

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
FINANCIAL REPORT
JUNE 30, 2024**

GREEN ISLAND UNION FREE SCHOOL DISTRICT

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BUSINESS
ADVISORS
AND CPAS

INDEPENDENT AUDITOR'S REPORT

To the President and Members
of the Board of Education of the
Green Island Union Free School District

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the Green Island Union Free School District (the District), as of and for the year ended June 30, 2024, 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 and each major fund of the Green Island Union Free School District, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Green Island Union Free School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Green Island Union Free School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Green Island Union Free School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-14, budgetary comparison information on pages 56-57, schedule of changes in total OPEB liability on page 58, schedules of proportionate share of net pension liability (asset) on page 59 and schedules of district contributions on page 60 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 Green Island Union Free School District's basic financial statements. The supplementary information on pages 61 - 63 and the schedule of expenditures of federal awards on page 69, as required by *Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Costs 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. These supplementary schedules and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2024, 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 the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Mengel, Metzger, Barw & Co. LLP

Latham, NY
October 15, 2024

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDING JUNE 30, 2024**

The following is a discussion and analysis of the Green Island Union Free School District's (District) financial performance for the fiscal year ending June 30, 2024. This section is a summary of the District's financial activities based on the currently known facts, decisions or conditions. It is also based on both the government-wide and fund based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

Key financial highlights for the year ended June 30, 2024 are as follows:

- For 2023-2024, total district-wide revenues were \$9,929,577 and total district-wide expenses were \$10,910,230, resulting in a decrease in net position of \$980,653 over the course of the year.
- General revenues accounted for \$8,165,360 in revenue or 82.2% of all revenues. Program specific revenues, in the form of charges for services, sales, grants, and contributions, accounted for \$1,764,217 or 17.8% of total revenues of \$9,929,577.
- The District had \$10,910,230 in expenditures related to governmental activities; only \$1,764,217 of these expenditures were offset by program specific charges for services and sales, grants, and contributions. General revenues (primarily property taxes and state aid) of \$8,165,360 were used to provide these programs during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's annual report consists of four parts: management's discussion and analysis (this section), the basic financial statements, required supplementary information and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *District-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the District-wide statements.
 - The *governmental funds statements* tell how basic services such as regular and special education were financed in the *short term* as well as what remains for future spending.
 - *Fiduciary funds* statements provide information about the financial relationships in which the District acts solely as a *trustee* or *agent* for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information and supplemental schedules that further explains and supports the financial statements with a comparison of the District's budget for the year.

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDING JUNE 30, 2024**

Table A-1 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

TABLE A-1: MAJOR FEATURES OF THE DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

	District-Wide	Fund Financial Statements	
	Statements	Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the District administers resources on behalf of someone else
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities and changes in net position 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund equity 	<ul style="list-style-type: none"> • 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/deferred outflows of resources/liability/deferred inflows of resources information	All assets, deferred outflows of resources, liabilities and deferred inflows of resources both financial and capital, short-term and long-term	Generally, assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows of resources, liabilities and deferred inflows of resources, 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

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDING JUNE 30, 2024**

DISTRICT-WIDE FINANCIAL STATEMENTS

The *District-wide financial 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* presents information on all of the assets, deferred outflows of resources, liabilities and deferred inflows of resources of the District.

The *statement of activities* presents information showing how the assets of the District 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*.

Thus revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. retirement system liabilities and earned but unused vacation leave).

The District-wide financial statements can be found on pages 15 and 16 of this report.

The two District-wide statements report the District's net position and how it has changed. Net Position - the difference between the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources - is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional non-financial factors, such as changes in the District's property tax base, condition of the school buildings and facilities, and the performance of the students.

In the District-wide financial statements, the District's activities are shown as Governmental activities. Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and State formula aid finance most of these activities.

Net Position of the governmental activities differs from the governmental fund balances because governmental fund level statements only report transactions using or providing current financial resources. Also, capital assets are reported as expenditures when financial resources are expended to purchase or build assets. Likewise, the financial resources that may have been borrowed are considered revenue when they are received. The principal and interest payments are both considered expenditures when paid. Depreciation is not calculated if it does not provide or reduce current financial resources. Finally, capital assets and long-term debt are both accounted for in account groups and do not affect the fund balances.

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDING JUNE 30, 2024**

Government-wide statements are reported utilizing an economic resources measurement focus and full accrual basis of accounting that involves the following steps to format the Statement of Net Position:

- Capitalize current outlays for capital assets;
- Report long-term debt as a liability;
- Depreciate capital assets;
- Calculate revenue and expense using the economic resources measurement focus and the accrual basis of accounting; and
- Allocate net position balances as follows:
 - 1) Net Position invested in capital and lease assets, net of related debt;
 - 2) Restricted net position are those with constraints placed on the use by external sources (creditors, granters, contributors, or laws or regulations of governments) or imposed by law through constitutional provisions or enabling legislation; and
 - 3) Unrestricted net position is net position that does not meet any of the above restrictions.

FUND FINANCIAL STATEMENTS

The District's fund financial statements provide more detailed information about the District's funds. Funds are accounting devices that the District uses to keep track of specific revenue sources and spending on particular programs.

- Some funds have been established by the laws of the State of New York and by bond covenants.
- The District establishes other funds to control and to manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as Federal grants).

The District has two types of funds:

- *Governmental funds*: Most of the District's activities are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- *Fiduciary funds*: The District is the trustee, or *fiduciary*, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations. Fiduciary fund reporting focuses on net position and changes in net position. The District does not have any funds that meet the criteria to be reported as fiduciary funds.

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDING JUNE 30, 2024**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's total net position was \$(4,270,515) at June 30, 2024.

Table A-2

	Governmental Activities		Total Variance
	<u>2024</u>	<u>2023</u>	
<u>ASSETS:</u>			
Current and Other Assets	\$ 2,330,592	\$ 2,862,199	\$ (531,607)
Capital and Lease Assets	8,529,202	8,437,597	91,605
Total Assets	<u>10,859,794</u>	<u>11,299,796</u>	<u>(440,002)</u>
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Deferred Outflows of Resources	<u>4,332,952</u>	<u>5,597,046</u>	<u>(1,264,094)</u>
<u>LIABILITIES:</u>			
Long-Term Debt Obligations	11,903,999	12,060,336	(156,337)
Other Liabilities	785,598	2,528,202	(1,742,604)
Total Liabilities	<u>12,689,597</u>	<u>14,588,538</u>	<u>(1,898,941)</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Deferred Inflows of Resources	<u>6,773,664</u>	<u>5,598,166</u>	<u>1,175,498</u>
<u>NET POSITION:</u>			
Net Investment in Capital and Lease Assets	6,443,613	5,618,764	824,849
Restricted	347,183	228,249	118,934
Unrestricted	(11,061,311)	(9,136,875)	(1,924,436)
Total Net Position	<u>\$ (4,270,515)</u>	<u>\$ (3,289,862)</u>	<u>\$ (980,653)</u>

Most of the District's net position is invested in capital and lease assets (buildings, land and equipment). The remaining unrestricted net position is a combination of assigned and unassigned amounts. The restricted balances are amounts set-aside to fund future purchases, debt payments, unemployment insurance benefits, or payouts of compensated absences.

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDING JUNE 30, 2024**

Table A-3

	<u>Governmental Activities</u>		<u>Total Variance</u>
	<u>2024</u>	<u>2023</u>	
<u>REVENUES:</u>			
<u>Program -</u>			
Charges for Service	\$ 175	\$ -	\$ 175
Operating Grants & Contributions	1,764,042	1,372,670	391,372
Capital Grants & Contributions	-	-	-
Total Program	<u>1,764,217</u>	<u>1,372,670</u>	<u>391,547</u>
<u>General -</u>			
Property Taxes	4,244,699	4,063,192	181,507
State and Federal Aid	3,845,030	3,189,804	655,226
Investment Earnings	2,277	119	2,158
Miscellaneous	73,354	104,698	(31,344)
Total General	<u>8,165,360</u>	<u>7,357,813</u>	<u>807,547</u>
TOTAL REVENUES	<u>9,929,577</u>	<u>8,730,483</u>	<u>1,199,094</u>
<u>EXPENSES:</u>			
General Support	1,265,723	1,235,810	29,913
Instruction	6,267,861	5,374,258	893,603
Pupil Transportation	479,121	433,207	45,914
Employee Benefits	2,422,883	2,406,544	16,339
Depreciation and Amortization	381,585	372,606	8,979
Interest	93,057	56,020	37,037
TOTAL EXPENSES	<u>10,910,230</u>	<u>9,878,445</u>	<u>1,031,785</u>
CHANGE IN NET POSITION	(980,653)	(1,147,962)	
NET POSITION, BEGINNING OF YEAR	<u>(3,289,862)</u>	<u>(2,141,900)</u>	
NET POSITION, END OF YEAR	<u>\$ (4,270,515)</u>	<u>\$ (3,289,862)</u>	

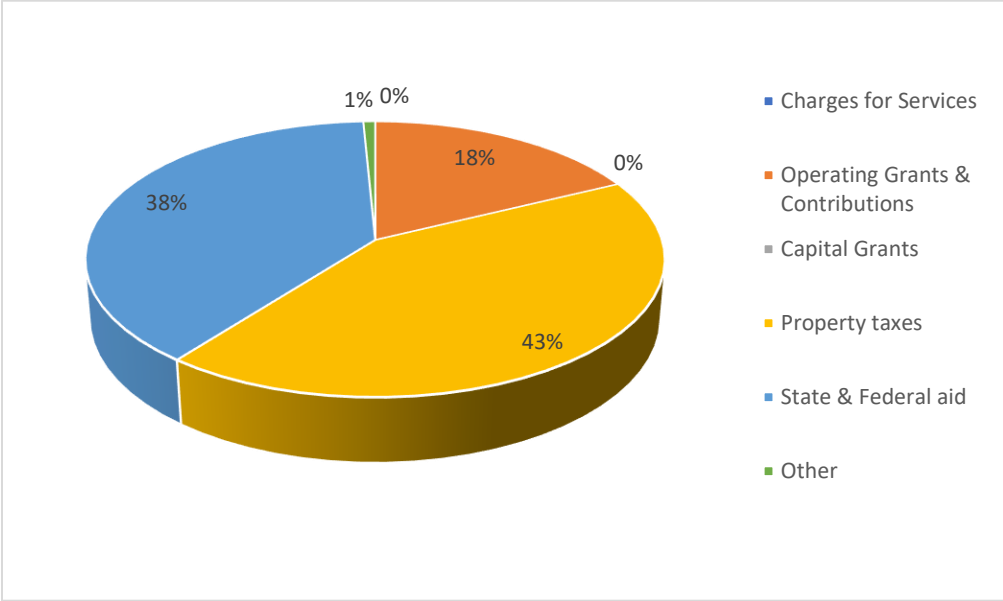
Government Activities

Revenues for the District's governmental activities totaled \$9,929,577 while total expenses equaled \$10,910,230. Therefore, the decrease in net position for governmental activities was \$980,653 in the fiscal year 2023-2024.

