Activities, vacation pay, teachers' retirement incentive and judgments and claims are measured by the amount accrued during the year. In the governmental funds, expenditures for these items are measured by the amount actually paid. The following provides the differences of these items as presented in the governmental activities:		
Compensated Absences		209,238
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		**$ 2,059,426**

(See accompanying notes to financial statements)

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Statement of Fiduciary Net Position

June 30, 2026

	Custodial Funds
ASSETS	
Cash and cash equivalents	$ 84,189
TOTAL ASSETS	$ 84,189
NET POSITION	
Restricted for individuals, organizations and other governments	$ 84,189
TOTAL NET POSITION	**$ 84,189**

Statement of Changes in Fiduciary Net Position

For The Year Ended June 30, 2026

	Custodial Funds
ADDITIONS	
Library taxes	$ 30,000
Student activity	248,805
TOTAL ADDITIONS	$ 278,805
DEDUCTIONS	
Student activity	$ 250,487
Library taxes	30,000
TOTAL DEDUCTIONS	$ 280,487
CHANGE IN NET POSITION	$ (1,682)
NET POSITION, BEGINNING OF YEAR	85,871
NET POSITION, END OF YEAR	**$ 84,189**

(See accompanying notes to financial statements)

I. Summary of Significant Accounting Policies

The financial statements of the Caledonia-Mumford Central School District, New York (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Reporting Entity

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

The reporting entity of the District is based upon criteria set forth by GASB Statement 14, *The Financial Reporting Entity*, as amended by GASB Statement 39, *Component Units* and GASB Statement 61, *The Financial Reporting Entity*. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities included in the District's reporting entity.

1. Extraclassroom Activity Funds

The extraclassroom activity funds of the District represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The extraclassroom activity funds are independent of the District with respect to its financial transactions, and the designation of student management. Separate audited financial statements (cash basis) of the extraclassroom activity funds can be found at the District's business office**.** The District accounts for assets held for various student organizations in the Custodial Fund.

B. Joint Venture

The District is a component of the Genesee Valley Board of Cooperative Educational Services (BOCES). The BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs which provide educational and support activities. There is no authority or process by which a school district can terminate its status as a BOCES component.

BOCES are organized under §1950 of the New York State Education Law. A BOCES Board is considered a corporate body. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of §1950 of the New York State Education Law. All BOCES property is held by the BOCES Board as a corporation (§1950(6)). In addition, BOCES Boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under §119-n(a) of the New York State General Municipal Law.

A BOCES' budget is comprised of separate budgets for administrative, program, and capital costs. Each component school district's share of administrative and capital cost is determined by resident public school district enrollment as defined in Education Law, Section 1950(4)(b)(7). In addition, component districts pay tuition or a service fee for programs in which its students participate.

During the year, the District was billed $3,132,691 for BOCES administrative and program costs.

The District's share of BOCES aid amounted to $1,850,214.

Financial statements for the BOCES are available from the BOCES administrative office.

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 the double counting of internal transactions. Governmental activities generally are financed through taxes, state aid, intergovernmental revenues, and other exchange and nonexchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital specific grants.

The Statement of Activities presents a comparison between program expenses and revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas. 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 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. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following governmental funds:

a. **Major Governmental Funds**

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

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

Special Aid Fund - This fund accounts for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties.

b. **Nonmajor Governmental Fund** - The other funds which are not considered major are aggregated and reported as nonmajor governmental funds as follows:

Debt Service Fund - This fund accounts for the accumulation of resources and the payment of principal and interest on long-term obligations for governmental activities.

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

Miscellaneous Special Revenue Fund – used to account for and report those revenues that are restricted or committed to expenditures for specified purposes.

c. **Fiduciary Funds** - 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.

Custodial Funds - These funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the District as agent for various student groups or extraclassroom activity funds.

D. **Measurement Focus and Basis of Accounting**

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

The District-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include 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 fund financial 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 one year after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

E. Property Taxes

Real property taxes are levied annually by the Board of Education no later than September 1, and become a lien on August 12, 2025. Taxes are collected during the period September 1 to September 30, 2025.

Uncollected real property taxes are subsequently enforced by the Counties in which the District is located. The Counties pay an amount representing uncollected real property taxes transmitted to the Counties for enforcement to the District no later than the following April 1.

F. Restricted Resources

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

G. Interfund Transactions

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

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

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

Refer to Note V for a detailed disclosure by individual fund for interfund receivables, payables, expenditures, and revenues activity.

H. Estimates

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

I. Cash and Cash Equivalents

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

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. 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 Districts.

J. Receivables

Receivables are shown net of an allowance for uncollectible accounts, when applicable. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

K. Inventory and Prepaid Items

Inventories of food and/or supplies for school lunch 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, and are considered immaterial in amount.

Prepaid items represent payments made by the District for which benefits extend beyond year end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the District-wide and fund financial statements. These items are reported as assets on the Statement of Net Position or balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

A nonspendable fund balance for these non-liquid assets (inventories and prepaid items) has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

(I.) (Continued)

L. Capital Assets

In the District-wide financial statements, capital assets are accounted for at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their acquisition value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives and capitalization threshold by type of assets is as follows:

Class	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings	$ 50,000	SL	15-50 Years
Machinery and Equipment	$ 5,000	SL	5-25 Years

The investment in infrastructure type assets have not been segregated for reporting purposes since all costs associated with capital projects are consolidated and reported as additions to buildings and improvements.

M. Right To Use Assets

The District-wide financial statements, right-to-use-assets are reported within the major class of the underlying asset and valued at the future minimum lease payment. Amortization is between 3 and 5 years based on the contract terms and/or estimated replacement of the assets.

N. Unearned Revenue

The District reports unearned revenues on its Statement of Net Position and its Balance Sheet. On the Statement of Net Position, unearned revenue arises when resources are received by the District before it has legal claim to them, as when grant monies are received prior to incurrence of qualifying expenditures. In subsequent periods, when the District has legal claim to resources, the liability for unearned revenue is removed and revenue is recognized.

O. Deferred Outflows and Inflows 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 (expenses/expenditure) until that time.

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.

(I.) (Continued)

P. Vested Employee Benefits

1. Compensated Absences

The District, based on policy and/or various negotiated labor or employment contracts, recognizes a liability for compensated absences for leave time that:

(a) has been earned for services previously rendered by employees.
(b) has accumulated and is allowed to be carried over into subsequent years.
(c) is more likely than not to be used as time off or settled (for example paid in cash to the employee or as a payment to an employee 403b or medical spending account) during or upon separation from employment.

Based on the criteria listed, only vacation leave, sick leave and sick leave banks meet the qualifications to be recognized as a liability for compensated absences. The total long-term estimated liability for compensated absences is reported as incurred in the District-wide financial statements. The short-term liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Consistent with GASB Statement 101, Compensated Absences, the liability has been calculated using the more likely than not to be used as leave or settled at separation method with the compensated absences liability being calculated based on the pay rates in effect at year end.

Q. Other Benefits

District employees participate in the New York State Employees' Retirement System and the New York State Teachers' Retirement System.

In addition to providing pension benefits, the District provides post-employment health coverage to retired employees in accordance with the provision of various employment contracts in effect at the time of retirement. Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits may be shared between the District and the retired employee. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

R. Short-Term Debt

The District may issue Bond Anticipation Notes (BANs), 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 a BAN issued for capital purposes be converted to long-term financing within five years after the original issue date.

S. Accrued Liabilities and Long-Term Obligations

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

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

T. Equity Classifications

1. District-wide Statements

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

a. **Net Investment in Capital Assets** - consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.

