

ONONDAGA CENTRAL SCHOOL DISTRICT

BASIC FINANCIAL STATEMENTS

For Year Ended June 30, 2025



BUSINESS
ADVISORS
AND CPAS

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BUSINESS
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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Onondaga Central School District, New York

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in District's total OPEB liability and related ratio, schedule of the District's proportionate share of the net pension liability, schedule of District contributions, and budgetary comparison information on pages 4-13 and 47-51 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplemental information as listed in the table of contents and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information as listed in the table of contents and schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents and schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Mengel, Metzger, Barw & Co. LLP

Rochester, New York
September 17, 2025

Onondaga Central School District

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2025

The following is a discussion and analysis of the School District's financial performance for the fiscal year ended June 30, 2025. This section is a summary of the School District's financial activities based on currently known facts, decisions, and/or conditions. It is also based on both the government-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section.

Financial Highlights

At the close of the fiscal year, the total assets plus deferred outflows (what the District owns) exceeded its total liabilities plus deferred inflows (what the District owes) by \$30,685,915 (net position) an increase of \$2,512,123 from the prior year.

As of the close of the fiscal year, the School District's governmental funds reported combined fund balances of \$7,650,969, a decrease of \$173,496 in comparison with the prior year.

General revenues which include Property Taxes, Non-Property Taxes, State and Federal Aid, Investment Earnings, Compensation for Loss, and Miscellaneous accounted for \$25,250,172 or 95% of all revenues. Program specific revenues in the form of Charges for services and Operating Grants and Contributions, accounted for \$1,275,861 or 5% of total revenues.

Overview of the Financial Statements

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

Government-Wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

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

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

The School District maintains four individual governmental funds; General Fund, Special Aid Fund, Debt Service Fund, and Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Special Aid Fund which are reported as major funds. Data for the Debt Service Fund and Capital Projects Fund are aggregated into a single column and reported as nonmajor funds.

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

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

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

<u>Major Feature of the District-Wide and Fund Financial Statements</u>			
	Government-Wide Statements	Fund Financial Statements	
		<u>Governmental Funds</u>	<u>Fiduciary Funds</u>
Scope	Entire District (except fiduciary funds)	The activities of the School District that are not proprietary or fiduciary, such as special education, scholarship programs, and building maintenance	Instances in which the School District administers resources on behalf of someone else, such as student activities monies
Required financial statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balance	Statement of Fiduciary Net Position Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

Notes to the Financial Statements

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

Government-Wide Statements

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

The two government-wide statements report the District's net position and how it has changed. Net position, the difference between the District's assets plus deferred outflow of resources and liabilities plus deferred inflow of resources, is one way to measure the District's financial health or position. Over time, increases or decreases in the District's net position is an indicator of whether its financial position is improving or deteriorating, respectively. Additional non-financial factors such as changes in the District's property tax base and the condition of the school buildings and facilities must also be considered to assess the District's overall health.

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

Financial Analysis of the School District As A Whole

Net Position

As shown in the table below the District's combined net position at June 30, 2025 was \$30,685,915, an increase of 9% or \$2,512,123 compared to prior year.

	<u>Governmental Activities</u>		<u>Total Variance</u>
	<u>2025</u>	<u>2024</u>	
<u>ASSETS:</u>			
Current and Other Assets	\$ 10,549,634	\$ 9,292,016	\$ 1,257,618
Capital Assets	51,398,237	50,501,911	896,326
Total Assets	<u>\$ 61,947,871</u>	<u>\$ 59,793,927</u>	<u>\$ 2,153,944</u>
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Deferred Outflows of Resources	<u>\$ 4,455,475</u>	<u>\$ 5,246,079</u>	<u>\$ (790,604)</u>
<u>LIABILITIES:</u>			
Long-Term Debt Obligations	\$ 31,284,413	\$ 33,864,639	\$ (2,580,226)
Other Liabilities	1,653,686	1,550,064	103,622
Total Liabilities	<u>\$ 32,938,099</u>	<u>\$ 35,414,703</u>	<u>\$ (2,476,604)</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Deferred Inflows of Resources	<u>\$ 2,779,332</u>	<u>\$ 1,451,511</u>	<u>\$ 1,327,821</u>
<u>NET POSITION:</u>			
Net Investment in Capital Assets	\$ 27,549,513	\$ 24,928,540	\$ 2,620,973
<u>Restricted For,</u>			
Employment Retirement System	1,148,213	1,217,474	(69,261)
Capital Projects	653,123	1,913,209	(1,260,086)
Debt Service Reserve	-	544,682	(544,682)
Liability Reserve	1,197,733	812,907	384,826
Other Purposes	2,034,806	1,033,001	1,001,805
Unrestricted	(1,897,473)	(2,276,021)	378,548
Total Net Position	<u>\$ 30,685,915</u>	<u>\$ 28,173,792</u>	<u>\$ 2,512,123</u>

Key Variances

- Current and Other Assets increased \$1,257,618 as a result of NYS TRS pension system reporting a net pension asset.
- Long-Term Debt Obligations decreased \$2,580,226 as a result of principal payments on bonds outstanding and decrease to actuarially determined liability for OPEB and pension.

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

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

There are five restricted net position balances: Employee Retirement System, Employment Retirement System, Capital Projects, Debt Service Reserve, Liability Reserve, and Other Purposes. The remaining balance of unrestricted net position is a deficit of \$1,897,473.

Changes in Net Position

The District’s total revenue increased 4% to \$26,526,033. State and federal aid 49% and property taxes 42% accounted for most of the District’s revenue. The remaining 9% of the revenue comes from operating grants, charges for services, non-property taxes, investment earnings, compensation for loss, and miscellaneous revenues.

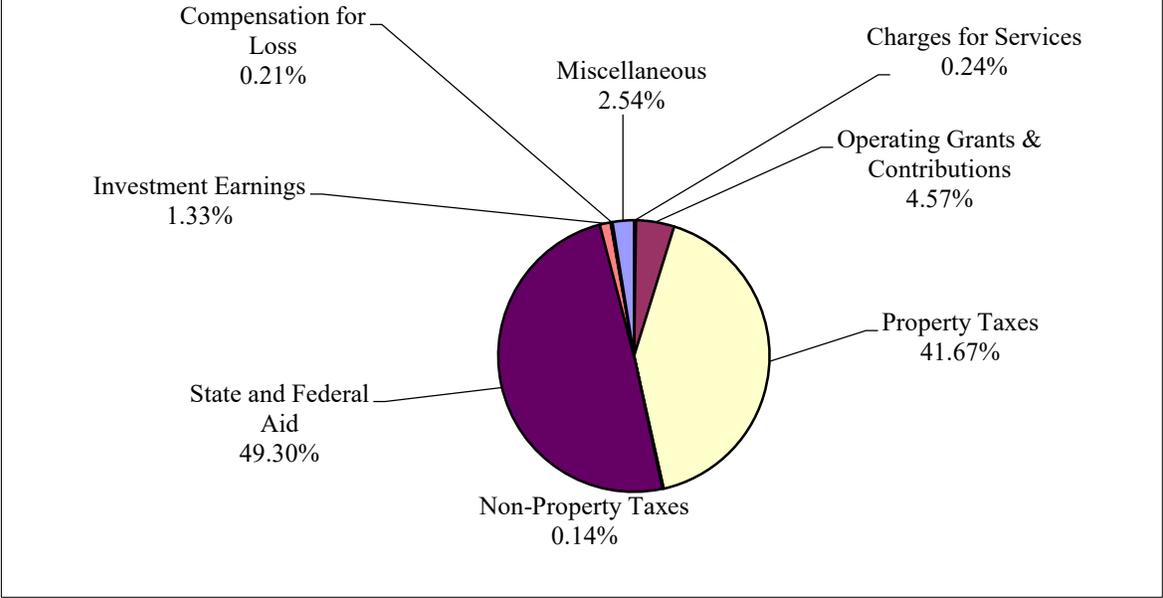
The total cost of all the programs and services increased 13% to \$24,013,910. The District’s expenses are predominately related to education and caring for the students (Instruction) 69%. General support which included expenses associated with the operation, maintenance and administration of the District accounted for 16% of the total costs. See table below:

	<u>Governmental Activities</u>		<u>Total Variance</u>
	<u>2025</u>	<u>2024</u>	
<u>REVENUES:</u>			
<u>Program -</u>			
Charges for Service	\$ 64,538	\$ 64,650	\$ (112)
Operating Grants & Contributions	1,211,323	1,583,179	(371,856)
Total Program	\$ 1,275,861	\$ 1,647,829	\$ (371,968)
<u>General -</u>			
Property Taxes	\$ 11,053,667	\$ 10,836,459	\$ 217,208
Non Property Taxes	36,830	35,674	1,156
State and Federal Aid	13,077,412	12,162,868	914,544
Investment Earnings	353,598	485,020	(131,422)
Compensation for Loss	56,117	9,106	47,011
Miscellaneous	672,548	398,519	274,029
Total General	\$ 25,250,172	\$ 23,927,646	\$ 1,322,526
TOTAL REVENUES	\$ 26,526,033	\$ 25,575,475	\$ 950,558
<u>EXPENSES:</u>			
General Support	\$ 3,734,411	\$ 3,936,692	\$ (202,281)
Instruction	16,592,772	13,617,256	2,975,516
Pupil Transportation	2,492,722	2,409,327	83,395
Interest	1,194,005	1,212,790	(18,785)
TOTAL EXPENSES	\$ 24,013,910	\$ 21,176,065	\$ 2,837,845
INCREASE IN NET POSITION	\$ 2,512,123	\$ 4,399,410	
NET POSITION, BEGINNING OF YEAR	28,173,792	23,774,382	
NET POSITION, END OF YEAR	\$ 30,685,915	\$ 28,173,792	

