

WHITESBORO CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

AND

BASIC FINANCIAL STATEMENTS

For the Year Ended
June 30, 2026

WHITESBORO CENTRAL SCHOOL DISTRICT
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Independent Auditor's Report

Board of Education
Whitesboro Central School District

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Whitesboro Central School District, as of June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financials audits contained in *Government Auditing Standards* issued by the Comptroller 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 Whitesboro Central School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Whitesboro Central School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the table of contents, 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Whitesboro Central School District's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis as required by the New York State Education Department and is not a required part of the basic financial statements. The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information 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 6, 2026, on our consideration of the Whitesboro Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Whitesboro Central School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Whitesboro Central School District's internal control over financial reporting and compliance.

D'Arcangelo + Co., LLP

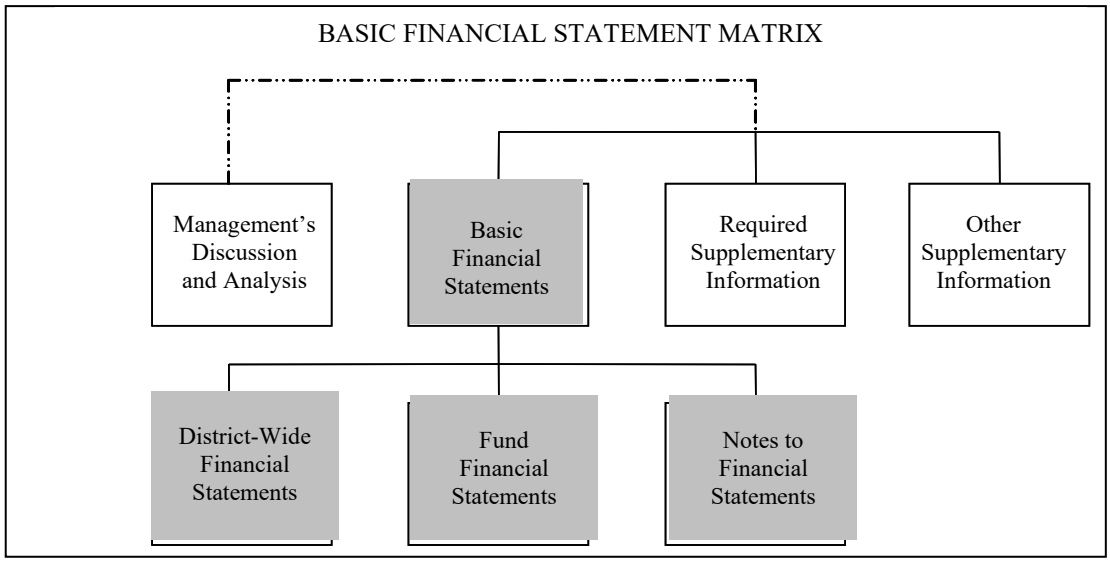
October 6, 2026

Rome, New York

The Whitesboro Central School District's discussion and analysis of financial performance provides an overall review of the District's financial activities for the fiscal years ended June 30, 2026 and 2025. The intent of this discussion and analysis is to look at the District's financial performance as a whole. This should be read in conjunction with the financial statements, which immediately follow this section.

1. OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – Management's Discussion and Analysis (MD&A), the basic financial statements, required supplementary information, and other supplementary information. The basic financial statements consist of District-Wide financial statements, fund financial statements, and notes to the financial statements. A graphic display of the relationship of these statements follows:



A. District-Wide Financial Statements

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

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

The Statement of Net Position

The Statement of Net Position presents information on all of the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating, respectively.

The Statement of Activities

The Statement of Activities presents information showing the change in Net Position during the fiscal year. All changes in net position are recorded at the time the underlying financial event occurs. Therefore, revenues and expenses are reported in the statement for some items that will result in cash flow in future fiscal periods.

B. Fund Financial Statements

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

These statements utilize the modified accrual basis of accounting. This basis of accounting recognizes revenues in the period that they become measurable and available. It recognizes expenditures in the period that they become measurable, funded through available resources and payable within a current period.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of District-Wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the District-Wide financial statements. By doing so, you may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance 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 and Capital Projects Fund are reported as major government funds and are presented separately in the governmental fund statements. School Lunch Fund, Miscellaneous Special Revenue Fund, and Debt Service Fund are reported collectively as non-major governmental funds.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the District in its capacity as agent or trustee. All of the District's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. The fiduciary activities have been excluded from the District's District-Wide financial statements because the District cannot use these assets to finance its operations.

2. FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

A. Net Position

The Districts total net position, increased by $6,664,840 between fiscal year 2026 and 2025. A summary of the District's Statement of Net Position for June 30, 2026 and 2025 is as follows:

	2026	2025	Increase (Decrease)	Percentage Change
Current and Other Assets	$ 30,818,187	$ 46,917,405	$ (16,099,218)	(34.3%)
Net Pension Asset - Proportionate Share	8,013,233	4,120,877	3,892,356	94.5%
Capital and Right to Use Leased Assets, Net	120,761,734	108,793,652	11,968,082	11.0%
Total Assets	159,593,154	159,831,934	(238,780)	(0.1%)
Deferred Outflows of Resources	16,049,328	17,702,465	(1,653,137)	(9.3%)
Total Assets and Deferred Outflows of Resources	$ 175,642,482	$ 177,534,399	$ (1,891,917)	(1.1%)
Non-Current Liabilities	$ 163,085,337	$ 188,710,947	$ (25,625,610)	(13.6%)
Net Pension Liability - Proportionate Share	1,008,152	3,149,950	(2,141,798)	(68.0%)
Other Liabilities	33,929,948	32,444,717	1,485,231	4.6%
Total Liabilities	198,023,437	224,305,614	(26,282,177)	(11.7%)
Deferred Inflows of Resources	43,097,946	25,372,526	17,725,420	69.9%
Total Liabilities and Deferred Inflows of Resources	241,121,383	249,678,140	(8,556,757)	(3.4%)
Net Investment in Capital Assets	65,616,718	63,931,020	1,685,698	2.6%
Restricted	12,705,745	13,350,815	(645,070)	(4.8%)
Unrestricted (Deficit)	(143,801,364)	(149,425,576)	5,624,212	3.8%
Total Net Position (Deficit)	(65,478,901)	(72,143,741)	6,664,840	9.2%
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 175,642,482	$ 177,534,399	$ (1,891,917)	(1.1%)

Current and other assets decreased by approximately $16.1 million, as compared to prior year. This decrease is primarily due to a decrease of roughly $13.7 million of restricted cash and cash equivalents and due from other funds in the Capital Fund.

The net change for the other postemployment liability benefit (OPEB) liability and deferred outflows/inflows of resources was a positive $4.0 million due to assumptions and amounts provided by the actuaries. Included in this net amount was a $1.7 million decrease in the deferred outflows, a $14.6 million increase in deferred outflows, and a $20.3 million decrease to the OPEB liability included in the non-current liabilities above. The full description of OPEB plan can be found in the notes to these financial statements.

Non-current liabilities decreased by roughly $25.6 million, as compared to prior year mainly due to a roughly $20.3 million decrease in OPEB liability, additionally a $3.8 million decrease in serial bonds payable which is explained in Note 8 of the financial statements.

The change in the Net Pension Liability/Asset- Proportionate Share increased the net position by $3,892,356, due to a change in the total pension asset of $4,120,877 as of June 30, 2025 to a pension asset of $8,013,233 as of June 30, 2026 for the Teachers Retirement System (TRS). The Employee Retirement System (ERS) pension liability decreased by $2,141,798. These changes are due to changes in the actuarially calculated portion of the statewide Pension system.

The Net Position – Net Investment in Capital Assets is calculated by subtracting the amount of outstanding debt used for construction from the total cost of all asset acquisitions and leases, net of accumulated depreciation and amortization. The total cost of these acquisitions includes expenditures to purchase land, construct and improve buildings, and purchase and lease vehicles, equipment and furniture to support District operations.

The restricted net position at June 30, 2026 is $12,705,745 which represents the amount of the District's reserves and other restricted funds in the Debt Service Fund and Miscellaneous Special Revenue Fund.

The unrestricted portion of the net position at June 30, 2026, is a deficit of $143,801,364, and represents the amount by which the District's liabilities and deferred inflows exceeded assets and deferred outflows, excluding restricted assets, capital assets, and debt related to capital construction. This deficit is primarily a result of the requirement to accrue other postemployment benefits. The liability for this obligation is $124,328,003 at June 30, 2026.

B. Changes in Net Position

The results of this year's operations as a whole are reported in the Statement of Activities in a programmatic format in the accompanying financial statements. In the accompanying financial statements, STAR (school tax relief) revenue is included in the other tax items line. However, in this MD&A, STAR revenue has been combined with property taxes. A summary of this statement for the years ended June 30, 2026 and 2025 is as follows.

Revenues	2026	% of Total	2025	% of Total	Increase (Decrease)	Percentage Change
Program Revenues						
Charges for Services	$ 283,857	0%	$ 202,715	0%	$ 81,142	40.0%
Operating Grants	4,014,973	5%	4,114,372	5%	(99,399)	(2.4%)
Capital Grants		0%	691,337	1%	(691,337)	(100.0%)
General Revenues		0%		0%		
Property Taxes , STAR and Related Items	37,158,762	42%	36,067,077	42%	1,091,685	3.0%
State and Federal Sources	43,461,599	50%	41,728,653	49%	1,732,946	4.2%
Premium on Issuance of Short Term Debt	174,069	0%		0%	174,069	(100.0%)
Other	2,688,243	3%	2,713,747	3%	(25,504)	(0.9%)
Total Revenues	87,781,503	100%	85,517,901	100%	2,263,602	2.6%
Expenses						
General Support	10,957,259	14%	10,706,159	12%	251,100	2.3%
Instruction	60,201,749	74%	65,319,977	76%	(5,118,228)	(7.8%)
Pupil Transportation	5,784,219	7%	6,386,436	7%	(602,217)	(9.4%)
Debt Service-Unallocated Interest	1,947,961	2%	1,586,609	2%	361,352	22.8%
Food Service Program	2,225,475	3%	2,087,272	2%	138,203	6.6%
Total Expenses	81,116,663	100%	86,086,453	100%	(4,969,790)	(5.8%)
Total Change in Net Position	$ 6,664,840		$ (568,552)		$ 7,233,392	(1272.2%)

The District's revenues increased by $2,263,602 in 2026 from 2025. The major factors that contributed to the increase were:

- The State and Federal revenue increased by $1,732,946 or 4.2% in 2026. This was mainly due to increases for the following:
  - State Foundation Aid increased $485,660 or 2%.
  - The following increases for these State Aid categories are dependent on expenditures and completed capital projects:
    - Building Aid increased $562,912
    - High and Private Excess Cost Aid increased $221,234
    - BOCES Aid increased $330,129

- Capital Grants decreased by $691,337 as the District received Smart Schools Bond Act grant funding in the prior year but not in the year.

- Property taxes and STAR revenues increased by $1,031,173 or 2.887%, in accordance with the approved budget.

The District's expenses for the year decreased by $4,969,790. Expenses decreased primarily due to the accounting for the OPEB and pension liabilities and expenses in the current year based on actuarial methods. These decreases were partially offset with increases in payroll and other employee benefits by $2.4 million or 5%. The largest portion of the $2.4 million increase was a $1.2 million increase or 11% for health insurance. There was also a $1.9 million increase for BOCES expenditures that was mainly due to information technology equipment.

3. FINANCIAL ANALYSIS MAJOR GOVERNMENTAL FUNDS

The District reports three major funds individually in the governmental fund financial statements. Those funds are General Fund, Special Aid Fund, and the Capital Fund. Most of the discussion regarding governmental activities is equally applicable to the finances of those governmental funds. However, certain factors that are relevant to the District's current financial health are more apparent in the fund financial statements than in the government-wide financial statements.