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

On the Statement of Net Position the following balances represent the restricted for other purposes:

	Total
Retirement Contribution Reserve - TRS	$ 460,316
Capital Projects-Buses	317,678
Liability Reserve	419,912
Debt Service Reserve	679,739
Employee Benefit Accrued Liability Reserve	309,581
Grants and Scholarships	113,280
Total Net Position - Restricted for Other Purposes	**$ 2,300,506**

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

(I.) (Continued)

2. Fund Statements

In the fund basis statements there are five classifications of fund balance:

a. Nonspendable Fund Balance – Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance include the following:

	Total
Inventory in School Lunch	$ 16,777
Prepaid Items	168,051
Total Nonspendable Fund Balance	**$ 184,828**

b. Restricted Fund Balances – Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. All encumbrances of funds other than the General Fund are classified as restricted fund balance. The District has established the following restricted fund balances:

Capital Reserve - According to Education Law §3651, must be used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of the reserve; the ultimate amount, its probable term and the source of the funds. Expenditures may be made from the reserve only for a specific purpose further authorized by the voters. The form for required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. The Reserve is accounted for in the General Fund under restricted fund balance. Year end balances are as follows:

Name of Reserve	Maximum Funding	Total Funding Provided	Total Year to Date Balance
Vehicle/Equipment Reserve 2023	$ 1,000,000	$ 1,000,000	$ 823,142
2022 Building Capital Reserve	$ 10,000,000	$ 4,012,036	$ 2,658,992

Reserve for Debt Service - According to General Municipal Law §6-1, the Reserve for Debt Service must be established for the purpose of retiring the outstanding obligations upon the sale of District property or capital improvement that was financed by obligations that remain outstanding at the time of the sale. Also, earnings on project monies invested together with unused proceeds are reported here.

Employee Benefit Accrued Liability Reserve - According to General Municipal Law §6-p, must be used for the payment of accrued employee benefits due to an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board, and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated.

Liability Reserve - According to General Municipal Law §1709(8)(c), must be used to pay for property loss and liability claims incurred. Separate funds for property loss and liability claims are required, and this reserve may not in total exceed 3% of the annual budget or $15,000, whichever is greater.

(I.) (Continued)

Retirement Contribution Reserve - According to General Municipal Law §6-r, must be used financing retirement contributions. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board.

Teachers' Retirement Reserve – General Municipal Law §6-r was amended to include a Teachers' Retirement Reserve (TRS) sub-fund. The reserve has an annual funding limit of 2% of the prior year TRS salaries and a maximum cumulative total balance of 10% of the previous year's TRS salary.

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

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

Restricted fund balances include the following:

		Total
General Fund -		
Unemployment Reserve	$	1,002,096
Retirement Contribution - ERS		980,559
Retirement Contribution - TRS		460,316
Liability Reserve		419,912
Capital Reserve		3,482,134
Employee Benefit Accrued Liability Reserve		309,581
Capital Fund -		
Capital Projects		5,207,134
Miscellaneous Special Revenue Fund -		
Grants and Scholarships		113,280
Debt Service Fund -		
Debt Service Reserve		679,739
Total Restricted Fund Balance	**$**	**12,654,751**

The District appropriated and/or budgeted funds from the following reserves for the 2026-27 budget:

	Total
Unemployment Costs	$ 200,000
Retirement Contribution - ERS	310,000
Retirement Contribution - TRS	119,599
Workers' Compensation	45,216
Total	**$ 674,815**

c. **Assigned Fund Balance** – Includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances of the General Fund are classified as assigned fund balance. Encumbrances represent purchase commitments made by the District's purchasing agent through their authorization of a purchase order prior to year-end. The District assignment is based on the functional level of expenditures.

Management has determined significant encumbrances for the General Fund to be $71,900, the Capital Projects Fund to be $37,700, and the Special Aid Fund to be $3,100. The District reported significant encumbrances as follows:

General Fund -	
General Support	$ 164,410
Instructional	$ 716,300
Capital Projects Fund -	
Capital Improvements	$ 2,558,982

Assigned fund balances include the following:

	Total
General Fund - Encumbrances	$ 880,710
General Fund - Appropriated for Taxes	647,303
School Lunch Fund - Year End Equity	380,091
Total Assigned Fund Balance	**$ 1,908,104**

d. **Unassigned Fund Balance** – Includes all other General Fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the school district and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification is used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted or assigned.

NYS Real Property Tax Law 1318 limits the amount of unexpended surplus funds a school district can retain to no more than 4% of the District's budget for the General Fund for the ensuing fiscal year. Nonspendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances are also excluded from the 4% limitation.

3. Order of Use of Fund Balance

The District's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. For all funds, nonspendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the General Fund are classified as restricted fund balance. In the General Fund, the remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

U. New Accounting Standards

The District has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At June 30, 2026, the District implemented the following new standards issued by GASB:

GASB has issued Statement No. 103, *Financial Reporting Model Improvements*.

GASB has issued Statement No. 104, *Disclosure of Certain Capital Assets*.

V. Future Changes in Accounting Standards

GASB has issued Statement No. 105, *Subsequent Events*, which will be effective for fiscal years beginning after June 15, 2026.

The District will evaluate the impact this pronouncement may have on its financial statements and will implement it as applicable and when material.

II. Stewardship, Compliance and Accountability

By its nature as a local government unit, the District is subject to various federal, state and local laws and contractual regulations. An analysis of the District's compliance with significant laws and regulations and demonstration of its stewardship over District resources follows.

A. Budgets

The District administration prepares a proposed budget for approval by the Board of Education for the General Fund.

The voters of the District approved the proposed appropriation budget.

Appropriations established by adoption of the budget constitute a limitation on expenditures (and encumbrances) which may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restriction, if the Board approves them because of a need which exists which was not determined at the time the budget was adopted. In the current year the budget was increased $687,209 for prior year encumbrances, $177,183 for the purchase of buses, and $316,857 for the BOCES capital project.

(II.) (Continued)

Budgets are adopted annually on a basis consistent with GAAP. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year.

Budgets are established and used for individual Capital Projects Fund expenditures as approved by a special referendum of the District's voters. The maximum project amount authorized is based primarily upon the cost of the project, plus any requirements for external borrowings, not annual appropriations. These budgets do not lapse and are carried over to subsequent fiscal years until the completion of the projects.

B. Encumbrances

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

C. Deficit Fund Balance – Capital Projects Fund

The Capital Projects Fund had a deficit unassigned fund balance of $124,657 at June 30, 2026, which is a result of expenses incurred on bus purchases prior to paydown on the short-term borrowing.

III. Cash and Cash Equivalents

Credit Risk – In compliance with the State Law, District investments are limited to obligations of the United States of America, obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America, obligations of the State, time deposit accounts and certificates of deposit issued by a bank or trust company located in, and authorized to do business in, the State, and obligations used by other municipalities and authorities within the State.

Concentration of Credit Risk – To promote competition in rates and service costs, and to limit the risk of institutional failure, District deposits and investments are placed with multiple institutions. The District's investment policy limits the amounts that may be deposited with any one financial institution.

Interest Rate Risk – The District has an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from rising interest rates.

The District's aggregate bank balances (disclosed in the financial statements), included balances not covered by depository insurance at year end, collateralized as follows:

Uncollateralized	$ -
Collateralized within Trust Department or Agent	15,439,822
Total	**$ 15,439,822**

Restricted cash represents cash where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year end includes $12,654,751 within the governmental funds and $84,189 in the fiduciary funds.