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDING JUNE 30, 2024**

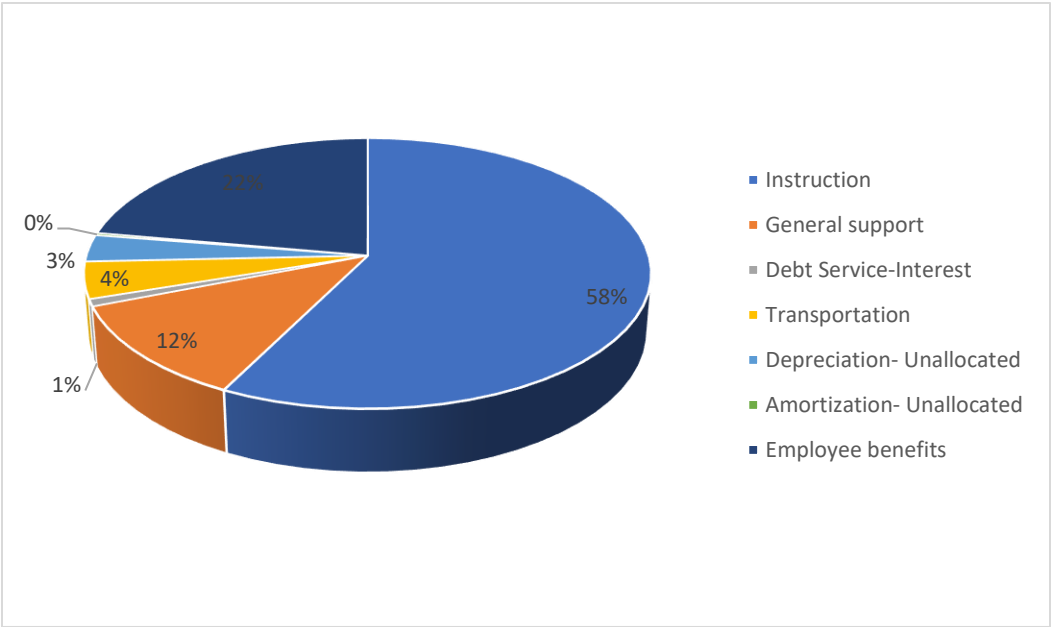
Sources of Revenues for Fiscal Year 2024

Table A-4



Expenses for Fiscal Year 2024

Table A-5



**GREEN ISLAND UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDING JUNE 30, 2024**

**Table A-5
Fiscal Year Ended June 30, 2024
Net Cost of Governmental
Activities**

<u>Category</u>	<u>Total Cost</u>	<u>Net Cost</u>
Instruction	\$ 6,267,861	\$ 4,503,644
General Support	1,265,723	1,265,723
Pupil Transportation	479,121	479,121
Employee Benefits	2,422,883	2,422,883
Debt Service	93,057	93,057
Depreciation	350,924	350,924
Amortization	30,661	30,661
Capital Outlay	-	-
Total	\$ 10,910,230	\$ 9,146,013

- The cost of all governmental activities this year was \$10,910,230
- The federal and state governments subsidized certain programs with grants of \$1,764,042 and the users charged for services of \$175.
- Most of the District's net cost of \$9,146,013 was financed by taxpayers and state aid.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Variances between years for the governmental fund financial statements are not the same as variances between years for the District-wide financial statements. The District's governmental funds are presented on the current financial resources measurement focus and the modified accrual basis of accounting. Based on this presentation, governmental funds do not include long-term debt liabilities for the funds' projects and capital assets purchased by the funds. Governmental funds will include the proceeds received from the issuance of debt, the current payments for capital assets, and current payments for debt.

CAPITAL AND LEASE ASSETS

At June 30, 2024, the District had \$8,529,202 invested in a broad range of capital and lease assets, including land, buildings and furniture and equipment. This amount represents a net increase (including additions, deletions and depreciation) of \$91,605 or 1.09% from last year.

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDING JUNE 30, 2024**

**Table A-6
Capital and lease assets - net of
accumulated depreciation**

	<u>2024</u>	<u>2023</u>
<u>Capital Assets:</u>		
Land	\$ 27,500	\$ 27,500
Work in Progress	1,241,923	880,453
Buildings and Improvements	6,840,796	7,130,981
Machinery and Equipment	324,459	371,674
Total Capital Assets	<u>8,434,678</u>	<u>8,410,608</u>
<u>Lease Assets:</u>		
Equipment	94,524	26,989
Grand Total	<u>\$ 8,529,202</u>	<u>\$ 8,437,597</u>

See Notes in the financial statement for changes.

DEBT ADMINISTRATION

At year end, the District had \$11,903,999 in general obligation and other long-term debt outstanding. More detailed information about the District's long-term liabilities is presented in Notes to the financial statements.

**Table A-7 Outstanding
Long-Term Debt**

<u>Type</u>	<u>2024</u>	<u>2023</u>
Serial Bonds	\$ 2,319,200	\$ 955,000
Lease Liability	78,401	16,965
Retainage Payable	-	19,389
OPEB	8,839,894	10,178,238
Net Pension Liability	537,772	809,132
Compensated Absences	128,732	81,612
Total Long-Term Obligations	<u>\$ 11,903,999</u>	<u>\$ 12,060,336</u>

During the year, the District paid approximately \$312,000 towards its long-term debt obligations.

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDING JUNE 30, 2024**

FACTORS BEARING ON THE DISTRICT'S FUTURE

The Green Island Union Free School District is facing the same economic factors as are most New York State schools. The District has been underfunded in the amount of State Aid paid to the District. The State of New York Education Department labeled this reduced aid as the gap elimination adjustment (GEA). Recently, the State has committed to a Full Phase in Foundation Aid for all districts. The District has been protected from this initiative with the current "hold harmless" formula that allowed for the District to benefit from modest increases in Foundation Aid, regardless of enrollment. If the Full Phase In of Foundation Aid is implemented, the District could face a \$461,000 decrease in Foundation Aid, regardless of its enrollment for the upcoming school year. Also, the effect on local property tax owners resulting from this underpayment and together with the loss of revenues from the Green Island Power Authority (GIPA) as further explained below, amounted to over \$348,000. This amount when compared to the tax levy of \$4,010,000 (including STAR reimbursements) for the report year amounts to an increase of approximately 8.68% over the amount which would otherwise be paid for by school taxes. The tax levy increased by \$148,038 from the prior year.

The District's modest tax levy increases from 2010-2012 jumped to 11.2% for the 2012-2013 school year due to the loss of over \$348,000 revenues from the Green Island Power Authority. Since that time, the District has seen both increases and decreases ranging from 0.17% to 12.74%. Within the last few years, the District has been making a conscientious effort to reduce the burden of higher tax increases and remain consistently under a 2% threshold. However, continued minimal tax increases would require a significant increase in fund balance appropriations in the future. Continued impact on fund balance would be detrimental to the District's financial future. Modest increases were necessary to fund increased health care and certain other contractual expenses over these years, all resulting in significant impacts on increased operational District costs. Recent budgets have also been impacted by an increase in the number of resident students requiring special services to enable them to meet the high expectations of state and federal learning standards as well as APPR and state required common core study standards implementation in the upcoming school years. The District is also responsible for significant special education expenses for resident students enrolled in BOCES and private school placements; a significant increase in the amount of English as a New Language learners; as well as enrollment in charter school, including transportation expenses for certain resident students. Also, the District must pay transportation for resident students in private or parochial schools located in other schools.

ENROLLMENT AND STAFFING

Historically, the school district enrollment over the past few years has decreased by 100 students. However, entering last school year, the District did see an increase in enrollment as well as in the Pre-K program. A federally funded Pre-K program began in March 2014 that was traditionally administered by an outside agency but is now being run by staff from within the District. Secondary enrollment has seen fluctuations within the past few years as well. A portion of resident families enroll their secondary students in private or charter school programs. In April of this year, the District conducted an enrollment study. Within that study it was found that the elementary enrollment would see a slight influx, while the secondary would see a small decrease, over the next ten year period. Historically, the village population continues to experience transient families with the impact of a greater number of students requiring remedial and other types of support services to enable them to be successful in later years. As previously noted, the District continues to contract with BOCES and other private placements to provide additional services to help in meeting the diverse needs of our student population. The pandemic impacted all students with a sharp increase in academic and behavioral intervention services. Despite the initial need in the elementary area due to increased numbers as well as the requirements for an adequate school curriculum in grades 7-12, the District has retained its current staffing levels. The

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDING JUNE 30, 2024**

offering of online courses (including remedial) and other electronic formal initiatives for high school students has helped in providing students with a quality education while also retaining enrollment and current staffing levels.

ECONOMIC FACTORS

Any new commercial properties provide increases in the District's tax base which helps ease the residential tax burden. The Village Industrial Development Agency (IDA) continues its efforts to attract businesses to an industrial zone located at the northern part of the Village, as well as additional residential projects located in the south part of the Village. Currently the only IDA PILOT program is located on Starbuck Island in the south area of the Village. The PILOT agreement between South Island Apartments, LLC and the Green Island IDA established a multi-year tax reduction until they are added to the tax roll after year 17 of the agreement. Although this is a reduction in the taxes for the District, the payment in lieu of taxes far exceeds the tax amount received prior to this agreement. The District's Board of Education and Administration continue to work with surrounding school districts (Cohoes, Watervliet and others) and vendors to develop cost saving program initiatives. Examples include a cooperative agreement with the Watervliet CSD to provide breakfast and lunch programs for all students of Green Island; merging for athletics teams; and working cooperatively with various Districts to obtain grant monies to achieve program cost savings. The District participates in a health insurance consortium and a worker's compensation group with several Capital area districts, spreading risk and reducing costs in these areas. The District has the potential to provide special education services to other nearby Districts on a cost sharing basis.

FUTURE PROPOSALS

Despite the New York Education Department's increase in mandates (which increase District costs) and the State imposition of a perceived 2% tax levy cap on property taxes, the District's economic future appears to be uncertain providing the New York State legislature and Governor, determine future State Aid to enable the District to receive it's just full amount of yearly aid. As the District continues to narrow the academic and behavioral gaps exacerbated by the pandemic, the District is looking forward to developing multiple pathways for student success, including access to alternative programs such as CTE and digital learning through the Distance Learning Network. The Board and Administration continue to work on a financial strategy to support the mission of the District considering the economic factors impacting our local area, as described previously. The District is aggressively pursuing all options to reduce overall expenditure as well as revenue sources and will further review student programs in an attempt to enhance and offer an even better educational program. Also, as previously noted, the Village of Green Island continues efforts to attract additional businesses and industry to enhance the tax base. GIPA provides low-cost power, and together with potential tax incentive programs will make the Village property sites more attractive to industrial and commercial businesses.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, parents, students, investors and creditors with a general overview of the District's finances and to demonstrate our accountability with the money it receives. If you have questions about this report or wish to request additional financial information, please contact:

Green Island Union Free School District
Attn: Christopher Karziel
Business Manager
171 Hudson Avenue Green Island, New York 12183-1212
(518) 273-1422

GREEN ISLAND UNION FREE SCHOOL DISTRICT

Statement of Net Position

June 30, 2024

ASSETS

Cash and cash equivalents	\$ 425,392
Restricted cash and cash equivalents	652,035
Accounts receivable	1,253,165
Capital assets, net	8,434,678
Lease assets, net	94,524
TOTAL ASSETS	<u>10,859,794</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources	<u>4,332,952</u>
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LIABILITIES

Accounts payable	159,865
Accrued liabilities	6,168
Refundable advances	126,802
Due to other governments	12,705
Due to teachers' retirement system	422,321
Due to employees' retirement system	21,011
Other liabilities	36,726

Long-Term Obligations:

Due in one year	350,604
Due in more than one year	11,553,395

TOTAL LIABILITIES	<u>12,689,597</u>
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DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources	<u>6,773,664</u>
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NET POSITION

Net investment in capital and lease assets	6,443,613
Restricted	347,183
Unrestricted	(11,061,311)
TOTAL NET POSITION	<u>\$ (4,270,515)</u>

GREEN ISLAND UNION FREE SCHOOL DISTRICT

Statement of Activities

For The Year Ended June 30, 2024

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			Net (Expense)
		<u>Charges for</u>	<u>Operating</u>	<u>Capital</u>	Revenue and
		<u>Services</u>	<u>Grants and</u>	<u>Grants and</u>	Changes in
			<u>Contributions</u>	<u>Contributions</u>	<u>Net Position</u>
General support	\$ 1,265,723	\$ -	\$ -	\$ -	\$ (1,265,723)
Instruction	6,267,861	175	1,764,042	-	(4,503,644)
Pupil transportation	479,121	-	-	-	(479,121)
Employee benefits	2,422,883	-	-	-	(2,422,883)
Depreciation - unallocated	350,924	-	-	-	(350,924)
Amortization - unallocated	30,661	-	-	-	(30,661)
Capital outlay	-	-	-	-	-
Interest	93,057	-	-	-	(93,057)
Total Functions/Programs	<u>\$ 10,910,230</u>	<u>\$ 175</u>	<u>\$ 1,764,042</u>	<u>\$ -</u>	<u>(9,146,013)</u>

General Revenues:

Property taxes and tax items	4,244,699
State and federal aid	3,845,030
Investment earnings	2,277
Compensation for loss	-
Miscellaneous	73,354
Total General Revenues	<u>8,165,360</u>
Changes in Net Position	(980,653)
Net Position, Beginning of Year	<u>(3,289,862)</u>
Net Position, End of Year	<u>\$ (4,270,515)</u>

See accompanying notes to financial statements.