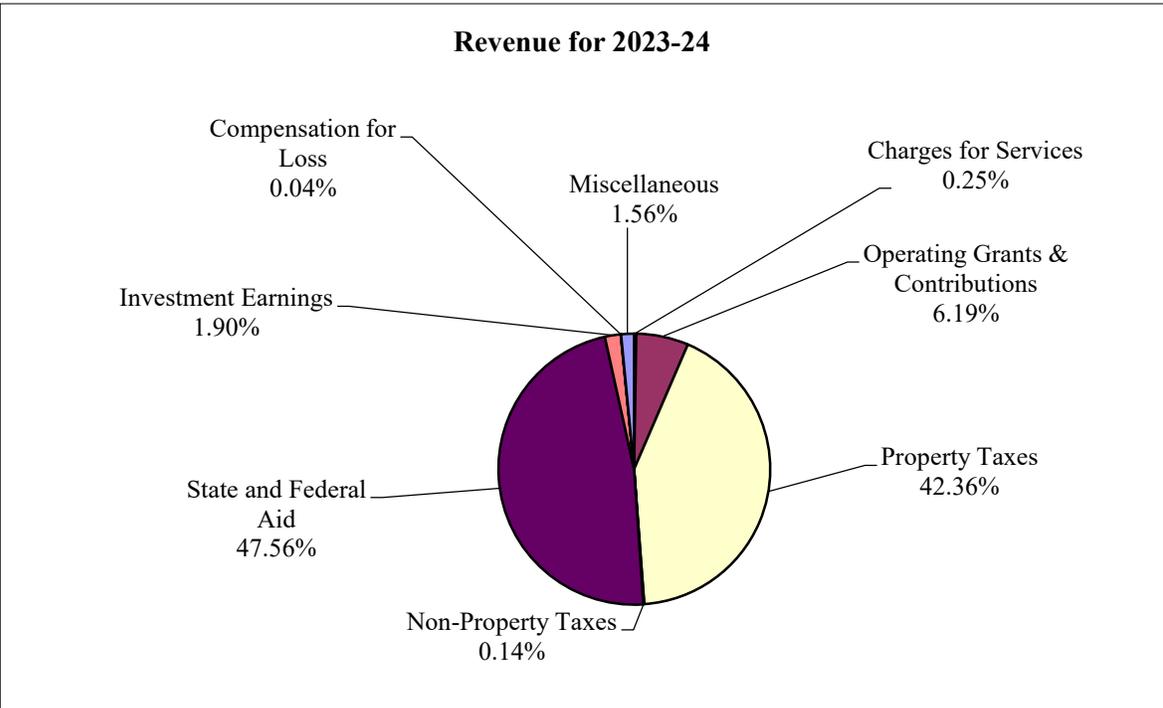
Key Variances

- State and Federal Aid increased \$914,544 as a result of changes to the State Aid formula.
- Instruction increased \$2,975,516 as a result of changes in the actuarially determined items for the pension system and OPEB.

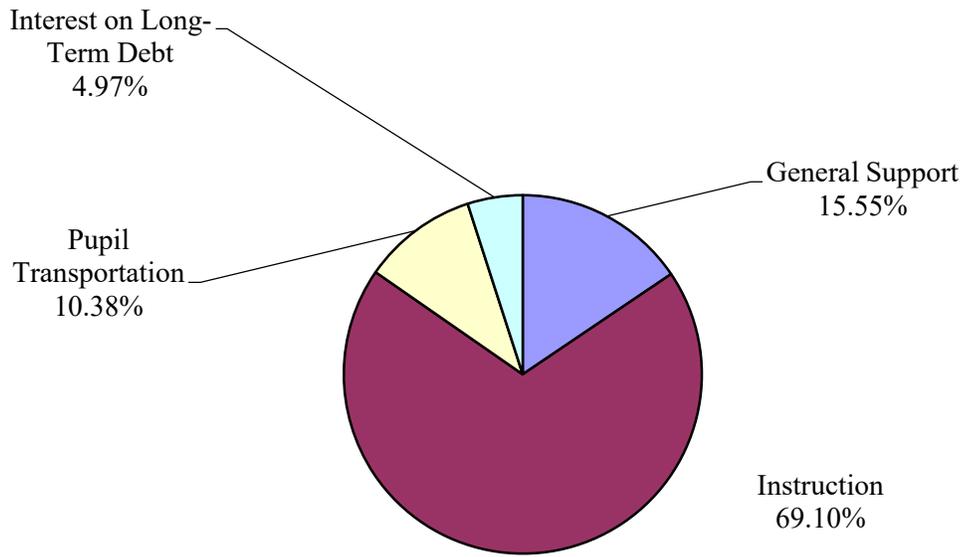
Revenue for 2024-25



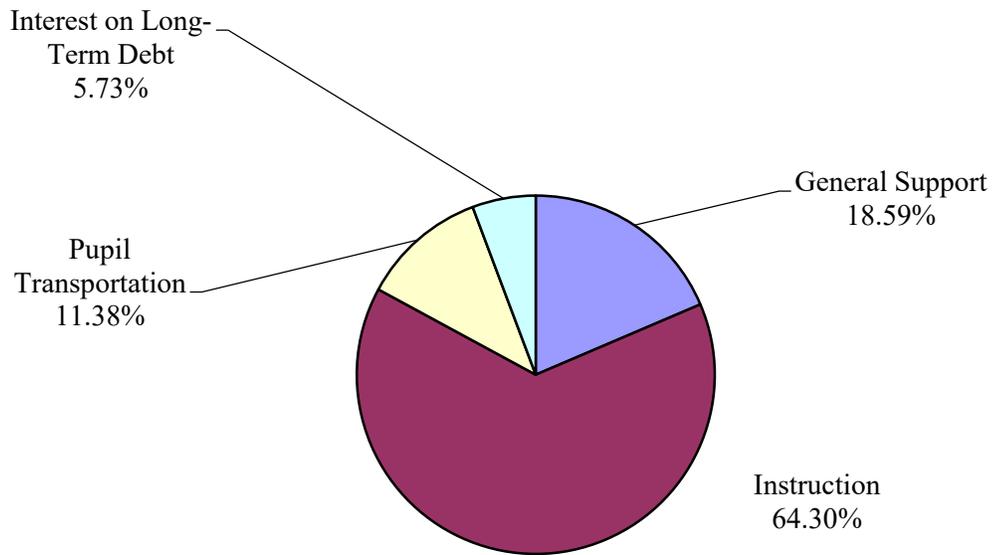
Revenue for 2023-24



Expenses for 2024-25



Expenses for 2023-24



Financial Analysis of the School District's Funds

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported combined fund balances of \$7,650,969 which is less than last year's ending fund balance of \$7,824,465.

The General Fund is the chief operating fund of the District. At the end of the current year, the total fund balance of the General Fund was \$6,434,505. Fund balance for the General Fund increased by \$1,067,931 compared with the prior year. See table below:

<u>General Fund Balances:</u>	<u>2025</u>	<u>2024</u>	<u>Total Variance</u>
Nonspendable	\$ 359,648	\$ 332,091	\$ 27,557
Restricted	3,817,411	3,063,382	754,029
Assigned	1,162,932	903,077	259,855
Unassigned	1,094,514	1,068,024	26,490
Total General Fund Balances	<u>\$ 6,434,505</u>	<u>\$ 5,366,574</u>	<u>\$ 1,067,931</u>

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was \$73,359. This change is attributable to \$70,063 of carryover encumbrances from the 2023-24 school year and \$3,296 for miscellaneous donations.

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

Expenditure Items:	Budget Variance Original Vs. Amended	Explanation for Budget Variance
Instructional	(\$182,715)	Budget adjustment for BOCES leases in accordance with GASB 87
Debt Service-Interest	\$264,169	Budget adjustment for BOCES leases in accordance with GASB 87

Revenue Items:	Budget Variance Amended Vs. Actual	Explanation for Budget Variance
Use of Money and Property	\$154,940	Interest income and rates higher than anticipated.
Miscellaneous	\$412,674	Receipt of prior year's refunds higher than anticipated
Transfers-In	(\$158,000)	Transfer for bond payments not necessary
Expenditure Items:	Budget Variance Amended Vs. Actual	Explanation for Budget Variance
General Support	\$569,187	School Resource Officer and Utility expenses came in lower than expected.
Instructional	\$980,932	Salary and curriculum expense reclassified to federal grants and BOCES final requests were budgeted higher than estimated enrollment
Pupil Transportation	\$299,379	Expenses reclassified to federal grants, gasoline costs were lower than expected and consolidated routes.
Employee Benefits	\$351,895	Benefits reclassified to federal grants and health insurance rate increase lower than expected.

