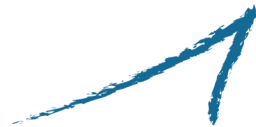


**TIOGA CENTRAL
SCHOOL DISTRICT**

Tioga Center, New York

FINANCIAL REPORT

**For the Year Ended
June 30, 2024**



insero&co

Certified Public Accountants | Business Advisors

TIOGA CENTRAL SCHOOL DISTRICT

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INDEPENDENT AUDITORS' REPORT

Board of Education
Tioga Central School District
Tioga Center, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Tioga Central School District (the School District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 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.

Auditors' 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 auditors' 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 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 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; budgetary comparison schedules; the Schedules of School District's Contributions - NYSLRS and NYSTRS Pension Plans; the Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability; Schedule of Changes in the District's Total OPEB Liability and Related Ratios; and related notes 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 GAAS, 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 School District's basic financial statements. The Balance Sheet - Non-Major Governmental Funds; Statement of Revenues, Expenditures, and Changes in Fund Balance - Non-Major Governmental Funds; Schedules of Change from Adopted Budget to Final Budget and the Real Property Tax Limit; Schedule of Project Expenditures - Capital Projects Fund; Schedule of Net Investment in Capital Assets (supplementary information); and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. 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 September 19, 2024, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 School District's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink that reads "Insero & Co. CPAs, LLP". The signature is written in a cursive, slightly slanted style.

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
September 19, 2024

TIOGA CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

The following is a discussion and analysis of the Tioga Central School District's (the School District) financial performance for the fiscal year ended June 30, 2024. This section is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the District-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. The Management's Discussion and Analysis (MD&A) section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: MD&A (this section), the basic financial statements, and supplementary information, both required and not required. The basic financial statements include two kinds of statements that present different views of the School District.

- The first two statements are District-wide financial statements that provide both short-term and long-term information about the School District's overall financial status.
- The remaining statements are Fund financial statements that focus on individual parts of the School District, reporting the School District's operations in greater detail than the District-wide financial statements. The Fund financial statements concentrate on the School District's most significant funds with all other Non-Major Funds listed in total in one column.

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 that further explains and supports the financial statements with a comparison of the School District's budget for the year; a Schedule of Changes in the School District's total OPEB Liability and Related Ratios related to the School District's unfunded actuarial liability for postemployment benefits; and Schedules of School District Contributions and Proportionate Share of Net Pension (Asset)/Liability.

District-Wide Financial Statements

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

The two District-wide financial statements report the School District's net position and how it has changed. Net Position (the difference between the School District's assets and deferred outflows of resources, and the School District's liabilities and deferred inflows of resources) is one way to measure the School District's financial health or position. Over time, increases or decreases in the School District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

TIOGA CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

To assess the School District's overall health, one needs to consider additional nonfinancial factors such as changes in the School District's property tax base and the condition of school buildings and other facilities.

In the District-wide financial statements, the School District's activities are shown as Governmental Activities. Most of the School 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.

Fund Financial Statements

The Fund financial statements provide more detailed information about the School District's funds, focusing on its most significant or "Major" Funds, not on the School District as a whole. Funds are accounting devices the School District uses to keep track of specific sources of funding and spending on particular programs. The School District has two kinds of funds:

- **Governmental Funds:** Most of the School District's basic services are included in Governmental Funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out; and (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 one determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the District-wide financial statements, additional information following the Governmental Fund financial statements explains the relationship (or differences) between them.
- **Fiduciary Funds:** The School District is the trustee, or fiduciary, for assets that belong to others, such as the Student Activities Funds. The School 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 School District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Our analysis below focuses on the net position (*Figure 1*) and changes in net position (*Figure 2*) of the School District's Governmental Activities.

TIOGA CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

Figure 1

<i>Condensed Statement of Net Position</i>	<i>Governmental Activities and Total School District</i>		<i>Total Dollar Change</i>
	<i>2024</i>	<i>2023</i>	
<i>Current Assets</i>	\$ 26,146,166	\$ 5,765,838	\$ 20,380,328
<i>Noncurrent Assets</i>	10,195,750	8,222,911	1,972,839
<i>Capital Assets, Net</i>	42,509,419	33,140,958	9,368,461
<i>Total Assets</i>	78,851,335	47,129,707	31,721,628
<i>Total Deferred Outflows of Resources</i>	9,377,958	12,069,607	(2,691,649)
<i>Current Liabilities</i>	39,043,368	9,300,597	29,742,771
<i>Noncurrent Liabilities</i>	64,316,919	64,394,674	(77,755)
<i>Total Liabilities</i>	103,360,287	73,695,271	29,665,016
<i>Total Deferred Inflows of Resources</i>	9,412,000	12,233,105	(2,821,105)
<i>Net Investment in Capital Assets</i>	15,664,228	15,644,536	19,692
<i>Restricted</i>	10,587,391	8,527,781	2,059,610
<i>Unrestricted</i>	(50,794,613)	(50,901,379)	106,766
<i>Total Net Position (Deficit)</i>	\$ (24,542,994)	\$ (26,729,062)	\$ 2,186,068

Significant changes from prior year are as follows:

- The issuance of the School District's Bond Anticipation Notes (BAN) caused an increase in both current assets as well as current liabilities. Based on the timing of the subsequent BAN issuance, both BANs overlapped at year-end, with the current year BAN maturing shortly after year-end.
- Changes in deferred inflows and outflows of resources are the result of changes in actuarial assumptions for the NYSTRS and NYSLRS pension plans, as well as changes in actuarial assumptions for other postemployment benefits (OPEB).
- Capital assets increased due to capital outlay in excess of depreciation/amortization expense.
- Noncurrent assets and restricted net position increased due to Board approved funding of General Fund reserves.

TIOGA CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

Our analysis in *Figure 2* considers the operations of the School District's activities.

Figure 2

<i>Changes in Net Position</i>	<i>Governmental Activities and Total School District</i>		<i>Total Dollar Change</i>
	<i>2024</i>	<i>2023</i>	
<i>REVENUES</i>			
<i>Program Revenues:</i>			
<i>Charges for Services</i>	\$ 122,668	\$ 148,222	\$ (25,554)
<i>Operating Grants</i>	4,051,848	3,884,627	167,221
<i>Capital Grants</i>	48,228	1,338,318	(1,290,090)
<i>General Revenues:</i>			
<i>Real Property Taxes</i>	3,461,936	3,411,989	49,947
<i>Real Property Tax Items</i>	845,723	816,854	28,869
<i>State Sources</i>	16,693,768	15,147,216	1,546,552
<i>Use of Money and Property</i>	531,487	274,588	256,899
<i>Other General Revenues</i>	505,029	221,610	283,419
<i>Total Revenues</i>	\$ 26,260,687	\$ 25,243,424	\$ 1,017,263
<i>PROGRAM EXPENSES</i>			
<i>General Support</i>	\$ 3,387,934	\$ 3,189,225	\$ 198,709
<i>Instruction</i>	16,614,423	14,833,767	1,780,656
<i>Pupil Transportation</i>	2,090,862	1,907,391	183,471
<i>Community Services</i>	9,788	417	9,371
<i>School Lunch Program</i>	941,400	843,572	97,828
<i>Interest on Debt</i>	1,030,212	522,571	507,641
<i>Total Expenses</i>	\$ 24,074,619	\$ 21,296,943	\$ 2,777,676
<i>CHANGE IN NET POSITION</i>	\$ 2,186,068	\$ 3,946,481	\$ (1,760,413)

Significant changes from prior year are as follows:

- Mobile sports betting and cannabis sales contributed to the increase in State sources.
- The nearing of the end of the Education Stabilization Fund life cycle caused a decrease in both operating grants as well as capital grants.
- Use of money and property increased substantially due to overall increases with interest rates, as well as the School District's use of U.S. Treasuries.
- The increase in total expenses is primarily due to an increase in OPEB and pension expense in comparison to the amount expended in the prior year.

TIOGA CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

Figure 3 shows the change in fund balances for the year for the School District's funds. Total fund balance decreased 118.0%, primarily due to increases in capital outlay expenses in the Capital Project Funds due to the \$18.6M project, as well as the timing of the issuance of short-term debt, partially offset by revenue in the General Fund from State aid.

Figure 3

<i>Governmental Fund Balances</i>	<i>2024</i>	<i>2023</i>	<i>Total Dollar Change</i>
<i>Major Funds:</i>			
<i>General Fund</i>	\$ 11,096,369	\$ 8,955,300	\$ 2,141,069
<i>Capital Project Fund - Renovation</i>	(13,732,973)	(3,689,146)	(10,043,827)
<i>Non-Major Governmental Funds</i>	1,465,869	1,246,208	219,661
<i>Total Governmental Funds</i>	\$ (1,170,735)	\$ 6,512,362	\$ (7,683,097)

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Superintendent approves budgetary transfers that revise the School District budget line items and the Board reviews the transfers. Typically, these budget amendments consist of budget transfers between functions, which do not increase the overall budget. During the current year, the budget was amended for prior year encumbrances.