GREEN ISLAND UNION FREE SCHOOL DISTRICT

Balance Sheet

Governmental Funds

June 30, 2024

	General Fund	Special Aid Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 427,350	\$ (1,958)	\$ -	\$ -	\$ -	\$ 425,392
Restricted cash and cash equivalents	265,118	-	12,268	62,637	312,012	652,035
Investments	-	-	-	-	-	-
Receivables	686,305	500,894	-	-	65,966	1,253,165
Due from other funds	584,802	10,204	315	42,024	110,870	748,215
TOTAL ASSETS	\$ 1,963,575	\$ 509,140	\$ 12,583	\$ 104,661	\$ 488,848	\$ 3,078,807
LIABILITIES AND FUND EQUITY (DEFICIENCY)						
<u>Liabilities -</u>						
Accounts payable	\$ 159,865	\$ -	\$ -	\$ -	\$ -	\$ 159,865
Due to other funds	163,414	369,633	-	20,000	195,168	748,215
Due to other governments	-	12,705	-	-	-	12,705
Due to TRS	422,321	-	-	-	-	422,321
Due to ERS	21,011	-	-	-	-	21,011
Other liabilities	36,726	-	-	-	-	36,726
Refundable advances	-	126,802	-	-	-	126,802
TOTAL LIABILITIES	803,337	509,140	-	20,000	195,168	\$ 1,527,645
<u>Fund Equity (Deficiency) -</u>						
Nonspendable	-	-	-	-	-	\$ -
Restricted	249,939	-	12,583	84,661	-	347,183
Assigned	575,682	-	-	-	293,680	869,362
Unassigned	334,617	-	-	-	-	334,617
TOTAL FUND EQUITY (DEFICIENCY)	1,160,238	-	12,583	84,661	293,680	\$ 1,551,162
TOTAL LIABILITIES AND FUND EQUITY (DEFICIENCY)	\$ 1,963,575	\$ 509,140	\$ 12,583	\$ 104,661	\$ 488,848	

**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.	8,529,202
Interest is accrued on outstanding bonds in the statement of net position but not in the funds.	(6,168)
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	(2,319,200)
Leases payable	(78,401)
OPEB	(8,839,894)
Compensated absences	(128,732)
Deferred outflow - pension	1,758,184
Deferred outflow - OPEB	2,574,768
Net pension liability	(537,772)
Deferred inflow - pension	(476,139)
Deferred inflow - OPEB	(6,297,525)
Net Position of Governmental Activities	\$ (4,270,515)

GREEN ISLAND UNION FREE SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Equity
Governmental Funds
For The Year Ended June 30, 2024

	General	Special	Special	Debt	Capital	Total
	Fund	Aid	Revenue	Service	Projects	Governmental
	Fund	Fund	Fund	Fund	Fund	Funds
REVENUES						
Real property taxes and tax items	\$ 4,244,699	\$ -	\$ -	\$ -	\$ -	\$ 4,244,699
Charges for services	175	-	-	-	-	175
Use of money and property	2,107	-	47	123	-	2,277
Miscellaneous	72,334	-	-	-	-	72,334
Interfund revenues	-	-	-	-	-	-
State sources	3,803,762	499,359	-	-	-	4,303,121
Federal sources	41,268	1,264,683	-	-	-	1,305,951
TOTAL REVENUES	8,164,345	1,764,042	47	123	-	9,928,557
EXPENDITURES						
General support	1,260,880	35,246	-	-	-	1,296,126
Instruction	4,569,608	1,700,237	-	-	-	6,269,845
Pupil transportation	437,428	41,693	-	-	-	479,121
Employee benefits	1,545,875	-	-	-	-	1,545,875
Debt service - principal	312,222	-	-	-	-	312,222
Debt service - interest	87,739	-	-	-	-	87,739
Other expenses	-	-	676	-	-	676
Capital outlay	-	-	-	-	459,516	459,516
TOTAL EXPENDITURES	8,213,752	1,777,176	676	-	459,516	10,451,120
EXCESS (DEFICIENCY) OF REVENUES						
OVER EXPENDITURES	(49,407)	(13,134)	(629)	123	(459,516)	(522,563)
OTHER FINANCING SOURCES (USES)						
Transfers - in	23,468	16,602	-	-	-	40,070
Transfers - out	(16,602)	(3,468)	-	(20,000)	-	(40,070)
Proceeds from obligations	-	-	-	-	1,614,200	1,614,200
BAN's redeemed from appropriations	-	-	-	-	45,000	45,000
Proceeds from leases	-	-	-	-	78,658	78,658
Premium on financing	-	-	-	1,020	-	1,020
TOTAL OTHER FINANCING	6,866	13,134	-	(18,980)	1,737,858	1,738,878
SOURCES (USES)	6,866	13,134	-	(18,980)	1,737,858	1,738,878
NET CHANGE IN FUND EQUITY	(42,541)	-	(629)	(18,857)	1,278,342	1,216,315
FUND EQUITY, BEGINNING						
OF YEAR	1,202,779	-	13,212	103,518	(984,662)	334,847
FUND EQUITY, END OF YEAR	\$ 1,160,238	\$ -	\$ 12,583	\$ 84,661	\$ 293,680	\$ 1,551,162

See accompanying notes to financial statements.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
Reconciliation of Statement of Revenues, Expenditures, and Changes in
Fund Balances of the Governmental Funds to the Statement of Activities
For The Year Ended June 30, 2024

NET CHANGE IN FUND EQUITY -
TOTAL GOVERNMENTAL FUNDS

\$ 1,216,315

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

Governmental funds report capital and lease 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/amortization expense. The following are the amounts by which capital outlays and additions of assets in excess depreciation/amortization in the current period:

Capital Outlay	\$ 374,994	
Additions to Lease Assets	98,196	
Depreciation and Amortization	<u>(381,585)</u>	
		91,605

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	\$ 295,000	
Proceeds from Bond Issuance	(1,614,200)	
Proceeds from BAN Redemption	(45,000)	
Lease Payments	17,222	
Proceeds from Leases	<u>(78,658)</u>	
		(1,425,636)

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (5,318)

The Retainage liability does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds 19,389

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. (557,456)

(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	(212,960)
Employees' Retirement System	(59,472)

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>(47,120)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ (980,653)

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Green Island Union Free School District ("the District") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB) which is the standards-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The Green Island Union Free School District is governed by the laws of New York State. The District is an independent entity governed by an elected Board of Education. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for, and controls all activities related to public school education within the 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*. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the District. 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 an entity included in the District's reporting entity within its Fiduciary funds. The District adopted provisions of GASB Statement No. 84, *Fiduciary Activities*. The Statement establishes criteria for identifying fiduciary activities for accounting and reporting purposes. As a result of applying this guidance and due to the administrative involvement defined in paragraph 8b footnote 1 to GASB 84, the District accounts for the student organization funds within the general fund.

The Extraclassroom Activity Fund

The extraclassroom activity fund of the District represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The extraclassroom activity fund is 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 fund can be found at the District's business office, located at 171 Hudson Avenue, Green Island, NY.

B. Joint Venture

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

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Joint Venture

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

A BOCES' budget is comprised of separate budgets for administrative, programs, 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 the New York State 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 ended June 30, 2024, the Green Island Union Free School District was billed \$914,548 for BOCES administrative and program costs. The District's share of BOCES Aid amounted to \$455,938. Financial statements for the BOCES are available from the BOCES administrative office.

C. Basis of Presentation

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, if any, reflects capital-specific grants.

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

Fund financial statements

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

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. Basis of Presentation

Fund financial statements

The District reports the following major governmental funds:

1. General Fund

The General Fund is the principal operating fund and is used to account for all financial resources except those required to be accounted for in another fund.

2. 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 and other activities whose funds are restricted as to use. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties.

3. Special Revenue Fund

Used to account for revenues legally restricted to expenditure for specified purposes such as scholarships.

4. Debt Service Fund

This fund accounts for the accumulation of resources and the payment of principal and interest through transfers to the General Fund on long-term general obligation debt of governmental activities. When a capital asset is sold and all or a portion of the bonds used to finance the capital asset are outstanding, this fund must be used to account for the proceeds from the sale of capital assets up to the balance of related bonds outstanding.

5. Capital Projects Fund

The Capital Projects Fund is used to account for and report financial resources to be used for the acquisition, construction or renovation of major capital facilities, or equipment.

Other Fund Type:

Fiduciary Funds

Fiduciary activities are those in which the District acts as trustee and 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. There are two classes of fiduciary funds:

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. Basis of Presentation

Fiduciary Funds

Private purpose trust funds: These funds are used to account for trust arrangements in which principal and income benefits individuals, private organization or other governments. Established criteria govern the use of the funds and members of the District or representatives of the donors may serve on committees to determine who benefits.

Custodial funds: These funds are strictly custodial in nature and do not involve the measurement of results of operations.

There are no activities that meet the criteria to be reported as fiduciary funds.

D. Basis of Accounting/Measurement Focus

General Information

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

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

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 90 days after the end of the fiscal year, except for real property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year.

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

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

E. Deferred Inflows of Resources - Balance Sheet

Deferred inflows of resources on the balance sheet - governmental funds, if any, arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period.

F. Property Taxes

I. Calendar

Real property taxes are levied annually by the Board of Education no later than September 1 and became a lien on August 28, 2023. Taxes were collected during the period September 1 through October 31.

II. Enforcement

Uncollected real property taxes are subsequently enforced by the County of Albany, 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.

G. 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.

H. Budgetary Procedures and Budgetary Accounting

I. Budget Policies

The budget policies are as follows:

- a. The District administration prepares a proposed budget for approval by the Board of Education for the General Fund.
- b. The proposed appropriation budget for the General Fund is approved by the voters within the District.
- c. 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 located in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need which exists which was not determined at the time the budget was adopted. There were no supplemental appropriations that occurred during the year.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

H. Budgetary Procedures and Budgetary Accounting

I. Budget Policies

- d. Appropriations are adopted at the program line item level.
- e. 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.
- f. Budgets are established and used for individual capital project funds 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.

II. 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, and is employed as a control in preventing over-expenditure of established appropriations. Open encumbrances are reported as restricted fund equity 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.

III. Budget Basis of Accounting

Under GASB No. 34, budgetary comparison information is required to be presented for the General Fund and each major special revenue fund with a legally adopted budget. The District is not legally required to adopt a budget for its special revenue funds. Therefore, budget comparison information for special revenue funds is not included in the District's financial statements.

IV. Budget Overages

The General Fund has expenditures over budgeted amounts of \$109,414 or 1.34% in total.

I. Cash and Investments

The District's cash and cash equivalents consist of cash on hand and demand deposits. The District investment policies are governed by State statutes. District monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts. Investments, if any, are stated at fair value. Certificates of deposit, if any, are classified as investments in these financial statements.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

J. Accounts Receivable

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

K. Interfund Transactions

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

In the District-wide statements, the amounts reported on the Statement of Net Position for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all interfund receivables and payables between the funds, with the exception of those due from or to the fiduciary 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 2.A.III for a detailed disclosure by individual fund for interfund receivables, payables, expenditures and revenues activity.