Capital Asset and Debt Administration

Capital Assets

The change in capital assets, net of accumulated depreciation, is reflected below:

	<u>2025</u>	<u>2024</u>
<u>Capital Assets:</u>		
Land	\$ 466,062	\$ 466,062
Work in Progress	23,115,616	21,761,219
Buildings and Improvements	25,517,889	26,038,064
Machinery and Equipment	1,943,958	1,848,508
Total Capital Assets	<u>\$ 51,043,525</u>	<u>\$ 50,113,853</u>
<u>Lease Assets:</u>		
Equipment	\$ 354,712	\$ 388,058
Grand Total	<u><u>\$ 51,398,237</u></u>	<u><u>\$ 50,501,911</u></u>

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

Long-Term Debt

At year end, the District had \$31,284,413 in general obligation bonds and other long-term debt outstanding as follows:

<u>Type</u>	<u>2025</u>	<u>2024</u>
Serial Bonds	\$ 21,370,393	\$ 22,924,300
Lease Liability	365,822	396,267
Unamortized Bond Premium	2,083,821	2,252,804
OPEB Liability	5,772,901	6,214,808
Net Pension Liability	1,196,833	1,632,231
Retainage Payable	28,688	-
Compensated Absences	465,955	444,229
Total Long-Term Obligations	\$ 31,284,413	\$ 33,864,639

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

Factors Bearing on the District's Future

- Uncertainty in federal/state funding resulting from full Foundation Aid phase-in impact on hold harmless districts.
- Tax cap will restrict the District's ability to generate local funding to offset increasing expenditures.
- Outstanding Child Victim's Act (CVA) claims.

Contacting the School District's Financial Management

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

Onondaga Central School District
4466 South Onondaga Road
Nedrow, New York 13120

ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK

Statement of Net Position

June 30, 2025

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 7,410,346
Accounts receivable	1,476,641
Prepaid items	359,648
Net pension asset	1,302,999
Capital Assets:	
Land	466,062
Work in progress	23,115,616
Other capital assets (net of depreciation)	27,816,559
TOTAL ASSETS	<u>\$ 61,947,871</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources	<u>\$ 4,455,475</u>
 LIABILITIES	
Accounts payable	\$ 188,373
Accrued liabilities	161,088
Unearned revenues	22,044
Due to teachers' retirement system	977,628
Due to employees' retirement system	141,953
Other Liabilities	162,600
Long-Term Obligations:	
Due in one year	2,973,154
Due in more than one year	28,311,259
TOTAL LIABILITIES	<u>\$ 32,938,099</u>
 DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources	<u>\$ 2,779,332</u>
 NET POSITION	
Net investment in capital assets	\$ 27,549,513
Restricted For:	
Capital projects	653,123
Reserve for employee retirement system	1,148,213
Liability reserve	1,197,733
Other purposes	2,034,806
Unrestricted	(1,897,473)
TOTAL NET POSITION	<u>\$ 30,685,915</u>

(See accompanying notes to financial statements)

ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK

Statement of Activities

For The Year Ended June 30, 2025

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Revenue and Changes in Net Position</u>
				<u>Governmental Activities</u>
<u>Primary Government -</u>				
General support	\$ 3,734,411	\$ -	\$ -	\$ (3,734,411)
Instruction	16,592,772	64,538	1,211,323	(15,316,911)
Pupil transportation	2,492,722	-	-	(2,492,722)
Interest	1,194,005	-	-	(1,194,005)
Total Primary Government	\$ 24,013,910	\$ 64,538	\$ 1,211,323	\$ (22,738,049)

General Revenues:

Property taxes	\$ 11,053,667
Non property taxes	36,830
State and federal aid	13,077,412
Investment earnings	353,598
Compensation for loss	56,117
Miscellaneous	672,548
Total General Revenues	\$ 25,250,172
Changes in Net Position	\$ 2,512,123
Net Position, Beginning of Year	28,173,792
Net Position, End of Year	\$ 30,685,915

ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK

**Balance Sheet
Governmental Funds
June 30, 2025**

	General Fund	Special Aid Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 6,030,418	\$ 106,088	\$ 1,273,840	\$ 7,410,346
Receivables	1,028,875	411,835	35,931	1,476,641
Due from other funds	518,968	-	209	519,177
Prepaid items	359,648	-	-	359,648
TOTAL ASSETS	<u>\$ 7,937,909</u>	<u>\$ 517,923</u>	<u>\$ 1,309,980</u>	<u>\$ 9,765,812</u>
LIABILITIES AND FUND BALANCES				
Liabilities -				
Accounts payable	\$ 96,021	\$ -	\$ 92,352	\$ 188,373
Accrued liabilities	95,658	-	-	95,658
Due to other funds	208	517,805	1,164	519,177
Due to TRS	977,628	-	-	977,628
Due to ERS	141,953	-	-	141,953
Other liabilities	162,600	-	-	162,600
Compensated absences	7,410	-	-	7,410
Unearned revenue	21,926	118	-	22,044
TOTAL LIABILITIES	<u>\$ 1,503,404</u>	<u>\$ 517,923</u>	<u>\$ 93,516</u>	<u>\$ 2,114,843</u>
Fund Balances -				
Nonspendable	\$ 359,648	\$ -	\$ -	\$ 359,648
Restricted	3,817,411	-	1,216,464	5,033,875
Assigned	1,162,932	-	-	1,162,932
Unassigned	1,094,514	-	-	1,094,514
TOTAL FUND BALANCE	<u>\$ 6,434,505</u>	<u>\$ -</u>	<u>\$ 1,216,464</u>	<u>\$ 7,650,969</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 7,937,909</u>	<u>\$ 517,923</u>	<u>\$ 1,309,980</u>	

**Amounts reported for governmental activities in the
Statement of Net Position are different because:**

Capital assets/right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds.	51,398,237
Interest is accrued on outstanding bonds in the Statement of Net Position but not in the funds.	(65,430)
The following long-term obligations are not due and payable in the current period and therefore are not reported in the governmental funds:	
Serial bonds payable	(21,370,393)
Lease liability	(365,822)
Retainage payable	(28,688)
OPEB liability	(5,772,901)
Compensated absences	(458,545)
Unamortized bond premium	(2,083,821)
Net pension asset	1,302,999
Deferred outflow - pension	3,918,973
Deferred outflow - OPEB	536,502
Net pension liability	(1,196,833)
Deferred inflow - pension	(1,742,787)
Deferred inflow - OPEB	(1,036,545)
Net Position of Governmental Activities	<u>\$ 30,685,915</u>

ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For The Year Ended June 30, 2025

	General Fund	Special Aid Fund	Formerly Major Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Real property taxes and tax items	\$ 11,053,667	\$ -	\$ -	\$ -	\$ 11,053,667
Non-property taxes	36,830	-	-	-	36,830
Charges for services	64,538	-	-	-	64,538
Use of money and property	334,940	-	-	18,658	353,598
Sale of property and compensation for loss	56,117	-	-	-	56,117
Miscellaneous	672,548	29,401	-	-	701,949
State sources	13,004,762	400,022	-	-	13,404,784
Federal sources	72,650	781,900	-	-	854,550
TOTAL REVENUES	\$ 25,296,052	\$ 1,211,323	\$ -	\$ 18,658	\$ 26,526,033
EXPENDITURES					
General support	\$ 3,098,100	\$ -	\$ -	\$ -	\$ 3,098,100
Instruction	11,413,776	1,071,168	-	-	12,484,944
Pupil transportation	1,541,327	38,710	-	505,392	2,085,429
Employee benefits	4,484,971	115,529	-	-	4,600,500
Debt service - principal	2,229,006	-	-	-	2,229,006
Debt service - interest	1,381,234	-	-	-	1,381,234
Capital outlay	-	-	-	1,464,970	1,464,970
TOTAL EXPENDITURES	\$ 24,148,414	\$ 1,225,407	\$ -	\$ 1,970,362	\$ 27,344,183
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	\$ 1,147,638	\$ (14,084)	\$ -	\$ (1,951,704)	\$ (818,150)
OTHER FINANCING SOURCES (USES)					
Transfers - in	\$ -	\$ 14,084	\$ -	\$ 65,624	\$ 79,708
Transfers - out	(79,707)	-	-	(1)	(79,708)
Proceeds from obligations	-	-	-	644,654	644,654
TOTAL OTHER FINANCING SOURCES (USES)	\$ (79,707)	\$ 14,084	\$ -	\$ 710,277	\$ 644,654
NET CHANGE IN FUND BALANCE	\$ 1,067,931	\$ -	\$ -	\$ (1,241,427)	\$ (173,496)
FUND BALANCE, BEGINNING OF YEAR, as previously reported					
Changes within financial reporting entity major to nonmajor	-	-	(1,913,209)	1,913,209	-
FUND BALANCE, BEGINNING OF YEAR, as adjusted	\$ 5,366,574	\$ -	\$ -	\$ 2,457,891	\$ 7,824,465
FUND BALANCE, END OF YEAR	\$ 6,434,505	\$ -	\$ -	\$ 1,216,464	\$ 7,650,969

(See accompanying notes to financial statements)

ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to Statement of Activities
For The Year Ended June 30, 2025

NET CHANGE IN FUND BALANCES -
TOTAL GOVERNMENTAL FUNDS \$ (173,496)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following are the amounts by which capital outlays and additions of assets in excess depreciation in the current period:

Capital Outlay	\$ 1,464,970	
Additions to Assets, Net	518,480	
Depreciation and Amortization	<u>(1,087,124)</u>	
		896,326

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term obligations in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position. The following details these items as they effect the governmental activities:

Debt Repayments	\$ 2,229,006	
Proceeds from Bond Issuance	(505,393)	
Unamortized Bond Premium	168,983	
Proceeds from Lease Purchases	<u>(139,261)</u>	
		1,753,335

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 18,246

The retainage liability does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds (28,688)

The net OPEB liability does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds. (192,737)

(Increase) decrease in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds

Teachers' Retirement System		174,430
Employees' Retirement System		80,186

In the Statement of Activities, vacation pay, teachers' retirement incentive and judgments and claims are measured by the amount accrued during the year. In the governmental funds, expenditures for these items are measured by the amount actually paid. The following provides the differences of these items as presented in the governmental activities:

Compensated Absences		<u>(15,479)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 2,512,123**

ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK

Statement of Fiduciary Net Position

June 30, 2025

	Custodial Funds
ASSETS	
Cash and cash equivalents	\$ 60,209
TOTAL ASSETS	<u>\$ 60,209</u>
NET POSITION	
Restricted for individuals, organizations and other governments	\$ 60,209
TOTAL NET POSITION	<u><u>\$ 60,209</u></u>

Statement of Changes in Fiduciary Net Position

For The Year Ended June 30, 2025

	Custodial Funds
ADDITIONS	
Library taxes	\$ 63,105
Student activity	109,964
TOTAL ADDITIONS	<u>\$ 173,069</u>
DEDUCTIONS	
Student activity	\$ 113,556
Library taxes	63,105
TOTAL DEDUCTIONS	<u>\$ 176,661</u>
CHANGE IN NET POSITION	\$ (3,592)
NET POSITION, BEGINNING OF YEAR	63,801
NET POSITION, END OF YEAR	<u><u>\$ 60,209</u></u>

ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK

Notes To The Basic Financial Statements

June 30, 2025

I. Summary of Significant Accounting Policies

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

A. Reporting Entity

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

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

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

1. Extraclassroom Activity Funds

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

(I.) (Continued)

B. Joint Venture

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

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

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

During the year, the District was billed \$2,964,403 for BOCES administrative and program costs.

The District's share of BOCES aid amounted to \$1,080,659.

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

C. Basis of Presentation

1. District-wide Statements

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

The Statement of Activities presents a comparison between program expenses and revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

(I.) (Continued)

2. **Fund Statements**

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

The District reports the following governmental funds:

a. **Major Governmental Funds** –

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

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

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

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

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

c. **Fiduciary Funds** - Fiduciary activities are those in which the District acts as trustee or agent for resources that belong to others. These activities are not included in the District-wide financial statements, because their resources do not belong to the District, and are not available to be used.

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

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

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

(I.) (Continued)

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

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

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

E. Property Taxes

Real property taxes are levied annually by the Board of Education no later than September 1. The Board of Education set the tax levy on August 13, 2024. Taxes were collected during the period September 3 to October 31, 2024.

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

F. Restricted Resources

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

G. Interfund Transactions

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

(I.) (Continued)

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

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

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

H. Estimates

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

I. Cash and Cash Equivalents

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

New York State Law governs the District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and Districts.

J. Receivables

Receivables are shown net of an allowance for uncollectible accounts, when applicable.

In addition, the District will report a receivable relating to a lease arrangement. The receivable is recorded at the present value of the future payments and recognized over the life of the lease.

No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

(I.) (Continued)

K. Inventory and Prepaid Items

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

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

L. Other Assets/Restricted Assets

Certain proceeds from serial bonds and bond anticipation notes, as well as resources set aside for their repayment are classified as restricted assets in the District-wide financial statements and their use is limited by applicable bond covenants.

In the District-wide financial statements, bond issuance costs are capitalized and amortized over the life of the debt issue. In the funds statements these same costs are netted against bond proceeds and recognized in the period of issuance.

M. Capital Assets

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

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

<u>Class</u>	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings	\$ 50,000	SL	25-50 Years
Machinery and Equipment	\$ 5,000	SL	5-25 Years

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

N. Right To Use Assets

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

(I.) (Continued)

O. Unearned Revenue

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

P. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditure) until that time.

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

Q. Vested Employee Benefits

1. Compensated Absences

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

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

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

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

(I.) (Continued)

R. Other Benefits

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

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

S. Short-Term Debt

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

T. Accrued Liabilities and Long-Term Obligations

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

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

U. Equity Classifications

1. District-wide Statements

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

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

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

(I.) (Continued)

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

	<u>Total</u>
Unemployment Costs	\$ 260,305
Retirement Contribution - TRS	457,591
Debt Service	563,341
Capital Reserves	300,000
Employee Benefit Accrued Liability	<u>453,569</u>
Total Net Position - Restricted for Other Purposes	<u>\$ 2,034,806</u>

c. **Unrestricted Net Position** - reports the balance of net position that does not meet the definition of the above two classifications . The reported deficit of \$1,897,473 at year end is the result of full implementation of GASB #75 regarding retiree health obligations and the New York State Pension system unfunded pension obligation.

2. **Fund Statements**

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

a. **Nonspendable Fund Balance** – Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance includes \$359,648 of prepaid items in General Fund.

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

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

<u>Name of Reserve</u>	<u>Maximum Funding</u>	<u>Total Funding Provided</u>	<u>Total Year to Date Balance</u>
2025 Capital Reserve	\$ 3,000,000	\$ 300,000	\$ 300,000

(I.) (Continued)

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

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

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

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

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

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

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

(I.) (Continued)

Restricted fund balances include the following:

	<u>Total</u>
<u>General Fund -</u>	
Unemployment Costs	\$ 260,305
Retirement Contribution - ERS	1,148,213
Retirement Contribution - TRS	457,591
Liability Reserve	1,197,733
Capital Reserves	300,000
Employee Benefit Accrued Liability	453,569
<u>Capital Fund -</u>	
Capital Renovation Project	653,123
<u>Debt Service Fund -</u>	
Debt Service	563,341
Total Restricted Fund Balance	<u><u>\$ 5,033,875</u></u>

The District appropriated and/or budgeted funds from the following reserves for the 2025-26 budget:

	<u>Total</u>
Unemployment Costs	\$ 75,000
Retirement Contribution	400,000
Teachers' Retirement	170,000
Employee Benefit Accrued Liability	185,000
Total	<u><u>\$ 830,000</u></u>

c. **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 District has no committed fund balances as of June 30, 2025.

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

(I.) (Continued)

Management has determined significant encumbrances for the General Fund to be \$36,700, \$5,000 for the Capital Projects Fund, and \$4,500 for the Special Aid Fund. The District reports the following significant encumbrances:

<u>General Fund -</u>	
General Support	\$ 37,205
Instruction	\$ 99,847
Employee Benefits	\$ 171,650
<u>Capital Projects Fund -</u>	
Capital Improvements	\$ 2,797,343

Assigned fund balances include the following:

	<u>Total</u>
General Fund - Encumbrances	\$ 321,821
General Fund - Appropriated for Taxes	841,111
Total Assigned Fund Balance	<u>\$ 1,162,932</u>

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

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

3. Order of Use of Fund Balance

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

(I.) (Continued)

V. **New Accounting Standards**

The District has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At June 30, 2025, the District implemented the following new standards issued by GASB:

GASB has issued Statement No. 101, *Compensated Absences*.

GASB has issued Statement No. 102, *Certain Risk Disclosures*.

W. **Future Changes in Accounting Standards**

GASB has issued Statement No. 103, *Financial Reporting Model Improvements*, which will be effective for fiscal years beginning after June 15, 2025.

GASB has issued Statement No. 104, *Disclosure of Certain Capital Assets*, which will be effective for fiscal years beginning after June 15, 2025.

The District will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

II. **Changes in Accounting Principles**

For the year ended June 30, 2025, the District implemented GASB Statement No. 101, *Compensated Absences*. The implementation of the statement changes the reporting for compensated absences. There was no financial statement impact for the implementation of the Statement.

III. **Stewardship, Compliance and Accountability**

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

A. **Budgets**

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

The voters of the District approved the proposed appropriation budget.

(III.) (Continued)

Appropriations established by adoption of the budget constitute a limitation on expenditures (and encumbrances) which may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restriction, if the Board approves them because of a need which exists which was not determined at the time the budget was adopted. During the 2024-25 fiscal year the budget was increased \$70,063 for prior year encumbrances, and \$3,296 for donations and awards.

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

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

B. Encumbrances

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

IV. Cash and Cash Equivalents

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

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

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

(IV.) (Continued)

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

Uncollateralized	\$	-
Collateralized within Trust Department or Agent		2,499,162
Total	\$	2,499,162

Restricted cash represents cash where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes \$5,033,875 within the governmental funds, and \$60,209 in the Custodial Funds.

V. **Investment Pool**

The District participates in a multi-municipal cooperative investment pool agreement pursuant to New York State General Municipal Law Article 5-G, §119-O, whereby it holds a portion of the investments in cooperation with other participants. The investments are highly liquid and are considered to be cash equivalents.