The School District received \$1,354,931 more in General Fund revenues and other financing sources due to higher than anticipated state aid and interest and earnings. Expenditures and other financing uses were lower than the revised budget (with carryover encumbrances) by \$1,079,897. This is primarily due to lower than expected costs related to general support and instructional programs, as well as employee benefits.

TIOGA CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

Figure 4

<i>Condensed Budgetary Comparison General Fund - 2024</i>	<i>Original Budget</i>	<i>Revised Budget</i>	<i>Actual w/ Encumbrances</i>	<i>Favorable (Unfavorable) Variance</i>
REVENUES				
<i>Real Property Taxes</i>	\$ 3,918,873	\$ 3,473,123	\$ 3,461,936	\$ (11,187)
<i>Other Tax Items</i>	412,028	857,779	845,723	(12,056)
<i>State Sources</i>	16,944,523	16,944,523	17,724,697	780,174
<i>Other, Including Financing Sources</i>	235,251	235,250	833,250	598,000
<i>Total Revenues and Other Financing Sources</i>	\$ 21,510,675	\$ 21,510,675	\$ 22,865,606	\$ 1,354,931
<i>Appropriated Fund Balances and Reserves</i>	\$ 400,000	\$ 400,000		
<i>Encumbrances</i>	\$ 47,272	\$ 47,272		
EXPENDITURES				
<i>General Support</i>	\$ 2,827,110	\$ 2,970,769	\$ 2,785,988	\$ 184,781
<i>Instruction</i>	9,468,388	9,334,881	8,863,457	471,424
<i>Pupil Transportation</i>	1,172,235	1,278,828	1,144,256	134,572
<i>Community Service</i>	3,000	3,000	616	2,384
<i>Employee Benefits</i>	5,778,695	5,594,039	5,311,888	282,151
<i>Debt Service</i>	235,930	301,841	301,841	-
<i>Other Financing Uses</i>	2,472,589	2,474,589	2,470,004	4,585
<i>Total Expenditures and Other Financing (Uses)</i>	\$ 21,957,947	\$ 21,957,947	\$ 20,878,050	\$ 1,079,897

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2024, the School District had invested in a broad range of capital assets totaling \$68,832,043, offset by accumulated depreciation of \$26,449,737. In addition, the School District reported intangible lease assets of \$359,954 offset by accumulated amortization of \$232,841. *Figure 5* shows the changes in the School District's capital assets.

Figure 5

<i>Changes in Capital Assets</i>	<i>Governmental Activities and Total School District</i>		<i>Total Dollar Change</i>
	<i>2024</i>	<i>2023</i>	
<i>Land</i>	\$ 308,479	\$ 308,479	\$ -
<i>Construction in Progress</i>	13,769,505	5,589,436	8,180,069
<i>Buildings and Improvements, Net</i>	26,295,910	25,168,790	1,127,120
<i>Equipment, Net</i>	2,008,412	1,920,083	88,329
<i>Intangible Lease Assets, Net</i>	127,113	154,170	(27,057)
<i>Total</i>	\$ 42,509,419	\$ 33,140,958	\$ 9,368,461

TIOGA CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

Capital asset activity for the year ended June 30, 2024 included the following:

Construction in Progress	\$ 10,418,701
Buses	308,626
Equipment	157,563
Intangible Lease Asset	64,082
Total Additions	10,948,972
(Less): Depreciation Expense	(1,489,372)
(Less): Amortization Expense	(91,139)
Net Increase in Capital Assets	\$ 9,368,461

Debt Administration

Figure 6 shows the changes in the School District's outstanding debt, including its lease liabilities. Total indebtedness represented 102.4% of the constitutional debt limit, exclusive of building aid estimates. This was due to the timing of the issuance of the School District's BANs, with the maturing issuance and new issuance overlapping at year end.

Figure 6

<i>Outstanding Debt</i>	<i>Governmental Activities and Total School District</i>		<i>Total Dollar Change</i>
	<i>2024</i>	<i>2023</i>	
<i>Bond Anticipation Notes</i>	\$ 35,472,775	\$ 5,110,000	\$ 30,362,775
<i>Serial Bonds</i>	9,895,000	11,350,000	(1,455,000)
<i>Statutory Installment Bonds</i>	163,741	324,402	(160,661)
<i>Premium on Obligations</i>	1,401,981	1,580,914	(178,933)
<i>Lease Liabilities</i>	2,234	3,962	(1,728)
<i>Total</i>	\$ 46,935,731	\$ 18,369,278	\$ 28,566,453

Moody's Rating Committee assigned an A1 rating on the Tioga Central School District New York State Section 99-B Intercept School District Credit Enhancement Program General Obligation Bonds. In addition, an A2 underlying rating was assigned on Tioga Central School District General Obligation Bonds. This has been a solid rating for the past several years. More detailed information about the School District's long-term liabilities is presented in the notes to the financial statements.

TIOGA CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE

- The School District does not currently have, nor anticipate, financial obligations due to litigation.
- The enrollment of the Tioga Central School District has been steadily decreasing. Since New York State Aid is directly tied to the number of students we serve, we may see a reduction in State aid that is not balanced with the possible reduction in expenses associated with serving fewer students.
- The School District could be impacted should Tioga Downs ever close in the future. The impact of the PILOT program has negatively impacted the yearly Tax Cap which has made the Tioga Central School District even further reliant on State funding to maintain its annual budget. In the event of a closure, the loss of the Tioga Downs Pilot is an exposure that would not reasonably be filled by the local tax levy.
- In addition to the PILOT with Tioga Downs, the School District has seen an increase in smaller PILOT's with Solar Fields being built on land within the borders of the School District. See above for PILOT impacts to the tax levy limit.
- The Rockefeller Institute is currently investigating the Foundation Aid formula and is expected to submit a report to the NYS Legislature December 1 to offer alternate calculation methods of computing State Aid. Since Foundation Aid is the greatest portion of our operating budget, a decrease in aid will result in a large financial impact.
- The School District has been directly affected by the current economy, and specifically inflation. The School District will need to continue to be diligent in managing its expenditures to consider such cost impacts and their long-term impacts at a local level.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Tioga Central School District's citizens, taxpayers, customers, investors, and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Tioga Central School District, Fifth Avenue, Tioga Center, New York 13845.

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF NET POSITION JUNE 30, 2024

ASSETS

Current Assets

Cash and Cash Equivalents - Unrestricted	\$ 2,744,507
Cash and Cash Equivalents - Restricted	20,593,811
Investments - Unrestricted	628,919
Due From State and Federal Governments	1,110,849
Due From Other Governments	450,476
Other Receivables	51,794
Inventories	34,262
Prepaid Expenses	531,548
Total Current Assets	26,146,166

Noncurrent Assets

Cash and Cash Equivalents - Restricted	1,803,683
Investments - Restricted	8,392,067

Capital Assets, Net:

Nondepreciable	14,077,984
Depreciable Capital Assets, Net	28,304,322
Intangible Lease Assets, Net	127,113
Total Noncurrent Assets	52,705,169

Total Assets

78,851,335

DEFERRED OUTFLOWS OF RESOURCES

Pensions	3,694,266
OPEB	5,297,663
Deferred Charges on Defeased Debt	386,029
Total Deferred Outflows of Resources	9,377,958

LIABILITIES

Current Liabilities

Accounts Payable	829,020
Accrued Liabilities	75,358
Due to Other Governments	320
Bond Interest and Matured Bonds	601,443
Bond Anticipation Notes Payable	35,472,775
Due to Teachers' Retirement System	781,863
Due to Employees' Retirement System	84,731
Unearned Revenues - Other	21,295

Current Portion of Long-Term Obligations:

Compensated Absences	247,289
Bonds Payable	927,493
Lease Liabilities	1,781
Total Current Liabilities	39,043,368

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF NET POSITION (CONTINUED) JUNE 30, 2024

Noncurrent Liabilities	
Bonds Payable	\$ 10,533,229
Lease Liabilities	<u>453</u>
Compensated Absences Payable	<u>549,583</u>
Other Postemployment Benefits Liability	<u>51,766,704</u>
Net Pension Liability - Proportionate Share	<u>1,466,950</u>
Total Noncurrent Liabilities	<u>64,316,919</u>
Total Liabilities	<u>103,360,287</u>
DEFERRED INFLOWS OF RESOURCES	
Pensions	<u>851,462</u>
OPEB	<u>8,560,538</u>
Total Deferred Inflows of Resources	<u>9,412,000</u>
NET POSITION	
Net Investment in Capital Assets	<u>15,664,228</u>
Restricted	<u>10,587,391</u>
Unrestricted Net (Deficit)	<u>(50,794,613)</u>
Total Net (Deficit)	<u>\$ (24,542,994)</u>