L. Equity Classifications

District-wide statements:

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

Net investment in capital and lease assets - consists of net capital assets (cost less accumulated depreciation) and lease assets (net of accumulated amortization) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvements of those assets, and lease liabilities.

Restricted net position - reports net position when constraints placed on the assets or deferred outflows 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.

Unrestricted net position - reports the balance of net position that do not meet the definition of the above two classifications and are deemed to be available for general use by the District.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

L. Equity Classifications

Fund statements:

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

Non-spendable - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The District has no non-spendable fund equity as of June 30, 2024.

Restricted - includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of all 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 equity (see definition of encumbrances below). The District has established the following restricted fund equity:

Special Revenue

Restricted for scholarships for students that meet donor specified criteria.

Debt Service

According to General Municipal Law §6-1, the Mandatory 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 sale. The Funding of the reserve is from the proceeds of the sale of District property or capital improvement.

Employee Benefit Accrued Liability

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.

Unemployment Insurance

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.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

L. Equity Classifications

Fund statements:

Repair

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

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. Expenditure may be made from the reserve only for a specific purpose further authorized by the voters. The form for the 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.

Retirement Contributions

According to General Municipal Law §6-r, these reserve funds must be used for financing retirement contributions to the New York State and Local Employees' Retirement System. 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. A Board may also adopt a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year. The sub-fund is separately administered, but must comply with the existing General Municipal Law §6-r.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

L. Equity Classifications

Restricted fund equity includes the following:

	<u>Total</u>
<u>General Fund -</u>	
Unemployment Costs	\$ 25,000
Retirement Contribution - ERS	38,420
Repair	17,443
Capital Reserves	100,000
Employee Benefit Accrued Liability	69,076
<u>Special Revenue Fund -</u>	
Scholarships	12,583
<u>Debt Service Fund -</u>	
Debt Service	84,661
Total Restricted Fund Equity	<u>\$ 347,183</u>

Committed - Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority, i.e., the Board of Education. The District has no committed fund equity as of June 30, 2024.

Assigned - Includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The purpose of the constraint must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund equity represents the residual amount of fund equity. Assigned fund equity also includes an amount appropriated to partially fund the subsequent year's budget, as well as encumbrances not classified as restricted as the end of the fiscal year. All encumbrances of the General Fund are classified as Assigned Fund Equity in the General Fund.

Assigned fund equity includes the following:

	<u>Total</u>
General Fund - Encumbrances	\$ 35,000
General Fund - Appropriated for Taxes	540,682
Capital Projects Fund - Voter Approved Projects	293,680
Total Assigned Fund Equity	<u>\$ 869,362</u>

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

L. Equity Classifications

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 equity 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.

Purpose of encumbrances:

General Fund -

General Support	\$ 35,000
Total General Fund Encumbrances	<u>\$ 35,000</u>

Unassigned - 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 District. Deficit fund equities in governmental funds are classified as unassigned. In funds other than General Fund, the unassigned classification is used to report a deficit fund equity 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 equity 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. The District did not exceed this limit at June 30, 2024.

Net Position/Fund Equity

Net Position Flow Assumption: Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the district-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

Fund Equity Flow Assumption: Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total committed, assigned, and unassigned fund equity). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund equity in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

L. Equity Classifications

Order of Use of Fund Equity:

The District's policy is to apply expenditures against nonspendable fund equity, restricted fund equity (to the extent appropriated), committed fund equity, assigned fund equity and unassigned fund equity at the end of the fiscal year. For all funds, nonspendable fund equities are determined first and then restricted fund equities for specific purposes are determined. Any remaining fund equity amounts for funds other than the General Fund are classified as restricted fund equity. In the General Fund, committed fund equities is determined next then assigned. The remaining amounts are reported as unassigned.

M. Postemployment Benefits

In addition to providing the retirement benefits described in Note 2.B.I., the District provides postemployment health insurance coverage to its retired employees and their survivors in accordance with the provisions of the employment contract negotiated between the District and its employee groups. Substantially all of these 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 postemployment benefits is shared between the District and the retired employee. See Note 4.

N. Capital and Lease Assets

Lease Assets

The District-wide financial statements reports lease assets 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.

Capital Assets

Capital assets are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Donated assets are reported at estimated fair value at the time received.

Land and construction in progress are not depreciated. Capitalization thresholds (the dollar amount above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the District-wide statements are as follows:

<u>Class</u>	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings	All	SL	40 Years
Building improvements	\$2,500	SL	40 Years
Furniture and equipment	\$2,500	SL	20 Years

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

O. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. If applicable, the District may have four items that qualify for reporting in this category. First is the deferred loss on refunding reported in the Statement of Net Position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to pensions reported in the Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The third item is the District contributions to the pension systems (TRS and ERS Systems) subsequent to the measurement date. The fourth item relates to the OPEB and pension systems reporting in the district wide Statement of Net Position. This represents the effect of the net change in the actual and expected experience and changes in assumptions.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify for reporting in this category. The first item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportionate share of the collective net pension liability (TRS and ERS System) and difference during the measurement periods between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The second item is related to the OPEB and pension systems reports in the district-wide Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs.

P. Short-Term Debt

The District may issue Revenue Anticipation Notes (RAN) and Tax Anticipation Notes (TAN), in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent a liability that will be extinguished by the use of expendable, available resources of the fund.

The District may issue budget notes up to an amount not to exceed 5% of the amount of the annual budget during any fiscal year for expenditures for which there is an insufficient or no provision made in the annual budget. The budget note must be repaid no later than the close of the second fiscal year succeeding the year in which the note was issued.

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

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Q. 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, compensated absences and pension costs 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 and payable after one year in the Statement of Net Position.

R. Explanation of Certain Differences Between Governmental Fund Statements and District-wide Statements

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the District-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

The differences result primarily from the economic focus of the statement of activities, compared with the current financial resources focus of the governmental funds.

- a. Total fund equity of governmental fund vs. net position of governmental activities:

Total fund equity of the District's governmental funds differ from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets, as applied to the reporting of capital and lease assets and long-term liabilities, including pensions.

- b. Statement of Revenues, Expenditures and Changes in Fund Equity vs. Statement of Activities:

Differences between the governmental funds statement of revenues, expenditures and changes in fund equity and the statement of activities fall into one of five broad categories. The differences represent:

Long-Term Revenue and Expense Differences

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

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

R. Explanation of Certain Differences Between Governmental Fund Statements and District-wide Statements

Capital and Lease Related Differences

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

Long-Term Debt Transaction Differences

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

Pension Differences

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

OPEB Differences

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

S. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenue and 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 compensated absences, other postemployment benefits, potential contingent liabilities, the lives of long-term assets, net pension asset and liability, and deferred inflows/outflows.

T. Vested Employee Benefits

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

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

T. Vested Employee Benefits

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

Consistent with GASB Statement 16, *Accounting for Compensated Absences*, an accrual for accumulated sick leave is included in the compensated absences liability at year-end. The compensated absences liability is calculated based on the applicable contract rates in effect at year-end.

In the fund statements only the amount of matured liabilities is accrued within the General Fund based upon expendable and available financial resources. These amounts are expensed on a pay-as-you go basis.

U. Implementation of New Accounting Standards

The District has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At June 30, 2024, the District implemented the following new standard issued by GASB which did not have a significant impact on the District.

GASB has issued Statement 100, *Accounting Changes and Error Corrections*, effective for the year ending June 30, 2024.

V. Future Changes in Accounting Standards

GASB has issued Statement 101, *Compensated Absences*, effective for the year ending June 30, 2025.

GASB has issued Statement 102, *Certain Risk Disclosures*, effective for the year ending June 30, 2025.

GASB has issued Statement 103, *Financial Reporting Model Improvements*, effective for the year ending June 30, 2026.

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.

2. DETAIL NOTES ON ALL FUNDS

A. Assets

I. Cash and Investments

Deposits

Deposits are valued at cost or cost plus interest and are categorized as either (1) insured, or for which the securities are held by the District's agent in the District's name, (2) collateralized, and for which the securities are held by the pledging financial institution's

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. DETAIL NOTES ON ALL FUNDS

A. Assets

I. Cash and Investments

trust department or agent in the District's name, or (3) uncollateralized. At June 30, 2024, all deposits were fully insured and collateralized.

Investment and Deposit Policy

The District follows an investment and deposit policy, overall the objective of which is to adequately safeguard the principal amounts of funds investment or deposited; conformance with Federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Business Manager of the District.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investment will be affected by changing interest rates. The District's investment policy does not limit investment maturities as a means of managing its exposure to fair value arising from increasing interest rates.

Credit Risk

The District's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The District's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts
- Certificates of deposit
- Obligations of the United States Treasury and United States agencies
- Obligations of New York State and its localities

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the District's investment and deposit policy, all deposits of the District including interest bearing demand accounts and certificates of deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits.

The District restricts the securities to the following eligible items:

- Obligations issue, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and the United States agencies
- Obligations issued or fully insured or guaranteed by New York State and its localities
- Obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. DETAIL NOTES ON ALL FUNDS

A. Assets

I. Cash and Investments

Restricted Cash

	<u>Total</u>
<u>General Fund -</u>	
Unemployment Reserve	\$ 25,000
Repair Reserve	17,443
Employee Benefit Accrued Liability	69,076
Capital Reserve	100,000
Employee Retirement System Reserve	38,420
Extraclassroom Activity Funds	15,179
<u>Special Revenue Fund -</u>	
Scholarships	12,268
<u>Debt Service Fund -</u>	
Debt	62,637
<u>Capital Projects Fund -</u>	
Capital Projects	312,012
Total Restricted Cash	<u><u>\$ 652,035</u></u>

II. Receivables

Receivable balances for the year ended June 30, 2024 are:

<u>Description</u>	<u>Governmental Activities</u>			<u>Total</u>
	<u>General Fund</u>	<u>Special Aid Fund</u>	<u>Capital Projects Fund</u>	
Accounts Receivable	\$ -	\$ -	\$ -	\$ -
Due From State and Federal	405,618	500,894	65,966	972,478
Due From Other Governments	280,687	-	-	280,687
Total Receivables	<u><u>\$ 686,305</u></u>	<u><u>\$ 500,894</u></u>	<u><u>\$ 65,966</u></u>	<u><u>\$ 1,253,165</u></u>

III. Interfund Receivables, Payables, Revenues and Expenditures

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. DETAIL NOTES ON ALL FUNDS

A. Assets

III. Interfund Receivables, Payables, Revenues and Expenditures

Interfund receivable, payable, revenue and expenditure balances at June 30, 2024 are as follows:

	Interfund			
	<u>Receivables</u>	<u>Payables</u>	<u>Revenues</u>	<u>Expenditures</u>
General Fund	\$ 584,802	\$ 163,414	\$ 23,468	\$ 16,602
Special Aid Fund	10,204	369,633	16,602	3,468
Misc Special Revenue Fund	315	-	-	-
School Lunch Fund	-	-	-	-
Debt Service Fund	42,024	20,000	-	20,000
Capital Projects Fund	110,870	195,168	-	-
Total	<u>\$ 748,215</u>	<u>\$ 748,215</u>	<u>\$ 40,070</u>	<u>\$ 40,070</u>

General Fund transferred amounts to the Special Aid Fund for their share of the students with disabilities programs. The Debt Service Fund transferred amounts to the General Fund for debt payments. The Special Aid Fund transferred amounts to the General Fund for contractual expenses incurred in the General Fund in a previous year, but received and recognized in the Special Aid Fund in the current year.