A summary of the major funds for the years ended June 30, 2026 and 2025 is as follows:

	Major Funds					
	General Fund		Special Aid Fund		Capital Fund	
	2026	2025	2026	2025	2026	2025
Revenues						
Total Revenues	$ 83,197,251	$ 82,510,809	$ 2,017,777	$ 2,213,002	$	$ 691,437
Expenditures						
Total Expenditures	87,139,616	81,566,149	2,017,777	2,213,002	17,543,360	7,464,975
Excess (Deficit) Revenues Over Expenditures	(3,942,365)	944,660			(17,543,360)	(6,773,538)
Other Financing Sources (Uses)						
Proceeds of Debt					1,879,000	
Premium on Debt Issue	174,069					
BANs Redeemed from Appropriations					1,490,350	1,043,316
Transfers from Other Funds					100,000	100,000
Transfers to Other Funds	(100,197)	(100,195)				
Total Other Financing Sources (Uses)	73,872	(100,195)			3,469,350	1,143,316
Excess (Deficit) Revenues Over Expenditures and Other Financing Sources	(3,868,493)	844,465			(14,074,010)	(5,630,222)
Fund Balance (Deficit), Beginning of Year	21,219,229	20,138,085			(9,231,377)	(3,601,155)
Correction of an Error		236,679				
Fund Balance (Deficit), Beginning of Year (Restated)	21,219,229	20,374,764			(9,231,377)	(3,601,155)
Fund Balance (Deficit), End of Year	$ 17,350,736	$ 21,219,229	$	$	$ (23,305,387)	$ (9,231,377)

General Fund - The General Fund is the primary operating fund of the District. The current year $3.9 million deficit was mainly due to the budgeted $6.8 million appropriation of fund balance and Capital reserve, $.6 million actual revenues under budget offset with $3.5 million of expenditures under budget. General Fund revenue increased by $686,442 compared to prior year primarily due to an increase of $1.2 million in Real property taxes, offset by a $700 thousand decrease in State Aid funding. General Fund expenses increased by $5,573,467 primarily due to an increase in salary and benefit $2.4 million or 5%. The largest portion of the $2.4 million increase was a $1.2 million increase or 11% for health insurance. There was also a $1.9 million increase for BOCES expenditures that was mainly due to information technology equipment. This information technology equipment was mainly financed with the $1.2 million appropriation of the Capital reserve.

Special Aid Fund - The Special Aid Fund is used to account for various Federal State grant programs. Revenues and expenditures vary from year to year based on the district's need for program funding. The decrease in revenues and expenditures in the Special Aid Fund year over year related to changes in the timing and level of expenditures under the District's State and federally funded programs, including the expiration of the Education Stabilization Grant Funding which was approximately $233k in the prior year, contributing to the majority of the decrease. Expenditures equaled revenues resulting in no change in fund balance.

Capital Fund - Capital Fund expenditures increased for the current year by approximately $10 million, reflecting the timing and progression of the District's ongoing $29 million 2023 Capital Project. During 2026, the District issued $5,084,766 in additional bond anticipation notes and paid $1,490,350 from General Fund appropriations. Also issued a serial bond for $1,879,000 for the Library capital project to refinance the prior year bond anticipation notes. As a result of the timing of project expenditures and related financing, fund balance decreased by approximately $14 million, from a deficit of $9.2 million at June 30, 2025 to a deficit of $23.3 million at June 30, 2026.

4. FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At June 30, 2026, the District's governmental funds reported combined fund balance (deficit) of $3,768,607, which is a decrease of $17,749,913 from the prior year. The decrease is due to expenditures exceeding revenues for the year, primarily in the General and Capital Fund. A summary of the change in fund balance by fund is as follows:

	2026	2025	Increase (Decrease)
General Fund			
Restricted			
Workers' Compensation	$ 292,087	$ 282,046	$ 10,041
Unemployment Insurance	253,249	244,544	8,705
Retirement Contribution-ERS	1,955,750	1,888,516	67,234
Retirement Contribution-TRS	1,931,699	1,865,292	66,407
Employee Benefit Accrued Liability	679,841	664,606	15,235
Property Loss	1,666,470	1,608,221	58,249
Insurance	584,379	564,289	20,090
Tax Certiorari	1,176,832	1,136,376	40,456
Capital Reserve	2,493,767	3,538,884	(1,045,117)
Repair Reserve	347,103	335,557	11,546
Total Restricted	11,381,177	12,128,331	(747,154)
Assigned			
Appropriated for Subsequent Year's Budget	4,665,000	4,665,000	
General Support	37,095	94,008	(56,913)
Instruction	50,999	456,653	(405,654)
Pupil Transportation	8,906	65,570	(56,664)
Total Assigned	4,762,000	5,281,231	(519,231)
Unassigned	1,207,559	3,809,667	(2,602,108)
Total General Fund	17,350,736	21,219,229	(3,868,493)
Capital Fund			
Unassigned (Deficit)	(23,299,301)	(9,231,377)	(14,067,924)
Non-Major Funds			
School Lunch Fund	861,476	770,970	90,506
Miscellaneous Special Revenue Fund	297,572	276,932	20,640
Debt Service Fund	1,026,996	945,552	81,444
Total Non-Major Funds	2,186,044	1,993,454	192,590
Total	$ (3,762,521)	$ 13,981,306	$ (17,743,827)

Note 13 to the Financial Statements provides additional information on the Reserves.

General Fund - The decrease in General Fund's fund balance was primarily attributable to expenditures exceeding revenues during the year due to favorable budgetary variances. This information technology equipment was mainly financed with the $1.2 million appropriation of the Capital reserve.

At June 30, 2026 and 2025, the total fund balance of the General Fund was 20% and 26%, respectively, of the total expenditures. The unassigned fund balance at June 30, 2026 and 2025 was 1.34% and 4.3%, respectively, of the subsequent year's budget.

Capital Fund - The decrease in Capital Fund fund balance was primarily attributable to expenses exceeding revenue as they are working to complete the $26 million 2023 capital project. The $23.3 million deficit is currently being financed with bond anticipation notes totaling $28.1 million. The deficit will be eliminated once the short-term debt is either paid from General Fund budgeted appropriations or permanently refinanced.

5. SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

Capital Asset - During 2026, capital asset activity primarily consisted of expenditures contributing to the 2023 capital project of $14.1 million, which included $2,490,965 in playground and turf field capital project expenditures. The project is anticipated to be completed during the 2026-27 school year. The District also purchased buses and vehicles totaling $1,626,012. After depreciation and asset disposals, net capital assets increased by $11,832,367.

Long-Term Financing Activity - At June 30, 2026, the District had a total of $28.1 million outstanding bond anticipation notes (BANs) and $28.4 million in outstanding serial bonds. The total debt of 56.5 million represented 21% of the District's New York State Constitutional Debt Limit. As June 30, 2025, the total outstanding debt was $58.5 million representing 26% of the debt limit.

During 2026, the District financed $5,084,766 of bond anticipation notes (BANs) issued during 2026 towards the $26 million 2023 capital project and purchases of buses. The District made $3,369,350 in principal payments. The District issued a new serial bond of $1,879,000 and made $5,630,000 of principal payments on permanent financing resulting in a balance of $28,354,000 in outstanding serial bonds. At year end, approximately $4,089,000 of bond principal is due within one year.

6. CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

The District Budget is developed with numerous financial/economical factors in mind. Currently, there are no new or projected local or regional employment businesses that are anticipated to impact the financial status of the District. Enrollment continues to decline by a few students each year. All three Union Contracts are set to be negotiated and updated over the next two years. The housing market is not projected to change over the next few years. The District will be looking to go out with a new capital project in 2028. The District will leverage employee retirements to help manage increased costs moving forward. Health insurance premium increases continue to be a big factor in out budget developed. With the projected new pre-k mandate set to go in effect in 2027-2028 school year, the district is pre-planning to develop and implement this program accordingly

7. CONTACTING THE DISTRICT

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

Whitesboro Central School District
Business Office
65 Oriskany Boulevard, Suite 1
Whitesboro, NY 13492

WHITESBORO CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2026

Assets	
Cash and Cash Equivalents	$ 9,130,817
Restricted Cash and Cash Equivalents	16,088,507
Receivables	
Other Governments	5,407,568
Other Receivables	158,401
Prepaid Expense	6,086
Inventory	26,808
Net Pension Asset - Proportionate Share	8,013,233
Right To Use Leased Assets (Net of Amortization)	657,113
Capital Assets (Net of Accumulated Depreciation)	101,005,811
Capital Assets (Not Being Depreciated)	19,098,810
Total Assets	159,593,154
Deferred Outflows of Resources	
Deferred Charge on Refunding of Debt (Net of Amortization)	41,715
Pensions	11,611,589
OPEB	4,396,024
Total Deferred Outflow of Resources	16,049,328
Total Assets and Deferred Outflows of Resources	$ 175,642,482
Liabilities	
Accounts Payable	$ 30,892
Accrued Liabilities	2,220,198
Due To	
Other Governments	51,711
Teachers' Retirement System	2,835,651
Employees' Retirement System	340,972
Fiduciary Fund	
Short-Term Notes Payables	
Bond Anticipation Notes	28,069,766
Unearned Revenue	380,758
Net Pension Liability - Proportionate Share	1,008,152
Noncurrent Liabilities	
Due Within One Year	
Bonds Payable	4,089,000
Unamortized Premium	432,606
Other Postemployment Benefits	4,312,293
Lease Liability	143,492
Compensated Absences	805,806
Due in More Than One Year	
Bonds Payable	24,265,000
Unamortized Premium	1,562,442
Other Postemployment Benefits	120,015,710
Lease Liability	15,798
Compensated Absences	7,443,190
Total Liabilities	198,023,437
Deferred Inflows of Resources	
Pensions	8,298,773
OPEB	34,799,173
Total Deferred Inflow of Resources	43,097,946
Total Liabilities and Deferred Inflows of Resources	241,121,383
Net Position (Deficit)	
Net Investment in Capital Assets	65,616,718
Restricted	12,705,745
Unrestricted (Deficit)	(143,801,364)
Total Net Position (Deficit)	(65,478,901)
Total Liabilities, Deferred Inflows of Resources and Net Position (Deficit)	$ 175,642,482

The Accompanying Notes are an Integral Part of These Financial Statements.

WHITESBORO CENTRAL SCHOOL DISTRICT
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
General Support	$ 10,957,259	$	$	$ (10,957,259)
Instruction	60,201,749	74,825	1,988,861	(58,138,063)
Pupil Transportation	5,784,219			(5,784,219)
Debt Service - Unallocated Interest	1,947,961			(1,947,961)
Food Service	2,225,475	209,032	2,026,112	9,669
Total Functions/Programs	$ 81,116,663	$ 283,857	$ 4,014,973	(76,817,833)
General Revenues				
Real Property Taxes				33,209,911
STAR and Other Real Property Tax Items				3,948,851
Use of Money and Property				1,262,266
Premium on Issuance of Debt				174,069
State and Federal Sources				43,461,599
Miscellaneous				1,425,977
Total General Revenues				83,482,673
Change in Net Position				6,664,840
Net Position (Deficit), Beginning of Year				(72,143,741)
Net Position (Deficit), End of Year				$ (65,478,901)

The Accompanying Notes are an Integral Part of These Financial Statements.

WHITESBORO CENTRAL SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2026

	Major Funds				
	General	Special Aid	Capital	Non-Major Funds	Total
Assets					
Cash and Cash Equivalents	$ 8,314,225	$ 224,717	$	$ 591,875	$ 9,130,817
Restricted Cash and Cash Equivalents	11,381,177		3,391,373	1,315,957	16,088,507
Receivables					
Other Governments	4,095,430	1,044,775		267,363	5,407,568
Due from Other Funds	1,034,392	201	1,648,181	198,097	2,880,871
Other Receivables	158,336			65	158,401
Prepaid Expense			6,086		6,086
Inventory				26,808	26,808
Total Assets	$ 24,983,560	$ 1,269,693	$ 5,045,640	$ 2,400,165	$ 33,699,058
Liabilities					
Payables					
Accounts Payable	$ 28,353	$ 2,539	$	$	$ 30,892
Accrued Liabilities	2,550,095	4,182		24,058	2,578,335
Due To					
Other Governments	29,046	21,891		774	51,711
Other Funds	1,549,998	860,323	281,261	189,289	2,880,871
Teachers' Retirement System	2,835,651				2,835,651
Employees' Retirement System	340,972				340,972
Bond Anticipation Note			28,069,766		28,069,766
Compensated Absences	117,129				117,129
Unearned Revenue		380,758			380,758
Total Liabilities	7,451,244	1,269,693	28,351,027	214,121	37,286,085
Deferred Inflow of Resources					
Unavailable - Grant Revenue	181,580				181,580
Fund Balance					
Nonspendable				26,808	26,808
Restricted	11,381,177			1,324,568	12,705,745
Assigned	4,762,000			834,668	5,596,668
Unassigned (Deficit)	1,207,559		(23,305,387)		(22,097,828)
Total Fund Balance (Deficit)	17,350,736		(23,305,387)	2,186,044	(3,768,607)
Total Liabilities, Deferred Inflow of Resources, and Fund Balance	$ 24,983,560	$ 1,269,693	$ 5,045,640	$ 2,400,165	$ 33,699,058

The Accompanying Notes are an Integral Part of These Financial Statements.