IV. Receivables

Receivables at June 30, 2026 for individual major funds and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities				
Description	General Fund	Special Aid Fund	Capital Projects Fund	Nonmajor Funds	Total
Accounts Receivable	$ 73,612	$ -	$ -	$ 3,142	$ 76,754
Due From State and Federal	384,507	494,560	87,666	84,213	1,050,946
Due From Other Governments	1,310,113	-	-	-	1,310,113
Total Receivables	**$ 1,768,232**	**$ 494,560**	**$ 87,666**	**$ 87,355**	**$ 2,437,813**

V. Interfund Receivables, Payables, Revenues and Expenditures

Interfund Receivables, Payables, Revenues and Expenditures at June 30, 2026 were as follows:

	Interfund			
	Receivables	Payables	Revenues	Expenditures
General Fund	$ 611,717	$ 316,857	$ -	$ 1,415,746
Special Aid Fund	-	519,027	53,543	
Capital Projects Fund	631,357	524,782	594,040	-
Nonmajor Funds	517,915	400,323	768,163	-
Total	**$ 1,760,989**	**$ 1,760,989**	**$ 1,415,746**	**$ 1,415,746**

Interfund receivables and payables between governmental activities are eliminated on the Statement of Net Position. The District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. All interfund payables are not necessarily expected to be repaid within one year.

Transfers are used to finance certain special aid programs, support capital project expenditures, school lunch programs and debt service expenditures.

VI. Capital Assets and Lease Assets

A. Capital Assets

Capital asset balances and activity were as follows:

Type	Balance 7/1/2025	Additions	Deletions	Balance 6/30/2026
Governmental Activities:				
Capital Assets that are not Depreciated -				
Land	$ 26,149	$ -	$ -	$ 26,149
Work in progress	808,357	10,051,605	100,000	10,759,962
Total Nondepreciable	$ 834,506	$ 10,051,605	$ 100,000	$ 10,786,111
Capital Assets that are Depreciated -				
Buildings and Improvements	$ 42,141,810	$ 100,000	$ -	$ 42,241,810
Machinery and equipment	5,458,069	211,311	112,848	5,556,532
Total Depreciated Assets	$ 47,599,879	$ 311,311	$ 112,848	$ 47,798,342
Less Accumulated Depreciation -				
Buildings and Improvements	$ 21,573,738	$ 1,261,156	$ -	$ 22,834,894
Machinery and equipment	4,350,301	179,051	112,848	4,416,504
Total Accumulated Depreciation	$ 25,924,039	$ 1,440,207	$ 112,848	$ 27,251,398
Total Capital Assets Depreciated, Net of Accumulated Depreciation	$ 21,675,840	$ (1,128,896)	$ -	$ 20,546,944
Total Capital Assets	**$ 22,510,346**	**$ 8,922,709**	**$ 100,000**	**$ 31,333,055**

B. Lease Assets

A summary of the lease asset activity during the year ended June 30, 2026 is as follows:

Type	Balance 7/1/2025	Additions	Deletions	Balance 6/30/2026
Lease Assets:				
Equipment	$ 1,569,218	$ 169,923	$ 73,370	$ 1,665,771
Less Accumulated Amortization -				
Equipment	$ 829,703	$ 229,894	$ 47,593	$ 1,012,004
Total Lease Assets, Net	**$ 739,515**	**$ (59,971)**	**$ 25,777**	**$ 653,767**

C. Other Capital Assets (net of depreciation and amortization):

Depreciated Capital Assets, net	$ 20,546,944
Amortized Lease Assets, net	653,767
Total Other Capital Assets, net	**$ 21,200,711**

(VI.) (Continued)

D. Depreciation/Amortization expense for the period was charged to functions/programs as follows

Governmental Activities:	**Depreciation**	**Amortization**	**Total**
General Government Support	$ 5,924	$ -	$ 5,924
Instruction	1,208,980	229,894	1,438,874
Pupil Transportation	96,488	-	96,488
School Lunch	128,815	-	128,815
Total Depreciation and Amortization Expense	**$ 1,440,207**	**$ 229,894**	**$ 1,670,101**

VII. Short-Term Debt

Transactions in short-term debt for the year are summarized below:

	Maturity	**Interest Rate**	**Balance 7/1/2025**	**Additions**	**Deletions**	**Balance 6/30/2026**
BAN-Buses	9/26/2025	4.05%	$ 188,000	$ -	$ 188,000	$ -
BAN-Buses	9/25/2025	3.94%	-	125,000	-	125,000
BAN-Construction	6/25/2026	4.00%	-	8,500,000	8,500,000	-
Total Short-Term Debt			**$ 188,000**	**$ 8,625,000**	**$ 8,688,000**	**$ 125,000**

A summary of the short-term interest expense for the year is as follows:

Interest Paid	$ 322,114
Less: Interest Accrued in the Prior Year	(5,795)
Plus: Interest Accrued in the Current Year	3,762
Total Short-Term Interest Expense	**$ 320,081**

VIII. Long-Term Debt Obligations

Long-term liability balances and activity for the year are summarized below:

	Balance 7/1/2025	**Additions**	**Deletions**	**Balance 6/30/2026**	**Due Within One Year**
Bonds and Notes Payable -					
Serial Bonds Payable	$ 5,015,000	$ 12,480,000	$ 595,000	$ 16,900,000	$ 1,375,000
Unamortized Bond Premium	205,288	282,119	34,700	452,707	65,265
Total Bonds and Notes Payable	$ 5,220,288	$ 12,762,119	$ 629,700	$ 17,352,707	$ 1,440,265
Other Liabilities -					
Net Pension Liability	$ 780,033	$ -	$ 526,064	$ 253,969	$ -
OPEB Liability	1,462,375	485,374	-	1,947,749	-
Retainage Payable	28,033	391,384	-	419,417	419,417
Compensated Absences	1,805,649		209,238	1,596,411	312,128
Total Other Liabilities	$ 4,076,090	$ 876,758	$ 735,302	$ 4,217,546	$ 731,545
Total Long-Term Obligations	**$ 9,296,378**	**$ 13,638,877**	**$ 1,365,002**	**$ 21,570,253**	**$ 2,171,810**

(VIII.) (Continued)

Description	Original Amount	Issue Date	Final Maturity	Interest Rate	Amount Outstanding 6/30/2026
Serial Bonds -					
Reconstruction	$ 6,840,000	2017	2032	2%-3%	$ 2,995,000
Construction	$ 2,280,000	2020	2035	5.00%	1,425,000
Reconstruction	$ 12,480,000	2026	2041	4.00%	12,480,000
Total Serial Bonds					**$ 16,900,000**

The following is a summary of debt service requirements as of June 30, 2026:

	Serial Bonds	
Year	Principal	Interest
2027	$ 1,375,000	$ 643,857
2028	1,450,000	605,675
2029	1,470,000	552,925
2030	1,480,000	498,850
2031	1,350,000	443,200
2032-36	5,175,000	1,509,950
2037-41	4,600,000	566,000
Total	**$ 16,900,000**	**$ 4,820,457**

Interest on long-term debt for June 30, 2026 was composed of:

Interest Paid	$ 173,163
Less: Interest Accrued in the Prior Year	(7,215)
Less: Amortization of Bond Premium	(34,700)
Plus: Interest Accrued in the Current Year	26,366
Total Long-Term Interest Expense	**$ 157,614**

IX. Deferred Inflows/Outflows of Resources

The following is a summary of the deferred inflows/outflows of resources:

	Deferred Outflows	Deferred Inflows
Pension	$ 3,012,410	$ 2,191,876
Planned Balance	-	100,000
OPEB	455,510	474,819
Total	**$ 3,467,920**	**$ 2,766,695**

X. Pension Plans

A. General Information

The District participates in the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS). These are cost-sharing multiple employer public employee retirement systems. The Systems offer a wide range of plans and benefits, which are related to years of service and final average salary, vesting of retirement benefits, death, and disability.