IV. Capital Assets

<u>Type</u>	<u>Balance</u> <u>7/1/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2024</u>
<u>Governmental Activities:</u>				
<u>Capital Assets that are not Depreciated -</u>				
Land	\$ 27,500	\$ -	\$ -	\$ 27,500
Construction in progress	880,453	361,470	-	1,241,923
Total Nondepreciable	<u>\$ 907,953</u>	<u>\$ 361,470</u>	<u>\$ -</u>	<u>\$ 1,269,423</u>
<u>Capital Assets that are Depreciated -</u>				
Buildings and Improvements	\$ 13,999,373	\$ -	\$ -	\$ 13,999,373
Furniture and equipment	1,736,190	13,524	-	1,749,714
Total Depreciated Assets	<u>\$ 15,735,563</u>	<u>\$ 13,524</u>	<u>\$ -</u>	<u>\$ 15,749,087</u>
<u>Less Accumulated Depreciation -</u>				
Buildings and Improvements	\$ 6,868,392	\$ 290,185	\$ -	\$ 7,158,577
Furniture and equipment	1,364,516	60,739	-	1,425,255
Total Accumulated Depreciation	<u>\$ 8,232,908</u>	<u>\$ 350,924</u>	<u>\$ -</u>	<u>\$ 8,583,832</u>
Total Capital Assets Depreciated, Net of Accumulated Depreciation	<u>\$ 7,502,655</u>	<u>\$ (337,400)</u>	<u>\$ -</u>	<u>\$ 7,165,255</u>
Total Capital Assets	<u>\$ 8,410,608</u>	<u>\$ 24,070</u>	<u>\$ -</u>	<u>\$ 8,434,678</u>

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. DETAIL NOTES ON ALL FUNDS

B. Liabilities

I. Pension Plans

General Information

The District participates in the New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement System (TRS). Collectively, TRS and ERS are referred to herein as the "Systems". 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.

Plan Descriptions

Teachers' Retirement System

The TRS is administered by the New York State Teachers' Retirement Board. This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. The system is governed by a 10 member Board of Trustees. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in the 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. The New York State TRS issues a publicly available financial report that contains financial statements and required supplementary information for the System. The report and additional information may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSTRS Comprehensive Annual Financial report which can be found on the System's website at www.nystrs.org.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. DETAIL NOTES ON ALL FUNDS

B. Liabilities

I. Pension Plans

Plan Descriptions

Employees' Retirement System

The New York State and Local Employees' Retirement System provides retirement benefits as well as death and disability benefits. This is a cost-sharing multiple-employer retirement system. 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. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). 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. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report and additional information may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244 or found at www.osc.state.ny.us/retire/publications/index.php.

Contributions

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

The District is required to contribute at an actuarially determined rate. The required contributions for the current year and two preceding years were:

<u>Contributions</u>	<u>ERS</u>	<u>TRS</u>
2024	\$ 61,147	\$ 360,607
2023	55,149	317,460
2022	66,378	262,082

The District contributions made to the Systems were equal to 100 percent of the contributions required for each year.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. DETAIL NOTES ON ALL FUNDS

B. Liabilities

I. Pension Plans

Employees' Retirement System

Pension Liabilities

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

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2024	June 30, 2023
Net pension assets/(liability)	\$ (320,782)	\$ (216,990)
District's portion of the Plan's total net pension asset/(liability)	0.002%	0.019%

Pension Expense (Credit)

For the year ended June 30, 2024, the District recognized its proportionate share of pension expense of \$138,235 for ERS and \$616,578 for TRS.

Deferred Outflows and Inflows of Resources Related to Pensions

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<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	\$ 103,324	\$ 526,144	\$ 8,747	\$ 1,300
Changes of assumptions	121,280	467,174	-	101,818
Net difference between projected and actual earnings on pension plan investments	-	110,921	156,700	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	15,585	27,834	39,196	168,378
Subtotal	\$ 240,189	\$ 1,132,073	\$ 204,643	\$ 271,496
District's contributions subsequent to the measurement date	21,011	364,911	-	-
Grand Total	\$ 261,200	\$ 1,496,984	\$ 204,643	\$ 271,496

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. DETAIL NOTES ON ALL FUNDS

B. Liabilities

I. Pension Plans

Deferred Outflows and Inflows of Resources Related to Pensions

The District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/(liability) in the year ended March 31, 2025 for ERS and June 30, 2024 for TRS. 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>
2024	\$ -	\$ 57,603
2025	(69,043)	(148,104)
2026	54,596	843,928
2027	88,594	44,130
2028	(38,601)	34,534
Thereafter	-	28,486
Total	\$ 35,546	\$ 860,577

Actuarial Assumptions

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

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2024	June 30, 2023
Actuarial valuation date	April 1, 2023	June 30, 2022
Interest rate	5.90%	6.95%
Salary scale	4.40%	5.18%-1.95%
Decrement tables	April 1, 2015- 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%

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. DETAIL NOTES ON ALL FUNDS

B. Liabilities

I. Pension Plans

Actuarial Assumptions

For ERS, annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System's experience with adjustments for mortality improvements based on MP-2021. For TRS, annuitant mortality rates are based on System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021.

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

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

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

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. DETAIL NOTES ON ALL FUNDS

B. Liabilities

I. Pension Plans

Actuarial Assumptions

	Long Term Expected Rate of Return	
	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2024	June 30, 2023
<u>Asset Type -</u>		
Domestic equity	4.00%	6.80%
International equity	6.65%	7.60%
Global equity	0.00%	7.20%
Private equity	7.25%	10.10%
Real estate	4.60%	6.30%
Opportunistic/ARC portfolios	5.25%	0.00%
Real assets	5.79%	0.00%
Cash	0.25%	0.30%
Global bonds	0.00%	1.60%
Private debt	0.00%	6.00%
Real estate debt	0.00%	3.20%
High-yield bonds	0.00%	4.40%
Domestic fixed income securities	0.00%	2.20%
Fixed income	1.50%	0.00%
Credit	5.40%	0.00%

Discount Rate

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

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

The following presents the District's proportionate share of the net pension asset/(liability) as of June 30, 2024 calculated using the discount rate of 5.9% for ERS and 6.95% for TRS, as well as what the District's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is one percentage point lower (4.9% for ERS and 5.95% for TRS) or one percentage point higher (6.9% for ERS and 7.95% for TRS) than the current rate:

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. DETAIL NOTES ON ALL FUNDS

B. Liabilities

I. Pension Plans

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

<u>ERS</u>	1% Decrease <u>(4.90%)</u>	Current Assumption <u>(5.90%)</u>	1% Increase <u>(6.90%)</u>
Employer's proportionate share of the net pension asset (liability)	\$ (1,008,572)	\$ (320,782)	\$ 253,665

<u>TRS</u>	1% Decrease <u>(5.95%)</u>	Current Assumption <u>(6.95%)</u>	1% Increase <u>(7.95%)</u>
Employer's proportionate share of the net pension asset (liability)	\$ (3,304,874)	\$ (216,990)	\$ 2,380,053

Changes in Assumptions

Changes in assumptions about future economic or demographic factors or other inputs are amortized over a closed period equal to the average of the expected service lives of all employees that are provided with pension benefits for the period during which the changes occurred. Differences between projected and actual earnings on pension plan investments are amortized over a closed five-year period.

Collective Pension Expense

Collective pension expenses include certain current period changes in the collective net pension asset/(liability), projected earnings on pension plan investments, and the amortization of deferred outflows or resources and deferred inflows of resources for the current period. The collective pension expense for the year ended June 30, 2024 is \$126,281 for ERS and \$578,040 for TRS.

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of June 30, 2024 represent the projected employer contribution for the period of April 1, 2024 through June 30, 2024 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2024 amounted to \$21,011.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. DETAIL NOTES ON ALL FUNDS

B. Liabilities

I. Pension Plans

Payables to the Pension Plan

For TRS, employer and employee contributions for the fiscal year ended June 30, 2024 are paid to the System in September, October and November 2024 through a state aid intercept. Accrued retirement contributions as of June 30, 2024 represent employee and employer contributions for the fiscal year ended June 30, 2024 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2024 amounted to \$422,321.

Other Benefits

District employees may choose to participate in the District's elective deferred compensation plans established under Internal Revenue Code Sections 403(b) and 457.

II. Indebtedness

Short-Term Debt

Bond Anticipation Notes

Notes issued in anticipation of proceeds from the subsequent sale of bonds are recorded as a current liability of the fund that will actually receive the proceeds from the issuance of the bonds. State law requires that bond anticipation notes issued for capital purposes be converted to long-term financing within five years after the original issue date.

Transactions in short-term debt are summarized below:

	<u>Maturity</u>	<u>Interest Rate</u>	<u>Balance 7/1/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2024</u>
BAN	6/28/2024	3.97%	\$ 1,659,200	\$ -	\$ 1,659,200	\$ -
Total Short-Term Debt			<u>\$ 1,659,200</u>	<u>\$ -</u>	<u>\$ 1,659,200</u>	<u>\$ -</u>

Interest on short-term debt was comprised of:

Interest Paid	\$ 65,870
Less: Interest Accrued in the Prior Year	-
Plus: Interest Accrued in the Current Year	-
Total Short-Term Interest Expense	<u>\$ 65,870</u>

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. DETAIL NOTES ON ALL FUNDS

B. Liabilities

II. Indebtedness

Long-Term Debt

Serial Bonds

The District borrows money in order to acquire or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the District. The provision to be made in future budgets for capital indebtedness represents the amount, exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities.

Interest on long-term debt was comprised of:

Interest Paid	\$ 21,869
Less: Interest Accrued in the Prior Year	(850)
Plus: Interest Accrued in the Current Year	6,168
Total Long-Term Interest Expense	<u>\$ 27,187</u>

Long-Term Obligations

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are report as other financing sources while discounts on debt issuances are reported as other financing uses. Further, unmatured principal of general long-term debt does not require current appropriation and expenditure of governmental fund financial resources.

Changes

The changes in indebtedness during the year ended June 30, 2024 are summarized as follows:

	<u>Balance</u> <u>7/1/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2024</u>	<u>Due Within</u> <u>One Year</u>
<u>Governmental Activities:</u>					
<u>Bonds and Notes Payable -</u>					
Serial Bonds	\$ 25,000	\$ 1,659,200	\$ 70,000	\$ 1,614,200	\$ 104,200
Advance Refunding	930,000	-	225,000	705,000	230,000
Lease Liability	16,965	78,658	17,222	78,401	16,404
Total Bonds and Notes Payable	<u>\$ 971,965</u>	<u>\$ 1,737,858</u>	<u>\$ 312,222</u>	<u>\$ 2,397,601</u>	<u>\$ 350,604</u>
<u>Other Liabilities -</u>					
Net Pension Liability	\$ 809,132	\$ -	\$ 271,360	\$ 537,772	\$ -
OPEB	10,178,238	-	1,338,344	8,839,894	-
Retainage Payable	19,389	-	19,389	-	-
Compensated Absences	81,612	47,120	-	128,732	-
Total Other Liabilities	<u>\$ 11,088,371</u>	<u>\$ 47,120</u>	<u>\$ 1,629,093</u>	<u>\$ 9,506,398</u>	<u>\$ -</u>
Total Long-Term Obligations	<u>\$ 12,060,336</u>	<u>\$ 1,784,978</u>	<u>\$ 1,941,315</u>	<u>\$ 11,903,999</u>	<u>\$ 350,604</u>

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. DETAIL NOTES ON ALL FUNDS

B. Liabilities

II. Indebtedness

Changes

Additions and deletions to compensated absences are shown net since it is impractical to determine these amounts separately.

The above liabilities are liquidated by the General Fund.