WHITESBORO CENTRAL SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2026

Total Governmental Fund Balances		$ (3,768,607)
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Revenues that do not provide current financial resources that are recognized in the Statement of Net Position but not the fund financial statements.		
	Local Grant	181,580
The cost of building, acquiring, and leasing capital assets (land, buildings, equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the balance sheet. However, the Statement of Net Position includes those capital and right to use leased assets among the assets of the School District as a whole, and their original costs are expensed annually over their useful lives.		
	Right to Use Leased Assets	1,459,646
	Accumulated Amortization	(802,533)
	Original Cost of Capital Assets	175,153,276
	Accumulated Depreciation	(55,048,655)
		120,761,734
Proportionate share of the long-term liability/asset associated with participation in state retirement systems are not current financial resources or obligations and are not reported in the funds.		
	Net Pension Asset - Proportionate Share	8,013,233
	Deferred Outflow - Pensions	11,611,589
	Net Pension Liability - Proportionate Share	(1,008,152)
	Deferred Inflow - Pensions	(8,298,773)
		10,317,897
Long-term liabilities, including bonds payable and related deferred outflows and inflows, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
	Bonds Payable	(28,354,000)
	Lease Liability	(159,290)
	Accrued Interest on Long-term Debt	(54,468)
	Unamortized Premium on Issuance of Advanced Refunding	(1,995,048)
	Deferred Charge on Refunding	41,715
	Deferred Outflow - OPEB	4,396,024
	Deferred Inflow - OPEB	(34,799,173)
	Other Post-Employment Liabilities	(124,328,003)
	Retainage Payable	412,605
	Compensated Absences Payable	(8,131,867)
		(192,971,505)
Total Net Position (Deficit)		$ (65,478,901)

The Accompanying Notes are an Integral Part of These Financial Statements.

WHITESBORO CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2026

	Major Funds							
	General	Special Aid	Capital	School Lunch	Miscellaneous Special Revenue	Debt Service	Non-Major Funds	Total
Revenues								
Real Property Taxes	$ 33,209,911	$	$	$	$	$	$	$ 33,209,911
Other Real Property Tax Items	419,556							419,556
School Tax Relief Reimbursement	3,529,295							3,529,295
Charges for Services	74,825							74,825
Premium on Debt Issuance							35,352	35,352
Use of Money and Property	1,163,547						46,092	1,209,639
Sale of Property and Compensation for Loss	22,076							22,076
Miscellaneous	1,317,442	28,916					79,619	1,425,977
State Aid	42,979,233	528,820					904,339	44,412,392
Federal Aid	481,366	1,460,041					1,121,773	3,063,180
School Lunch Sales							209,032	209,032
Total Revenues	83,197,251	2,017,777					2,396,207	87,611,235
Expenditures								
General Support	8,411,942		16,136,277				26,375	24,574,594
Instruction	45,093,938	2,017,777						47,111,715
Pupil Transportation	4,397,940		1,407,083					5,805,023
Food Service Program							1,800,038	1,800,038
Employee Benefits	19,642,166						377,401	20,019,567
Debt Service - Principal	7,228,522							7,228,522
Debt Service - Interest	2,365,108							2,365,108
Total Expenditures	87,139,616	2,017,777	17,543,360				2,203,814	108,904,567
Excess (Deficit) Revenues Over Expenditures	(3,942,365)		(17,543,360)				192,393	(21,293,332)
Other Financing Sources (Uses)								
Proceeds of Debt			1,879,000					1,879,000
Premium on Debt Issue	174,069							174,069
BANs Redeemed from Appropriations			1,490,350					1,490,350
Transfers from Other Funds			100,000				197	100,197
Transfers to Other Funds	(100,197)							(100,197)
Total Other Financing Sources (Uses)	73,872		3,469,350				197	3,543,419
Excess (Deficit) Revenues Over Expenditures and Other Financing Sources	(3,868,493)		(14,074,010)				192,590	(17,749,913)
Fund Balance (Deficit), Beginning of Year	21,219,229		(9,231,377)	770,970	276,932	945,552		13,981,306
Reslassification of Non-Major Funds				(770,970)	(276,932)	(945,552)	1,993,454	
Fund Balance (Deficit), Beginning of Year (Restated)	21,219,229		(9,231,377)				1,993,454	13,981,306
Fund Balance (Deficit), End of Year	$ 17,350,736	$	$ (23,305,387)	$	$	$	$ 2,186,044	$ (3,768,607)

The Accompanying Notes are an Integral Part of These Financial Statements.

WHITESBORO CENTRAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES AND EXPENDITURES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2026

Net Changes in Fund Balance - Total Governmental Funds		$ (17,749,913)
Capital Outlays to purchase, build, or lease capital or right to use assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their useful lives as depreciation and amortization expenses in the statement of activities. This is the amount by which capital outlays exceeded depreciation and amortization in the period.		
Depreciation Expense	(6,014,743)	
Amortization Expense	(131,707)	
Loss on Disposals	(4,801)	
Capital Outlays	17,851,911	
Cost of Leased Assets	267,422	11,968,082
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayments of bond principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Changes in long-term debt are as follows:		
Proceeds from Issued Serial Bonds	(1,879,000)	
Repayment of Bond Principal and Leases	5,738,172	3,859,172
Revenues recognized in the statement of activities that provided current financial resources were not reported as revenues in the governmental funds in the prior year.		
Deferred Local Grant	1,000	1,000
Certain expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change In Accrued Interest on Debt	20,122	
Amortization of Deferred Premium	432,606	
Amortization of Deferred Charges on Refunded Debt	(35,581)	
Change in Proportionate Share of Net Pension Expense	3,034,391	
Change In Compensated Absences	1,039,409	
Change in Retainage Payable	144,342	
Change In Other Post Employment Benefits	3,951,210	8,586,499
Change in Net Position Governmental Activities		$ 6,664,840

The Accompanying Notes are an Integral Part of These Financial Statements.

WHITESBORO CENTRAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2026

	Custodial Fund
Assets	
Cash and Cash Equivalents - Restricted	$ 144,485
Net Position	
Restricted for Extraclassroom Activities	144,485
Total Net Position	$ 144,485

The Accompanying Notes are an Integral Part of These Financial Statements.

WHITESBORO CENTRAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2026

	Custodial Fund
Additions	
Dunham Library Tax Received	$ 1,356,696
Dunham Library Payroll Reimbursements	771,076
Extraclassroom	183,746
	2,311,518
Deductions	
Dunham Library Tax Disbursed	1,356,696
Dunham Library Payroll	771,076
Extraclassroom Disbursed	173,741
Total Deductions	2,301,513
Change in Net Position	10,005
Net Position, Beginning of Year	134,480
Net Position, End of Year	$ 144,485

The Accompanying Notes are an Integral Part of These Financial Statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Whitesboro Central School District (the School District) have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as they apply to governmental units. Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Certain significant accounting principles and policies utilized by the School District are described below:

Reporting Entity

The School District is governed by the laws of New York State. The School District is an independent entity governed by an elected Board of Education. 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 School District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal members.

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

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

(a) Extraclassroom Activity Funds

The Extraclassroom Activity Funds of the School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and the designation of student management. The School District accounts for assets held as an agent for various student organizations in a Fiduciary Custodial Fund. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be found at the School District's business office.

Joint Venture

The School District is a component district in Oneida-Herkimer-Madison Board of Cooperative Education Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs which provide educational and support activities. 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 district's share of administrative and capital cost is determined by resident public school district enrollment, as defined in the New York State Education Law, §1950(4)(b)(7). In addition, component districts pay tuition or a service fee for programs in which its students participate.

Basis of Presentation

(a) District-Wide Statements

The Statement of Net Position and the Statement of Activities present financial information about the School 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. Capital and operating grants include operating-specific and discretionary grants.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the School 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 requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

(b) Fund Financial Statements

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

General Fund: This is the School District's primary operating fund used to account for and report all financial resources not accounted for in another fund.

Special Revenue Funds:

Special Aid Fund: This fund accounts for and reports the proceeds of specific revenue sources, such as Federal and State grants, that are legally restricted to expenditures for specified purposes.

Capital Project Fund: This fund is used to account for and report financial resources that are restricted or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The School District reports the following non-major governmental funds:

Special Revenue Funds:

School Lunch Fund: This fund is used to account for and report transactions of the School District's lunch and breakfast programs.

Miscellaneous Special Revenue Fund: This fund is used to account for and report transactions of the School Districts' scholarship funds. The School District has both custody and administrative control over the various scholarships. Established criteria govern the use of the funds and members of the School District or representatives of the donors may serve on committees to determine who benefits.

Debt Service Fund: This fund accounts for and reports financial resources that are restricted to expenditures for principal and interest. Debt service funds should be used to report resources if legally mandated.

Change in Major Funds- Effective July 1, 2025, the District reclassified the School Lunch, Miscellaneous Special Revenue, and Debt Service funds from major to non-major governmental funds. This reclassification is reported as a change within the financial reporting entity and is reflected as an adjustment to beginning fund balance of both fund's columns and the aggregate non-major governmental funds column in the governmental fund financial statements.

(c) Fiduciary Funds

Fiduciary funds are used to account for and report fiduciary activities. Fiduciary activities are those in which the School 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 School District, and are not available to be used. There is one class of fiduciary funds:

Custodial Funds: These funds are strictly custodial in nature. Assets are held by the School District as agent for various student groups or Extraclassroom activity funds. In addition, the fund is used to account for real property taxes collected and paid to Dunham Library.

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 School District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, State aid, 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 state aid is recognized in the fiscal year it is appropriated by the state. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School District considers all revenues reported in the governmental funds to be available if the revenues are expected to be collected within ninety days after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, other postemployment benefits, 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.

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, and compensated absences that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

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

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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, other postemployment benefits, compensated absences, potential contingent liabilities, and useful lives of long-lived assets.

Cash and Cash Equivalents

The School 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 date of acquisition. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks

or trust companies located within the State. Permissible investments include obligations of the 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.

Property Taxes

Real property taxes are levied annually by the Board of Education and become a lien no later than September 1. Taxes are collected during the period September 1 to October 31. Uncollected real property taxes are subsequently enforced by Oneida County. An amount representing uncollected real property taxes transmitted to the County for enforcement is paid by the County to the School District no later than the forthcoming April 1.

Receivables

Receivables are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

Interfund Transactions

The operations of the School District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The School 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 expenditure and revenues to provide financing or other services.

The amounts reported on the Statement of Net Position for due to and due from other funds represents amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the interfund transactions for governmental funds throughout the year is shown in Note 11 to the financial statements.

Inventories

Inventories of food in the school lunch fund are recorded at cost on a first-in, first-out basis or in the case of surplus food donated by the U.S. Department of Agriculture, at the Government's assigned value, which approximates market. A reserve for inventory has been recognized to indicate that this does not constitute available spendable resources.

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

Capital Assets

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

The School District uses capitalization thresholds of $5,000 (the dollar value above which asset acquisitions are added to the capital asset accounts for grouped like assets or individual assets). Interest incurred on obligations is not capitalized. Depreciation methods and estimated useful lives of capital assets reported in the District-wide statements are as follows:

	Lives	Depreciation Method
Buildings and Improvements	20-30 Years	Straight Line
Furniture and Equipment	4-20 Years	Straight Line
Vehicles	10 Years	Straight Line

Right to Use Leased Assets

The School District has recorded right to use lease assets as a result of implementing GASB 87, *Leases*. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made

prior to the lease term. The right to use assets are amortized on a straight-line basis over the life of the related lease, which range from 3 to 5 years.

Vested Employee Benefits – Compensated Absences

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

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

In accordance with GASB, a liability is recognized in the district-wide financial statements for vacation, sick leave, and other compensated absences when the benefit is earned by the employee and it is more likely than not that the leave will be used or paid. The compensated absences liability is measured using the pay rates in effect at year-end, and includes salary-related payments such as applicable employer payroll taxes.

In the funds statements, a liability is reported only for amounts that have natured-typically when a payment is due upon resignation, retirement, or other termination-based on expendable and available financial resources.

Retirement Plans and Other Benefits

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

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits for retired employees and their survivors. Collective bargaining agreements determine if District employees are 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 postemployment benefits is shared between the District and the retired employee. Other postemployment benefit costs are measured and disclosed using the accrual basis of accounting (see Note 10).