Total investments of the cooperative as of year-end are \$4,638,294, which consisted of \$1,255,586 in repurchase agreements, \$3,192,538 in U.S. Treasury Securities, \$42,208 in FDIC insured deposits and \$147,962 in collateralized bank deposits, with various interest rates and due dates.

VI. **Receivables**

Receivables at June 30, 2025 for individual major funds and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

<u>Description</u>	Governmental Activities			<u>Total</u>
	<u>General Fund</u>	<u>Special Aid Fund</u>	<u>Nonmajor Funds</u>	
Accounts Receivable	\$ 51,155	\$ -	\$ -	\$ 51,155
Due From State and Federal	408,722	411,835	35,931	856,488
Due From Other Governments	568,998	-	-	568,998
Total Receivables	\$ 1,028,875	\$ 411,835	\$ 35,931	\$ 1,476,641

District management has deemed the amounts to be fully collectible.

VII. Interfund Receivables, Payables, Revenues and Expenditures

Interfund Receivables, Payables, Revenues and Expenditures at June 30, 2025 were as follows:

	Interfund			
	<u>Receivables</u>	<u>Payables</u>	<u>Revenues</u>	<u>Expenditures</u>
General Fund	\$ 518,968	\$ 208	\$ -	\$ 79,707
Special Aid Fund	-	517,805	14,084	-
Nonmajor Funds	209	1,164	65,624	1
Total	<u>\$ 519,177</u>	<u>\$ 519,177</u>	<u>\$ 79,708</u>	<u>\$ 79,708</u>

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

Transfers are used to finance certain special aid programs, support capital project expenditures, and for unspent net zero project monies returned to the General Fund.

VIII. Capital Assets and Lease Assets

A. Capital Assets

Capital asset balances and activity were as follows:

<u>Type</u>	<u>Balance 7/1/2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2025</u>
<u>Governmental Activities:</u>				
<u>Capital Assets that are not Depreciated -</u>				
Land	\$ 466,062	\$ -	\$ -	\$ 466,062
Work in progress	21,761,219	1,493,658	139,261	23,115,616
<i>Total Nondepreciable</i>	<u>\$ 22,227,281</u>	<u>\$ 1,493,658</u>	<u>\$ 139,261</u>	<u>\$ 23,581,678</u>
<u>Capital Assets that are Depreciated -</u>				
Buildings and Improvements	\$ 49,779,018	\$ -	\$ -	\$ 49,779,018
Machinery and equipment	6,330,024	505,392	815,451	6,019,965
<i>Total Depreciated Assets</i>	<u>\$ 56,109,042</u>	<u>\$ 505,392</u>	<u>\$ 815,451</u>	<u>\$ 55,798,983</u>
<u>Less Accumulated Depreciation -</u>				
Buildings and Improvements	\$ 23,740,954	\$ 520,175	\$ -	\$ 24,261,129
Machinery and equipment	4,481,516	394,342	799,851	4,076,007
<i>Total Accumulated Depreciation</i>	<u>\$ 28,222,470</u>	<u>\$ 914,517</u>	<u>\$ 799,851</u>	<u>\$ 28,337,136</u>
<i>Total Capital Assets Depreciated, Net of Accumulated Depreciation</i>	<u>\$ 27,886,572</u>	<u>\$ (409,125)</u>	<u>\$ 15,600</u>	<u>\$ 27,461,847</u>
Total Capital Assets	<u>\$ 50,113,853</u>	<u>\$ 1,084,533</u>	<u>\$ 154,861</u>	<u>\$ 51,043,525</u>

(VIII.) (Continued)

B. Lease Assets

A summary of the lease and subscription IT asset activity during the year ended June 30, 2025 is as follows:

<u>Type</u>	<u>Balance</u> <u>7/1/2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2025</u>
<u>Lease Assets:</u>				
Equipment	\$ 814,790	\$ 139,261	\$ 143,043	\$ 811,008
<i>Total Lease Assets</i>	\$ 814,790	\$ 139,261	\$ 143,043	\$ 811,008
<u>Less Accumulated Amortization -</u>				
Equipment	\$ 426,732	\$ 172,607	\$ 143,043	\$ 456,296
<i>Total Accumulated Amortization</i>	\$ 426,732	\$ 172,607	\$ 143,043	\$ 456,296
<i>Total Lease Assets, Net</i>	\$ 388,058	\$ (33,346)	\$ -	\$ 354,712

C. Other capital assets (net of depreciation and amortization):

Depreciated Capital Assets (net)	\$ 27,461,847
Amortized Lease Assets (net)	354,712
Total Other Capital Assets (net)	\$ 27,816,559

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

<u>Governmental Activities:</u>	<u>Depreciation</u>	<u>Amortization</u>	<u>Total</u>
General Government Support	\$ 5,618	\$ -	\$ 5,618
Instruction	490,577	172,607	663,184
Pupil Transportation	418,322	-	418,322
Total Depreciation and Amortization Expense	\$ 914,517	\$ 172,607	\$ 1,087,124

IX. Long-Term Debt Obligations

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

	<u>Balance</u> <u>7/1/2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2025</u>	<u>Due Within</u> <u>One Year</u>
<u>Governmental Activities:</u>					
<u>Bonds and Notes Payable -</u>					
Serial Bonds Payable	\$ 22,924,300	\$ 505,393	\$ 2,059,300	\$ 21,370,393	\$ 2,500,393
Lease Liability	396,267	139,261	169,706	365,822	153,044
Unamortized Bond Premium	2,252,804	-	168,983	2,083,821	168,983
Total Bonds and Notes Payable	\$ 25,573,371	\$ 644,654	\$ 2,397,989	\$ 23,820,036	\$ 2,822,420
<u>Other Liabilities -</u>					
Net Pension Liability	\$ 1,632,231	\$ -	\$ 435,398	\$ 1,196,833	\$ -
OPEB Liability	6,214,808	-	441,907	5,772,901	-
Retainage Payable	-	28,688	-	28,688	28,688
Compensated Absences *	444,229	21,726	-	465,955	122,046
Total Other Liabilities	\$ 8,291,268	\$ 50,414	\$ 877,305	\$ 7,464,377	\$ 150,734
Total Long-Term Obligations	\$ 33,864,639	\$ 695,068	\$ 3,275,294	\$ 31,284,413	\$ 2,973,154

* The change in compensated absences above is a net change for the year.

(IX.) (Continued)

Existing serial and statutory bond obligations:

<u>Description</u>	<u>Original Amount</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount Outstanding 6/30/2025</u>
Serial Bonds					
Construction	\$ 3,525,000	2019	2035	3.0%-5.0%	\$ 2,505,000
Buses	\$ 328,766	2021	2026	1.15%	70,000
Buses	\$ 274,119	2022	2027	1.0%-1.1%	110,000
Buses	\$ 366,313	2023	2028	2.5%-4.0%	230,000
Refunding DASNY Bonds	\$ 3,465,000	2023	2027	5.00%	1,490,000
Buses	\$ 434,300	2024	2029	4.750%-4.875%	360,000
Renovations	\$ 16,985,000	2024	2038	5.00%	16,100,000
Buses	\$ 505,393	2025	2030	3.75%-4.00%	505,393
Total Serial Bonds					\$ 21,370,393
Leases					
IT Equipment	\$ 139,261	2025	2029	4.27%	\$ 113,679
IT Equipment	\$ 105,402	2022	2026	1.35%	21,090
IT Equipment	\$ 118,842	2023	2027	3.29%	50,053
IT Equipment	\$ 139,392	2024	2028	4.15%	87,108
Toshiba	\$ 208,115	2022	2027	5.80%	93,892
Total Leases					\$ 365,822

The following is a summary of debt service requirements:

<u>Year</u>	<u>Serial Bonds</u>		<u>Leases</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 2,500,393	\$ 1,042,852	\$ 153,044	\$ 12,955
2027	2,345,000	916,429	123,187	7,182
2028	1,595,000	803,781	59,395	3,523
2029	1,585,000	727,734	30,196	1,328
2030	1,570,000	652,000	-	-
2031-35	8,085,000	2,123,700	-	-
2036-38	3,690,000	312,750	-	-
Total	\$ 21,370,393	\$ 6,579,246	\$ 365,822	\$ 24,988

In prior years, the District defeased certain general obligations and other 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 District's financial statements. \$1,535,000 of bonds outstanding are considered defeased.

Interest on long-term debt for June 30, 2025 was composed of:

Interest Paid	\$ 1,381,234
Less: Bond premium amortization	(168,983)
Less: Interest Accrued in the Prior Year	(83,676)
Plus: Interest Accrued in the Current Year	65,430
Total Long-Term Interest Expense	\$ 1,194,005

X. Deferred Inflows/Outflows of Resources

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

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Pension	\$ 3,918,973	\$ 1,742,787
OPEB	536,502	1,036,545
Total	<u>\$ 4,455,475</u>	<u>\$ 2,779,332</u>

XI. Pension Plans

A. General Information

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

B. Provisions and Administration

A 10-member Board of Trustees of the New York State Teachers’ Retirement Board administers TRS. TRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law (NYSRSSL). Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the system, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. TRS issues a publicly available financial report that contains financial statements and required supplementary information. The report may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York 12211-2395 or by referring to the TRS Comprehensive Annual Financial report, which can be found on the System’s website at www.nystrs.org.