The following is a summary of maturity of indebtedness:

<u>Description</u>	<u>Original Amount</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount Outstanding 6/30/2024</u>
Refunding - 2016	\$ 4,905,000	2016	2027	1.51%	\$ 705,000
Serial Bond	\$ 1,659,200	2024	2040	4.50%	1,614,200
Total Serial Bonds					<u>\$ 2,319,200</u>

The following is a summary of maturing debt service requirements for general obligation bonds and notes:

<u>Year</u>	<u>Serial Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 334,200	\$ 85,094
2026	345,000	77,450
2027	350,000	67,800
2028	90,000	58,050
2029	95,000	54,000
2030-34	510,000	204,300
2035-39	540,000	81,225
2040	55,000	2,475
Total	<u>\$ 2,319,200</u>	<u>\$ 630,394</u>

Judgments and Claims

While there are currently no pending certiorari proceedings, there could be in the future, the results of which could require future tax refunds by the District if existing assessment rolls are modified based on the outcome of the litigation proceedings. The District would determine a plan on funding any settlements at which time they become known. No amounts have been accrued at June 30, 2024.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

2. DETAIL NOTES ON ALL FUNDS

B. Liabilities

III. Constitutional Debt Limit

The constitution of the State of New York limits the amount of indebtedness which may be issued by the District. Basically, the District may issue indebtedness to the extent that the aggregate outstanding debt issues which are subject to such limit does not exceed 10% of the full valuation of taxable real estate within the District. At June 30, 2024, the District has exhausted 11.46% of its constitutional debt limit.

IV. Deferred Outflows and Inflows of Resources

The deferred outflows and inflows reported on the statement of net position consist of the following:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Pension	\$ 1,758,184	\$ 476,139
OPEB	2,574,768	6,297,525
Total	<u>\$ 4,332,952</u>	<u>\$ 6,773,664</u>

3. COMMITMENTS AND CONTINGENCIES

A. Risk Financing and Related Insurance

General Information

The District is exposed to various risks of loss related to torts; theft, damage, injuries, errors and omissions, natural disasters and other risks. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage.

Health Insurance Plan

The District is as a member of the Capital Area Schools Health Insurance Consortium (the "Consortium"), which is a trust formed under New York State Law on May 1, 1994. The Consortium is considered a public entity risk pool which is defined as a cooperative group of governmental entities joining together to finance an exposure, liability or risk, and is tax-exempt under Section 501(c)(9) of the Internal Revenue Code. The Consortium is governed by a trust agreement and a board of trustees who execute the provisions of the Trust, as set forth in the agreement. The Consortium has contracted with Amsure Associates for third party administration.

The Consortium was formed to allow its member school districts to obtain health insurance and prescription drug benefits at lower cost through a pooled purchasing arrangement. The Consortium procures group insurance contracts with insurance carriers for medical, prescription drug and dental benefits, in which the Consortium is not liable for any medical, prescription drug or dental claims.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

3. COMMITMENTS AND CONTINGENCIES

A. Risk Financing and Related Insurance

Health Insurance Plan

However, the Consortium also maintains a self-insured prescription drug plan for which the individual Consortium members are liable for any claims in excess of the balances maintained by the Consortium. As of June 30, 2024, the District's prescription drug plan account balance maintained by the Consortium is approximately \$364,000. The Consortium also maintains an account balance for the District to fund supplemental premium payments that may be required under the retrospective funding arrangement in place for one of the insurance contracts.

The District has chosen to establish a self-funded prescription drug benefit program for all eligible employees. The pharmacy benefit manager, Blue Shield of Northeastern New York, is responsible for the approval, processing and payment of claims, after which they bill the District for reimbursement. The District is also responsible for a monthly administrative fee. The benefit program reports on a fiscal year ending June 30. The program is accounted for in the General Fund of the District. At year-end, the District has a liability of \$0. With electronic claims submissions, all incurred claims are reported within two weeks, and have been included within the fiscal year's claims, effectively representing reported and unreported claims which were incurred on or before year-end, but which were not paid by the District as of that date. Claims activity is summarized below for the past fiscal year and when available in future years, comparative data will also be reported:

	<u>2023-2024</u>	<u>2022-2023</u>
Claims and Administration Fees	\$ 887,576	\$853,519
Claim Payments	(887,576)	(853,519)
Estimated Incurred but not reported as of June 30	-	-
Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>

Workers' Compensation Plan

The District participates in a risk sharing pool, the Schoharie Area Workers' Compensation Trust, (the Trust) to insure Workers' Compensation claims. This is a public entity risk pool created under Article 5, Workers' Compensation Law, to finance liability and risk related to Workers' Compensation claims. Workers' compensation benefits are provided by the Trust and administered under contract with the Trust's consultant. The Trust also has specific excess workers' compensation and employers' liability indemnity coverage. Under the policies, the limit for workers' compensation coverage is \$10 million and employers' liability \$2 million per occurrence and specific excess coverage provided for paid workers' compensation claims in excess of \$350,000 per occurrence within a twelve month period beginning on the date or anniversary of the occurrence.

B. Federal and State 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 audits, the District's administration believes disallowances, if any, will be immaterial.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

4. POSTEMPLOYMENT BENEFITS OBLIGATION PAYABLE

Plan Description

The District administers a defined benefit OPEB plan and provides OPEB for all permanent full-time employees of the District. The plan is a single-employer defined benefit plan (the Plan). The Plan provides Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District's Board, subject to applicable collective bargaining and employment agreements, and Board of Education policy. The Plan does not issue a separate financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan. No assets are accumulated in trust that meet the criteria in paragraph 4 of Statement No. 75.

Funding Policy

The obligations of the Plan members and employers are established by action of the District pursuant to applicable collective bargaining and other employment agreements. Employees contribute varying percentages of the premiums, depending on when retired and their applicable agreement. Employees are required to reach eligibility for retirement under ERS/TRS age 55 and have 5 years of service to qualify for other postemployment benefits. The District currently funds the Plan to satisfy current obligations on a pay-as-you-go basis.

Benefits Provided

The District provides for continuation of medical, prescription drug and/or Medicare Part A, B and benefits for certain retirees and their spouses. The District does not reimburse Medicare Part B premiums. The benefit terms are dependent on which contract each employee falls under, retirees and their spouses receive benefits for the lifetime of the retired employee. The specifics of each contract are on file at the District offices and are available upon request.

Employees Covered by Benefit Terms - As of June 30, 2023 valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	29
Inactive employees entitled to but not yet receiving benefit payments	-
Active Employees	71
Total	100

Net OPEB Liability

The District's total OPEB liability of \$8,839,894 was measured as of June 30, 2024; the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

4. POSTEMPLOYMENT BENEFITS OBLIGATION PAYABLE

Actuarial Assumptions and Other Inputs

The total OPEB liability was measured at June 30, 2024 with an actuarial valuation date of June 30, 2023 using the following actuarial assumptions and other inputs, applied to all period included in the measurement, unless otherwise specified:

Inflation	2.70 percent
Salary Increases	Varies by years of service in retirement
Discount Rate	4.21 percent
Healthcare Cost Trend Rates	6.75% for 2023 to 2024 decreasing to an ultimate rate of 4.14% by 2075
Dental Cost Trend Rates	3.00% annually

Mortality rates were based on Pub-2010 Headcount-Weighted table (Teachers for TRS Group and General Employees for the ERS Group) projected fully generationally using Society of Actuaries' Scale MP-2021.

Retirement and termination rates used are those that are used in the NYS ERS and TRS pension fund valuations.

The discount rate was based on the S&P 20-year Municipal Bond High Grade Index.

Changes in the Net OPEB Liability

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

Balance at June 30, 2023	<u>\$ 10,178,238</u>
<u>Changes for the Year -</u>	
Service cost	\$ 467,226
Interest	435,108
Changes of benefit terms	140,620
Differences between expected and actual experience	(2,135,067)
Changes in assumptions or other inputs	(23,668)
Benefit payments	<u>(222,563)</u>
Net Changes	<u>\$ (1,338,344)</u>
Balance at June 30, 2024	<u>\$ 8,839,894</u>

Changes in assumptions and other inputs includes a change in the discount rate from 4.13% percent in 2023 to a 4.21% percent in 2024. Changes noted also include updated medical and prescription drug trend rates, which decreased the liability, and updated salary scale, termination, and retirement rates based on NYS TRS assumptions, which increased the liability.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

4. POSTEMPLOYMENT BENEFITS OBLIGATION PAYABLE

Actuarial Assumptions and Other Inputs

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

The following presents the District's total OPEB liability, as well as what the District's total OPEB liability would be if it were calculated using discount rate that is 1 percentage point lower (3.21%) or 1 percentage point higher (5.21%) than the current discount rate:

	1% Decrease (<u>3.21%</u>)	Discount Rate (<u>4.21%</u>)	1% Increase (<u>5.21%</u>)
Total OPEB Liability	\$ 10,418,449	\$ 8,839,894	\$ 7,587,142

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

The following presents the District's total OPEB liability, 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 (5.75% decreasing to 3.14%) or 1 percentage point higher (7.75% decreasing to 5.14%) than the current healthcare cost trend rate:

	1% Decrease (<u>5.75%</u> <u>Decreasing to 3.14%</u>)	Healthcare Cost Trend Rates (<u>6.75%</u> <u>Decreasing to 4.14%</u>)	1% Increase (<u>7.75%</u> <u>Decreasing to 5.14%</u>)
Total OPEB Liability	\$ 7,367,498	\$ 8,839,894	\$ 10,774,570

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources related to OPEB

For the year ended June 30, 2024, the District recognized OPEB expense of \$782,023. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 503,303	\$ 3,627,697
Changes of assumptions	2,071,465	2,669,828
Total	\$ <u>2,574,768</u>	\$ <u>6,297,525</u>

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

4. POSTEMPLOYMENT BENEFITS OBLIGATION PAYABLE

Actuarial Assumptions and Other Inputs

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>	
2025	\$ (262,935)
2026	(262,935)
2027	(262,934)
2028	(983,998)
2029	(986,658)
Thereafter	(963,297)
Total	\$ (3,722,757)

5. TAX ABATEMENTS

The District has entered into a property tax abatement program through the Village of Green Island IDA. As a result, the District's property tax revenue was reduced by \$533,213. The District received payment in Lieu of Tax (PILOT) totaling \$187,330.

6. LEASE ASSETS

A summary of the lease asset activity during the year ended June 30, 2024 is as follows:

<u>Type</u>	<u>Balance</u> <u>7/1/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2024</u>
<u>Lease Assets:</u>				
Machinery and equipment	\$ 123,234	\$ 98,196	\$ -	\$ 221,430
<i>Total Lease Assets</i>	<u>123,234</u>	<u>98,196</u>	<u>-</u>	<u>221,430</u>
<u>Less Accumulated Amortization -</u>				
Machinery and equipment	96,245	30,661	-	126,906
<i>Total Accumulated Amortization</i>	<u>96,245</u>	<u>30,661</u>	<u>-</u>	<u>126,906</u>
<i>Total Lease Assets, Net</i>	<u>\$ 26,989</u>	<u>\$ 67,535</u>	<u>\$ -</u>	<u>\$ 94,524</u>

Amortization expense of \$30,661 is included in amortization - unallocated on the statement of activities.

GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

7. LEASE OBLIGATIONS

Lease agreements are summarized as follows:

	<u>Date</u>	<u>Payment Terms</u>	<u>Annual Payment Amount</u>	<u>Interest Rate</u>	<u>Total Lease Liability</u>	<u>Balance June 30, 2024</u>
Machinery and Equipment	7/18/2022	6 years	\$4,453	4.95%	\$19,620	\$13,287
Bus	4/1/2024	4 years	\$13,895	5.42%	\$78,658	\$65,114
Total Lease Agreements						<u>\$78,401</u>

The computers and the bus were leased for the district with the terms noted above. These leases are not renewable and the District will not acquire the computers at the end of the six years, or the bus at the end of the four years.

Annual requirements to amortize long-term obligations and related interest are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 16,404	\$ 1,914
2026	15,075	3,243
2027	15,878	2,440
2028	31,044	2,434
2029	-	-
	<u>\$ 78,401</u>	<u>\$ 10,031</u>

8. SUBSEQUENT EVENTS

The District has evaluated subsequent events through October 15, 2024, which is the date these financial statements were available to be issued. All subsequent events requiring recording or disclosure as of June 30, 2024, have been incorporated into these financial statements herein.