Short-Term Debt

The District may issue bond anticipation notes (BAN), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BAN's issued for capital purposes to be converted to long-term financing within five years after the original issue date.

Deferred Outflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category. The first item is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportionate share of total contributions not included in pension expense. The second item is related to other postemployment benefits (OPEB) reported on the District-wide Statement of Position and represents the effect of differences between changes in assumptions during the year and contributions subsequent to the measurement date. These amounts are deferred and will be recognized in OPEB expense over the next several years. The third item is a deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred Inflows of Resources

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. The District has three items that qualify for reporting in this category. The first item is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability or asset and difference during the measurement periods between the District's contributions and its proportionate share of total

contributions to the pension systems not included in pension expense. The second item is related to other postemployment benefits (OPEB) reported on the District-wide Statement of Position and represents the effect of differences between expected

and actual experience and changes in assumptions during the year. These amounts are deferred and will be recognized in OPEB expense over the next several years. The third arises only under a modified accrual basis of accounting for State Aid revenue that is unavailable.

Unearned Revenues

Unearned revenues arise when resources are received by the School District before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the School District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recorded.

Restricted Resources

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

Equity Classifications

(a) District-Wide Financial Statements

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

Net Investment in Capital Assets – consists of net capital assets and right to use leased assets (cost less accumulated depreciation and amortization) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.

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

Unrestricted Net Position – reports all other net position that do not meet the definition of the above two classifications and are deemed to be available for general use by the District.

(b) Fund Statements

The following classifications describe the relative strength of the spending constraints:

Non-spendable

This category includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. This category consists of inventories in the School Lunch Fund.

Restricted Resources

This category 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. Generally, the District's policy is to use restricted resources only when appropriated by the Board of Education. When an expenditure is incurred for purposes for which both restricted and unrestricted net position are available, the School District's policy concerning which to apply first varies with the intended use, and with associated legal requirements.

- ***Reserve for Workers' Compensation***

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

- ***Reserve for Unemployment Insurance***

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

- ***Retirement Contribution Reserve Fund***

  According to General Municipal Law §6-r, must be used for financing retirement contributions to the New York State and Local Employees' Retirement System. This reserve is established by Board resolution and is funded by budgetary appropriation and such other reserves and funds that may be legally appropriated. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board. This reserve is accounted for in the General Fund. Effective April 1, 2019, a Board may adopt a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, not to exceed a total of 10%. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law §6-r.

- ***Reserve for Insurance***

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

- ***Reserve for Employee Benefit Accrued Liability***

  Reserve for Employee Benefit Accrued Liability (GML §6-p) is used to reserve funds for the payment of accrued employee benefit due an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. The reserve is accounted for in the General Fund.

- ***Reserve for Property Loss***

  Reserve for Property Loss [Education Law §1709(8)(c)] is used to pay for property loss incurred. Separate funds for property loss claims are required, and this reserve may not in total exceed 3% of the annual budget or $15,000, whichever is greater. This type of reserve fund may be utilized only by school districts, except city school districts with a population greater than 125,000. This reserve is accounted for in the General Fund.

- ***Reserve for Tax Certiorari***

  This reserve is used to account for funds set aside to refund taxes of the current year in tax certiorari proceedings. Voter approval is not required to establish the fund or expend from the reserve. Amounts in this reserve not necessary to refund taxes must be returned to the unreserved fund balance of the General Fund by the first day of the fourth fiscal year following the year for which the reserve was created.

- ***Capital Reserve***

  The Capital Reserve Fund is 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 reserve is accounted for in the General Fund.

  - In May 2017, the Board and voters established a capital reserve fund to reserve up to $5 million plus interest and investment earnings for the purpose of capital improvements. The reserve was established with a probable term of ten years. More specifically, the fund will further enable the district to maintain and/or upgrade its facilities and infrastructure to provide and modernize its teaching and learning environments, supplementing the scope of other capital improvement projects. The fund may also be used to offset the local share of future capital project work. This proposition only establishes the capital reserve fund and does not obligate the district to fund it at any specific level at any time. The district will determine the level at which it is funded based on current and future financial conditions.
  - In May 2022, the Board and voters established a capital reserve fund for the construction of improvements, reconstruction of, and additions to various School District facilities, including original furnishings, equipment, machinery, apparatus, appurtenances, and site and incidental improvements and expenses in connection therewith, at an ultimate amount of $10,000,000, plus accrued interest and investment earnings with a probable term of ten (10) years, the source of the funding being the District's available funds balance, State aid reimbursement to the District on account of capital projects, such other monies as the voters may direct, and other legally available funds of the District in an amount determined by the Board of Education up to the maximum authorized amount.

- ***Reserve for Repairs***

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

- ***Miscellaneous Special Revenue Fund***

  This fund is used to account for various endowment and scholarship awards.

- ***Debt Service***

  This fund is used to account for and report the financial resources that are restricted to pay debt service. The funds include unused debt proceeds and interest and earnings on the temporary investment of debt proceeds.

Unrestricted Resources

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the School District has provided otherwise in its commitment or assignment actions.

- ***Committed -*** Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the school districts highest level of decision making authority, i.e., the Board of Education. The School District has no committed fund balances as of June 30, 2026.
- ***Assigned*** – Includes amounts that are constrained by the School District's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the Board of Education or (b) the designated official, such as the District's Purchasing Agent, to which the Board has delegated the authority to assign amounts to be used for specific purposes. All encumbrances, other than capital fund, are classified as Assigned Fund Balance in the applicable fund. The amount appropriated for the subsequent year's budget of the General fund is also classified as Assigned Fund Balance in the General Fund.
- ***Unassigned*** – Includes all other fund net position that do not meet the definition of the above four classifications and are deemed to be available for general use by the School District. In other governmental funds, if expenditures incurred for

specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in the respective fund.

(c) Reserve for Extraclassroom Activities

This reserve is used to account for various student groups or Extraclassroom activities. This reserve is accounted for in the Fiduciary Custodial fund.

(d) Order of Use of Fund Balance

In circumstances where an expenditure is incurred for the purpose for which amounts are available in multiple fund balance classifications, (e.g. expenditures related to reserves) the Board will assess the current financial condition of the School District and then determine the order of application of expenditures to which the fund balance classification will be charged.

Implementation of New Accounting Standards

Effective for the fiscal year ended June 30, 2026, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 103, Financial Reporting Model Improvements. This standard establishes changes to certain components of the financial reporting model, including management's discussion and analysis, the presentation of unusual or infrequent items, proprietary fund reporting, major component unit information, and budgetary comparison information.

For the District, the implementation of GASB 103 resulted primarily in changes to the presentation and content of management's discussion and analysis and budgetary comparison information. Budgetary comparison schedules for the General Fund are presented as required supplementary information and include separate original-to-final budget and final budget-to-actual variances, with significant variances explained in the accompanying notes. The implementation did not result in a material change to the District's reported net position or fund balance.

Effective for the fiscal year ended June 30, 2026, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 104, Disclosure of Certain Capital Assets. This standard requires certain types of capital assets, including lease assets and subscription assets, and related accumulated amortization to be disclosed separately within the capital asset note. The District applied the provisions of GASB 104 retroactively, as applicable and practicable. The implementation of this standard resulted in changes to the presentation of the District's capital asset disclosures but did not have a material effect on total capital assets or net position.

Future Changes in Accounting Standards

GASB Statement No. 105, Subsequent Events, effective for the year ending June 30, 2027.

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

2. DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

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

Total Fund Balances of Governmental Funds Compared to Net Position of Governmental Activities

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

Statement of Revenues, Expenditures, and Changes in Fund Balance Compared to Statement of Activities

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

(a) Long-Term Revenue Differences

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available," whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise

because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.

(b) Capital Related Differences

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

(c) Long-Term Debt Transaction Differences

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

(d) Employee Benefit Allocation

Expenditures for employee benefits are not allocated a specific function on the Statement of Revenues, Expenditures, and Changes in Fund Equity based on the requirements of New York State. These costs have been allocated based on total salary for each function.

(e) Pension Differences

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

(f) OPEB Differences

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

3. STEWARDSHIP AND COMPLIANCE

Budgetary Procedures and Budgetary Accounting

The School District administration prepares a proposed budget for approval by the Board of Education for the General Fund for which legal (appropriated) budgets are adopted.

Appropriations are adopted at the program line-item level. The voters approved the General Fund budget. Appropriations established by the 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. Supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted.

Change from Adopted Budget to Revised Budget

Adopted Budget	$ 88,638,908
Add: Prior Year's Encumbrances	616,231
Original Budget	89,255,139
Add: Appropriation of Capital Reserve	1,500,000
Final Budget	$ 90,755,139

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. The Special Aid and School Lunch Funds do not have legally authorized budgets.

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.

NYS Real Property Tax Cap

Chapter 97 of the Laws of 2011 established a property tax levy limit (generally referred to as the tax cap) that restricts the amount of property taxes local governments including school districts can levy. The tax levy for the 2025-2026 school year was in compliance with the NYS Tax Cap Limit.

Fund Balance Limitations

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 School 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.

At June 30, 2026, the School District had an unassigned fund balance of $1,207,559, which is approximately 1.34% of the 2026-2027 budget, which is in compliance with laws and regulations.

4. CUSTODIAL AND CONCENTRATION OF CREDIT RISK

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. While the District does not have a specific policy for custodial credit risk, New York State statutes govern the District's investment policies, as discussed previously in these notes. GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution, or collateralized by securities held by the pledging financial institution's trust department or agent but not in the District's name.

The District's had aggregate bank balances of $31,284,406 all of which were fully covered by depository insurance or collateralized by securities held by the pledging financial institution.

Restricted Cash and Cash Equivalents

1. Restricted cash in the General Fund of $11,381,177, consists of the following:

Description		Amount
Workers' Compensation	$	292,087
Unemployment Insurance		253,249
Employees' Retirement Contribution Reserve		1,955,750
Teachers' Retirement Contribution Reserve		1,931,699
Employee Benefit Accrued Liability		679,841
Property Loss		1,666,470
Insurance		584,379
Tax Certiorari		1,176,832
Capital Reserve		2,493,767
Repair Reserve		347,103
Total	$	11,381,177

2. Restricted cash of $1,018,385 in the Debt Service fund represents funds restricted for debt service of the outstanding bonds.

3. Restricted cash of $3,391,373 in the Capital Fund represents funds restricted for approved capital projects.

4. Restricted cash of $297,572 in the Miscellaneous Special Revenue Fund represents various expendable trust funds held by the School District for scholarships and awards.

5. Restricted cash of $144,485 in the Fiduciary Custodial Funds represents funds restricted for Extraclassroom activities.

5. PARTICIPATION IN BOCES

During the year, the School District was billed $14,790,956 for BOCES' administrative and program costs. Financial statements for the BOCES are available from the BOCES' administrative office at Middle Settlement Road, New Hartford, New York 13413.

6. CAPITAL AND RIGHT TO USE LEASED ASSETS

Capital asset activity for the year ended June 30, 2026, is as follows:

	Beginnning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Land	$ 1,387,168	$	$	$ 1,387,168
Construction in Progress	54,790,113	16,142,364	53,220,835	17,711,642
Total	56,177,281	16,142,364	53,220,835	19,098,810
Capital Assets Being Depreciated				
Buildings and Improvements	88,597,168	50,729,870		139,327,038
Furniture, Equipment and Vehicles	13,227,309	4,200,512	700,393	16,727,428
Total	101,824,477	54,930,382	700,393	156,054,466
Accumulated Depreciation				
Buildings and Improvements	39,825,825	5,127,087		44,952,912
Furniture, Equipment and Vehicles	9,903,679	887,656	695,592	10,095,743
Total	49,729,504	6,014,743	695,592	55,048,655
Net Capital Assets Being Depreciated	52,094,973	48,915,639	4,801	101,005,811
Net Capital Assets	$ 108,272,254	$ 65,058,003	$ 53,225,636	$ 120,104,621

Depreciation expense was allocated to governmental functions as follows:

Function/Program	
General Support	$ 1,864,454
Instruction	3,573,442
Pupil Transportation	440,313
School Lunch	136,534
Total Depreciation	$ 6,014,743

Right to use leased asset activity for the year ended June 30, 2026 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Right to Use Leased Assets				
Leased Equipment	$ 1,192,224	$ 267,422	$	$ 1,459,646
Accumulated Amortization				
Leased Equipment	670,826	131,707		802,533
Net Right to Use Leased Assets	$ 521,398	$ 135,715	$	$ 657,113

Amortization expense of $131,707 is charged to the instruction program.