ERS provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. NYSRSSL govern obligations of employers and employees to contribute, and benefits to employees. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The District also participates in the Public Employees’ Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State’s financial report as a pension trust fund. ERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to NYSERS, Office of the State Comptroller, 110 State Street, Albany, New York 12244 or by referring to the ERS Comprehensive Annual Report, which can be found at www.osc.state.ny.us/retire/publications/index.php.

(XI.) (Continued)

C. **Funding Policies**

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3.0% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0% to 3.5% of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier 6 vary based on a sliding salary scale. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education Law. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions for the ERS' fiscal year ended March 31. The District paid 100% of the required contributions as billed by the TRS and ERS for the current year and each of the two preceding years.

The District's share of the required contributions, based on covered payroll paid for the District's year ended June 30, 2025:

<u>Contributions</u>	<u>ERS</u>	<u>TRS</u>
2025	\$ 424,211	\$ 977,628

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

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

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2025	June 30, 2024
Net pension assets/(liability)	\$ (1,196,833)	\$ 1,302,999
District's portion of the Plan's total net pension asset/(liability)	0.006980%	0.043672%

For the year ended June 30, 2025, the District recognized pension expenses of \$353,050 for ERS and \$693,873 for TRS. At June 30, 2025, the District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

(XI.) (Continued)

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>
Differences between expected and actual experience	\$ 297,062	\$ 1,403,090	\$ 14,013	\$ -
Changes of assumptions	50,193	779,457	-	131,112
Net difference between projected and actual earnings on pension plan investments	93,900	-	-	1,447,743
Changes in proportion and differences between the District's contributions and proportionate share of contributions	207,243	65,390	70,417	79,502
Subtotal	<u>\$ 648,398</u>	<u>\$ 2,247,937</u>	<u>\$ 84,430</u>	<u>\$ 1,658,357</u>
District's contributions subsequent to the measurement date	141,953	880,685	-	-
Grand Total	<u>\$ 790,351</u>	<u>\$ 3,128,622</u>	<u>\$ 84,430</u>	<u>\$ 1,658,357</u>

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

<u>Year</u>	<u>ERS</u>	<u>TRS</u>
2025	\$ -	\$ (683,331)
2026	275,998	1,592,087
2027	352,890	(267,713)
2028	(77,771)	(290,793)
2029	12,851	174,923
Thereafter	-	64,407
Total	<u>\$ 563,968</u>	<u>\$ 589,580</u>

E. Actuarial Assumptions

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

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2025	June 30, 2024
Actuarial valuation date	April 1, 2024	June 30, 2023
Interest rate	5.90%	6.95%
Salary scale	4.30%	4.40%
Decrement tables	April 1, 2016- March 31, 2020 System's Experience	July 1, 2015- June 30, 2020 System's Experience
Inflation rate	2.90%	2.40%
COLA's	1.50%	1.30%

(XI.) (Continued)

For ERS, annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2022. For TRS, annuitant mortality rates are based on plan member experience adjustments for mortality improvements based on Society of Actuaries Scale MP-2022.

The long term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2025 for ERS and June 30, 2024 for TRS are summarized as follows:

Long Term Expected Rate of Return		
	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2025	June 30, 2024
<u>Asset Type -</u>		
Domestic equity	3.54%	6.60%
International equity	6.57%	7.40%
Global equity	N/A	6.90%
Private equity	7.25%	10.00%
Real estate	4.95%	6.30%
Opportunistic portfolios	5.25%	N/A
Real assets	5.55%	N/A
Global bonds	N/A	2.50%
Cash	0.25%	0.50%
Private Debt	N/A	5.90%
Real estate debt	N/A	3.90%
High-yield bonds	N/A	4.80%
Domestic fixed income	N/A	2.60%
Fixed income	2.00%	N/A
Credit	5.40%	N/A

The real rate of return is net of the long-term inflation assumption of 2.9% for ERS and 2.4% for TRS.

F. Discount Rate

The discount rate used to calculate the total pension liability was 5.90% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(XI.) (Continued)

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 5.90% for ERS and 6.95% for TRS, as well as what the District's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1-percentage-point lower (4.90% for ERS and 5.95% for TRS) or 1-percentage-point higher (6.90% for ERS and 7.95% for TRS) than the current assumption :

	1% Decrease <u>(4.90%)</u>	Current Assumption <u>(5.90%)</u>	1% Increase <u>(6.90%)</u>
ERS			
Employer's proportionate share of the net pension asset (liability)	\$ (3,463,786)	\$ (1,196,833)	\$ 696,074
	1% Decrease <u>(5.95%)</u>	Current Assumption <u>(6.95%)</u>	1% Increase <u>(7.95%)</u>
TRS			
Employer's proportionate share of the net pension asset (liability)	\$ (6,018,626)	\$ 1,302,999	\$ 7,460,682

H. Pension Plan Fiduciary Net Position

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

	(In Thousands)	
	ERS	TRS
Measurement date	March 31, 2025	June 30, 2024
Employers' total pension liability	\$ 247,600,239	\$ 142,837,827
Plan net position	230,454,512	145,821,435
Employers' net pension asset/(liability)	<u>\$ (17,145,727)</u>	<u>\$ 2,983,608</u>
Ratio of plan net position to the employers' total pension asset/(liability)	93.08%	102.10%

I. Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of June 30, 2025 represent the projected employer contribution for the period of April 1, 2025 through June 30, 2025 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2025 amounted to \$141,953.

(XI.) (Continued)

For TRS, employer and employee contributions for the fiscal year ended June 30, 2025 are paid to the System in September, October and November 2025 through a state aid intercept. Accrued retirement contributions as of June 30, 2025 represent employee and employer contributions for the fiscal year ended June 30, 2025 based on paid TRS wages multiplied by the employer’s contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2025 amounted to \$977,628.

XII. Postemployment Benefits

A. General Information About the OPEB Plan

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

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

Employees Covered by Benefit Terms – At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	28
Active Employees	<u>176</u>
Total	<u><u>204</u></u>

B. Total OPEB Liability

The District’s total OPEB liability of \$5,772,901 was measured as of June 30, 2025, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.40%
Salary Increases	2.40%, average, including inflation
Discount Rate	5.20%
Healthcare Cost Trend Rates	Initial rate of 6.8% decreasing to an ultimate rate of 3.8%
Retirees' Share of Benefit-Related Costs	Varies depending on contract

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond index.

(XII.) (Continued)

Mortality rates based on PubT-2010 Headcount-Weighted Mortality Table for Teaching Positions and PubG-2010 Headcount-Weighted Mortality Table for Non-Teaching positions, both generationally projected using the MP-2021 Ultimate Scale, with employee rates before commencement and healthy annuitant rates after benefit commencement.

C. Changes in the Total OPEB Liability

Balance at June 30, 2024	<u>\$ 6,214,808</u>
<u>Changes for the Year -</u>	
Service cost	\$ 331,762
Interest	251,083
Changes in assumptions or other inputs	(706,298)
Benefit payments	<u>(318,454)</u>
Net Changes	<u>\$ (441,907)</u>
Balance at June 30, 2025	<u>\$ 5,772,901</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.93% in 2024 to 5.2% in 2025.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.2%) or 1-percentage-point higher (6.2%) than the current discount rate:

	1% Decrease	Discount	1% Increase
	(4.2%)	Rate	(6.2%)
Total OPEB Liability	\$ 6,321,397	\$ 5,772,901	\$ 5,278,756

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	Healthcare	1% Increase
	(5.8%	Cost Trend Rates	(7.8%
	Decreasing	Decreasing	Decreasing
	to 2.8%)	to 3.8%)	to 4.8%)
Total OPEB Liability	\$ 5,037,053	\$ 5,772,901	\$ 6,660,501

(XII.) (Continued)

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

For the year ended June 30, 2025, the District recognized OPEB expense of \$511,191. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 530,431	\$ -
Changes of assumptions	6,071	1,036,545
Total	\$ 536,502	\$ 1,036,545

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

<u>Year</u>	
2026	\$ (62,224)
2027	(77,400)
2028	(102,669)
2029	(103,486)
2030	(52,946)
Thereafter	(101,318)
Total	\$ (500,043)

XIII. Risk Management

A. General Information

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

(XIII.) (Continued)

B. Health Insurance

The District is a Participant in The Cooperative Health Insurance Fund of Central New York (Plan). The Plan was formed under Article 5-G of the New York State Municipal Law in 1985. The Plan is a non-risk-retained public entity risk pool for its employees' health insurance coverage. The pool is operated for the benefit of the twenty-nine (29) municipal corporations located within the pool's geographic area. The Plan contracts with an insurance company to provide services for all of its members. The Plan negotiates and approves annual contracts from the insurance company for the Participants' health insurance needs. The District is billed directly and pays the monthly premiums to the Plan for this health insurance coverage.

The Plan uses a reinsurance agreement to reduce its exposure to large losses on insured events. Plan members are subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, members would be responsible for the Plan's liabilities. During the year ended June 30, 2025, the District incurred premiums or contribution expenditures totaling \$2,322,209. The Plan was fully funded as of the last audit.

XIV. Commitments and Contingencies

A. Litigation

The District has received notice for three potential claims for which the financial impact, if any, cannot be determined as of the date of this report.