B. Provisions and Administration

A 10-member Board of Trustees of the New York State Teachers' Retirement Board administers TRS. TRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law (NYSRSSL). Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York Public Schools and BOCES who elected to participate in 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. TRS issues a publicly available financial report that contains financial statements and required supplementary information. The report may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York 12211-2395 or by referring to the TRS Comprehensive Annual Financial report, which can be found on the System's website at www.nystrs.org.

ERS 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. NYSRSSL govern obligations of employers and employees to contribute, and benefits to employees. 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. ERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to NYSERS, Office of the State Comptroller, 110 State Street, Albany, New York 12244 or by referring to the ERS Comprehensive Annual Report, which can be found at www.osc.state.ny.us/retire/publications/index.php.

C. Funding Policies

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3.0% 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% of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier 6 vary based on a sliding salary scale. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education Law. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions for the ERS' fiscal year ended March 31. The District paid 100% of the required contributions as billed by the TRS and ERS for the current year.

(X.) (Continued)

The District's share of the required contributions, based on covered payroll paid for the District's year ended June 30, 2026:

Contributions	ERS	TRS
2026	$ 274,070	$ 763,938

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At June 30, 2026, 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, 2026 for ERS and June 30, 2025 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 TRS and ERS Systems in reports provided to the District.

	ERS	TRS
Measurement date	March 31, 2026	June 30, 2025
Net pension asset/(liability)	$ (253,969)	$ 2,044,556
District's portion of the Plan's total net pension asset/(liability)	0.004502%	0.03453%

For the year ended June 30, 2026, the District recognized pension expenses of $303,759 for ERS and ($70,988) for TRS. At June 30, 2026, the District 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	$ 145,336	$ 1,071,803	$ -	$ -
Changes of assumptions	43,595	809,376	-	22,044
Net difference between projected and actual earnings on pension plan investments	-	-	455,381	1,596,793
Changes in proportion and differences between the District's contributions and proportionate share of contributions	73,117	130,339	66,782	50,876
Subtotal	$ 262,048	$ 2,011,518	$ 522,163	$ 1,669,713
District's contributions subsequent to the measurement date	78,498	660,346	-	-
Grand Total	**$ 340,546**	**$ 2,671,864**	**$ 522,163**	**$ 1,669,713**

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

Year	ERS	TRS
2026	$ -	$ 1,069,648
2027	108,358	(419,266)
2028	(164,431)	(448,017)
2029	(105,184)	(81,668)
2030	(98,858)	181,147
Thereafter	-	39,961
Total	**$ (260,115)**	**$ 341,805**

E. Actuarial Assumptions

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

	ERS	TRS
Measurement date	March 31, 2026	June 30, 2024
Actuarial valuation date	April 1, 2025	June 30, 2023
Interest rate	5.90%	6.95%
Salary scale	5.20%	2.04%-5.80%
Decrement tables	April 1, 2020-March 31, 2025 System's Experience	July 1, 2019-June 30, 2024 System's Experience
Inflation rate	2.90%	2.50%
COLA's	1.50%	1.40%

For ERS, annuitant mortality rates are based on April 1, 2020 – March 31, 2025 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2022. For TRS, annuitant mortality rates are based on plan member experience adjustments for mortality improvements based on Society of Actuaries Scale MP-2022.

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 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 as of March 31, 2026 for ERS and June 30, 2025 for TRS are summarized as follows:

Long Term Expected Rate of Return		
	ERS	TRS
Measurement date	March 31, 2026	June 30, 2025
Asset Type -		
Domestic equity	3.29%	6.70%
International equity	5.85%	7.40%
Global equity	n/a	7.00%
Private equity	7.00%	9.80%
Real estate	5.20%	6.50%
Opportunistic portfolios	5.13%	n/a
Real assets	5.54%	n/a
Global bonds	n/a	2.40%
Cash	0.25%	0.60%
Private debt	n/a	6.10%
Real estate debt	n/a	3.80%
High-yield bonds	n/a	4.70%
Domestic fixed income	n/a	2.60%
Fixed income	1.75%	n/a
Credit	5.10%	n/a

The real rate of return is net of the long-term inflation assumption of 2.90% for ERS and 2.50% for TRS.

F. Discount Rate

The discount rate used to calculate the total pension liability was 5.90% 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 liability.

G. Sensitivity of the Net Pension Liability to the Discount Rate Assumption

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 5.90% 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 (4.90% for ERS and 5.95% for TRS) or 1-percentage-point higher (6.90% for ERS and 7.95% for TRS) than the current assumption:

ERS	1% Decrease (4.90%)	Current Assumption (5.90%)	1% Increase (6.90%)
Employer's proportionate share of the net pension asset (liability)	$ (1,734,541)	$ (253,969)	$ 983,854

TRS	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
Employer's proportionate share of the net pension asset (liability)	$ (3,928,641)	$ 2,044,556	$ 7,070,691

H. Pension Plan Fiduciary Net Position

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

	(In Thousands)	
	ERS	TRS
Measurement date	March 31, 2026	June 30, 2025
Employers' total pension liability	$ 253,773,040	$ 148,272,069
Plan net position	248,131,290	154,193,125
Employers' net pension asset/(liability)	$ (5,641,750)	$ 5,921,056
Ratio of plan net position to the employers' total pension asset/(liability)	97.78%	104.00%

I. 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, 2026 represent the projected employer contribution for the period of April 1, 2026 through June 30, 2026 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2026 amounted to $78,498.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2026 are paid to the System in September, October and November 2026 through a state aid intercept. Accrued retirement contributions as of June 30, 2026 represent employee and employer contributions for the fiscal year ended June 30, 2026 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, 2026 amounted to $763,938.

XI. Postemployment Benefits

A. General Information About the OPEB Plan

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

Benefits Provided – The District provides healthcare and life insurance benefits for retirees and their dependents. The benefit terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the District offices and are available upon request.

Employees Covered by Benefit Terms – At June 30, 2026, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	11
Active Employees	124
Total	**135**

B. Total OPEB Liability

The District's total OPEB liability of $1,947,749 was measured as of June 30, 2026, and was determined by an actuarial valuation as of July 1, 2025.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the June 30, 2026 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.40%
Salary Increases	2.40%, average, including inflation
Discount Rate	4.67%
Healthcare Cost Trend Rates	5.90% decreasing to an ultimate rate of 3.80% over 54 years
Retirees' Share of Benefit-Related Costs	Varies between 0% and 30% depending on contract

The discount rate was based on a yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality rates were based on RP-2014 Adjusted to 2006 Total Dataset Mortality Table projected to the valuation date with Scale MP-2020.

C. Changes in the Total OPEB Liability

Balance at June 30, 2025	$ 1,462,375
Changes for the Year -	
Service cost	$ 61,008
Interest	75,485
Changes of benefit terms	(6,046)
Effect of demographic gains or losses	389,160
Changes in assumptions or other inputs	111,102
Benefit payments	(145,335)
Net Changes	$ 485,374
Balance at June 30, 2026	**$ 1,947,749**

Changes of assumptions and other inputs reflect a change in the discount rate from 5.20% in 2025 to 4.67% in 2026.