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2024

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense)	
	Expenses	Charges for Services	Operating Grants	Capital Grants	Revenue and Changes in Net Position
General Support	\$ 3,387,934	\$ -	\$ -	\$ -	\$ (3,387,934)
Instruction	16,614,423	71,469	3,133,323	48,228	(13,361,403)
Pupil Transportation	2,090,862	-	-	-	(2,090,862)
Community Services	9,788	1,000	-	-	(8,788)
School Lunch Program	941,400	50,199	918,525	-	27,324
Interest on Debt	1,030,212	-	-	-	(1,030,212)
Total Functions and Programs	\$ 24,074,619	\$ 122,668	\$ 4,051,848	\$ 48,228	(19,851,875)
GENERAL REVENUES					
					3,461,936
Real Property Taxes					845,723
Real Property Tax Items					531,487
Use of Money and Property					16,693,768
Unrestricted State Sources					279,144
Sale of Property and Compensation for Loss					225,885
Miscellaneous					22,037,943
Total General Revenues					22,037,943
Change in Net Position					2,186,068
Total Net (Deficit) - Beginning of Year					(26,729,062)
Total Net (Deficit) - End of Year					\$ (24,542,994)

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS JUNE 30, 2024

	Major Funds			Total Governmental Funds
	General Fund	Capital Project Renovation Fund	Non-Major Governmental Funds	
ASSETS				
Cash and Cash Equivalents - Unrestricted	\$ 1,125,367	\$ 1,594,108	\$ 25,032	\$ 2,744,507
Cash and Cash Equivalents - Restricted	1,449,994	20,125,302	822,198	22,397,494
Investments - Unrestricted	628,919	-	-	628,919
Investments - Restricted	7,252,811	-	1,139,256	8,392,067
Due From Other Funds	618,838	-	4,917	623,755
Due From State and Federal Governments	437,864	-	672,985	1,110,849
Due From Other Governments	450,476	-	-	450,476
Other Receivables	51,790	-	4	51,794
Inventories	-	-	34,262	34,262
Prepaid Expenses	531,548	-	-	531,548
Total Assets	\$ 12,547,607	\$ 21,719,410	\$ 2,698,654	\$ 36,965,671
LIABILITIES				
Accounts Payable	\$ 248,323	\$ 534,301	\$ 46,396	\$ 829,020
Accrued Liabilities	73,410	-	1,948	75,358
Due to Other Funds	494	24,507	598,754	623,755
Due to Other Governments	-	-	320	320
Bond Anticipation Notes Payable	-	34,893,575	579,200	35,472,775
Due to Teachers' Retirement System	781,863	-	-	781,863
Due to Employees' Retirement System	84,731	-	-	84,731
Compensated Absences Payable	247,289	-	-	247,289
Unearned Revenues	15,128	-	6,167	21,295
Total Liabilities	1,451,238	35,452,383	1,232,785	38,136,406
FUND BALANCES				
Nonspendable	531,548	-	34,262	565,810
Restricted	8,702,805	-	1,884,586	10,587,391
Assigned	903,513	-	-	903,513
Unassigned	958,503	(13,732,973)	(452,979)	(13,227,449)
Total Fund Balances	11,096,369	(13,732,973)	1,465,869	(1,170,735)
Total Liabilities and Fund Balances	\$ 12,547,607	\$ 21,719,410	\$ 2,698,654	\$ 36,965,671

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2024

Fund Balances (Deficit) - Total Governmental Funds **\$ (1,170,735)**

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets, net of accumulated depreciation and amortization, used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.

Total Historical Cost	\$ 69,191,997	
(Less) Accumulated Depreciation	(26,449,737)	
(Less) Accumulated Amortization	<u>(232,841)</u>	42,509,419

Long-term liabilities, including bonds payable, bond premium, lease liabilities, and deferred charges on defeased debt, are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds Payable	\$ (10,058,741)	
Lease Liabilities	(2,234)	
Bond Premium	<u>(1,401,981)</u>	(11,462,956)

The School District's proportion of the collective net pension (asset)/liability is not reported in the funds.

TRS Net Pension Liability - Proportionate Share	\$ (401,513)	
ERS Net Pension Liability - Proportionate Share	<u>(1,065,437)</u>	(1,466,950)

Deferred outflows of resources, including deferred charges on defeased debt, OPEB, and pensions, represents a consumption of net position that applies to future periods and, therefore, is not reported in the funds. Deferred inflows of resources, including OPEB, and pensions, represents an acquisition of net position that applies to future periods and, therefore, is not reported in the funds.

Deferred Charges on Defeased Debt	\$ 386,029	
Deferred Outflows - OPEB	5,297,663	
Deferred Inflows - OPEB	(8,560,538)	
TRS Deferred Inflows - Pension	(295,057)	
ERS Deferred Inflows - Pension	(556,405)	
TRS Deferred Outflows - Pension	2,750,743	
ERS Deferred Outflows - Pension	<u>943,523</u>	(34,042)

Certain accrued obligations and expenses reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported as liabilities in the funds.

Accrued Interest on Long-Term Debt	\$ (601,443)	
Long Term Portion of Compensated Absences	(549,583)	
Other Postemployment Benefits Liability	<u>(51,766,704)</u>	<u>(52,917,730)</u>

Net (Deficit) of Governmental Activities **\$ (24,542,994)**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	Major Funds		Formerly Major Fund	Non-Major Governmental Funds	Total Governmental Funds
	General Fund	Capital Projects Fund - Renovations	Special Aid Fund		
REVENUES					
Real Property Taxes	\$ 3,461,936	\$ -	\$ -	\$ -	\$ 3,461,936
Real Property Tax Items	845,723	-	-	-	845,723
Charges for Services	38,146	-	-	-	38,146
Use of Money and Property	517,594	-	-	274,700	792,294
Sale of Property and Compensation for Loss	18,337	-	-	-	18,337
Other Revenue	218,726	-	-	27,477	246,203
State Sources	17,724,697	-	-	765,149	18,489,846
Medicaid Reimbursement	34,323	-	-	-	34,323
Federal Sources	-	-	-	2,283,680	2,283,680
Sales - School Lunch	-	-	-	50,199	50,199
Total Revenues	22,859,482	-	-	3,401,205	26,260,687
EXPENDITURES					
General Support	2,690,609	-	-	27,893	2,718,502
Instruction	8,807,809	-	-	2,090,275	10,898,084
Pupil Transportation	1,141,770	-	-	39,492	1,181,262
Community Services	616	-	-	-	616
Employee Benefits	5,311,888	-	-	410,206	5,722,094
Debt Service:					
Principal	285,271	-	-	1,685,000	1,970,271
Interest	16,570	-	-	755,585	772,155
Cost of Sales	-	-	-	439,033	439,033
Capital Outlay	-	10,482,780	-	308,626	10,791,406
Total Expenditures	18,254,533	10,482,780	-	5,756,110	34,493,423
Excess (Deficiency) of Revenues Over Expenditures	4,604,949	(10,482,780)	-	(2,354,905)	(8,232,736)
OTHER FINANCING SOURCES AND (USES)					
Redeemed From Appropriations	-	288,800	-	-	288,800
Premium on Obligations	-	-	-	196,757	196,757
Proceeds of Obligations	-	64,082	-	-	64,082
Operating Transfers In	6,124	100,000	-	2,377,809	2,483,933
Operating Transfers (Out)	(2,470,004)	(13,929)	-	-	(2,483,933)
Total Other Financing Sources and (Uses)	(2,463,880)	438,953	-	2,574,566	549,639
Net Change in Fund Balances	2,141,069	(10,043,827)	-	219,661	(7,683,097)
Fund Balances - Beginning of Year, as Previously Presented	8,955,300	(3,689,146)	(48,228)	1,294,436	6,512,362
Change Within Financial Reporting Entity (Major to Non-Major Fund)	-	-	48,228	(48,228)	-
Fund Balances - Beginning of Year, as Adjusted	8,955,300	(3,689,146)	-	1,246,208	6,512,362
Fund Balances - End of Year	\$ 11,096,369	\$ (13,732,973)	\$ -	\$ 1,465,869	\$ (1,170,735)

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2024

Net Change in Fund Balances - Total Governmental Funds **\$ (7,683,097)**

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

Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the change in capital assets.

Capital Additions	\$ 10,948,972	
Depreciation Expense	(1,489,372)	
Amortization Expense	<u>(91,139)</u>	9,368,461

Long-term debt proceeds, and related issue costs and deferred amounts on refunding, provide current financial resources to Governmental Funds, but issuing debt and the related premiums increase long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal Payments - Leases	\$ 65,810	
Proceeds of Debt	(64,082)	
Repayment of Bond Principal	1,455,000	
Repayment of Statutory Installment Bond Debt	<u>160,661</u>	1,617,389

Long-term liabilities, such as those associated with employee benefits, are reported in the Statement of Net Position. Therefore, expenses which result in an (increase) or decrease in these long-term liabilities are not reflected in the Governmental Fund financial statements. In addition, changes in the School District's deferred outflows and deferred inflows of resources related to other postemployment benefits do not affect current financial resources and are, also, not reported in the Governmental Funds.