Required Supplementary Information
GREEN ISLAND UNION FREE SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Equity -
Budget and Actual - General Fund
For The Year Ended June 30, 2024

	Original	Amended	Current	Over (Under)
	<u>Budget</u>	<u>Budget</u>	<u>Year's</u>	<u>Revised</u>
			<u>Revenues</u>	<u>Budget</u>
REVENUES				
Local Sources -				
Real property taxes	\$ 4,010,000	\$ 4,010,000	\$ 3,828,182	\$ (181,818)
Real property tax items	187,330	187,330	416,517	229,187
Charges for services	-	-	175	175
Use of money and property	-	-	2,107	2,107
Miscellaneous	-	-	72,334	72,334
State Sources -				
Basic formula	3,459,226	3,459,226	2,700,917	(758,309)
Lottery aid	-	-	566,836	566,836
BOCES	-	-	455,938	455,938
Textbooks	-	-	9,059	9,059
All Other Aid -				
Computer software	-	-	7,974	7,974
Other aid	-	-	63,038	63,038
Federal Sources	167,156	167,156	41,268	(125,888)
TOTAL REVENUES	<u>7,823,712</u>	<u>7,823,712</u>	<u>8,164,345</u>	<u>340,633</u>
Other Sources -				
Transfer - in	<u>20,000</u>	<u>20,000</u>	<u>23,468</u>	<u>3,468</u>
TOTAL REVENUES AND OTHER SOURCES	<u>7,843,712</u>	<u>7,843,712</u>	<u>\$ 8,187,813</u>	<u>\$ 344,101</u>
Appropriated reserves	<u>-</u>	<u>-</u>		
Appropriated fund equity	<u>300,000</u>	<u>300,000</u>		
Prior year encumbrances	<u>12,228</u>	<u>12,228</u>		
TOTAL REVENUES AND APPROPRIATED RESERVES/ FUND EQUITY	<u><u>\$ 8,155,940</u></u>	<u><u>\$ 8,155,940</u></u>		

Required Supplementary Information
GREEN ISLAND UNION FREE SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Equity -
Budget and Actual - General Fund
For The Year Ended June 30, 2024

	Original	Amended	Current		Unencumbered
	<u>Budget</u>	<u>Budget</u>	<u>Year's</u>	<u>Encumbrances</u>	<u>Balances</u>
EXPENDITURES			<u>Expenditures</u>		
General Support -					
Board of education	\$ 69,141	\$ 81,255	\$ 81,148	\$ -	\$ 107
Central administration	158,920	186,801	186,800	-	1
Finance	235,088	239,204	241,341	-	(2,137)
Staff	61,604	52,362	54,886	-	(2,524)
Central services	594,128	605,756	578,421	35,000	(7,665)
Special items	116,348	118,290	118,284	-	6
Instructional -					
Instruction, administration and improvement	313,883	305,064	322,254	-	(17,190)
Teaching - regular school	2,345,774	2,184,700	2,200,520	-	(15,820)
Programs for children with handicapping conditions	1,247,267	1,293,904	1,324,542	-	(30,638)
Occupational education	54,935	45,753	45,735	-	18
Teaching - special schools	4,441	7,610	7,609	-	1
Instructional media	285,375	320,049	328,793	-	(8,744)
Pupil services	309,120	348,038	340,155	-	7,883
Pupil Transportation	214,154	443,301	437,428	-	5,873
Employee Benefits	1,729,450	1,525,636	1,545,875	-	(20,239)
Debt service - principal	329,200	295,000	312,222	-	(17,222)
Debt service - interest	87,112	86,615	87,739	-	(1,124)
TOTAL EXPENDITURES	<u>8,155,940</u>	<u>8,139,338</u>	<u>8,213,752</u>	<u>35,000</u>	<u>(109,414)</u>
Other Uses -					
Transfers - out	-	16,602	16,602	-	-
TOTAL EXPENDITURES AND OTHER USES	<u>8,155,940</u>	<u>8,155,940</u>	<u>8,230,354</u>	<u>\$ 35,000</u>	<u>\$ (109,414)</u>
NET CHANGE IN FUND EQUITY	-	-	(42,541)		
FUND EQUITY, BEGINNING OF YEAR	<u>1,202,779</u>	<u>1,202,779</u>	<u>1,202,779</u>		
FUND EQUITY, END OF YEAR	<u>\$ 1,202,779</u>	<u>\$ 1,202,779</u>	<u>\$ 1,160,238</u>		

Required Supplementary Information
GREEN ISLAND UNION FREE SCHOOL DISTRICT
Schedule of Changes in Total OPEB Liability
For The Year Ended June 30, 2024

TOTAL OPEB LIABILITY							
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service cost	\$ 467,226	\$ 534,966	\$ 824,403	\$ 780,770	\$ 307,158	\$ 273,626	\$ 288,989
Interest	435,108	390,046	356,257	341,282	313,658	307,245	280,064
Changes in benefit terms	140,620		(714,974)	-	(137,361)	-	-
Differences between expected and actual experiences	(2,135,067)	30,589	(2,767,776)	9,082	1,266,590	-	-
Changes of assumptions or other inputs	(23,668)	(1,127,324)	(2,611,454)	157,631	4,559,075	636,293	(397,018)
Benefit payments	<u>(222,563)</u>	<u>(264,329)</u>	<u>(280,799)</u>	<u>(282,467)</u>	<u>(269,168)</u>	<u>(238,330)</u>	<u>(211,495)</u>
Net Change in Total OPEB Liability	(1,338,344)	(436,052)	(5,194,343)	1,006,298	6,039,952	978,834	(39,460)
Total OPEB Liability - Beginning	<u>10,178,238</u>	<u>10,614,290</u>	<u>15,808,633</u>	<u>14,802,335</u>	<u>8,762,383</u>	<u>7,783,549</u>	<u>7,823,009</u>
Total OPEB Liability - Ending	<u>\$ 8,839,894</u>	<u>\$ 10,178,238</u>	<u>\$ 10,614,290</u>	<u>\$ 15,808,633</u>	<u>\$ 14,802,335</u>	<u>\$ 8,762,383</u>	<u>\$ 7,783,549</u>
Covered Employee Payroll	\$ 4,151,152	\$ 4,156,887	\$ 3,439,097	\$ 2,794,244	\$ 2,947,923	\$ 2,749,148	\$ 2,444,926
Total OPEB Liability as a Percentage of Covered Employee Payroll	212.95%	244.85%	308.64%	565.76%	502.13%	318.73%	318.36%

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
GREEN ISLAND UNION FREE SCHOOL DISTRICT
Schedules of Proportionate Share of the Net Pension Liability (Asset)
For The Year Ended June 30, 2024

NYSERS Pension Plan

	<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)	0.0021786%	0.0021369%	0.0018416%	0.0017820%	0.0017550%	0.0015898%	0.0015957%	0.0013903%	0.0015253%
Proportionate share of the net pension liability (assets)	\$ 320,782	\$ 458,247	\$ (150,543)	\$ 1,774	\$ 464,731	\$ 112,640	\$ 51,499	\$ 130,632	\$ 215,773
Covered-employee payroll	\$ 662,027	\$ 555,631	\$ 456,849	\$ 425,725	\$ 420,475	\$ 393,377	\$ 338,404	\$ 558,715	\$ 526,622
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	48.455%	82.473%	-32.95%	0.42%	110.53%	28.63%	15.22%	23.38%	40.97%
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

NYSTRS Pension Plan

	<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)	0.018975%	0.018286%	0.0162020%	0.0171510%	0.0161290%	0.0152570%	0.0160740%	0.01525%	0.0163070%
Proportionate share of the net pension liability (assets)	\$ 216,990	\$ 350,885	\$ (2,807,730)	\$ 473,933	\$ (419,030)	\$ (275,884)	\$ (122,180)	\$ 163,363	\$ 1,693,736
Covered-employee payroll	\$ 3,804,399	\$ 3,572,910	\$ 3,283,071	\$ 2,809,956	\$ 2,999,912	\$ 2,736,228	\$ 2,480,835	\$ 2,547,744	\$ 2,401,399
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	5.704%	9.821%	-85.521%	16.866%	-13.968%	-10.083%	-4.925%	6.412%	70.531%
Plan fiduciary net position as a percentage of the total pension liability	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
GREEN ISLAND UNION FREE SCHOOL DISTRICT
Schedules of District Contributions
For The Year Ended June 30, 2024

NYSERS Pension Plan

	<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	\$ 61,147	\$ 55,149	\$ 66,378	\$ 52,479	\$ 46,353	\$ 42,907	\$ 44,844	\$ 43,515	\$ 54,630
Contributions in relation to the contractually required contribution	(61,147)	(55,149)	(66,378)	(52,479)	(46,353)	(42,907)	(44,844)	(43,515)	(54,630)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 662,027	\$ 555,631	\$ 456,849	\$ 425,725	\$ 420,475	\$ 393,377	\$ 338,404	\$ 558,715	\$ 526,622
Contributions as a percentage of covered-employee payroll	9.24%	9.93%	14.53%	12.33%	11.02%	10.91%	13.25%	7.79%	10.37%

NYSTRS Pension Plan

	<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	\$ 360,607	\$ 317,460	\$ 262,082	\$ 257,923	\$ 285,909	\$ 243,547	\$ 243,547	\$ 298,536	\$ 312,094
Contributions in relation to the contractually required contribution	(360,607)	(317,460)	(262,082)	(257,923)	(285,909)	(243,547)	(243,547)	(298,536)	(312,094)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 3,804,399	\$ 3,572,910	\$ 3,283,071	\$ 2,809,956	\$ 2,999,912	\$ 2,736,228	\$ 2,480,835	\$ 2,547,744	\$ 2,401,399
Contributions as a percentage of covered-employee payroll	9.48%	8.89%	7.98%	9.18%	9.53%	8.90%	9.82%	11.72%	13.00%

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.

Supplementary Information
GREEN ISLAND UNION FREE SCHOOL DISTRICT
Schedule of Changes From Adopted Budget To Final Budget
And The Schedule of Real Property Tax Limit
For The Year Ended June 30, 2024

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET:

Adopted budget	\$ 8,143,712
Prior year's encumbrances	<u>12,228</u>
Original Budget	8,155,940
Budget revisions -	
None	<u>-</u>
FINAL BUDGET	<u>\$ 8,155,940</u>

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION:

2024-25 voter approved expenditure budget	\$ 8,696,054
<u>Unrestricted fund equity:</u>	
Assigned fund equity	\$ 575,682
Unassigned fund equity	<u>334,617</u>
Total Unrestricted fund equity	<u>910,299</u>
<u>Less adjustments:</u>	
Appropriated fund equity	540,682
Encumbrances included in assigned fund equity	<u>35,000</u>
Total adjustments	<u>575,682</u>
General fund fund equity subject to Section 1318 of	
Real Property Tax Law	<u>334,617</u>
ACTUAL PERCENTAGE	<u>3.85%</u>

Supplementary Information
GREEN ISLAND UNION FREE SCHOOL DISTRICT
Schedule of Project Expenditures
Capital Projects Fund
For the Year Ended June 30, 2024

<u>Project Title</u>	<u>Expenditures</u>					<u>Methods of Financing</u>					<u>Fund Equity</u>
	<u>Original Appropriation</u>	<u>Revised Appropriation</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	<u>Unexpended Balance</u>	<u>Obligations</u>	<u>Local Sources</u>	<u>State Sources</u>	<u>Total</u>	
Smart Schools	\$ 257,106	\$ 257,106	\$ 122,960	\$ -	\$ 122,960	\$ 134,146	\$ -	\$ -	\$ 122,760	\$ 122,760	\$ (200)
Capital Project	1,659,200	1,659,200	984,462	380,858	1,365,320	293,880	1,659,200	-	-	1,659,200	293,880
Lease Expense	-	-	19,620	78,658	98,278	(98,278)	98,278	-	-	98,278	-
TOTAL	<u>\$ 1,916,306</u>	<u>\$ 1,916,306</u>	<u>\$ 1,127,042</u>	<u>\$ 459,516</u>	<u>\$ 1,586,558</u>	<u>\$ 329,748</u>	<u>\$ 1,757,478</u>	<u>\$ -</u>	<u>\$ 122,760</u>	<u>\$ 1,880,238</u>	<u>\$ 293,680</u>

Supplementary Information
GREEN ISLAND UNION FREE SCHOOL DISTRICT
Net Investment in Capital and Lease Assets
June 30, 2024

Capital and Lease assets, net		\$ 8,529,202
Add:		
Cash on hand	<u>\$ 312,012</u>	312,012
Deduct:		
Bond payable and advanced refunding	\$ 2,319,200	
Lease Liability	<u>78,401</u>	
		<u>2,397,601</u>
Net Investment in Capital and Lease Assets		<u>\$ 6,443,613</u>



BUSINESS
ADVISORS
AND CPAS

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

To the President and Members
of the Board of Education of the
Green Island Union Free School District

We have audited, in accordance with the 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 (*Government Auditing Standards*), the financial statements of the governmental activities and each major fund of the Green Island Union Free School District (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 15, 2024.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 District's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a significant deficiency.