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 (3.67%) or 1-percentage-point higher (5.67%) than the current discount rate:

	1% Decrease (3.67%)	Discount Rate (4.67%)	1% Increase (5.67%)
Total OPEB Liability	$ 2,121,389	$ 1,947,749	$ 1,794,013

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 rate:

	1% Decrease (4.90% Decreasing to 2.80%)	Healthcare Cost Trend Rates (5.90% Decreasing to 3.80%)	1% Increase (6.90% Decreasing to 4.80%)
Total OPEB Liability	$ 1,774,804	$ 1,947,749	$ 2,188,477

(XI.) (Continued)

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

For the year ended June 30, 2026, the District recognized OPEB expense of $47,074. At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 348,373	$ 253,069
Changes of assumptions	107,137	221,750
Total	**$ 455,510**	**$ 474,819**

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

Year	
2027	$ (72,493)
2028	(68,535)
2029	(61,138)
2030	(11,212)
2031	16,553
Thereafter	177,516
Total	**$ (19,309)**

XII. Risk Management

A. General Information

The District is exposed to various risks of loss related to injuries to employees, theft, damages, 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 three years.

B. Health Plan

1. Genesee Area Healthcare Plan

The District is a Participant of and incurs costs related to the Genesee Area Healthcare Plan (Plan). The Plan is sponsored by the Genesee-Livingston-Steuben-Wyoming Counties Board of Cooperative Educational Services (Genesee Valley BOCES) and its component districts. The Plan's objectives are to formulate, develop, and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program. Membership in the Plan may be offered to only municipal corporations that are pre-kindergarten to grade 12 (PK-12 e.g. public-school districts or Board of Cooperative Educational Services - BOCES) located in Genesee, Livingston, Steuben or Wyoming Counties, New York or any contiguous county with the approval of the Board of Directors. Current membership of the Plan includes twenty-four (24) Participants from various municipal corporations with the Caledonia-Mumford Central School District bearing an equal and proportionate share of the Plan's assets and claim liabilities.

Voluntary withdrawal from the Plan may is subject to the following constraints:

a. Effective only once annually on the last day of the Plan year.
b. Notice of intention to withdrawal must be given in writing to the Chairperson of the Board of Directors and Executive Director not less than fourteen (14) months prior to the end of the Plan year (April 30 of prior Plan Year). Failure to provide at least fourteen (14) months' notice, will result in continued membership in the Plan for another year unless the Board by action of two-thirds majority of the remaining Participants, consents to such withdrawal.
c. Once withdrawn from the Plan, the Participant is responsible for pro-rata share of any Plan deficit or entitled to any pro-rata share of surplus at the end of the Plan year in which withdrawal occurs.

Pursuant to the Municipal Cooperative Agreement as signed by the Participants, the Plan is a risk sharing pool and all monies paid to the Treasurer shall be pooled and administered as a common fund. No refunds shall be made to a Participant and no assessment shall be charged to a Participant other than the annual premium equivalent. Each Participant will share in the costs of, and assume the liabilities for: premiums for Program benefits provided and other Plan expenses (e.g., service provider fees, fines or penalties for noncompliance, liabilities to third parties, etc.). Each Participant must pay on demand a share of any assessment ordered by the Board of Directors for premiums and/or Plan expenses. If surplus funds exist at the end of any fiscal year, the distribution of such funds shall be determined by the Board of Directors.

The Plan purchases, on an annual basis, stop-loss insurance to limit exposure for claims paid. The Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expenses in the periods in which they are made. During the year ended June 30, 2026, the District incurred premiums or contribution expenditures totaling $366,501.

The Plan is audited on an annual basis and is available at the Genesee Valley BOCES administrative offices. The most recent audit available for the year ended June 30, 2025, revealed that the Plan is fully funded.

2. <u>Finger Lakes Area School Health Plan</u>

For its employee health and dental insurance coverage the Caledonia-Mumford Central School District is a Participant in the Finger Lakes Area School Health Plan (FLASHP). FLASHP was formed under Article 5-G of the New York State Municipal Law. FLASHP is a non-risk-retained public entity risk pool for its employees' health and dental insurance coverage. The pool is operated for the benefit of municipal corporations (city, town, village, fire district, school district or board of cooperative educational services - BOCES) and community colleges located within the Finger Lakes Region in New York. Current membership includes thirty-seven (37) Participants.

FLASHP contracts with an insurance company to provide services for all of its members. FLASHP negotiates and approves annual contracts from the insurance company for the Participants' health and dental insurance coverage. The District is billed directly by and pays the monthly premiums to the insurance carrier for this coverage. The District has essentially transferred all related risks to the insurance carrier. During the year ended June 30, 2026, the District incurred premiums or contribution expenditures totaling $1,814,134.

C. Workers' Compensation

The District is a Participant in the Genesee-Livingston-Steuben-Wyoming Workers' Compensation Plan (the Plan). The Plan is sponsored by the Genesee-Livingston-Steuben-Wyoming Counties Board of Cooperative Educational Services (Genesee Valley BOCES). The Plan's objectives are to furnish workers' compensation benefits to municipal corporations (city, town, village, school district and board of cooperative educational service – BOCES) at a significant cost savings and to provide for risk management to reduce future liability for workers compensation. Membership in the Plan may be offered to any component district or BOCES from Genesee, Livingston, Steuben or Wyoming Counties, New York or one of the following contiguous counties: Erie, Cattaraugus, Chemung, Monroe, Orleans, Ontario or Niagara with the approval of the Board of Directors. Membership of new Participants becomes effective on the first day of the subsequent Plan year (July 1) unless otherwise authorized by the Board of Directors. Current membership of the Plan includes Participants from fifteen (15) municipal corporations.

Voluntary withdrawal from the Plan is subject to the following constraints:

1. Effective only once annually on the last day of the Plan year.
2. Notice on intention to withdraw must be given in writing to the Chairperson of the Board of Directors and the Treasurer not less than one (1) year prior to the end of the Plan year. Failure to provide at least one (1) years notice, will result in continued membership in the plan for another year unless all other Participants consents to such withdrawal.
3. Participant is responsible for their pro-rata share of exit fees (claim liability fee and administrative fee) or entitled to any pro-rata share of surplus at the end of the Plan year in which withdrawal occurs including actual expenses and recognition of any claims/expenses incurred at the time of withdrawal but not yet paid.
4. Any pro-rata surplus will be paid to the Participant one year after the effective date of termination.
5. Any pro-rata deficit will also be due and payable on or before the end of the pan year prior to exiting.

If a surplus of Participants' assessments exists after the close of a Plan year, the Board may retain from such surplus an amount sufficient to establish and maintain a claim contingency fund. Surplus funds in excess of the amount transferred to or included in such contingency fund shall be applied in reduction of the next annual assessment or returned to the Participants as a dividend. All monies paid to the Treasurer by Participants shall be commingled and administered as a common fund. Except for potential dividends as previously mentioned, no refunds shall be made to a Participant, and no assessments shall be charged to a Participant other than the annual assessment. If the Board of Directors determines that the liabilities of the Plan will exceed its cash assets, after taking into account any "excess insurance", the Board of Directors shall determine the amount needed to meet such deficiency and shall assess such amount against all Participants their pro-rata share, such additional assessment is due within sixty (60) days after written notification from the Chairperson of the Board of Directors.

The Plan purchases, on an annual basis, stop-loss insurance to limit exposure for claims paid. The Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expenses in the period in which they are made. During the year ended June 30, 2026, the District incurred premiums or contribution expenditures totaling $48,019.