Other Postemployment Benefits	\$ 111,719	
Compensated Absences	<u>(113,828)</u>	(2,109)

Certain expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in Governmental Funds. These include the change in accrued interest, amortization of bond premiums, and deferred amounts from refunding bonds.

Deferred Amounts from Refunding Bonds	\$ (60,194)	
Amortization of Premiums on Obligations and New Premiums	178,933	
Change in Accrued Interest	<u>(573,553)</u>	(454,814)

Changes in the School District's proportionate share of net pension (assets) and liabilities have no effect on current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds. In addition, changes in the School District's deferred outflows of resources and deferred inflows of resources related to pensions do not affect current financial resources and are also not reported in the Governmental Funds.

TRS	\$ (440,322)	
ERS	<u>(219,440)</u>	<u>(659,762)</u>

Net Change in Net Position of Governmental Activities **\$ 2,186,068**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION JUNE 30, 2024

	Custodial Fund
ASSETS	
Cash and Cash Equivalents	<u>\$ 75,496</u>
Total Assets	<u>75,496</u>
NET POSITION	
Unrestricted	<u><u>\$ 75,496</u></u>

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEAR ENDED JUNE 30, 2024

	Custodial Fund
ADDITIONS	
Extraclassroom Activity Funds Receipts	<u>\$ 71,582</u>
DEDUCTIONS	
Extraclassroom Activity Funds Disbursements	<u>74,625</u>
Change in Net Position	(3,043)
Net Position - Beginning of Year	<u>78,539</u>
Net Position - End of Year	<u><u>\$ 75,496</u></u>

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 1* Summary of Significant Accounting Policies**

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

Reporting Entity

Essentially, the primary function of the School District is to provide education for pupils. Services such as transportation of pupils, administration, finance, and plant maintenance support the primary function.

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

The financial reporting entity consists of the following, as defined by GASB Statement No. 14, "The Financial Reporting Entity," as amended.

- The primary government, which is the School District;
- 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 basic financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the School District. The School District is not a component unit of another reporting entity.

The decision to include a potential component unit in the School District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the Extraclassroom Activity Funds are included in the School District's reporting entity.

The Extraclassroom Activity Funds of the School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and the designation of student management. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be obtained from the School District's business office, located at Fifth Avenue, Tioga Center, NY. The School District accounts for assets held as an agent for various student organizations in an agency fund.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Joint Venture

The Tioga Central School District is one of 15 component School Districts in the Broome-Tioga 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.

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

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

Separate financial statement of Broome-Tioga BOCES may be obtained by contacting the Business Office, Broome Tioga BOCES, 435 Upper Glenwood Road, Binghamton, NY 13905-1699.

Basis of Presentation - District-Wide Financial Statements

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

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

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Basis of Presentation - Governmental Fund Financial Statements

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

Major Funds

- General Fund: The School District's primary operating fund. It accounts for all financial transactions not required to be accounted for in another fund.
- Capital Projects Fund - Renovation: Accounts for financial resources used for renovation of School District buildings.

Non-Major Funds

- Debt Service Fund: Accounts for accumulation of resources and payment of principal and interest of long-term general obligation debt of governmental activities.
- Special Revenue Funds: Account for proceeds of specific revenue sources (other than capital projects) legally restricted to expenditures for specified purposes. Non-major special revenue funds include the following:
 - Miscellaneous Special Revenue Fund: Used to account for student scholarships whose funds are restricted as to use.
 - School Lunch Fund: Used to account for child nutrition activities whose funds are restricted as to use.
 - Special Aid Fund: Used to account for proceeds received from state and federal grants restricted for special educational programs.
- Capital Projects Fund - Buses: Accounts for the purchase of buses for the School District.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Basis of Presentation - Governmental Fund Financial Statements - Continued

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

The School District reports the following Fiduciary Funds:

- Custodial Fund: Assets are held by the School District as agent for Extraclassroom Activity Funds.

Measurement Focus and Basis of Accounting

The District-wide and Fiduciary Fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the School 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 state aid is recognized in the fiscal year it is apportioned by the state. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Cash and Investments

The School District's cash, and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and school districts. Investments are stated at fair value.

Accounts Receivable

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided, as it is believed that such allowance would not be material. All receivables are expected to be collected within the subsequent fiscal year.

Inventories and Prepaid Items

Inventories of food in the School Lunch Fund are recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value, which approximates fair value. Purchases of inventory items in other funds are recorded as expenditures at the time of purchase and are considered immaterial in amount. Prepaid items represent payments made by the School District for which benefits extend beyond year end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the District-wide and Governmental Fund financial statements. These items are reported as assets on the Statement of Net Position or Balance Sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

A portion of fund balance equal to inventories and prepaid amounts is reported as nonspendable, as these assets are not in spendable form in the current period.

Due To/From Other Funds

Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the individual fund balances at year-end is provided subsequently in these notes.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Capital Assets

Capital assets with a historical cost greater than \$5,000 and a useful life of at least one year are reported at actual cost for acquisitions subsequent to July 1, 2002, including the right to use assets acquired through financed lease arrangements. For assets acquired prior to July 1, 2002, historical costs have been estimated based on appraisals conducted by independent third-party professionals. Donated assets are reported at estimated fair market value at the time received.

Capital assets are depreciated and amortized using the straight-line method over the following estimated useful lives:

	Estimated Useful Life
Buildings	20 - 40 Years
Building Improvements	20 Years
Furniture and Equipment	1 - 20 Years

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School District reports a deferred charge on defeased debt resulting from the difference in the carrying value of refunded debt and its reacquisition price, which is amortized over the shorter of the life of the refunded or refunding debt, as described in Note 8. The School District also reports deferred outflows of resources related to pensions and OPEB plans in the District-wide Statement of Net Position. The types of deferred outflows of resources related to pensions and OPEB plans are described in Notes 11 and 12, respectively.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The School District reports deferred inflows of resources related to pensions and OPEB plans which are further described in Notes 11 and 12, respectively.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Leases

The School District determines if an arrangement is or contains a lease at inception. The School District records assets and lease obligations for leases, which are initially based on the discounted future minimum lease payments over the term of the lease. The School District uses the rate implicit in the lease agreements. In some cases the implicit rate is not easily determinable, and the School District elects to use its incremental borrowing rate in calculating present value of lease payments.

Lease term is defined as the non-cancelable period of the lease plus any options to extend the lease when it is reasonably certain that it will be exercised. For leases with a term, including renewals, of 12 months or less, no intangible lease assets or lease obligations are recorded on the Statement of Net Position and the School District will recognize short-term lease expense for these leases on a straight-line basis over the lease term.

The School District's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Amortization expense for leases is recognized on the same basis as payments on the lease liabilities and is included in the education expense function. Interest expense is recognized using the effective interest method. Variable payments, short-term rentals, and payments associated with non-lease components are expensed as incurred.

Vested Employee Benefits - Compensated Absences

Compensated absences consist of unpaid accumulated annual sick leave, vacation, and sabbatical time.

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

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

Consistent with GASB Statement No. 16, "Accounting for Compensated Absences," the liability is included in the District-wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year end.

In the Governmental Fund financial 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.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Other Postemployment Benefits

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

In addition to providing pension benefits, the School District provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the School District's employees may become eligible for these benefits if they reach normal retirement age while working for the School District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the School District and the retired employee. The School District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure or operating transfer to other funds in the General Fund, in the year paid.

The School District follows GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions." The School District's liability for other postemployment benefits has been recorded in the Statement of Net Position, in accordance with the statement. See Note 12 for additional information.

Unearned and Unavailable Revenues

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

The Governmental Fund financial statements may also report unavailable revenues as a deferred inflow of resources when potential revenues do not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both recognition criteria are met, the liability for unavailable revenues is removed and revenues are recorded.

Overpayments and Collections in Advance

Overpayments and collections in advance arise when resources are received by the School District before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when the School District has legal claim to the resources, the liability is removed, and revenues are recorded.

Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, it is the School District's policy to apply restricted funds before unrestricted funds, unless otherwise prohibited by legal requirements.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

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 judgements, other postemployment benefits payable, and compensated absences that will be paid from governmental funds, are reported as a liability in the fund's 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 School District's future obligations or future economic outflows. Liabilities are reported as current (due in one year) or noncurrent (due later than one year) in the Statement of Net Position.

Equity Classifications - District-Wide Financial Statements

Equity is classified as net position and displayed in three components:

- Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted - Consists of resources with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - Consists of all other resources that do not meet the definition of "restricted" or "net investment in capital assets."