B. Grants

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

XV. School Lunch Contract

For the year ended June 30, 2025, the District was engaged in a contract with West Genesee Central School District, for the purpose of operating the school lunch program. The terms of the contract specify that all governmental subsidies and commodities will be made available to the District to utilize in the program.

Required Supplementary Information
ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK
Schedule of Changes in District's Total OPEB Liability and Related Ratio
For The Year Ended June 30, 2025

	<u>TOTAL OPEB LIABILITY</u>							
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service cost	\$ 331,762	\$ 343,150	\$ 310,786	\$ 335,965	\$ 322,315	\$ 289,118	\$ 275,299	\$ 267,281
Interest	251,083	210,961	196,672	125,639	123,995	179,058	154,087	148,665
Differences between expected and actual experiences	-	527,907	-	97,808	-	314,649	-	17,157
Changes of assumptions or other inputs	(706,298)	(159,830)	(33,896)	(523,403)	22,936	(39,110)	(198,058)	-
Benefit payments	(318,454)	(285,375)	(278,548)	(265,963)	(287,650)	(276,029)	(255,300)	(265,491)
Net Change in Total OPEB Liability	\$ (441,907)	\$ 636,813	\$ 195,014	\$ (229,954)	\$ 181,596	\$ 467,686	\$ (23,972)	\$ 167,612
Total OPEB Liability - Beginning	\$ 6,214,808	\$ 5,577,995	\$ 5,382,981	\$ 5,612,935	\$ 5,431,339	\$ 4,963,653	\$ 4,987,625	\$ 4,820,013
Total OPEB Liability - Ending	\$ 5,772,901	\$ 6,214,808	\$ 5,577,995	\$ 5,382,981	\$ 5,612,935	\$ 5,431,339	\$ 4,963,653	\$ 4,987,625
Covered Employee Payroll	\$ 10,360,983	\$ 10,360,983	\$ 9,661,612	\$ 9,661,612	\$ 9,353,514	\$ 9,353,514	\$ 9,072,636	\$ 9,072,636
Total OPEB Liability as a Percentage of Covered Employee Payroll	55.72%	59.98%	57.73%	55.72%	60.01%	58.07%	54.71%	54.97%

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

Required Supplementary Information
ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK
Schedule of the District's Proportionate Share of the Net Pension Liability
For The Year Ended June 30, 2025

NYSERS Pension Plan										
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Proportion of the net pension liability (assets)	0.0069804%	0.0077133%	0.0073961%	0.0066100%	0.0063606%	0.0064540%	0.0069426%	0.0066174%	0.0070571%	0.0070280%
Proportionate share of the net pension liability (assets)	\$ 1,196,833	\$ 1,135,716	\$ 1,586,032	\$ (540,340)	\$ 6,334	\$ 1,709,044	\$ 491,907	\$ 213,573	\$ 663,101	\$ 1,128,013
Covered-employee payroll	\$ 2,853,047	\$ 2,921,392	\$ 2,834,850	\$ 2,497,805	\$ 2,611,641	\$ 2,489,456	\$ 2,491,229	\$ 2,356,732	\$ 2,357,289	\$ 2,114,367
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	41.949%	38.876%	55.948%	-21.633%	0.243%	68.651%	19.746%	9.062%	28.130%	53.350%
Plan fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

NYSTRS Pension Plan										
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Proportion of the net pension liability (assets)	0.043672%	0.043417%	0.044861%	0.043671%	0.042307%	0.042883%	0.042059%	0.040908%	0.041253%	0.042839%
Proportionate share of the net pension liability (assets)	\$ (1,302,999)	\$ 496,515	\$ 860,841	\$ (7,567,689)	\$ 1,169,062	\$ (1,114,093)	\$ (760,543)	\$ (310,940)	\$ 441,834	\$ (4,449,599)
Covered-employee payroll	\$ 8,711,025	\$ 8,514,287	\$ 8,440,760	\$ 8,131,179	\$ 7,523,295	\$ 7,310,782	\$ 7,284,981	\$ 6,989,785	\$ 6,599,262	\$ 6,491,273
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	-14.958%	5.832%	10.199%	-93.070%	15.539%	-15.239%	-10.440%	-4.448%	6.695%	-68.547%
Plan fiduciary net position as a percentage of the total pension liability	102.10%	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%

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

Required Supplementary Information
ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK
Schedule of District Contributions
For The Year Ended June 30, 2025

NYSERS Pension Plan										
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contributions	\$ 424,211	\$ 372,369	\$ 319,145	\$ 399,442	\$ 375,979	\$ 357,856	\$ 359,796	\$ 347,150	\$ 362,127	\$ 408,721
Contributions in relation to the contractually required contribution	(424,211)	(372,369)	(319,145)	(399,442)	(375,979)	(357,856)	(359,796)	(347,150)	(362,127)	(408,721)
Contribution deficiency (excess)	<u>\$ -</u>									
Covered-employee payroll	\$ 2,853,047	\$ 2,921,592	\$ 2,834,850	\$ 2,497,805	\$ 2,611,641	\$ 2,489,456	\$ 2,491,229	\$ 2,356,732	\$ 2,357,289	\$ 2,114,367
Contributions as a percentage of covered-employee payroll	14.87%	12.75%	11.26%	15.99%	14.40%	14.37%	14.44%	14.73%	15.36%	19.33%
NYSTRS Pension Plan										
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contributions	\$ 977,628	\$ 915,799	\$ 940,752	\$ 856,534	\$ 774,870	\$ 693,221	\$ 825,448	\$ 731,126	\$ 823,856	\$ 914,540
Contributions in relation to the contractually required contribution	(977,628)	(915,799)	(940,752)	(856,534)	(774,870)	(693,221)	(825,448)	(731,126)	(823,856)	(914,540)
Contribution deficiency (excess)	<u>\$ -</u>									
Covered-employee payroll	\$ 8,711,025	\$ 8,514,287	\$ 8,440,760	\$ 8,131,179	\$ 7,523,295	\$ 7,310,782	\$ 7,284,981	\$ 6,989,785	\$ 6,599,262	\$ 6,491,273
Contributions as a percentage of covered-employee payroll	11.22%	10.76%	11.15%	10.53%	10.30%	9.48%	11.33%	10.46%	12.48%	14.09%

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

Required Supplementary Information
ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual - General Fund
For The Year Ended June 30, 2025

	<u>Original</u> <u>Budget</u>	<u>Amended</u> <u>Budget</u>	<u>Current</u> <u>Year's</u> <u>Revenues</u>	<u>Over (Under)</u> <u>Revised</u> <u>Budget</u>
REVENUES				
Local Sources -				
Real property taxes	\$ 9,663,611	\$ 9,759,194	\$ 9,705,600	\$ (53,594)
Real property tax items	1,443,649	1,348,067	1,348,067	-
Non-property taxes	20,000	20,000	36,830	16,830
Charges for services	59,500	59,500	64,538	5,038
Use of money and property	180,000	180,000	334,940	154,940
Sale of property and compensation for loss	12,500	12,500	56,117	43,617
Miscellaneous	257,879	259,874	672,548	412,674
State Sources -				
Basic formula	9,723,010	9,723,010	9,836,646	113,636
Lottery aid	1,928,576	1,928,576	1,956,747	28,171
BOCES	1,314,789	1,314,789	1,080,659	(234,130)
Textbooks	46,600	46,600	46,426	(174)
All Other Aid -				
Computer software	24,764	24,764	24,798	34
Library loan	4,706	4,706	4,712	6
Other aid	-	50,300	54,774	4,474
Federal Sources	<u>20,000</u>	<u>20,000</u>	<u>72,650</u>	<u>52,650</u>
TOTAL REVENUES	<u>\$ 24,699,584</u>	<u>\$ 24,751,880</u>	<u>\$ 25,296,052</u>	<u>\$ 544,172</u>
Other Sources -				
Transfer - in	<u>\$ 158,000</u>	<u>\$ 158,000</u>	<u>\$ -</u>	<u>\$ (158,000)</u>
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 24,857,584</u>	<u>\$ 24,909,880</u>	<u>\$ 25,296,052</u>	<u>\$ 386,172</u>
Appropriated reserves	<u>\$ 1,010,000</u>	<u>\$ 1,010,000</u>		
Appropriated fund balance	<u>\$ 833,014</u>	<u>\$ 784,014</u>		
Prior year encumbrances	<u>\$ 70,063</u>	<u>\$ 70,063</u>		
TOTAL REVENUES AND APPROPRIATED RESERVES/ FUND BALANCE	<u><u>\$ 26,770,661</u></u>	<u><u>\$ 26,773,957</u></u>		

(See Independent Auditors' Report)

Required Supplementary Information
ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual - General Fund
For The Year Ended June 30, 2025