The Plan is audited on an annual basis and is available at the Genesee Valley BOCES administrative offices. The most recent audit available for the year ended June 30, 2025, revealed that the Plan is fully funded.

D. Unemployment

District employees are entitled to coverage under the New York State Unemployment Insurance Law. The District has elected to discharge its liability to the New York State Unemployment Insurance Fund (the Fund) by the benefit reimbursement method, a dollar-for-dollar reimbursement to the fund for benefits paid from the fund to former employees. The District has established a self-insurance fund to pay these claims. There were $4,881 of claim and judgment expenditures of this program for the 2025-26 fiscal year. The balance of the fund at June 30, 2026 was $1,002,096 and is recorded in the General Fund as an Unemployment Insurance Reserve. In addition, as of June 30, 2026, no loss contingencies existed or were considered probable or estimable for incurred but not reported claims payable.

XIII. Commitments and Contingencies

A. Litigation

The District is not aware of any pending or threatening litigation as of the date of this report.

B. Grants

The District has received grants, which are subject to audit by agencies of the State and Federal Governments. Such audits may result in disallowances and a request for a return of funds. Based on prior years' experience, the District's administration believes disallowances, if any, will be immaterial.

XIV. Tax Abatement

The County of Livingston IDA, and the District enter into various property tax abatement programs for the purpose of Economic Development. As a result, the District property tax revenue was reduced $195,619. The District received payment in lieu of tax (PILOT) payment totaling $114,900 to help offset the property tax reduction.

XV. Subsequent Event

On September 23, 2026 the District borrowed a Bond Anticipation Note in the amount of $95,000 at 4.7% which matures September 23, 2027.

Required Supplementary Information

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Schedule of Changes in District's Total OPEB Liability and Related Ratio

For The Year Ended June 30, 2026

TOTAL OPEB LIABILITY

	2026	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	$ 61,008	$ 74,676	$ 76,813	$ 57,724	$ 59,395	$ 77,615	$ 58,984	$ 61,740	$ 59,942
Interest	75,485	63,163	62,099	58,011	44,905	45,132	77,469	68,534	66,706
Changes in benefit terms	(6,046)	-	-	-	-	-	-	-	-
Differences between expected and actual experiences	-	-	-	-	(326,210)	-	(191,830)	-	8,969
Effect of demographic gains or losses	389,160	-	(109,909)	-	-	-	-	-	-
Changes of assumptions or other inputs	111,102	(168,179)	(39,290)	10,302	(142,429)	9,529	(56,874)	(128,962)	-
Benefit payments	(145,335)	(78,850)	(84,597)	(80,466)	(68,253)	(86,245)	(68,870)	(70,440)	(82,458)
Net Change in Total OPEB Liability	$ 485,374	$ (109,190)	$ (94,884)	$ 45,571	$ (432,592)	$ 46,031	$ (181,121)	$ (69,128)	$ 53,159
Total OPEB Liability - Beginning	1,462,375	1,571,565	1,666,449	1,620,878	2,053,470	2,007,439	2,188,560	2,257,688	2,204,529
Total OPEB Liability - Ending	**$ 1,947,749**	**$ 1,462,375**	**$ 1,571,565**	**$ 1,666,449**	**$ 1,620,878**	**$ 2,053,470**	**$ 2,007,439**	**$ 2,188,560**	**$ 2,257,688**
Covered Employee Payroll	$ 7,285,509	$ 7,965,142	$ 7,965,142	$ 6,873,061	$ 6,873,061	$ 7,301,990	$ 7,301,990	$ 7,251,483	$ 7,881,008
Total OPEB Liability as a Percentage of Covered Employee Payroll	26.73%	18.36%	19.73%	24.25%	23.58%	28.12%	27.49%	30.18%	28.65%

10 years of historical information is not available, and will be added each year subsequent to the year of implementation until 10 years of historical data is present.

Required Supplementary Information

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Schedule of the District's Proportionate Share of the Net Pension Liability

For The Year Ended June 30, 2026

NYSERS Pension Plan

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Proportion of the net pension liability (assets)	0.004502%	0.004549%	0.005360%	0.004622%	0.004420%	0.004062%	0.004347%	0.004236%	0.004555%	0.004918%
Proportionate share of the net pension liability (assets)	$ 253,969	$ 780,033	$ 789,256	$ 991,075	$ (361,342)	$ 4,045	$ 1,151,010	$ 300,118	$ 147,009	$ 462,066
Covered-employee payroll	$ 1,781,551	$ 1,755,995	$ 1,666,364	$ 1,792,204	$ 1,730,838	$ 1,694,721	$ 1,632,217	$ 1,565,570	$ 1,705,699	$ 1,580,173
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	14.255%	44.421%	47.364%	55.299%	(20.877%)	0.239%	70.518%	19.170%	8.619%	29.241%
Plan fiduciary net position as a percentage of the total pension liability	97.78%	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%

NYSTRS Pension Plan

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Proportion of the net pension liability (assets)	0.034530%	0.035438%	0.034546%	0.036650%	0.035623%	0.036724%	0.039229%	0.039628%	0.039591%	0.039399%
Proportionate share of the net pension liability (assets)	$ (2,044,556)	$ (1,057,320)	$ 395,058	$ 703,279	$ (6,173,083)	$ 1,014,770	$ (1,019,181)	$ (716,577)	$ (300,929)	$ 421,983
Covered-employee payroll	$ 6,885,777	$ 6,786,073	$ 7,091,307	$ 6,380,272	$ 6,720,571	$ 6,212,500	$ 6,407,519	$ 6,748,555	$ 6,583,106	$ 6,351,474
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	(29.692%)	(15.581%)	5.571%	11.023%	(91.854%)	16.334%	(15.906%)	(10.618%)	(4.571%)	6.644%
Plan fiduciary net position as a percentage of the total pension liability	104.00%	102.10%	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%

Required Supplementary Information

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Schedule of District Contributions

For The Year Ended June 30, 2026

NYSERS Pension Plan

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contributions	$ 274,070	$ 243,647	$ 200,056	$ 192,860	$ 263,121	$ 233,366	$ 225,678	$ 216,706	$ 241,126	$ 231,503
Contributions in relation to the contractually required contribution	(274,070)	(243,647)	(200,056)	(192,860)	(263,121)	(233,366)	(225,678)	(216,706)	(241,126)	(231,503)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 1,781,551	$ 1,755,995	$ 1,666,364	$ 1,792,204	$ 1,730,838	$ 1,694,721	$ 1,632,217	$ 1,565,570	$ 1,705,699	$ 1,580,173
Contributions as a percentage of covered-employee payroll	15.38%	13.88%	12.01%	10.76%	15.20%	13.77%	13.83%	13.84%	14.14%	14.65%

NYSTRS Pension Plan

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contributions	$ 763,938	$ 759,302	$ 719,270	$ 709,046	$ 682,771	$ 611,148	$ 594,354	$ 632,585	$ 645,144	$ 759,935
Contributions in relation to the contractually required contribution	(763,938)	(759,302)	(719,270)	(709,046)	(682,771)	(611,148)	(594,354)	(632,585)	(645,144)	(759,935)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 6,885,777	$ 6,786,073	$ 7,091,307	$ 6,380,272	$ 6,720,571	$ 6,212,500	$ 6,407,519	$ 6,748,555	$ 6,583,106	$ 6,351,474
Contributions as a percentage of covered-employee payroll	11.09%	11.19%	10.14%	11.11%	10.16%	9.84%	9.28%	9.37%	9.80%	11.96%