Equity Classifications - Governmental Fund Financial Statements

The School District follows GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," which changed the terminology and classification of fund balance to reflect spending constraints on resources, rather than availability for appropriation. This approach is intended to provide users more consistent and understandable information about a fund's net resources.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Equity Classifications - Governmental Fund Financial Statements - Continued

Fund balances are allocated into five classifications: nonspendable, restricted, committed, assigned, and unassigned. These classifications serve to inform readers of the financial statements of the extent to which the School District is bound to honor any constraints on specific purposes for which resources in a fund can be spent.

- Nonspendable - Consists of assets inherently nonspendable in the current period either because of their form or because they must be maintained intact; including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and endowments principal.
- Restricted - Consists of amounts subject to legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and enforced externally; or through constitutional provisions or enabling legislation. Most of the School District's legally adopted reserves are reported here.
- Committed - Consists of amounts subject to a purpose constraint imposed by formal action of the School District's highest level of decision-making authority prior to the end of the fiscal year, and requires the same level of formal action to remove said constraint.
- Assigned - Consists of amounts subject to a purpose constraint representing an intended use established by the School District's highest level of decision-making authority, or their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund. In funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.
- Unassigned - Represents the residual classification of the School District's General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should only be used to report a deficit balance resulting from overspending amounts restricted, committed, or assigned for specific purposes.

Real Property Tax Law §1318 limits the amount of unexpended surplus funds a school district can retain in the General Fund to no more than 4% of the next year's budgetary appropriations. Funds properly retained under other sections of law (i.e., reserve funds established pursuant to Education Law or GML) are excluded from the 4% limitation. The 4% limitation is applied to unrestricted fund balance (i.e., the total of the committed, assigned, and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Equity Classifications - Governmental Fund Financial Statements - Continued

The Board of Education of the School District may adopt resolutions to commit or assign fund balance. By resolution, fund balance of the School District may be committed for a specific source by formal action of the Board of Education. Furthermore, the Board of Education delegates authority to assign fund balance for a specific purpose to the Business Official of the School District. The Board of Education, by resolution, approves fund balance appropriations for next year's budget. The School District applies expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

Legally Adopted Reserves

Fund balance reserves are created to satisfy legal restrictions, plan for future expenditures or relate to resources not available for general use or appropriation. These reserve funds are established through Board action or voter approval and a separate identity must be maintained for each reserve. Earnings on the invested resources become part of the respective reserve funds; however, separate bank accounts are not necessary for each reserve fund. Reserves currently in use by the School District include the following:

- Capital Reserve (Education Law §3651) - 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. This reserve is accounted for in the General Fund.
- Mandatory Debt Service Reserve (GML §6-l) - Used to establish a reserve for the purpose of retiring the outstanding obligations upon the sale of School District property or capital improvement financed by obligations which remain outstanding at the time of sale. The funding of the reserve is from the proceeds of the sale of School District property or capital improvement. This reserve is accounted for in the Debt Service Fund.
- Employee Benefit Accrued Liability Reserve (GML §6-p) - Used to reserve funds for the payment of accrued employee benefits due an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. This reserve is accounted for in the General Fund.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Legally Adopted Reserves - Continued

- Retirement Contribution Reserve (GML §6-r) - Used for the purpose of financing retirement contributions. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board. Effective April 1, 2019, a Board may adopt a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, 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 all the existing provisions of GML §6-r. These reserves are accounted for in the General Fund.

Property Taxes

Real property taxes are levied annually by the Board of Education no later than September 1 and became a lien on August 9, 2023. Taxes were collected during the period September 15, 2023 to November 15, 2023.

Uncollected real property taxes are subsequently enforced by Tioga County (the County). An amount representing uncollected real property taxes transmitted to the County for enforcement is paid by the County to the School District no later than the following April 1.

Interfund Transfers

The operations of the School District give rise to certain transactions between funds, including transfers to provide services and construct assets. The amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance-Governmental Funds for interfund transfers have been eliminated from the Statement of Activities. A detailed description of the individual fund transfers that occurred during the year is provided subsequently in these notes.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, other postemployment benefits payable, potential contingent liabilities and useful lives of long-lived assets.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

New Accounting Standards

The School District adopted and implemented the following current Statement of the GASB effective for the year ended June 30, 2024:

- GASB Statement No. 100, “Accounting Changes and Error Corrections”

Future Changes in Accounting Standards

- GASB Statement No. 101, “Compensated Absences,” effective for the year ending June 30, 2025.
- GASB Statement No. 102, “Certain Risk Disclosures,” effective for the year ending June 30, 2025.
- GASB Statement No. 103, “Financial Reporting Model Improvements,” effective for the year ending June 30, 2026.

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

***Note 2* Participation in BOCES**

During the year ended June 30, 2024, the School District's share of BOCES income amounted to \$917,059. The School District was billed \$2,384,419 for BOCES administration and program costs. Financial statements for the Broome-Tioga BOCES are available from the BOCES administrative office at 435 Upper Glenwood Road, Binghamton, New York 13905.

***Note 3* Cash and Cash Equivalents and Investments**

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. While the School District does not have a specific policy for custodial credit risk, New York State statutes govern the School District's investment policies, as discussed previously in these notes. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the School District's name.

The School District's aggregate bank balances of \$34,614,616, including investments, were either insured or collateralized with securities held by the pledging financial institution in the School District's name as required.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 3 Cash and Cash Equivalents and Investments - Continued

Restricted cash and investments at June 30, 2024 consisted of the following:

Restricted for Debt Service	\$	1,248,347
Restricted for Capital Unspent Debt		20,238,812
Restricted for School Lunch		354,999
Restricted for General Fund Reserves		8,702,805
Restricted for Scholarships		244,598
Total		<u>\$ 30,789,561</u>

The School District’s cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the School District’s investment policies. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state.

Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and districts. Investments are stated at fair value.

The School District has few investments (United States Treasury obligations) and chooses to disclose its investments by specifically identifying each. The School District’s investment policy for these investments is also governed by New York State statutes. Investments are stated at fair value.

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The following investments are held by the School District:

<u>Fund</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Type of Investment</u>	<u>Level</u>
General Fund	\$ 1,888,661	\$ 1,895,610	Treasury Bill	(1)
General Fund	5,971,373	5,986,120	Treasury Bill	(1)
Debt Service Fund	927,434	931,780	Treasury Bill	(1)
Miscellaneous Special Revenue Fund	207,476	207,476	Treasury Bill	(1)
Total	<u>\$ 8,994,944</u>	<u>\$ 9,020,986</u>		

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 4 Due From State and Federal Governments

Due from State and Federal Governments consisted of the following, which are stated at net realizable value.

Description	Amount
Title I	\$ 64,206
IDEA	71,090
ESF	222,915
School Lunch	50,788
Excess Cost Aid	437,864
Other	263,986
Total	\$ 1,110,849

Note 5 Interfund Balances and Activity

Interfund balances at June 30, 2024, are as follows:

	Interfund Receivable	Interfund Payable	Interfund Revenues	Interfund Expenditures
Major Funds				
General Fund	\$ 618,838	\$ 494	\$ 6,124	\$ 2,470,004
Capital Projects Renovation Fund	-	24,507	100,000	13,929
Non-Major Governmental Funds	4,917	598,754	2,377,809	-
Total	\$ 623,755	\$ 623,755	\$ 2,483,933	\$ 2,483,933

Interfund receivables and payables are eliminated on the Statement of Net Position.

The School District typically transfers from the General Fund to the Special Aid Fund the School District's share of the cost to accommodate the mandated accounting for the School District's share of expenditures of a Special Aid Fund project and to and from the Debt Service Fund for the payment of long-term debt. The School District also transfers funds from the Capital Reserve in the General Fund to Capital Funds, as needed, to fund capital projects. Periodically, the School District transfers funds as needed to subsidize the School Lunch Fund.