	<u>Original</u> <u>Budget</u>	<u>Amended</u> <u>Budget</u>	<u>Current</u> <u>Year's</u> <u>Expenditures</u>	<u>Encumbrances</u>	<u>Unencumbered</u> <u>Balances</u>
EXPENDITURES					
General Support -					
Board of education	\$ 20,780	\$ 22,680	\$ 20,696	\$ 455	\$ 1,529
Central administration	348,728	334,279	324,979	290	9,010
Finance	426,627	433,369	382,119	11,000	40,250
Staff	101,654	101,654	66,434	1,273	33,947
Central services	2,551,524	2,594,262	2,094,192	24,187	475,883
Special items	215,950	218,248	209,680	-	8,568
Instructional -					
Instruction, administration and improvement	804,864	828,002	766,964	2,040	58,998
Teaching - regular school	6,412,051	6,087,354	5,691,032	25,958	370,364
Programs for children with handicapping conditions	2,867,224	2,936,736	2,421,057	64,303	451,376
Occupational education	197,400	201,400	201,338	-	62
Teaching - special schools	16,105	16,105	15,209	-	896
Instructional media	998,600	1,036,262	1,020,874	-	15,388
Pupil services	1,381,026	1,388,696	1,297,302	7,546	83,848
Pupil Transportation	1,851,549	1,853,825	1,541,327	13,119	299,379
Employee Benefits	5,140,214	5,008,516	4,484,971	171,650	351,895
Debt service - principal	2,319,300	2,242,251	2,229,006	-	13,245
Debt service - interest	1,117,065	1,381,234	1,381,234	-	-
TOTAL EXPENDITURES	<u>\$ 26,770,661</u>	<u>\$ 26,684,873</u>	<u>\$ 24,148,414</u>	<u>\$ 321,821</u>	<u>\$ 2,214,638</u>
Other Uses -					
Transfers - out	\$ -	\$ 89,084	\$ 79,707	\$ -	\$ 9,377
TOTAL EXPENDITURES AND OTHER USES	<u>\$ 26,770,661</u>	<u>\$ 26,773,957</u>	<u>\$ 24,228,121</u>	<u>\$ 321,821</u>	<u>\$ 2,224,015</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,067,931</u>		
FUND BALANCE, BEGINNING OF YEAR	<u>5,366,574</u>	<u>5,366,574</u>	<u>5,366,574</u>		
FUND BALANCE, END OF YEAR	<u>\$ 5,366,574</u>	<u>\$ 5,366,574</u>	<u>\$ 6,434,505</u>		

Note to Required Supplementary Information:

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

Supplementary Information
ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK
Schedule of Change From Adopted Budget To Final Budget
And The Real Property Tax Limit
For The Year Ended June 30, 2025

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET:

Adopted budget		\$ 26,700,598
Prior year's encumbrances		70,063
		\$ 26,770,661
Original Budget		\$ 26,770,661
Budget revisions -		
Miscellaneous donations		3,296
		\$ 26,773,957
FINAL BUDGET		\$ 26,773,957

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION:

2025-26 voter approved expenditure budget		\$ 27,363,348
<u>Unrestricted fund balance:</u>		
Assigned fund balance	\$ 1,162,932	
Unassigned fund balance	1,094,514	
Total Unrestricted fund balance	\$ 2,257,446	
<u>Less adjustments:</u>		
Appropriated fund balance	\$ 841,111	
Encumbrances included in assigned fund balance	321,821	
Total adjustments	\$ 1,162,932	
General fund fund balance subject to Section 1318 of		
Real Property Tax Law		1,094,514
ACTUAL PERCENTAGE		4.00%

Supplementary Information
ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK
CAPITAL PROJECTS FUND
Schedule of Project Expenditures
For The Year Ended June 30, 2025

Project Title	Expenditures					Unexpended Balance	Methods of Financing				Fund Balance
	Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total		Obligations	Local Sources	State Sources	Total	
Smart Schools Improvement Plan	\$ 607,387	\$ 730,509	\$ 706,087	\$ -	\$ 706,087	\$ 24,422	\$ -	\$ -	\$ 706,087	\$ 706,087	\$ -
2025 Emergency Project	100,000	100,000	-	65,623	65,623	34,377	-	65,623	-	65,623	-
Bus Purchase 2024-25	505,393	505,393	-	505,393	505,393	-	505,393	-	-	505,393	-
Capital Upgrades	15,661,284	15,661,284	261,791	1,260,086	1,521,877	14,139,407	-	2,175,000	-	2,175,000	653,123
Leases	139,261	139,261	-	139,261	139,261	-	139,261	-	-	139,261	-
TOTAL	\$ 17,013,325	\$ 17,136,447	\$ 967,878	\$ 1,970,363	\$ 2,938,241	\$ 14,198,206	\$ 644,654	\$ 2,240,623	\$ 706,087	\$ 3,591,364	\$ 653,123

Supplementary Information
ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2025

	Debt Service <u>Fund</u>	Capital Projects <u>Fund</u>	Total Nonmajor Governmental <u>Funds</u>
ASSETS			
Cash and cash equivalents	\$ 564,503	\$ 709,337	\$ 1,273,840
Receivables	-	35,931	35,931
Due from other funds	1	208	209
TOTAL ASSETS	<u>\$ 564,504</u>	<u>\$ 745,476</u>	<u>\$ 1,309,980</u>
LIABILITIES AND FUND BALANCES			
<u>Liabilities</u> -			
Accounts payable	\$ -	\$ 92,352	\$ 92,352
Due to other funds	1,163	1	1,164
TOTAL LIABILITIES	<u>\$ 1,163</u>	<u>\$ 92,353</u>	<u>\$ 93,516</u>
<u>Fund Balances</u> -			
Restricted	\$ 563,341	\$ 653,123	\$ 1,216,464
TOTAL FUND BALANCE	<u>\$ 563,341</u>	<u>\$ 653,123</u>	<u>\$ 1,216,464</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 564,504</u>	<u>\$ 745,476</u>	<u>\$ 1,309,980</u>

Supplementary Information
ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For The Year Ended June 30, 2025

	Debt Service Fund	Formerly Major Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES			
Use of money and property	\$ 18,658	\$ -	\$ 18,658
TOTAL REVENUES	\$ 18,658	\$ -	\$ 18,658
EXPENDITURES			
Pupil transportation	\$ -	\$ 505,392	\$ 505,392
Capital outlay	-	1,464,970	1,464,970
TOTAL EXPENDITURES	\$ -	\$ 1,970,362	\$ 1,970,362
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 18,658	\$ (1,970,362)	\$ (1,951,704)
OTHER FINANCING SOURCES (USES)			
Transfers - in	\$ 1	\$ 65,623	\$ 65,624
Transfers - out	-	(1)	(1)
Proceeds from obligations	-	644,654	644,654
TOTAL OTHER FINANCING SOURCES (USES)	\$ 1	\$ 710,276	\$ 710,277
NET CHANGE IN FUND BALANCE	\$ 18,659	\$ (1,260,086)	\$ (1,241,427)
FUND BALANCE, BEGINNING			
OF YEAR, as previously reported	\$ 544,682	\$ -	\$ 544,682
Changes within financial reporting entity major to nonmajor	-	1,913,209	1,913,209
FUND BALANCE, BEGINNING OF YEAR, as adjusted	\$ 544,682	\$ 1,913,209	\$ 2,457,891
FUND BALANCE, END OF YEAR	\$ 563,341	\$ 653,123	\$ 1,216,464

(See Independent Auditors' Report)

Supplementary Information
ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK
Net Investment in Capital Assets/Right to Use Assets
For The Year Ended June 30, 2025

Capital assets/right to use assets, net		\$ 51,398,237
Deduct:		
Serial bond payable	\$ 21,370,393	
Lease liability	365,822	
Unamortized bond premium	2,083,821	
Retainage payable	<u>28,688</u>	
		<u>23,848,724</u>
Net Investment in Capital Assets/Right to Use Assets		<u><u>\$ 27,549,513</u></u>

Supplementary Information
ONONDAGA CENTRAL SCHOOL DISTRICT, NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2025

<u>Grantor / Pass - Through Agency</u> <u>Federal Award Cluster / Program</u>	<u>Assistance</u> <u>Listing</u> <u>Number</u>	<u>Pass-Through</u> <u>Agency</u> <u>Number</u>	<u>Total</u> <u>Expenditures</u>
<u>U.S. Department of Education:</u>			
<u>Indirect Programs:</u>			
<u>Passed Through NYS Education Department -</u>			
<u>Special Education Cluster IDEA -</u>			
Special Education - Grants to States (IDEA, Part B)	84.027	0032-25-0651	\$ 248,234
Special Education - Preschool			
Grants (IDEA Preschool)	84.173	0033-25-0651	9,358
<i>Total Special Education Cluster IDEA</i>			\$ 257,592
<u>Education Stabilization Funds -</u>			
ARP - ESSER III-COVID-19	84.425U	5880-21-2145	\$ 233,569
ARP - SLR Comprehensive Learning-COVID-19	84.425U	5883-21-2145	379
ARP - SLR Learning Loss-COVID-19	84.425U	5884-21-2145	23,758
<i>Total Education Stabilization Funds</i>			\$ 257,706
Title IIA - Supporting Effective Instruction State Grant	84.367	0147-25-2145	27,301
Title IV - Student Support and Enrichment Program	84.424	0204-25-2145	19,875
Title I - Grants to Local Educational Agencies	84.010	0021-25-2145	219,426
Total U.S. Department of Education			\$ 781,900
 TOTAL EXPENDITURES OF FEDERAL AWARDS			 \$ 781,900



BUSINESS
ADVISORS
AND CPAS

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

Independent Auditors' Report

To the Board of Education
Onondaga Central School District, New York

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Onondaga Central School District, New York (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated September 17, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Mengel, Metzger, Barw & Co. LLP

Rochester, New York
September 17, 2025