Required Supplementary Information

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget (Non-GAAP Basis) and Actual - General Fund

For The Year Ended June 30, 2026

	Original Budget	Amended Budget	Over (Under) Original Budget	Current Year's Revenues	Over (Under) Amended Budget
REVENUES					
Local Sources -					
Real property taxes	$ 7,923,478	$ 7,145,494	$ (777,984)	$ 7,146,266	$ 772
Real property tax items	117,378	895,362	777,984	900,115	4,753
Non-property taxes	215,000	215,000	-	251,413	36,413
Charges for services	9,500	9,500	-	168,135	158,635
Use of money and property	80,000	80,000	-	376,164	296,164
Sale of property and compensation for loss	-	-	-	2,804	2,804
Miscellaneous	229,000	229,000	-	292,431	63,431
State Sources -					
Basic formula	8,859,952	8,859,952	-	8,668,928	(191,024)
Lottery aid	-	-	-	1,893,519	1,893,519
BOCES	1,879,026	1,879,026	-	1,850,214	(28,812)
Textbooks	50,130	50,130	-	45,727	(4,403)
All Other Aid -					
Computer software	24,912	24,912	-	24,912	-
Library loan	-	-	-	4,784	4,784
Handicapped students	-	-	-	98,215	98,215
Other aid	800,000	800,000	-	72,891	(727,109)
Federal Sources	20,000	20,000	-	85,361	65,361
TOTAL REVENUES	$ 20,208,376	$ 20,208,376	$ -	$ 21,881,879	$ 1,673,503
Other Sources -					
Transfer - in	$ 235,000	$ 235,000	$ -	$ -	$ (235,000)
TOTAL REVENUES AND OTHER SOURCES	$ 20,443,376	$ 20,443,376	**$ -**	**$ 21,881,879**	**$ 1,438,503**
Appropriated reserves	$ 570,000	$ 747,183			
Appropriated fund balance	$ 647,302	$ 964,159			
Prior year encumbrances	$ 687,209	$ 687,209			
TOTAL REVENUES AND APPROPRIATED RESERVES/ FUND BALANCE	**$ 22,347,887**	**$ 22,841,927**			

Required Supplementary Information

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget (Non-GAAP Basis) and Actual - General Fund

For The Year Ended June 30, 2026

	Original Budget	Amended Budget	Over (Under) Original Budget	Current Year's Expenditures	Encumbrances	Unencumbered Balances
EXPENDITURES						
General Support -						
Board of education	$ 27,518	$ 20,777	$ (6,741)	$ 20,777	$ -	$ -
Central administration	248,610	260,336	11,726	217,755	-	42,581
Finance	333,091	402,790	69,699	297,594	29,754	75,442
Staff	103,417	75,127	(28,290)	68,956	-	6,171
Central services	1,769,538	3,037,843	1,268,305	2,827,585	134,656	75,602
Special items	381,591	387,761	6,170	387,760	-	1
Instructional -						
Instruction, administration and improvement	714,687	914,855	200,168	854,230	-	60,625
Teaching - regular school	5,246,105	4,812,226	(433,879)	4,651,791	109,131	51,304
Programs for children with handicapping conditions	2,835,204	2,754,865	(80,339)	2,483,164	1,740	269,961
Occupational education	674,440	591,816	(82,624)	591,816	-	-
Teaching - special schools	745	9,324	8,579	9,324	-	-
Instructional media	1,379,296	1,153,427	(225,869)	569,675	578,525	5,227
Pupil services	1,373,522	1,355,439	(18,083)	1,284,273	26,904	44,262
Pupil Transportation	1,103,137	1,001,227	(101,910)	942,560	-	58,667
Community Services	10,305	20,435	10,130	12,811	-	7,624
Employee Benefits	4,745,404	4,148,361	(597,043)	3,921,379	-	226,982
Debt service - principal	63,000	63,000	-	63,000	-	-
Debt service - interest	7,614	322,114	314,500	7,614	-	314,500
TOTAL EXPENDITURES	$ 21,017,224	$ 21,331,723	$ 314,499	$ 19,212,064	$ 880,710	$ 1,238,949
Other Uses -						
Transfers - out	$ 1,330,663	$ 1,510,204	$ 179,541	$ 1,415,746	$ -	$ 94,458
TOTAL EXPENDITURES AND OTHER USES	**$ 22,347,887**	**$ 22,841,927**	**$ 494,040**	$ 20,627,810	**$ 880,710**	**$ 1,333,407**
NET CHANGE IN FUND BALANCE				$ 1,254,069		
FUND BALANCE, BEGINNING OF YEAR				8,038,237		
FUND BALANCE, END OF YEAR				**$ 9,292,306**		

Note to Required Supplementary Information:

A reconciliation is not necessary since encumbrances are presented in a separate column on this schedule.

Required Supplementary Information

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Note to Budgetary Comparison Schedule

For The Year Ended June 30, 2026

The key factors for budget variances in the General Fund are listed below along with explanations for each:

Expenditure Items	Budget Variance Original Vs. Amended	Explanation for Budget Variance
Central Services	$ 1,268,305	BOCES invoicing to different account codes than internal account codes. Specifically BOCES data processing 1680.490 was invoiced for services that were budgeted for in 2630.490
Instruction, Administration and Improvement	$ 200,168	Addition of COSERS + BOCES invoicing account codes varying from CMSD account codes
Teaching-Regular School	$ (433,879)	Staff turnover
Instructional Media	$ (225,869)	Actual expense less than projected and eligible expenses purchased through a COSER/SAA/XC
Pupil Transportation	$ (101,910)	Driver shortage resulting in contract transportation with LeRoy CD for multiple runs
Employee Benefits	$ (597,043)	Breakage and anticipated enrollement in healthcare plan was lower than projected
Debt Service-Interest	$ 314,500	A trasnfer to debt service fund was made, and the payment was recorded there
Transfers-Out	$ 179,541	Transfer to capital fund for voter approved bus purchase

Revenue Items	Budget Variance Amended Vs. Actual	Explanation for Budget Variance
Charges for Services	$ 158,635	Fuel depot revenue
Use of Money and Property	$ 296,164	Favorable interest rates led to more interest revenue than anticipated
State Sources	$ 1,045,170	State aid increased more than anticipated once the final state budget was adopted after the District's budget had been adopted
Transfers-In	$ (235,000)	Budgeted transfer from debt service fund was not made in order to support the capital project
Expenditure Items		
Programs for Children with Handicapping Conditions	$ 269,961	The District budgets conservatively for students with high needs in order to ensure that academic needs can be met based on development of instructional plans
Employee Benefits	$ 226,982	Savings related to some open positions throughout the year and some employees not utilizing full amount of available benefits
Debt Service-Interest	$ 314,500	A trasnfer to debt service fund was made, and the payment was recorded there

Supplementary Information

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Schedule of Change From Adopted Budget To Final Budget And The Real Property Tax Limit For The Year Ended June 30, 2026

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET:

Adopted budget		$ 21,660,678
Prior year's encumbrances		687,209
Original Budget		$ 22,347,887
Budget revisions -		
Bus purchases		177,183
BOCES capital project		316,857
FINAL BUDGET		**$ 22,841,927**

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION:

2026-27 voter approved expenditure budget		$ 23,560,437
Unrestricted fund balance:		
Assigned fund balance	$ 1,528,013	
Unassigned fund balance	942,417	
Total Unrestricted fund balance	$ 2,470,430	
Less adjustments:		
Appropriated fund balance	$ 647,303	
Encumbrances included in assigned fund balance	880,710	
Total adjustments	$ 1,528,013	
General fund fund balance subject to Section 1318 of Real Property Tax Law		942,417
ACTUAL PERCENTAGE		**4.00%**