The School District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. All interfund payables are expected to be repaid within one year.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 6 Capital Assets

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

Governmental Activities	Beginning Balance	Additions	Reclassifications, and Disposals	Ending Balance
Capital Assets That Are Not Depreciated				
Land	\$ 308,479	\$ -	\$ -	\$ 308,479
Construction in Progress	5,589,436	10,418,701	(2,238,632)	13,769,505
Total Nondepreciable Historical Cost	<u>5,897,915</u>	<u>10,418,701</u>	<u>(2,238,632)</u>	<u>14,077,984</u>
Capital Assets That Are Depreciated				
Buildings and Improvements	46,475,846	-	2,238,632	48,714,478
Furniture and Equipment	5,573,392	466,189	-	6,039,581
Total Depreciable Historical Cost	<u>52,049,238</u>	<u>466,189</u>	<u>2,238,632</u>	<u>54,754,059</u>
Intangible Lease Assets				
Equipment	295,872	64,082	-	359,954
Total Historical Cost	<u>58,243,025</u>	<u>10,948,972</u>	<u>-</u>	<u>69,191,997</u>
(Less) Accumulated Depreciation				
Buildings and Improvements	(21,307,056)	(1,111,512)	-	(22,418,568)
Furniture and Equipment	(3,653,309)	(377,860)	-	(4,031,169)
Total Accumulated Depreciation	<u>(24,960,365)</u>	<u>(1,489,372)</u>	<u>-</u>	<u>(26,449,737)</u>
(Less) Accumulated Amortization				
Equipment	(141,702)	(91,139)	-	(232,841)
Total Historical Cost, Net	<u>\$ 33,140,958</u>	<u>\$ 9,368,461</u>	<u>\$ -</u>	<u>\$ 42,509,419</u>

Depreciation and amortization expense was charged to governmental functions as follows:

General Support	\$ 68,496
Instruction	1,042,348
Pupil Transportation	460,495
School Lunch Program	<u>9,172</u>
Total	<u>\$ 1,580,511</u>

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 7 Short-Term Debt

The School District may issue revenue anticipation notes (RANs) and tax anticipation notes (TANs), 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 School District did not issue or redeem any RANs or TANs during the year.

The School 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 an insufficient or no provision is 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 School District did not issue or redeem any budget notes during the year.

The School District may issue deficiency notes up to an amount not to exceed 5% of the amount of that same year’s annual budget in any fund or funds arising from revenues being less than the amount estimated in the budget for that fiscal year. The deficiency notes may mature no later than the close of the second fiscal year after the fiscal year in which they were issued, if the notes were authorized and issued after the adoption of the budget for the fiscal year following the year in which they were issued. The School District did not issue or redeem any deficiency notes during the year.

The School District may issue bond anticipation notes (BANs), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date. Such notes may be classified as long-term when (1) the intention is to refinance the debt on a long-term basis; and (2) the intention can be substantiated through a post balance sheet issuance of long-term debt or by an acceptable financing agreement. BAN activity for the year is summarized below:

	Beginning Balance	Issued	Redeemed	Ending Balance
BAN Maturing 12/21/2023 at 4.11%	\$ 294,000	\$ -	\$ (294,000)	\$ -
BAN Maturing 12/21/2024 at 3.65%	-	579,200	-	579,200
BAN Maturing 6/28/2024 at 4.75%	4,816,000	-	(4,816,000)	-
BAN Maturing 7/3/2024 at 4.50%	-	12,600,000	-	12,600,000
BAN Maturing 6/27/2025 at 4.50%	-	22,293,575	-	22,293,575
Total Short-Term Debt	\$ 5,110,000	\$35,472,775	\$ (5,110,000)	\$ 35,472,775

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 7 Short-Term Debt - Continued

Interest expense on short-term debt during the year was comprised of:

Interest Paid	\$	238,896
Premium on BAN Obligations		(196,757)
(Less) Interest Accrued in the Prior Year		(5,567)
Interest Accrued in the Current Year		581,195
Total	\$	<u>617,767</u>

Note 8 Long-Term Debt

At June 30, 2024, the total outstanding indebtedness of the School District represented 102.4% of its statutory debt limit, exclusive of building aids. This was due to the timing of the issuance of the School District's BANs, with the maturing issuance and new issuance overlapping at year end. The School District was under the debt limit on 7/3/2024. Long-term debt is classified as follows:

- Serial Bonds and Statutory Installment Bonds - The School District borrows money in order to acquire land or equipment 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. Statutory Installment Bonds are sometimes issued directly with a financial institution or investor and are not offered for public sale. There are no terms that present additional risk to the School District associated with these direct borrowings or placements.

The following is a summary of the School District's bonds payable for the year ended June 30, 2024:

	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Outstanding June 30, 2024</u>
Serial Bonds				
Building	05/27/2016	06/15/2039	5.00%-5.125%	\$ 460,000
Building	05/27/2016	06/15/2034	5.00%	3,780,000
Building	06/10/2015	06/15/2030	3.00%-5.00%	525,000
Building	06/16/2021	06/15/2036	4.00%-5.00%	1,180,000
Refunding	05/27/2016	06/15/2039	2.00%-5.00%	3,950,000
Total Serial Bonds				<u>9,895,000</u>
Statutory Installment Bonds				
Bus #177	12/30/2020	06/15/2025	2.30%	26,783
Bus #178	12/30/2020	06/15/2025	2.30%	26,783
Bus #179	12/28/2021	06/15/2026	1.60%	110,175
Total Statutory Installment Bonds				<u>163,741</u>
Total				<u>\$ 10,058,741</u>

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 8 Long-Term Debt - Continued

Interest expense on long-term debt during the year was:

Interest Paid	\$ 533,259
(Less) Interest Accrued in the Prior Year	(22,323)
Interest Accrued in the Current Year	20,248
Amortization of Deferred Charges on Defeased Debt	60,194
(Less) Amortization of Bond Premium	<u>(178,933)</u>
Total	<u>\$ 412,445</u>

Interest rates on the serial bonds vary from year to year, in accordance with the interest rates specified in the bond agreements.

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

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Serial Bonds	\$ 11,350,000	\$ -	\$ (1,455,000)	\$ 9,895,000	\$ 670,000
Statutory Installment Bonds	324,402	-	(160,661)	163,741	108,653
Subtotal	11,674,402	-	(1,615,661)	10,058,741	778,653
Premium on Obligations	1,580,914	-	(178,933)	1,401,981	148,840
Total	<u>\$ 13,255,316</u>	<u>\$ -</u>	<u>\$ (1,794,594)</u>	<u>\$ 11,460,722</u>	<u>\$ 927,493</u>

Deferred charges on defeased debt related to the 2016 bond refunding are amortized over the life of the bonds. Bond activity for the year is summarized below:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Deferred Charges on Defeased Debt	\$ 446,223	\$ -	\$ (60,194)	\$ 386,029	\$ 47,824
Total	<u>\$ 446,223</u>	<u>\$ -</u>	<u>\$ (60,194)</u>	<u>\$ 386,029</u>	<u>\$ 47,824</u>

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 8 Long-Term Debt - Continued

The following is a summary of the maturity of long-term indebtedness.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 778,653	\$ 459,680	\$ 1,238,333
2026	750,088	424,819	1,174,907
2027	725,000	389,986	1,114,986
2028	760,000	353,738	1,113,738
2029	800,000	315,736	1,115,736
2030-2034	4,210,000	974,074	5,184,074
2035-2039	2,035,000	202,332	2,237,332
Total	<u>\$ 10,058,741</u>	<u>\$ 3,120,365</u>	<u>\$ 13,179,106</u>

On May 27, 2016, \$7,940,000 in general obligation bonds with variable interest rates ranging from 2.0% to 5.0% were issued to advance refund \$7,925,000 of outstanding bonds, with interest rates ranging from 3.0% to 5.125%. The net proceeds of \$9,054,326 (after payment of fiscal agent fees, original bond premium, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. The outstanding principal on the defeased bonds was \$460,000 at June 30, 2024.

Note 9 Compensated Absences

Compensated absences represent the value of the earned and unused portion of the liability for compensated absences. This liability is liquidated from the General and School Lunch Funds.

Current year activity consists of the following:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Compensated Absences	\$ 660,293	\$136,579	\$ -	\$ 796,872	\$ 247,289
Total	<u>\$ 660,293</u>	<u>\$136,579</u>	<u>\$ -</u>	<u>\$ 796,872</u>	<u>\$ 247,289</u>

Change to long-term compensated absences are reported net, as it is impractical to individually determine the amount of additions and deletions during the fiscal year.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 10* Lease Liabilities**

The School District enters into lease agreements for certain equipment that are considered leases. The School District is not party to any material short term leases, and current leases do not require any variable payments.

At June 30, 2024, the School District reported \$351,085, offset by the accumulated amortization of \$226,206, in intangible lease assets that were not included in the lease liability below.

Lease liabilities as of June 30, 2024 are as follows:

<u>Description of Lease</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Discount Rate</u>	<u>Outstanding June 30, 2024</u>
Postage Machine	8/7/2020	8/1/2025	3%	\$ 2,234
Total				\$ 2,234

Interest paid on lease liabilities totaled \$100.

The following is a summary of maturity of lease liabilities.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,781	\$ 47	\$ 1,828
2026	453	3	456
Total	\$ 2,234	\$ 50	\$ 2,284

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

***Note 11* Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems)**

Plan Descriptions and Benefits Provided

Teachers' Retirement System (TRS) (System)

The School District participates in the New York State Teachers' Retirement System (TRS). This is a cost-sharing multiple-employer public employee retirement system. The System provides retirement benefits as well as death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law (RSSL) of the State of New York. The System is governed by a 10-member Board of Trustees. System benefits are established under New York State Law. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors, and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a state statute. Additional information regarding the System may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, New York 12211-2395 or by referring to the NYSSTR Comprehensive Annual Financial report which can be found on the System's website at www.nystrs.org.