7. SHORT-TERM DEBT

The School 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 BANs issued for capital purposes be converted to long-term financing within five years after the original issue date. The following is a summary of the BANs outstanding at June 30, 2026:

Payable From/Description	Date of Original Issue	Original Amount	Date of Final Maturity	Interest Rate (%)	Outstanding Amount
General Fund					
Buses	09/25	$ 3,579,766	09/26	3.75	$ 3,579,766
2023 Capital Project	06/26	24,490,000	06/27	3.50	24,490,000
					$ 28,069,766

Changes in the School District's short–term outstanding debt for the year ended June 30, 2026, are as follows:

Description	Outstanding Beginning Balance	Issued	Refinanced/Paid	Outstanding Ending Balance
Governmental Activities				
Buses	$ 2,985,350	$ 1,494,766	$ (900,350)	$ 3,579,766
Dunham Public Library	1,879,000		(1,879,000)	
2023 Capital Project	21,490,000	3,590,000	(590,000)	24,490,000
Total Governmental Activities	$ 26,354,350	$ 5,084,766	$ (3,369,350)	$ 28,069,766

Interest costs for short–term debt for the year ended June 30, 2026, was as follows:

Total interest for the year was as follows:	
Interest Paid	$ 979,014
Less: Interest Accrued in the Prior Year	(124,325)
Plus: Interest Accrued in the Current Year	125,656
Total Interest Expense on Short-Term Debt	$ 980,345

8. NONCURRENT LIABILITIES

Noncurrent liability balances and activity for the year ended June 30, 2026, are as follows:

Description	Outstanding Beginning Balance	Issued	Paid	Outstanding Ending Balance	Due Within One Year
Governmental Activities					
Bonds Payable	$ 32,105,000	$ 1,879,000	$ 5,630,000	$ 28,354,000	$ 4,089,000
Unamortized Premium	2,427,654		432,606	1,995,048	432,606
Lease Liability	267,462		108,172	159,290	143,492
OPEB Liability	144,622,426	10,110,641	30,405,064	124,328,003	4,312,293
Compensated Absences	9,288,405		1,039,409	8,248,996	805,806
Total Governmental Activities	$ 188,710,947	$ 11,989,641	$ 37,615,251	$ 163,085,337	$ 9,783,197

Serial Bonds

The School District borrows funds on a long-term basis for the purpose of financing acquisitions of land and equipment and construction of buildings and improvement. This policy enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities for governmental funds are maintained separately and represent a reconciling item between this fund and District-wide statements. Interest associated with long-term debt is recorded as an expenditure when such amounts are due.

Details relating to general obligation serial bonds of the School District outstanding at June 30, 2026 are summarized as follows:

Payable From/Description	Date of Original Issue	Original Amount	Date of Final Maturity	Interest Rate (%)	Outstanding Amount
General Fund					
2009 Building Renovations	06/15	2,760,000	06/30	2.00-3.00	$ 740,000
2014 Building Renovations	06/16	8,000,000	06/32	1.98	2,995,000
2017 DASNY Bond	06/17	14,005,000	06/33	3.75-5.00	6,970,000
2012 Refunding	06/21	14,145,000	06/27	2.5-3.0	665,000
2013 Refunding	04/21	2,520,000	06/28	1.00-4.00	765,000
2022 DASNY Bond	06/22	14,235,000	06/38	5.00	10,835,000
2022 Building Renovations	06/22	2,790,000	06/36	3.00-3.375	1,700,000
2023 Building Renovations	06/23	2,210,000	06/38	4.00	1,805,000
Library Serial Bonds 2026	06/26	1,879,000	06/41	4.00	1,879,000
					$ 28,354,000

Principal and interest payments due on general obligation debt are as follows:

For the Year Ending June 30,	Serial Bonds Principal	Interest	Total
2027	$ 4,089,000	$ 1,223,217	$ 5,312,217
2028	3,530,000	1,060,850	4,590,850
2029	3,135,000	914,912	4,049,912
2030	3,140,000	784,613	3,924,613
2031	3,155,000	651,400	3,806,400
2032-2036	9,385,000	1,602,138	10,987,138
2037-2041	1,920,000	154,150	2,074,150
Total	$ 28,354,000	$ 6,391,280	$ 34,745,280

Interest costs for debt for the year ended June 30, 2026, was as follows:

Interest Paid	$ 1,371,850
Lease Interest	12,913
Bond Anticipation Note Interest	980,345
Amorization of Deferred Charge on Advance Refunding	35,581
Amortization of Deferred Premium	(432,606)
Less: Interest Accrued in the Prior Year	(74,590)
Plus: Interest Accrued in the Current Year	54,468
Total Interest Expense on Long-Term Debt	$ 1,947,961

Prior-Year Defeasance of Debt

In current and prior years, the School District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District's financial statements. On June 30, 2026, $1,600,000 of bonds outstanding are considered defeased.

Premium on Bonds

The original issue premiums on bonds has been deferred and recorded as an addition to long-term liabilities on the District-Wide financial statements. The premiums are being amortized using the straight-line method over 6 to 16 years, the remaining time to maturity of the respective bond issue. The current year amortization is $432,606 and is included as a reduction to interest expense on the statement of activities.

Premium from Refunding of Debt	$ 4,854,290
Less: Accumulated Amortization	(2,859,242)
Net Unamortized Bond Premiums	$ 1,995,048

Deferred Outflows of Resources – Deferred Charges from Refunding of Debt

The cost of refunding serial bonds has been deferred and recorded as a deferred outflow on the District-wide financial statements. The cost is being amortized using the straight-line method over 7 years, the remaining time to maturity of the bonds. The current year amortization is $35,581 and is included as an addition to interest expense on the statement of activities.

Deferred Charge from Refunding of Debt	$ 249,064
Less: Accumulated Amortization	(207,349)
Net Capitalized Refunding of Debt Costs	$ 41,715

Lease Liability

The District has entered into agreements with the BOCES to lease certain technology equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the minimum lease payments as of the date of the inception of the agreements. The agreements were executed in 2022 and 2026 and are for a term of 4 years. Annual lease payments for these agreements are $143,000. The lease liability is measured at a discount rate of 2.07-4.83% which is stated in the lease agreements. As a result of these leases, the District has recorded a right to use asset with a net book value of $318,928 at June 30, 2026. The District has made some lump sum payments at the beginning of certain lease agreements and thus there are right to use assets with a net book value of $338,185 at June 30, 2026 with no corresponding lease liability. As of June 30, 2026, the District had a lease liability of $159,290.

Compensated Absences

Compensated Absences represent vacation and sick time that has been earned by the School District employees but not used as of June 30, 2026.

9. PENSION PLANS

A. New York State and Local Employees' Retirement System (ERS)

(a) Plan Description

The School District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer public employee retirement system. The system provides retirement benefits as well as death and disability benefits.

The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The School District also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The system maintains records and accounts, and prepares financial statements using the accrual basis of accounting. Contributions are recognized when due. Benefit payments are recognized when due and payable. Investments are recognized at fair value. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

(b) Contributions

The System is noncontributory for employees who joined prior to July 28, 1976. For employees who joined after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary for the first ten years of membership. Employees who joined on or after January 1, 2010 but before April 1, 2012 are required to contribute 3% of their annual salary for their entire working career. Those who joined on or after April 1, 2012 contribute at a rate ranging from 3% to 6% based on their total annualized salary. Subsequent to the fiscal year ended March 31, 2026, the approved fiscal year 2027 New York State Budget includes new laws which reduce contribution rates for Tier 6 members. Effective October 1, 2026, the new contribution rate varies from 3% to 5.75% depending on salary. Under the authority of the RSSL, the Comptroller certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. All required contributions for the NYSERS fiscal year ended March 31, 2026, were paid.

The required contributions for the current year and two preceding years were:

	Amount
2024	$ 862,239
2025	$ 1,106,914
2026	$ 1,233,249

(c) Pension Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2026, the School District reported a liability of $1,008,152 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2026, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2025. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2026, the School District's proportion was .0178695% which is a decrease of .0005021% from the prior year's proportionate share of .0183716%.

For the year ended June 30, 2026, the School District recognized pension expense of $1,252,378. At June 30, 2026, the School District reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 576,924	$
Change of Assumptions	173,055	
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments		1,807,672
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	422,819	100,032
Contributions Subsequent to the Measurement Date	340,972	
Total	$ 1,513,770	$ 1,907,704

Amounts reported as deferred outflows/inflows of resources related to pensions resulting from School District contributions subsequent to the measurement date, if any, will be recognized as a reduction of the net pension asset/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 Ended June 30,	
2027	$ 509,377
2028	$ (569,811)
2029	$ (307,133)
2030	$ (367,339)

(d) Actuarial Assumptions

The total pension liability at March 31, 2026 was determined by using an actuarial valuation as of April 1, 2025, with update procedures used to roll forward the total pension liability to March 31, 2026.

Significant actuarial assumptions used in the April 1, 2025 valuation were as follows:

Investment Rate of Return (Net of Investment Expense, including Inflation)	5.90%
Salary Scale	5.20%
Decrement Tables	April 1, 2020 - March 31, 2025 System's Experience
Inflation Rate	2.90%

Annuitant mortality rates are based on April 1, 2020 - March 31, 2025 System's experience with adjustments for mortality improvements based on MP-2021.

The actuarial assumptions used in the April 1, 2025 valuation are based on the results of an actuarial experience study for the period April 1, 2020 - March 31, 2025.

The long term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected 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 arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2026 are summarized below.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	25%	3.29%
International Equity	14%	5.85%
Private Equity	15%	7.00%
Real Estate	12%	5.20%
Opportunistic/Absolute Return Strategy	3%	5.13%
Credit	4%	5.10%
Real Assets	4%	5.54%
Fixed Income	22%	1.75%
Cash	1%	0.25%
	100%	

The real rate of return is net of the long-term inflation assumption of 2.50%

(e) Discount Rate

The discount rate used to calculate the total pension liability(asset) was 5.9%. 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 System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset/liability.

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

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

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Proportionate Share of the Net Pension Liability (Asset)	$ 6,885,401	$ 1,008,152	$ (3,905,489)

(g) Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued ERS financial report.

(h) Payables to the Pension Plan

The School District has recorded an amount due to ERS in amount of $340,972 at June 30, 2026. This amount represents the three months of the School District's fiscal year that will be covered in the ERS 2026-2027 billing cycle and has been accrued as an expenditure in the current year.

B. New York State Teachers' Retirement System (TRS)

(a) Plan Description

The School District participates in the New York Teachers' Retirement System (TRS). This is a cost-sharing multiple-employer public employee retirement system. The system provides retirement benefits as well as death and disability benefits.

The TRS was created and exists pursuant to Article 11 of the New York State Education Law. TRS is administered by the system and governed by a ten member board to provide these benefits to teachers employed by participating employers in the State of New York, excluding New York City. The System provides benefits to plan members and beneficiaries as authorized by the New York State Law and may be amended only by the Legislature with the Governor's approval. Benefit provisions vary depending on date of membership and membership class (6 tiers). The System's financial statements are prepared using the accrual basis of accounting. Contributions are recognized when due. Benefit payments are recognized when due and payable. Investments are recognized at fair value. TRS issues a publicly available financial report that contains basic financial statements and required supplementary information for the System. For additional plan information please refer to the NYSTRS Comprehensive Annual Financial Report which can be found on the TRS website located at www.nystrs.org.

(b) Contributions

Pursuant to Article 11 of the New York State Education Law, employers are required to contribute at an actuarially determined rate adopted annually by the Retirement Board. Tier 3 and Tier 4 members who have less than 10 years of service or membership are required by law to contribute 3% of salary to the System. Tier 5 members are required by law to contribute 3.5% of salary throughout their active membership. Tier 6 members are required by law to contribute between 3% and 6% of salary throughout their active membership in accordance with a schedule based upon salary earned. Pursuant to Article 14 and Article 15 of the Retirement and Social Security Law, those member contributions are used to help fund the benefits provided by the System. However, if a member dies or leaves covered employment with less than 5 years of credited service for Tiers 3 and 4, or 10 years of credited service for Tiers 5 and 6, the member contributions with interest calculated at 5% per annum are refunded to the employee or designated beneficiary. Eligible Tier 1 and Tier 2 members may make member contributions under certain conditions pursuant to the provisions of Article 11 of the Education Law and Article 11 of the Retirement and Social Security Law. Upon termination of membership, such accumulated member contributions are refunded. At retirement, such accumulated member contributions can be withdrawn or are paid as a life annuity.
The required employer contributions for the current year and two preceding years were:

	Amount
2024	$ 2,573,855
2025	$ 2,686,523
2026	$ 2,573,718

(c) Pension Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2026, the School District reported an asset of $8,013,233 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2025, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2024. The School District's proportion of the net pension asset was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2026, the School District's proportion was 0.135334%, which was a decrease of 0.002783% from its proportion measured as of June 30, 2025.