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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2024-003.

District's Response to the Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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

Latham, NY
October 15, 2024



BUSINESS
ADVISORS
AND CPAS

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

To the President and Members of
the Board of Education of the
Green Island Union Free School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Green Island Union Free School District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the District and to meet our ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination for the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with requirements of laws, statutes, regulations, rules, and provisions of contracts grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but it is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Mengel, Metzger, Bar & Co. LLP". The signature is written in a cursive, flowing style.

Latham, NY
October 15, 2024

Supplementary Information
GREEN ISLAND UNION FREE SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2024

<u>Grantor / Pass - Through Agency</u> <u>Federal Award Cluster / Program</u>	<u>Federal Assistance Listing Number</u>	<u>Grantor Number</u>	<u>Pass-Through to Subrecipient</u>	<u>Total Federal 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	0032-24-0027	\$ -	\$ 75,132
Special Education - Preschool Grants (IDEA Preschool)	84.173	0033-24-0027	-	2,816
<i>Total Special Education Cluster IDEA</i>			\$ -	\$ 77,948
<u>Education Stabilization Fund -</u>				
COVID-19-CRRSA - ESSER 2	84.425D	5891-21-0050	\$ -	\$ 285,968
COVID-19-ARP - ESSER 3	84.425U	5880-21-0050	-	144,568
<i>Total Education Stabilization fund</i>			\$ -	\$ 430,536
Title IIA - Supporting Effective Instruction State Grant	84.367	0147-23-0050	\$ -	\$ 12,328
Title IIA - Supporting Effective Instruction State Grant	84.367	0147-24-0050	-	10,895
<i>Total Title IIA</i>			\$ -	\$ 23,223
Title IV - Student Support and Enrichment Program	84.424	0204-23-0050	\$ -	\$ 10,000
Title IV - Student Support and Enrichment Program	84.424	0204-24-0050	-	10,000
<i>Total Title IV</i>			\$ -	\$ 20,000
Title IA - Grants to Local Educational Agencies - Coaching for Excellence	84.010A	0011-24-4060	\$ -	\$ 50,000
Title IA - Grants to Local Educational Agencies	84.010	0021-24-0050	-	97,663
Title IA - Grants to Local Educational Agencies - SIGA	84.010A	0011-23-2082	-	14,168
Title IA - Grants to Local Educational Agencies - SIGA	84.010A	0011-24-2062	-	243,136
<i>Total Title IA</i>			\$ -	\$ 404,967
21st Century Community Learning Centers	84.287C	0187-23-8010	\$ -	16,188
21st Century Community Learning Centers	84.287C	0187-24-8010	-	291,821
<i>Total 21st Century Community Learning Centers</i>			\$ -	308,009
Total U.S. Department of Education			\$ -	\$ 1,264,683

See accompanying notes to Schedule of Expenditures
of Federal Awards.

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of federal award programs administered by the Green Island Union Free School District (District), which is described in Note 1 to the District's accompanying financial statements, using the modified accrual basis of accounting. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the District financial statements. Federal awards that are included in the Schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies.

The information presented in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This Schedule only presents a selected portion of the operations of the District.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system.

3. SCOPE OF AUDIT

The Green Island Union Free School District is an independent municipal corporation. All federal grant operations of the District are included in the scope of the single audit.

4. INDIRECT COST RATE

The Green Island Union Free School District did not elect to use the 10% de minimus cost rate.

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. The District's policy is not to charge federal award programs with indirect costs.

5. NONCASH ASSISTANCE

The Green Island Union Free School District did not receive any noncash assistance under any federal programs.

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued unmodified

Internal control over financial reporting:

- Material weakness(es) identified? X yes no
- Significant deficiency(ies) identified? X yes none reported

Noncompliance material to financial statements noted? X yes no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? yes X none reported

Type of auditor's report issued on compliance for major programs unmodified

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

Identification of major programs:

<u>Federal Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425U	ARP – Elementary and Secondary School Emergency Relief Fund 3
84.425D	CRRSA Act - Elementary and Secondary School Emergency Relief Fund 2
84.287C	Twenty-First Century Community Learning Centers

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

Auditee qualified as low-risk auditee? yes X no

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section II: Financial Statement Findings

Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards:

Material Weaknesses

2024-001 Segregation of Duties

Criteria: The District should strive to have adequate segregation of the authorization, safekeeping and record keeping responsibilities. If adequate segregation is not possible, there should be compensating controls in place.

Condition: nVision permissions and other various controls were reviewed and determined to be inadequate. It was noted that the District Treasurer has significant access in nVision including creating journal entries and creating and printing checks. The District Treasurer also has custody, authority and recordkeeping duties within the cash receipt and cash disbursement cycles. Further, it was noted that there are compensating controls to address the access to the accounting software and lack of segregation within the business office, however they are not all documented. Those compensating controls include reviews by the Business Manager and Claims Auditor.

Cause: The business office has limited employees and compensating controls were not properly put into place or evidence of those controls was lacking.

Effect: Unauthorized or unsupported transactions or journal entries could be processed without the proper review and approval.

Recommendation: While we understand that complete segregation of duties is not always feasible in governments of similar size to the District, there are compensating controls that can be implemented to help reduce the risk of material misstatement of the financial statements due to clerical errors or misappropriation of assets. The District should review all access to nVision and any other software used to ensure access is properly restricted. If access cannot be restricted, the District should implement compensating controls. For example, management should implement a formalized journal entry review process that is documented and followed for all entries posted and ensures the completeness of the reviewed journal entries. The custody and authority duties within the cash receipt and disbursement cycle should be segregated as much as possible. Some examples of controls that could be implemented to compensate for any lack of segregation within these cycles could be a formalized review of the vendor listing, having the check stock locked with a separate individual, utilizing the electronic purchase order approval module or management or Board oversight.

Context: As part of the audit process we consider the roles and responsibilities of employees involved in the financial reporting process and compare those responsibilities to their access levels within the financial reporting software. Additionally, we consider any compensating controls to overcome access levels that are not consistent with job responsibilities. Inquiries were performed to verify the compensating controls not documented. Those inquiries included specific questions regarding procedures

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section II: Financial Statement Findings

Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards:

2024-001 Segregation of Duties (continued)

Context: performed to gather an understanding of the sufficiency and extent that they are functioning.

Views of responsible officials and planned corrective actions: The District acknowledges the findings related to segregation of duties. The District has made an effort to limit the amount of nVision access for certain employees within the department. Within the last fiscal year, we also conducted an individual Business Office Study from an outside consultant to help determine any deficiencies. We will continue to use these recommendations for future changes within the department. We anticipate to implement these changes and controls by January 2025.

Significant Deficiency

2024-002 Budgetary Controls

Criteria: The District must implement and maintain controls whereby appropriations and actual expenditures are monitored for compliance with the voter approved budget and NYS Education Law.

Condition: The District's actual expenditures exceeded the voter approved budget at June 30, 2024. See finding 2024-003.

Cause: The District noted transportation costs were more than originally expected and budgeted for.

Effect: The District is not in compliance with the NYS Education Law and there are not effective controls in place to prevent over expenditure of line items or the overall budget.

Recommendation: The District needs to implement effective controls to monitor purchases against budgeted expenditures. The District should evaluate the need to propose budget transfers and ensure compliance with NYS laws. Additionally, the District should evaluate measures to prevent over expenditure in the future including measures to curb spending prior to over expenditure.

Context: The District over expended the budget by \$109,414 or 1.3%.

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section II: Financial Statement Findings

Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards:

Significant Deficiency

2024-002 Budgetary Controls (continued)

Views of responsible officials and planned corrective actions: The District acknowledges the findings related to budgetary controls. As we are fairly high transient community, our enrollment can change between fiscal years. Until we have students enrolled and assessed, we would be unable to determine if we can accommodate their educational needs within the district or if they will need to be placed in programs outside the district for them to be successful. We also did not have our own transportation department and relied solely on contracted transportation in the last fiscal year. Therefore, our increase in transportation costs were inevitable and varied from our original budget. We've already started the process to accommodate these increases in this fiscal year with the purchase of our own bus and by sharing services with other districts. We hope to have this issue reconciled by June 2025.

Noncompliance Material to the Financial Statements

2024-003 Compliance with New York State Education Law

Criteria: NYS Education Law 1718 states that a Board of Education should not incur District liabilities in excess of the amount appropriated by district meeting unless such Board is specially authorized by law to incur such liability.

Condition: The general fund expenditures exceeded the general fund appropriations and voter approved budget by \$109,414.

Cause: The cumulative effect of expenditures being over budget.

Effect: The District was not in compliance with Education Law.

Recommendation: The District should develop a plan regarding budgeting. See also finding 2024-002.

Context: As part of our audit procedures compliance with the NYS Education Law Section 1718 is reviewed.

Views of responsible officials and planned corrective actions: The District acknowledges the findings related to NYS Education Law 1718 to not incur liabilities in excess of the amount appropriated by district meeting. As we stated in the response for our budgetary control finding, this non-compliance was due to unforeseen expenses for transportation. We have established a plan to help mitigate those expenses in the next fiscal year and we hope to have this issue resolved by June 2025.

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section III: Federal Award Findings and Questioned Costs

Findings and questioned costs related to Federal awards which are required to be reported in accordance with 2 CFR.516(a):

None

**GREEN ISLAND UNION FREE SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

Finding 2023-001

Segregation of Duties

Condition: nVision permissions and other various controls were deemed to be inadequate for the District Treasurer. There are compensating controls to address this access and lack of segregation of duties within the business office, however they are not all documented.

Current Status: Comment was repeated as item 2024-001.

Finding 2023-002

Audit Adjustments and Cutoff Procedures

Condition: There were multiple invoices that were not included in accounts payable or accrued expenses at 6/30/23 for the general, special aid and capital projects funds. There were also unallowable costs recorded in the special aid fund, resulting in an overstatement of revenue, expenditures, and accounts receivable and understatement of due to other governments. There were items in encumbrances that should have been in general fund payables, and there were budget transfer entries recorded as actual transfers in the appropriation codes.

Current Status: Comment was corrected and therefore not repeated.

Finding 2023-003

Budgetary Controls

Condition: The District's actual expenditures exceeded the voter approved budget at June 30, 2023. See finding 2023-005.

Current Status: Comment was repeated as item 2024-002.

Finding 2023-004

Compliance with New York State Real Property Tax Law

Condition: The unassigned fund balance of the general fund exceeded 4% of the 23/24 general fund budget by \$453,284.

Current Status: Comment was corrected and therefore not repeated.

Finding 2023-005

Compliance with New York State Education Law

Condition: The general fund expenditures exceeded the general fund appropriations and voter approved budget by \$45,300.

Current Status: Comment was repeated at item 2024-003.

Finding 2023-006

Unallowed Costs

Condition: During our testing of payroll expenditures charged to this program, it was noted that salaries were being charged that were not allowable under the grant.

Current Status: Comment was corrected and therefore not repeated.