Tier 3 and Tier 4 members are required by law to contribute 3% of salary to the System. Effective October 2000, contributions were eliminated for Tier 3 and 4 members with 10 or more years of service or membership. Effective January 1, 2010, Tier 5 members are required by law to contribute 3.5% of salary throughout their active membership. Effective April 1, 2012, Tier 6 members are required by law to contribute between 3% and 6% of salary throughout their active membership in accordance with a salary based upon salary earned. Pursuant to Article 14 and Article 15 of the New York State Retirement and Social Security Law (RSSL), those member contributions are used to help fund the benefits provided by the System. However, if a member dies or leaves covered employment with less than 5 years of credited service for Tiers 3 and 4, or 10 years of credited service for Tiers 5 and 6, the member contributions with interest calculated at 5% per annum are refunded to the employee or designated beneficiary. Eligible Tier 1 and Tier 2 members may make member contributions under certain conditions pursuant to the provisions of Article 11 of the Education Law and Article 11 of the RSSL. Upon termination of membership, such accumulated member contributions are refunded. At retirement, such accumulated member contributions can be withdrawn or are paid as a life annuity.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 11* Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Plan Descriptions and Benefits Provided - Continued

Employees' Retirement System (ERS) (System)

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

Generally, Tier 3, 4, and 5 members must contribute 3% of their salary to the System. As a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees, with a membership date on or after July 27, 1973, who have ten or more years of membership or credited service with the System, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what was required when membership began. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service.

Summary of Significant Accounting Policies

The Systems' financial statements from which the Systems' fiduciary respective net position is determined are prepared using the accrual basis of accounting. System member contributions are recognized when due and the employer has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Investments are reported at fair value. For detailed information on how investments are valued, please refer to the Systems' annual reports.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 11 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued

Plan Descriptions and Benefits Provided - Continued

Contributions

The School District is required to contribute at an actuarially determined rate. The School District's contributions made to the Systems were equal to 100% of the contributions required for each year. The required contributions for the current year and two preceding years were:

	ERS	TRS
2024	\$ 275,408	\$ 667,669
2023	237,360	608,366
2022	291,362	561,140

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

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

	ERS	TRS
Actuarial Valuation Date	April 1, 2023	June 30, 2022
Net Pension (Asset)/ Liability	\$ 14,724,050,185	\$ 1,143,585,019
School District's Proportionate Share of the Plan's Total Net Pension (Asset)/Liability	1,065,437	401,513
School District's Share of the Net Pension (Asset)/ Liability	0.0072360%	0.035110%

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 11 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued

Pension (Assets)/Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued

For the year ended June 30, 2024, the School District recognized pension expense of \$509,142 for ERS and \$1,111,973 for TRS in the District-wide financial statements. At June 30, 2024, the School District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences Between Expected and Actual Experience	\$ 343,176	\$ 973,562	\$ 29,052	\$ 2,406
Changes of Assumptions	402,818	864,445	-	188,401
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	205,245	520,460	-
Changes in Proportion and Differences Between the School District's Contributions and Proportionate Share of Contributions	112,798	35,221	6,893	104,250
School District's Contributions Subsequent to the Measurement Date	84,731	672,270	-	-
Total	\$ 943,523	\$ 2,750,743	\$ 556,405	\$ 295,057

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

Year Ended	ERS	TRS
2025	\$ (152,458)	\$ 137,397
2026	234,929	(223,888)
2027	326,968	1,603,428
2028	(107,052)	116,952
2029	-	89,266
Thereafter	-	60,261

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 11* Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Actuarial Assumptions

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

Significant actuarial assumptions used in the valuations were as follows:

	<u>ERS</u>	<u>TRS</u>
Measurement Date	March 31, 2024	June 30, 2023
Actuarial Valuation Date	April 1, 2023	June 30, 2022
Investment Rate of Return	5.9%	6.95%
Salary Increases	4.4%	1.95% - 5.18%
Cost of Living Adjustments	1.5%	1.3%
Inflation Rate	2.9%	2.4%

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

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, the actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2015 - June 30, 2020.

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 11 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued

Actuarial Assumptions - Continued

For ERS, the long-term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation. For TRS, long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized as follows.

Measurement Date	ERS	TRS
	March 31, 2024	June 30, 2023
Asset Type		
Domestic Equity	4.00%	6.80%
International Equity	6.65%	7.60%
Global Equity	-	7.20%
Real Estate	4.60%	6.30%
Private Equity	7.25%	10.10%
Opportunistic ARS Portfolio	5.25%	-
Real Assets	5.79%	-
Cash	0.25%	-
Credit	5.40%	-
Domestic Fixed Income	1.50%	2.20%
Global Bonds	-	1.60%
Private Debt	-	6.00%
Real Estate Debt	-	3.20%
High-Yield Bonds	-	4.40%
Cash Equivalents	-	0.30%

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 11 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued

Discount Rate

The discount rate used to calculate the total pension 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 contributions from employers will be made at statutorily required rates, actuarially determined. Based on the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
School District's Proportionate Share of the Net Pension (Asset)/Liability	\$ 3,349,841	\$ 1,065,437	\$ (842,515)

TRS	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
School District's Proportionate Share of the Net Pension (Asset)/Liability	\$ 6,115,243	\$ 401,513	\$ (4,403,982)

Pension Plan Fiduciary Net Position

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

	Dollars in Thousands	
	ERS	TRS
Measurement Date	March 31, 2024	June 30, 2023
Employers' Total Pension Liability	\$ 240,696,851	\$ 138,365,122
Plan Net Position	(225,972,801)	(137,221,537)
Employers' Net Pension (Asset)/Liability	\$ 14,724,050	\$ 1,143,585
Ratio of Plan Net Position to the Employers' Total Pension Liability	93.9%	99.2%

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 11 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31. Accrued retirement contributions as of June 30, 2024 represent the projected employer contribution for the period of April 1, 2023 through June 30, 2024 based on estimated ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2024 amounted to \$84,731.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2024, are paid to the System in September, October, and November 2023 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 \$781,863.

Current Year Activity

The following is a summary of current year activity:

	Beginning Balance	Change	Ending Balance
ERS			
Net Pension (Asset)/Liability	\$ 1,447,129	\$ (381,692)	\$ 1,065,437
Deferred Outflows of Resources	(1,045,160)	101,637	(943,523)
Deferred Inflows of Resources	56,910	499,495	556,405
Subtotal	458,879	219,440	678,319
TRS			
Net Pension (Asset)/Liability	674,570	(273,057)	401,513
Deferred Outflows of Resources	(3,596,649)	845,906	(2,750,743)
Deferred Inflows of Resources	427,584	(132,527)	295,057
Subtotal	(2,494,495)	440,322	(2,054,173)
Total	\$ (2,035,616)	\$ 659,762	\$ (1,375,854)

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 12* Postemployment Benefits Other Than Pensions (OPEB)**

General Information about the OPEB Plan

Plan Description

The School District's defined OPEB plan provides medical benefits to eligible retirees and their spouses in accordance with various employment contracts. The plan is a single-employer defined benefit healthcare plan administered by the School District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the School District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue separate financial statements, because there are no assets legally segregated for the sole purpose of paying benefits under the plan.

Benefits Provided

The School District provides medical and prescription drug benefits for eligible retirees, spouses, and their covered dependents while contributing a portion of the expenses. Benefit terms are dependent of which contract each employee falls under. The specifics of each contract are on file at the School District offices and are available upon request.

Employees Covered by Benefit Terms

At June 30, 2024, the following employees were covered by the benefit terms.

Retirees and Survivors	131
Terminated Vested Employees	-
Active Employees	<u>176</u>
Total	<u>307</u>

Total OPEB Liability

The School District's total OPEB liability of \$51,766,704 was measured as of July 1, 2023 and was determined by an actuarial valuation as of July 1, 2022.

Actuarial Assumptions and Other Inputs

The total OPEB liability as of June 30, 2024 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Long-Term Bond Rate	3.65%
Single Discount Rate	3.65%
Salary Scale	4.25%
Rate of Inflation	2.50%
Dental Trend	4.00%
Vision Trend	2.00%
Marital Assumption	70.00%
Participation Rate	100.00% for Retirees 80.00% for Spouses
Healthcare Cost Trend Rates	7.80% for 2025, decreasing to an ultimate rate of 3.94% for 2093 and later years

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 12* Postemployment Benefits Other Than Pensions (OPEB) - Continued**

Total OPEB Liability - Continued

The long-term bond rate is based on the Bond Buyer Weekly 20-Year Bond GO Index as of the measurement date (or the nearest business day thereto).

The Pub-2010 Mortality Table for employees: sex distinct, job category-specific, headcount weighted, and adjusted for mortality improvements with scale MP-2021 mortality improvement scale on a generational basis.