For the year ended June 30, 2026, the School District recognized pension (credit) of ($432,635). At June 30, 2026, the School District reported deferred inflows and outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 4,200,721	$
Changes of Assumptions	3,172,189	86,396
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments		6,258,315
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	151,191	46,358
Contributions Subsequent to the Measurement Date	2,573,718	
Total	$ 10,097,819	$ 6,391,069

Amounts reported as deferred outflows/inflows of resources related to pensions resulting from School District contributions subsequent to the measurement date, if any, 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 Ended June 30:	
2026	$ 4,058,402
2027	$ (1,682,035)
2028	$ (1,780,956)
2029	$ (344,340)
2030	$ 726,950
Thereafter	$ 155,011

d) Actuarial Assumptions

The total pension liability at June 30, 2025 measurement date was determined by using an actuarial valuation as of June 30, 2024, with update procedures used to roll forward the total pension liability to June 30, 2025.

Significant actuarial assumptions used in the June 30, 2024 valuation were as follows:

Investment Rate of Return	6.95% Compounded Annually, Net of Pension Plan Investment Expense, Including Inflation.
Salary Scale	Rates of Increase Differ Based on Service. They Have Been Calculated Based Upon Recent NYSTRS Member Experience.

Service	Rate
5	5.80%
15	3.66%
25	2.68%
35	2.04%

Projected COLAs	1.4% Compounded Annually.
Inflation Rate	2.50%

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP 2021, applied on a generational basis. Active member mortality rates are based on plan member experience.

The actuarial assumptions were based on the results of an actuarial experience study for the period of July 1, 2019 to June 30, 2024.

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

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of the measurement date of June 30, 2025 is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic Equity	33.0%	6.7%
International Equity	15.0%	7.4%
Global Equities	4.0%	7.0%
Real Estate Equities	11.0%	6.5%
Private Equities	9.0%	9.8%
Domestic Fixed Income Securities	16.0%	2.6%
Global Fixed Income Securities	2.0%	2.4%
High-yield Bonds	1.0%	4.7%
Private Debt	2.0%	6.1%
Real Estate Debt	6.0%	3.8%
Cash Equivalents	1.0%	0.6%
	100.0%	

** Real rates of return are net of the long-term inflation assumption of 2.5% for 2025.*

(e) Discount Rate

The discount rate used to measure the pension liability(asset) was 6.95%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from school districts will be made at statutorily required rates, actuarially determined. Based on those assumptions, the System's 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.

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

The following presents School District's proportionate share of the net pension liability calculated using the discount rate of 6.95 percent, as well as what the School District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
Proportionate Share of the Net Pension Liability (Asset)	$ 15,397,528	$ (8,013,233)	$ (27,712,170)

(g) Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued TRS financial report.

(h) Payables to the Pension Plan

The School District has recorded an amount due to TRS in amount of $2,573,718 (excluding employees' share) in the General Fund at June 30, 2026. This amount represents the District's and employees' contribution for the 2025-2026 fiscal year that will be made in 2026-2027 and has been accrued as a liability in the current year.

10. POSTRETIREMENT HEALTH CARE BENEFITS

(a) Plan Description

The School District administers the Retiree Medical Plan (the Plan) as a single-employer defined benefit Other Postemployment Benefit plan. The plans are single-employer defined benefit OPEB plans 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.

The Plan does not issue a standalone publicly available financial report since no assets are accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4.

(b) Benefits Provided

The Plan provides for continuation of medical insurance benefits for certain retirees and their spouses and can be amended by action of the School District subject to applicable collective bargaining and employment agreements. Employees are eligible for retirement when they reach the age of 55 years and have 10 years of service with the District.

- WTA-Teachers - All Retirees who retired prior to 5/1/1999 contribute 50% of the individual premium, whereas all Retirees who retired after 5/1/1999 contribute 35% of the individual premium. Spouses of Retirees who retired prior to 5/1/1999 contribute 65% of the premium amount, whereas Spouses of Retirees who retired after 5/1/1999 contribute 55% of the premium amount. Retirees who retired between 2017 and 2022 contribute 30% of the individual premium and Spouses of Retirees contribute 50% of the premium. Effective 7/1/2022 all retirees and spouses of retirees share is 30% contribution. This group also receives full reimbursement for premiums paid for Medicare Part B.
- Other Unions - The School contributes between 35% and 100% of the insurance premium for the retiree and spouse.

(c) Employees Covered by Benefit Terms

	Total
Inactive employees currently receiving benefit payments	356
Active employees	399
Total	755

(d) Total OPEB Liability

The District's total OPEB liability of $124,328,003 was measured as of July 1, 2025 and was determined by an actuarial valuation as of July 1, 2024.

(e) Changes in the Net OPEB Liability

Changes in the District's total OPEB liability were as follows:

	Total OPEB Liability
Balances, June 30, 2025	$ 144,622,426
Changes recongnized for the year:	
Service cost	4,336,641
Interest on Total OPEB Liability	5,774,000
Changes of Assumptions or Other Inputs	(26,329,173)
Benefit payments	(4,075,891)
Net changes	(20,294,423)
Balances, June 30, 2026	$ 124,328,003

(f) Sensitivity of the total OPEB liability to changes in the discount rate

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

	1% Decrease (4.20%)	Current Assumption (5.20%)	1% Increase (6.20%)
Total OPEB liability	$ 144,426,118	$ 124,328,003	$ 108,098,523

(g) 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	Current Assumption	1% Increase
Total OPEB liability	$ 105,544,704	$ 124,328,003	$ 148,330,481

Sensitivity analysis for healthcare cost inflation (trend) rate is illustrated as of end of year.

(h) 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 a change in OPEB expense of $3,951,210. 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	$	$ 4,615,050
Changes of assumptions or other inputs	117,042	30,184,123
Contributions subsequent to the measurement date	4,278,982	
Total	$ 4,396,024	$ 34,799,173

Contributions subsequent to the measurement date will be recognized in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	Amount
2027	(11,385,426)
2028	(8,253,900)
2029	(6,518,399)
2030	(5,703,423)
2031	(2,820,983)

(i) Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as July 1, 2025, the measurement date. The following actuarial assumptions applied to all periods in the measurement, unless otherwise specified:

Valuation Date	July 1, 2024
Measurement Date	July 1, 2025
Reporting Date	June 30, 2026
Actuarial Cost Method	Entry Age Normal - Level Percent of Pay
Plan Type	Single Employer Defined Benefit Plan
Discount Rate	5.20% (Prior Year 3.93%)
Salary Scale	3.00%
Inflation rate	2.60%
Healthcare Cost Trend Rates	6.50-4.04%

The following changes in actuarial assumptions have been made since the prior measurement date:

- Changes of assumptions and other inputs reflect a change in the discount rate from 3.93 % on July 1, 2024 to 5.20% on July 1, 2025.

Discount Rate – The selected discount rate of 5.20% is based on the prescribed discount interest rate methodology under GASB 75 based on an average of three 20-year bond indices (Bond Buyer-20 Bond GO Index) as of July 1, 2025.

Cash Flows – The cash flows into and out of the Plan are expected to be consistent with the above assumptions and Plan descriptions of participant contributions.

11. INTERFUND TRANSACTIONS – GOVERNMENTAL FUNDS

Fund Type	Interfund Receivables	Interfund Payables	Interfund Revenues	Interfund Expenditures
General	$ 1,034,392	$ 1,549,998	$	$ 100,197
Special Aid	201	860,323		
Capital Fund	1,648,181	281,261	100,000	
Non Major Funds				
School Lunch	197		197	
Debt Service	197,900	189,289		
Total	$ 2,880,871	$ 2,880,871	$ 100,197	$ 100,197

The School District transferred $100,000 from the General Fund to the Capital Fund for the local share of a small capital project.

The School District transferred $197 from the General Fund to the School Lunch Fund to cover excess costs incurred.

The interfund receivables and payables are all considered current and are scheduled to be repaid in the current year. The purpose of this activity is for cash flow.

12. CONTINGENCIES AND COMMITMENTS

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

Construction Commitments

The School District had various open capital projects during the year ended June 30, 2026, with a total construction commitment to various contractors for approximately $2.5 million. The contracts will be paid as work is completed.

Risk Management

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

The School District had various tax certiorari cases outstanding at June 30, 2026. The aggregate possible liability for the tax certioraris ranges from $0 to $70,209.

Workers' Compensation Pool

Whitesboro Central School District participates with 11 other school districts and BOCES in the Central New York Workers' Compensation Consortium administered by the Oneida-Herkimer-Madison BOCES for its workers' compensation insurance coverage. Voluntary withdrawal from the Plan is effective only once annually on the last day of the Plan year. Notice of intent to withdraw must be submitted in writing no later than March 30 of the plan year. Additional members may be admitted by a majority vote of the Plan's Board of Directors. Membership is effective on the first day of the month following the Board's resolution to accept a new participant. The plan uses a reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability of the plan as direct insurer of the risks reinsured. The Plan insures against catastrophic losses for amounts over $600,000 up to $1,000,000 for claims during the lifetime of an eligible member. The Plan does not insure amounts in excess of $1,000,000 per lifetime. 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 expense in the periods in which they are made. The Consortium is a shared-risk public entity risk pool, whereby each district pays annual premiums based on the expected aggregate claims for all enrollees. Paid claims are also accounted for in the aggregate with individual district activity not being traced separately. Due to this arrangement, a possible contingent liability exists for Whitesboro Central School District as a result of the possibility that any participating school district may have actual claims less than the annual premium and try to recover its portion due to it through the Consortium participants. During the current year, the School District paid $172,064 in net fees.

Health Consortium

Oneida-Herkimer-Madison County Schools Health Insurance Consortium - Whitesboro Central School District incurs costs related to an employees' health insurance plan sponsored by the Oneida-Herkimer-Madison County Schools Health Insurance Consortium and its member districts. The plan is organized under Article 5-G of the General Municipal Law of New York State. 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. School Districts joining the plan must remain members at least until the beginning of the subsequent plan year which is July 1. A member may withdraw upon giving notice to the clerk of the fund by March 1. If the district fails to give such notice, then the district will be considered bound by the agreement for the next fiscal year. If proper notice is given, then the trustees shall determine any sums which are due by the district, or any monies which may be due to the district. Plan members include 7 districts. Premiums are adjusted by the use of a three-year experience factor. During the fiscal year ended June 30, 2026, Whitesboro Central School District incurred premiums totaling approximately $16,535,400. Financial statements for Oneida-Herkimer-Madison County Schools Health Insurance Consortium are available at the administrative office located at 4747 Middle Settlement Rd, New Hartford, NY 13413.

Bargaining Unit Agreements

The School District has the following bargaining unit agreements in place with the related expiration dates:

Employees	Bargaining Unit	Contract Expiration Date
314	Whitesboro Teachers' Association	June 30, 2027
197	Whitesboro Employees' Union	June 30, 2028
11	Whitesboro Administrators' Organization	June 30, 2027

Encumbrances

Encumbrance accounting is employed as an extension of formal budgetary integration for the general fund and special revenue fund. At June 30, 2026, certain amounts which were previously restricted, committed, or assigned for specific purposes have been encumbered in the governmental funds. The general fund encumbrances are reflected as part of the assigned fund balance. The other encumbrances are not reflected on the fund financial statements because the assignment would result in a negative unassigned fund balance.