Supplementary Information

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

CAPITAL PROJECTS FUND

Schedule of Project Expenditures

For The Year Ended June 30, 2026

			Expenditures				Methods of Financing			
Project Title	Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total	Unexpended Balance	Obligations	Local Sources	Total	Fund Balance
2023-2024 Bus Purchases	$ 200,000	$ 200,000	$ 177,179	$ -	$ 177,179	$ 22,821	$ -	$ 178,000	$ 178,000	$ 821
2024-2025 Bus Purchases	180,000	180,000	152,657	-	152,657	27,343	-	28,000	28,000	(124,657)
2025-2026 Bus Purchases	200,000	200,000	-	177,183	177,183	22,817	-	177,183	177,183	-
2025-2026 Capital Outlay	100,000	100,000	-	100,000	100,000	-	-	100,000	100,000	-
2025 Capital Project	15,230,000	15,230,000	780,323	9,560,221	10,340,544	4,889,456	12,480,000	2,750,000	15,230,000	4,889,456
BOCES Capital Project	1,556,340	1,556,340	-	-	-	1,556,340	-	316,857	316,857	316,857
TOTAL	**$ 17,466,340**	**$ 17,466,340**	**$ 1,110,159**	**$ 9,837,404**	**$ 10,947,563**	**$ 6,518,777**	**$ 12,480,000**	**$ 3,550,040**	**$ 16,030,040**	**$ 5,082,477**

Supplementary Information

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2026

	Special Revenue Funds			
	School Lunch Fund	Miscellaneous Special Revenue Fund	Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	$ 404,833	$ 113,280	$ 476,324	$ 994,437
Receivables	87,355	-	-	87,355
Inventories	16,777	-	-	16,777
Due from other funds	-	-	517,915	517,915
Prepaid items	773	-	-	773
TOTAL ASSETS	**$ 509,738**	**$ 113,280**	**$ 994,239**	**$ 1,617,257**
LIABILITIES AND FUND BALANCES				
Liabilities -				
Accounts payable	$ 1,211	$ -	$ -	$ 1,211
Accrued liabilities	19,411	-	-	19,411
Due to other funds	85,823	-	314,500	400,323
Due to other governments	380	-	-	380
Unearned revenue	5,272	-	-	5,272
TOTAL LIABILITIES	$ 112,097	$ -	$ 314,500	$ 426,597
Fund Balances -				
Nonspendable	$ 17,550	$ -	$ -	$ 17,550
Restricted	-	113,280	679,739	793,019
Assigned	380,091	-	-	380,091
TOTAL FUND BALANCE	$ 397,641	$ 113,280	$ 679,739	$ 1,190,660
TOTAL LIABILITIES AND FUND BALANCES	**$ 509,738**	**$ 113,280**	**$ 994,239**	**$ 1,617,257**

Supplementary Information

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For The Year Ended June 30, 2026

	Special Revenue Funds			
	School Lunch Fund	Miscellaneous Special Revenue Fund	Debt Service Fund	Nonmajor Governmental Funds
REVENUES				
Use of money and property	$ 89	$ 16	$ 193,692	$ 193,797
Miscellaneous	203	7,065	-	7,268
State sources	287,856	-	-	287,856
Federal sources	422,929	-	-	422,929
Sales	55,667	-	-	55,667
TOTAL REVENUES	$ 766,744	$ 7,081	$ 193,692	$ 967,517
EXPENDITURES				
Employee benefits	$ 53,830	$ -	$ -	$ 53,830
Debt service - principal	-	-	595,000	595,000
Debt service - interest	-	-	487,663	487,663
Cost of sales	397,659	-	-	397,659
Other expenses	235,615	7,000	-	242,615
TOTAL EXPENDITURES	$ 687,104	$ 7,000	$ 1,082,663	$ 1,776,767
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 79,640	$ 81	$ (888,971)	$ (809,250)
OTHER FINANCING SOURCES (USES)				
Transfers - in	$ -	$ -	$ 768,163	$ 768,163
Premium on obligations issued	-	-	338,499	338,499
TOTAL OTHER FINANCING SOURCES (USES)	$ -	$ -	$ 1,106,662	$ 1,106,662
NET CHANGE IN FUND BALANCE	$ 79,640	$ 81	$ 217,691	$ 297,412
FUND BALANCE, BEGINNING OF YEAR	318,001	113,199	462,048	893,248
FUND BALANCE, END OF YEAR	**$ 397,641**	**$ 113,280**	**$ 679,739**	**$ 1,190,660**

Supplementary Information

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Net Investment in Capital Assets/Right to Use Assets

For The Year Ended June 30, 2026

Capital assets/right to use assets, net		$ 31,986,822
Add:		
Unspent bond proceeds	$ 4,889,456	
		4,889,456
Deduct:		
Serial bond payable	$ 16,900,000	
Unamortized bond premium	452,707	
Assets purchased with short-term financing	124,657	
Retainage payable	419,417	
		17,896,781
Net Investment in Capital Assets/Right to Use Assets		**$ 18,979,497**

Supplementary Information

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended June 30, 2026

Grantor / Pass - Through Agency Federal Award Cluster / Program	Assistance Lising Number	Pass-Through Agency Number	Total Expenditures
U.S. Department of Education:			
Passed Through NYS Education Department -			
Special Education Cluster IDEA -			
Special Education - Grants to States (IDEA, Part B)	84.027	0032-26-0334	$ 239,034
Special Education - Preschool Grants (IDEA Preschool)	84.173	0033-26-0334	6,447
Total Special Education Cluster IDEA			$ 245,481
Title IIA - Supporting Effective Instruction State Grant	84.367	0147-26-1245	16,850
Title IV - Student Support and Enrichment Program	84.424	0204-26-1245	10,000
Title I - Grants to Local Educational Agencies	84.010	0021-26-1245	99,263
Total U.S. Department of Education			$ 371,594
U.S. Department of Agriculture:			
Passed Through NYS Education Department (Child Nutrition Services) -			
Child Nutrition Cluster -			
National School Lunch Program	10.555	240201040000	$ 259,996
National School Lunch Program-Non-Cash Assistance (Commodities)	10.555	240201040000	46,817
National School Breakfast Program	10.553	240201040000	116,116
Total Child Nutrition Cluster			$ 422,929
Total U.S. Department of Agriculture			$ 422,929
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 794,523**

MMB+CO BUSINESS ADVISORS AND CPAS

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

Independent Auditors' Report

To the Board of Education
Caledonia-Mumford Central School District, 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, each major fund, and the aggregate remaining fund information of Caledonia-Mumford Central School District, New York (the District) as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise District's basic financial statements, and have issued our report thereon dated October 16, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Caledonia-Mumford Central School District's internal control over financial reporting (internal control) as a basis for designing 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of District's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Mengel, Metzger, Barr & Co. LLP

Fairport, New York
October 16, 2026.

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CALEDONIA - MUMFORD CENTRAL SCHOOL DISTRICT, NEW YORK

Schedule of Findings and Responses

For The Year Ended June 30, 2026

I. Summary of the Auditors' Results

Financial Statements

a)	Type of auditor's report issued	Unmodified
b)	Internal control over financial reporting	
	1. Material weaknesses identified	No
	2. Significant deficiency(ies) identified	No
c)	Noncompliance material to financial statements noted	No

II. Financial Statement Findings

There were no current year findings and there were no prior year findings.