Significant encumbrances included in governmental fund balances are as follows:

	General Fund
Encumbrances	
General Support	$ 37,095
Instruction	50,999
Pupil Transportation	8,906
Total Encumbrances	$ 97,000

13. FUND BALANCE

(a) The following is a summary of the change in General Fund restricted reserve funds during the year ended June 30, 2026:

	Beginning Balance	Increases	Decreases	Ending Balance
Restricted				
General Fund				
Workers' Compensation	$ 282,046	$ 10,041	$	$ 292,087
Unemployment Insurance	244,544	8,705		253,249
Employees' Retirement Contribution Reserve	1,888,516	67,234		1,955,750
Teachers' Retirement Contribution Reserve	1,865,292	66,407		1,931,699
Employee Benefit Accrued Liability	664,606	15,235		679,841
Property Loss	1,608,221	58,249		1,666,470
Insurance	564,289	20,090		584,379
Tax Certiorari	1,136,376	40,456		1,176,832
Capital Reserve	3,538,884	127,248	1,172,365	2,493,767
Repair Reserve	335,557	11,546		347,103
Total General Fund Restricted	$ 12,128,331	$ 425,211	$ 1,172,365	$ 11,381,177

(b) The following is the disaggregation of the fund balance that is reported in summary on the Governmental Fund's Balance Sheet at June 30, 2026:

	General	Capital	Non-Major Funds	Total
Nonspendable	$	$	$ 26,808	$ 26,808
Restricted				
Workers' Compensation Reserve	292,087			292,087
Unemployment Insurance Reserve	253,249			253,249
Employees' Retirement Contribution Reserve	1,955,750			1,955,750
Teachers' Retirement Contribution Reserve	1,931,699			1,931,699
Employee Benefit Accrued Liability Reserve	679,841			679,841
Property Loss Reserve	1,666,470			1,666,470
Insurance Reserve	584,379			584,379
Tax Certiorari Reserve	1,176,832			1,176,832
Capital Reserve	2,493,767			2,493,767
Repair Reserve	347,103			347,103
Scholarships and Donations			297,572	297,572
Debt Service			1,026,996	1,026,996
Total Restricted	11,381,177		1,324,568	12,705,745
Assigned				
General Support	37,095			37,095
Instruction	50,999			50,999
Pupil Transportation	8,906			8,906
School Lunch			834,668	834,668
Appropriated for Subsequent Year's Budget	4,665,000			4,665,000
Total Assigned	4,762,000		834,668	5,596,668
Unassigned (Deficit)	1,207,559	(23,305,387)		(22,097,828)
Total Fund Balances (Deficit)	$ 17,350,736	$ (23,305,387)	$ 2,186,044	$ (3,768,607)

14. TAX ABATEMENTS

The District is subject to tax abatements that are granted by the Oneida County Industrial Development Agency (OCIDA). Article 18-A of the New York State Municipal Law, "New York Industrial Development Agency Act" was enacted to provide for the creation of Industrial Development Agencies (IDA's) to facilitate economic development in specific localities, and delineate their powers and status as public benefit corporation. The legislation established the power of New York IDA's, including the authority to grant tax abatements and enter into agreements to require payment in lieu of taxes. Each IDA must adopt and follow a tax exemption policy with input from the effected taxing jurisdictions, however once created the IDA can independently grant abatements in conformity with their policy. The OCIDA enters into agreements to abate property tax for the purpose of increasing or retaining employment in the County.

Property abatements may be partially offset by an agreement that requires payments in lieu of taxes. These agreements specify the annual amount to be remitted by the property owner and are allocated to the effected jurisdiction based on the proportion of taxes abated. The District has chosen to disclose information about its tax abatement by purpose. At June 30, 2026, there are no amounts receivable from OCIDA.

Abatement agreements of OCIDA resulted in a revenue impact to the District for the year ended June 30, 2026 as follows:

Purpose	Gross Tax Amounts	Payments in Lieu of Taxes	Net Revenue Reduction
Economic Development and Job Creation	$2,602,380	$419,556	$2,182,824

15. DEFICIT FUND BALANCE

The Capital Fund had a deficit fund balance at June 30, 2026 of $23,305,387. The deficit is due to the current capital project being funded with a short-term bond anticipation note. The deficit will be eliminated when the note is either repaid with current appropriations or refinanced with long-term debt.

16. NET POSITION DEFICIT- DISTRICT WIDE

The District-wide Net Position had total net position deficit of $65,478,901, and an unrestricted portion deficit of $143,801,364. The deficit is primarily the result of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, which required the recognition of an unfunded liability of $124,328,003 at June 30, 2026. Since New York State Laws provide no mechanism for funding the liability, the subsequent accruals are expected to increase the deficit in subsequent years.

WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2026

	Original Budget	Final Budget	Variance Between Original Budget and Final Budget	Actual	Final Budget Variance With Actual
Revenues					
Local Sources					
Real Property Taxes	$ 36,744,190	$ 36,744,190	$	$ 33,209,911	$ (3,534,279)
Other Real Property Tax Items (Including STAR)	413,859	413,859		3,948,851	3,534,992
Charges for Services	44,000	44,000		74,825	30,825
Use of Money and Property	500,000	500,000		1,163,547	663,547
Sale of Property and Compensation for Loss	8,000	8,000		22,076	14,076
Miscellaneous	3,299,385	3,299,385		1,317,442	(1,981,943)
State Aid	42,764,474	42,764,474		42,979,233	214,759
Federal Aid	200,000	200,000		481,366	281,366
Total Revenues	83,973,908	83,973,908		83,197,251	(776,657)
Other Financing Sources					
Premium on Debt Issue				174,069	174,069
Appropriated Capital Reserve		1,500,000	1,500,000		(1,500,000)
Appropriated Fund Balance	5,281,231	5,281,231			(5,281,231)
Total Revenues and Other Financing Sources	$ 89,255,139	$ 90,755,139	$ 1,500,000	83,371,320	$ (7,383,819)

	Original Budget	Final Budget	Variance Between Original Budget and Final Budget	Actual	Final Budget Variance With Actual
Expenditures					
General Support					
Board of Education	$ 78,466	$ 78,466	$	74,056	$ 4,410
Central Administration	326,576	332,076	5,500	325,708	6,368
Finance	831,880	832,739	859	797,105	35,634
Staff	863,505	869,275	5,770	924,989	(55,714)
Central Services	5,743,692	5,754,829	11,137	5,122,455	632,374
Special Items	1,311,948	1,291,048	(20,900)	1,167,629	123,419
Total General Support	9,156,067	9,158,433	2,366	8,411,942	746,491
Instruction					
Instruction, Administration, and Improvement	2,141,839	2,454,236	312,397	2,335,522	118,714
Teaching - Regular School	22,290,907	22,433,725	142,818	21,886,168	547,557
Programs for Children With Special Needs	13,409,286	13,465,721	56,435	12,759,603	706,118
Occupational Education	1,609,582	1,609,582		1,649,791	(40,209)
Teaching - Special School	197,900	197,900		184,020	13,880
Instructional Media	2,246,512	3,902,944	1,656,432	3,342,542	560,402
Pupil Services	3,009,335	3,310,485	301,150	2,936,292	374,193
Total Instruction	44,905,361	47,374,593	2,469,232	45,093,938	2,280,655
Pupil Transportation	4,186,010	4,393,010	207,000	4,397,940	(4,930)
Employee Benefits	21,481,864	20,303,266	(1,178,598)	19,642,166	661,100
Debt Service - Principal	6,735,350	6,735,350		7,228,522	(493,172)
Debt Service - Interest	2,675,487	2,675,487		2,365,108	310,379
Total Expenditures	89,140,139	90,640,139	1,500,000	87,139,616	3,500,523
Other Financing Uses					
Transfers to Other Funds	115,000	115,000		100,197	14,803
Total Expenditures and Other Financing Uses	$ 89,255,139	$ 90,755,139	$ 1,500,000	87,239,813	$ 3,515,326
Net Change in Fund Balance				(3,868,493)	
Fund Balance - Beginning of Year				21,219,229	
Fund Balance - End of Year				$ 17,350,736	

WHITESBORO CENTRAL SCHOOL DISTRICT
NOTES TO BUDGETARY COMPARISON SCHEDULES
GENERAL FUND
For the Year Ended June 30, 2026

SIGNIFICANT BUDGETARY POLICIES

The School District administration prepares a proposed budget for approval by the Board of Education for the General Fund, the only fund with a legally adopted budget.

The budget is 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.

BUDGETARY REVENUES VARIANCES	General Fund Over/ (Under)
Differences- Final Budget to Actual:	
Real Property Taxes and Other Real Property Tax Items (Including STAR) - For the budget, the STAR revenue is included in the real property tax line, but the actual amount for the STAR is recorded on a separte line on the statement. The total variance is minimal.	$ 713
Use of Money and Property - Actual amount of interest revenue exceeded budgeted amounts as the District saw higher inerest rates than expected.	$ 663,547
Miscellaneous - The variance is due to a change in estimate of the availability period from 60 to 90 days for the recoginition of revenue. Difference in the current year is due to an over budgeted amount of miscellaneous estimated prior year refunding that was not actually received	$ (1,981,943)
Federal Aid - The District's Medicaid Revenue had a payment accrued at the end of June, usually the district doesn't receive payments until later in the summer but this year they received a payment in July for previous year so they were able to accrue that revenue.	$ 281,366
Appropriated Capital Reserve - The Board and voters approved a proposition in May 2026, to withdraw upto $1.5 million from the 2017 Capital Reserve to purchase information technology equipment and safety/security equipment.	$ (1,500,000)
BUDGETARY EXPENDITURES VARIANCES	
Differences- Original Budget to Final Budget:	
Instruction, Administration, and Improvement - The budget adjustment was due to BOCES expenses for staff development. This wasn't budgeted for 2026.	$ 312,397
Instructional Media - The variance is due to additional purchases at year end as a result of the May 2026 budget proposition to utilize up to $1.5 million from the capital reserve for technology.	$ 1,656,432
Differences- Final Budget to Actual:	
Instructional Media - As mentioned above, the May 2026 budget proposition to utilize up to $1.5 million from the capital reserve for technology increased the budget, the the full amount was not fully expended during the year.	$ 560,402

WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2026

	2026	2025	2024	2023	2022	2021	2020	2019	2018 *
Measurement Date	7/1/2025	7/1/2024	7/1/2023	7/1/2022	7/1/2021	7/1/2020	7/1/2019	7/1/2018	7/1/2017
Total OPEB Liability									
Service cost	$ 4,336,641	$ 3,944,331	$ 4,180,199	$ 5,062,866	$ 5,129,390	$ 3,330,589	$ 3,332,271	$ 3,446,116	$ 4,475,435
Interest on Total OPEB Liability	5,774,000	5,376,777	5,116,157	3,522,806	3,482,473	4,528,167	4,789,577	4,608,315	4,047,343
Change in assumptions and other inputs	(26,329,173)	(5,964,799)	(2,598,974)	(14,653,341)	1,945,852	25,421,056	362,733	(1,140,399)	(18,709,208)
Change in Benefit Terms		3,186,715		366,257				4,778,723	
Differences between expected and actual experience		(3,385,221)		(9,942,957)		(3,559,649)		(12,536,245)	
Benefit payments	(4,075,891)	(3,800,035)	(3,553,457)	(3,578,314)	(3,325,756)	(3,308,658)	(3,069,288)	(2,868,993)	(2,705,996)
Net change in total OPEB Liability	(20,294,423)	(642,232)	3,143,925	(19,222,683)	7,231,959	26,411,505	5,415,293	(3,712,483)	(12,892,426)
Total OPEB Liability - Beginning	144,622,426	145,264,658	142,120,733	161,343,416	154,111,457	127,699,952	122,284,659	125,997,142	138,889,568
Total OPEB Liability - Ending	$ 124,328,003	$ 144,622,426	$ 145,264,658	$ 142,120,733	$ 161,343,416	$ 154,111,457	$ 127,699,952	$ 122,284,659	$ 125,997,142
Covered payroll	$ 32,433,477	$ 32,652,604	$ 30,974,796	$ 30,974,796	$ 29,684,401	$ 29,095,975	$ 25,075,873	$ 17,918,651	$ 20,886,428
Total OPEB Liability as a percentage of covered payroll	383%	443%	469%	459%	544%	530%	509%	682%	603%

* 10 years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical data is available.

Notes to Required Supplementary Information:
The District does not have net assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay OPEB benefits. The District currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

Actuarial Assumptions -
The actuarial methods and assumptions used to calculate the total OPEB liability are described in Note 10 to the financial statements.

Changes to Assumptions -

Changes of assumptions and other inputs reflect a change in the discount rate from 3.93% in July 1, 2024 to 5.20% percent in July 1, 2025.

WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULES OF DISTRICT CONTRIBUTIONS
For the Year Ended June 30, 2026

ERS Pension Plan
Last 10 Fiscal Years

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contribution	$ 1,233,249	$ 1,106,914	$ 862,239	$ 742,155	$ 977,505	$ 875,658	$ 839,936	$ 826,899	$ 799,287	$ 792,584
Contributions in Relation to the Contractually Required Contribution	$ 1,233,249	$ 1,106,914	$ 862,239	$ 742,155	$ 977,505	$ 875,658	$ 839,936	$ 826,899	$ 799,287	$ 792,584
Contribution Deficiency (Excess)	$	$	$	$	$	$	$	$	$	$
School District's Covered-ERS Employee Payroll	$ 7,862,579	$ 7,523,735	$ 7,286,136	$ 6,636,701	$ 6,045,410	$ 6,050,626	$ 5,794,599	$ 5,613,734	$ 5,348,893	$ 5,185,233
Contributions as a Percentage of Covered-Employee Payroll	15.69%	14.71%	11.83%	11.18%	16.17%	14.47%	14.50%	14.73%	14.94%	15.29%

TRS Pension Plan
Last 10 Fiscal Years

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contribution	$ 2,573,718	$ 2,686,523	$ 2,573,855	$ 2,656,776	$ 2,416,782	$ 2,246,472	$ 2,089,059	$ 2,421,596	$ 2,277,554	$ 2,552,862
Contributions in Relation to the Contractually Required Contribution	$ 2,573,718	$ 2,686,523	$ 2,573,855	$ 2,656,776	$ 2,416,782	$ 2,246,472	$ 2,089,059	$ 2,421,596	$ 2,277,554	$ 2,552,862
Contribution Deficiency (Excess)	$	$	$	$	$	$	$	$	$	$
School District's Covered-TRS Employee Payroll	$ 26,837,518	$ 26,572,928	$ 26,371,465	$ 25,819,009	$ 24,661,041	$ 23,572,634	$ 23,578,544	$ 22,802,222	$ 23,240,347	$ 21,782,099
Contributions as a Percentage of Covered-Employee Payroll	9.59%	10.11%	9.76%	10.29%	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%

WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULES OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET) LIABILITY
For the Year Ended June 30, 2026

ERS Pension Plan
Last 10 Fiscal Years

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
District's proportion of net pension (asset) liability	0.0178695%	0.0183716%	0.0190875%	0.0191959%	0.017811%	0.017276%	0.018286%	0.018527%	0.018472%	0.018440%
District's proportionate share of the net pension (asset) liability	$ 1,008,152	$ 3,149,950	$ 2,810,449	$ 4,116,379	$ (1,455,986)	$ 17,202	$ 4,842,304	$ 1,312,725	$ 596,161	$ 1,732,658
District's covered-employee payroll	$ 7,862,579	$ 7,523,735	$ 7,286,136	$ 6,636,701	$ 6,045,410	$ 6,050,626	$ 5,794,599	$ 5,613,734	$ 5,348,893	$ 5,185,233
District's proportionate share of the net pension (asset) liability as a percentage of its covered-employee payroll	12.82%	41.87%	38.57%	62.02%	(24.08%)	00.28%	83.57%	23.38%	11.15%	33.42%
Plan fiduciary net position as a percentage of total pension liability	97.78%	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.7%

TRS Pension Plan
Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of net pension (asset) liability	0.135334%	0.138117%	0.139795%	0.139172%	0.138881%	0.138917%	0.136741%	0.135875%	0.137455%	0.137832%
District's proportionate share of the net pension (asset) liability	$ (8,013,233)	$ (4,120,877)	$ 1,598,680	$ 2,670,565	$ (24,066,825)	$ 3,838,640	$ (3,552,539)	$ (2,456,972)	$ (1,044,795)	$ 1,476,243
District's covered-employee payroll	$ 26,837,518	$ 26,572,928	$ 26,371,465	$ 25,819,009	$ 24,661,041	$ 23,572,634	$ 23,578,544	$ 22,802,222	$ 23,240,347	$ 21,782,099
District's proportionate share of the net pension (asset) liability as a percentage of its covered-employee payroll	(29.86%)	(15.51%)	6.06%	10.34%	(97.59%)	16.28%	(15.07%)	(10.78%)	(4.50%)	6.78%
Plan fiduciary net position as a percentage of total pension liability	104.00%	102.10%	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%

WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULES OF CHANGE FROM ORIGINAL BUDGET TO REVISED BUDGET
AND REAL PROPERTY TAX LIMIT - GENERAL FUND
For the Year Ended June 30, 2026

Change from Adopted Budget to Revised Budget

Adopted Budget	$ 88,638,908
Add: Prior Year's Encumbrances	616,231
Original Budget	89,255,139
Add: Appropriation of Capital Reserve	1,500,000
Final Budget	$ 90,755,139

Section 1318 of Real Property Tax Law Limit Calculation

2026-27 Voter-Approved Expenditure Budget		$ 89,965,591
Maximum Allowed (4% of 2026-27 budget)		$ 3,598,624
General Fund - Fund Balance Subject to Section 1318 of Real Property Tax Law:		
Unrestricted Fund Balance:		
Assigned Fund Balance	$ 4,762,000	
Unassigned Fund Balance	1,207,559	
Total Unrestricted Fund Balance		5,969,559
Less:		
Appropriated Fund Balance	4,665,000	
Encumbrances Included in Assigned Fund Balance	97,000	
Total adjustments		4,762,000
General Fund's Fund Balance Subject to Section 1318 of Real Property Tax Law		$ 1,207,559
Actual Percentage		1.34%

WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND
For the Year Ended June 30, 2026

PROJECT TITLE	Original Authorization	Revised Authorization	Expenditures: Prior Years	Expenditures: Current Year	Expenditures: Total	Unexpended Balance	Methods of Financing: Proceeds of Obligations	Methods of Financing: Federal and State Aid	Methods of Financing: Local Sources	Methods of Financing: Total	Fund Balance (Deficit) June 30, 2026
2014 Capital Project	$ 30,678,027	$ 30,678,027	$ 30,448,647	$	$ 30,448,647	$ 229,380	$ 25,070,000	$	$ 5,274,303	$ 30,344,303	(104,344)
2019-20 Capital Project	100,000	100,000	102,149		102,149	(2,149)			100,000	100,000	(2,149)
2019-20 District Wide	20,304,450	20,304,450	20,285,392		20,285,392	19,058	16,780,000		3,524,450	20,304,450	19,058
2020-21 Capital Project	100,000	100,000	89,468		89,468	10,532			100,000	100,000	10,532
2021-22 Capital Project	100,000	100,000	101,051		101,051	(1,051)			100,000	100,000	(1,051)
2022-23 Capital Project	100,000	100,000				100,000			100,000	100,000	100,000
2023-24 Capital Project	100,000	100,000	18,162	71,770	89,932	10,068			100,000	100,000	10,068
2024-25 Capital Project	100,000	100,000				100,000			100,000	100,000	100,000
2025-26 Capital Project	100,000	100,000				100,000			100,000	100,000	100,000
2023 Capital Project	26,000,000	26,000,000	7,214,172	14,107,001	21,321,173	4,678,827	850,000		660,100	1,510,100	(19,811,073)
Dunham Libarary				1,879,000	1,879,000	(1,879,000)	1,879,000			1,879,000	
Safety and Security	1,500,000	1,500,000	1,608,886	78,506	1,687,392	(187,392)			1,500,000	1,500,000	(187,392)
Smart Schools Bonds	2,455,359	2,455,359	2,225,624		2,225,624	229,735	900,350	2,225,081		3,125,431	899,807
Total Capital Projects	81,637,836	81,637,836	62,093,551	16,136,277	78,229,828	3,408,008	45,479,350	2,225,081	11,658,853	59,363,284	(18,866,544)
Buses 2015-16	428,999	428,999	445,479		445,479	(16,480)			445,479	445,479	
Buses 2016-17	480,505	480,505	479,725		479,725	780			471,505	471,505	(8,220)
Buses 2017-18	419,597	419,597	419,597		419,597				385,000	385,000	(34,597)
Buses 2018-19	510,000	510,000	508,134		508,134	1,866			491,635	491,635	(16,499)
Buses 2019-20	650,974	650,974	650,974		650,974				645,974	645,974	(5,000)
Buses 2020-21	689,000	689,000	687,594		687,594	1,406			532,590	532,590	(155,004)
Buses 2021-22	723,000	723,000	715,596		715,596	7,404			415,596	415,596	(300,000)
Buses 2022-23	722,500	722,500	722,153		722,153	347			287,500	287,500	(434,653)
Buses 2023-24	1,038,316	1,038,316	1,022,913		1,022,913	15,403			233,316	233,316	(789,597)
Buses 2024-25	1,494,766	1,494,766	1,288,190		1,288,190	206,576					(1,288,190)
Buses 2025-26	1,494,766	1,494,766		1,407,083	1,407,083	87,683					(1,407,083)
Total Buses	8,652,423	8,652,423	6,940,355	1,407,083	8,347,438	304,985			3,908,595	3,908,595	(4,438,843)
Totals	$ 90,290,259	$ 90,290,259	$ 69,033,906	$ 17,543,360	$ 86,577,266	$ 3,712,993	$ 45,479,350	$ 2,225,081	$ 15,567,448	$ 63,271,879	$ (23,305,387)

See Independent Auditor's Report

WHITESBORO CENTRAL SCHOOL DISTRICT
NET INVESTMENT IN CAPITAL ASSETS
For the Year Ended June 30, 2026

Capital Assets, Net	$ 120,104,621
Right to Use Leased Assets, Net	657,113
	120,761,734
Add:	
Capital Fund Restricted Cash	3,391,373
Unamortized Deferred Charge on Refunding of Debt	41,715
Net Additions	3,433,088
Deduct:	
Serial Bonds Payable	28,354,000
Unamortized Premium	1,995,048
Bond Anticipation Notes	28,069,766
Lease Liability	159,290
Net Deductions	58,578,104
Net Investment in Capital Assets	$ 65,616,718

WHITESBORO CENTRAL SCHOOL DISTRICT
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2026

	School Lunch	Miscellaneous Special Revenue	Debt Service	Total Non-Major Funds
Assets				
Cash and Cash Equivalents	$ 591,875	$	$	$ 591,875
Restricted Cash and Cash Equivalents		297,572	1,018,385	1,315,957
Receivables				
Other Governments	267,363			267,363
Due from Other Funds	197		197,900	198,097
Other Receivables	65			65
Inventory	26,808			26,808
Total Assets	$ 886,308	$ 297,572	$ 1,216,285	$ 2,400,165
Liabilities				
Payables				
Accrued Liabilities	$ 24,058	$	$	$ 24,058
Due To				
Other Governments	774			774
Other Funds			189,289	189,289
Total Liabilities	24,832		189,289	214,121
Fund Balance				
Nonspendable	26,808			26,808
Restricted		297,572	1,026,996	1,324,568
Assigned	834,668			834,668
Total Fund Balance	861,476	297,572	1,026,996	2,186,044
Total Liabilities, Deferred Inflow of Resources, and Fund Balance	$ 886,308	$ 297,572	$ 1,216,285	$ 2,400,165

The Accompanying Notes are an Integral Part of These Financial Statements.

WHITESBORO CENTRAL SCHOOL DISTRICT

COMBINGING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NON-MAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2026

	School Lunch	Miscellaneous Special Revenue	Debt Service	Total Non-Major Funds
Revenues				
Premium on Debt Issuance	$	$	$ 35,352	$ 35,352
Use of Money and Property			46,092	46,092
Miscellaneous	32,604	47,015		79,619
State Aid	904,339			904,339
Federal Aid	1,121,773			1,121,773
School Lunch Sales	209,032			209,032
Total Revenues	2,267,748	47,015	81,444	2,396,207
Expenditures				
General Support		26,375		26,375
Food Service Program	1,800,038			1,800,038
Employee Benefits	377,401			377,401
Total Expenditures	2,177,439	26,375		2,203,814
Excess Revenues Over Expenditures	90,309	20,640	81,444	192,393
Other Financing Sources				
Transfers from Other Funds	197			197
Total Other Financing Sources	197			197
Excess Revenues Over Expenditures and Other Financing Sources	90,506	20,640	81,444	192,590
Fund Balance, Beginning of Year				
Reclassification of Major Funds to Nonmajor	770,970	276,932	945,552	1,993,454
Fund Balance, Beginning of Year (Restated)	770,970	276,932	945,552	1,993,454
Fund Balance , End of Year	$ 861,476	$ 297,572	$ 1,026,996	$ 2,186,044

The Accompanying Notes are an Integral Part of These Financial Statements.

D'Arcangelo & Co., LLP
Certified Public Accountants & Consultants

200 E. Garden St., P.O. Box 4300, Rome, N.Y. 13442-4300
315-336-9220 Fax: 315-336-0836

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

Board of Education
Whitesboro Central School District

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 Whitesboro Central School District, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Whitesboro Central School District's basic financial statements, and have issued our report thereon dated October 6, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the school 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 school district's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

D'Arcangelo & Co., LLP

October 6, 2026

Rome, New York