Rates of decrement due to turnover based on the experience under the New York State Employees' Retirement System (ERS) and the New York State Teachers' Retirement System (TRS). The ERS rates are based on the experience study released by the Retirement Systems Actuary and published in their August 2020 Report. The TRS rates are based on the experience study released by the Office of the Actuary and published in their October 19, 2021 report.

It was assumed that 100% of future retirees eligible for coverage will elect retiree group benefits.

It is assumed that 70% of retirees will be married at the time of their retirement, with the male spouse assumed to be approximately 3 years older than the female.

The annual rate of increase in healthcare costs were developed using the baseline projection of the SOA Long-Run Medical Cost Trend Model (v2022_f4). The short term (first 4 years) trend rates were based on the recent premium rate history for the School District. The long-term (after 4 years) trend rates were based on various assumptions.

The actuarial assumptions used in the July 1, 2022 valuation were consistent with the requirements of GASB Statement No. 75 and Actuarial Standards of Practice (ASOPs).

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 12 Postemployment Benefits Other Than Pensions (OPEB) - Continued

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2023	\$ 50,374,262
Changes for the Year	
Service Cost	1,934,969
Interest Cost	1,825,724
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes in Assumptions or Other Inputs	(898,039)
Benefit Payments	(1,470,212)
Net Change	1,392,442
Balance at June 30, 2024	\$ 51,766,704

Changes of assumptions and other inputs reflect a change in the discount rate from 3.54% for 2023 to 3.65% for 2024.

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

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

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability	\$ 60,818,557	\$ 51,766,704	\$ 44,530,471

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

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

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	\$ 43,212,067	\$ 51,766,704	\$ 62,986,577

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 12 Postemployment Benefits Other Than Pensions (OPEB) - Continued

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

For the year ended June 30, 2024, the School District recognized OPEB expense of \$1,501,040.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 4,053,773
Changes in Assumptions or Other Inputs	3,684,904	4,506,765
Contributions Subsequent to Measurement Date	1,612,759	-
Total	\$ 5,297,663	\$ 8,560,538

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

Fiscal Year Ending June 30,	Amount
2025	\$ (531,757)
2026	(605,348)
2027	(1,309,848)
2028	(1,432,059)
2029	(914,985)
2030 and Thereafter	(81,637)

Current Year Activity

The following is a summary of current year activity:

	Beginning Balance	Change	Ending Balance
OPEB			
Other Postemployment Benefits Liability	\$ 50,374,262	\$ 1,392,442	\$ 51,766,704
Deferred Outflows of Resources	(6,981,575)	1,683,912	(5,297,663)
Deferred Inflows of Resources	11,748,611	(3,188,073)	8,560,538
Total Effect on Net Position	\$ 55,141,298	\$ (111,719)	\$ 55,029,579

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

***Note 13* Commitments and Contingencies**

Risk Financing and Related Insurance

General Information

The School District is exposed to various risks of loss related to, but not limited to, torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

Health Insurance

The School District incurs costs related to an employee health insurance plan (Plan) sponsored by the Broome-Tioga health insurance consortium. The Plan's objectives are to formulate, develop, and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program. Plan members include 18 school districts, with the School District bearing a proportionate share of the Plan's assets and claims liabilities. Plan members are subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, members would be responsible for the Plan's liabilities. Plan financial statements may be obtained from BOCES administrative office at 435 Glenwood Rd., Binghamton, NY 13905.

The Plan uses a reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability of the Plan as direct insurer of the risks reinsured.

The Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

During the year ended June 30, 2024, the Tioga Central School District incurred premiums or contribution expenditures totaling \$3,832,933.

Other Items

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

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 14 Stewardship, Compliance, and Accountability

Deficit Net Position

At June 30, 2024, the District-wide Statement of Net Position had an unrestricted net deficit of (\$50,794,613). This is the result of the requirement to record other postemployment benefit liability with no requirement or mechanism to fund this liability (see Note 12). This deficit is not expected to be eliminated during the normal course of operations.

Deficit Fund Balance

The Capital Project Renovation has a deficit fund balance of (\$13,732,973) at year end. This deficit will be eliminated as short-term debt is redeemed or converted to permanent financing.

Note 15 Fund Balance Detail

At June 30, 2024, nonspendable, restricted and assigned fund balance in the governmental funds was as follows:

	General Fund	Capital Project Renovation Fund	Non-Major Governmental Funds
Nonspendable			
Prepaid Expenses	\$ 531,548	\$ -	\$ -
Inventory	-	-	34,262
Total Nonspendable Fund Balance	\$ 531,548	\$ -	\$ 34,262
Restricted			
Reserve for ERS Contributions	\$ 2,081,551	\$ -	\$ -
Reserve for TRS Contributions	511,023	-	-
Employee Benefit Accrued			
Liability Reserve	261,420	-	-
Capital Reserve	5,848,811	-	-
School Lunch	-	-	391,641
Scholarships	-	-	244,598
Debt	-	-	1,248,347
Total Restricted Fund Balance	\$ 8,702,805	\$ -	\$ 1,884,586
Assigned			
Appropriated for Next Year's Budget	\$ 750,000	\$ -	\$ -
Encumbered for:			
General Support	95,379	-	-
Instruction	55,648	-	-
Pupil Transportation	2,486	-	-
Total Assigned Fund Balance	\$ 903,513	\$ -	\$ -

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 16 General Fund Restricted Fund Balances

Portions of restricted fund balance are reserved and are not available for current expenditures as reported in the Governmental Funds Balance Sheet. Balances and activity for the year ended June 30, 2024 of the General Fund reserves were as follows:

General Fund	Beginning Balance	Additions	Interest Earned	Appropriated	Ending Balance
Reserve for ERS Contributions	\$ 1,236,497	\$ 790,000	\$ 55,054	\$ -	\$ 2,081,551
Reserve for TRS Contributions	365,476	129,690	15,857	-	511,023
Employee Benefit Accrued Liability Reserve	250,660	-	10,760	-	261,420
Capital Reserve	5,267,290	347,000	234,521	-	5,848,811
Total Restricted Fund Balance	\$ 7,119,923	\$ 1,266,690	\$ 316,192	\$ -	\$ 8,702,805

Note 17 Tax Abatements

For the year ended June 30, 2024, property in the School District was subject to property tax abatements negotiated by the Tioga County Industrial Development Agency (TCIDA).

TCIDA enters into PILOT agreements with businesses within Tioga County under New York State GML §858. Economic development agreements entered into by TCIDA can include the abatement of county, local, and school district taxes. In this case, negotiated abatements have resulted in reductions of property taxes, which TCIDA administers as a temporary reduction in the assessed value of the property involved. The abatement agreements generally stipulate a percentage reduction of property taxes, but sometimes stipulate a dollar value reduction in lieu of a percentage reduction.

Information relevant to disclosure of the programs for the year ended June 30, 2024 is as follows:

	Taxable Assessed Value	Combined Tax Rates Per \$1,000	Tax Value	PILOT Received	Taxes Abated
Tioga County Industrial Development Agency					
Tioga Downs	\$ 30,255,835	\$ 42	\$ 1,269,307	\$ 391,479	\$ 877,828
Total PILOT Agreements	\$ 30,255,835		\$ 1,269,307	\$ 391,479	\$ 877,828

Note 18 Reclassification of Major Fund to Non-Major Fund

During the current year, the Special Revenue Fund, which was reported as a major fund in the prior year, has been reclassified as a non-major fund. This change is due to a reduction in the fund's revenues and expenditures. According to the criteria established by GASB Statement No. 34, the fund no longer meets the quantitative thresholds required for classification as a major fund.

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF REVENUES COMPARED TO BUDGET (NON-U.S. GAAP) GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES				
Local Sources				
Real Property Taxes	\$ 3,918,873	\$ 3,473,123	\$ 3,461,936	\$ (11,187)
Other Tax Items	412,028	857,779	845,723	(12,056)
Charges for Services	9,500	9,500	38,146	28,646
Use of Money and Property	2,500	2,500	517,594	515,094
Sale of Property and Compensation for Loss	-	-	18,337	18,337
Miscellaneous	223,251	223,250	218,726	(4,524)
Total Local Sources	<u>4,566,152</u>	<u>4,566,152</u>	<u>5,100,462</u>	<u>534,310</u>
State Sources	16,944,523	16,944,523	17,724,697	780,174
Medicaid Reimbursement	-	-	34,323	34,323
Total Revenues	<u>21,510,675</u>	<u>21,510,675</u>	<u>22,859,482</u>	<u>1,348,807</u>
OTHER FINANCING SOURCES				
Operating Transfers In	-	-	6,124	6,124
Total Revenues and Other Financing Sources	<u>21,510,675</u>	<u>21,510,675</u>	<u>\$ 22,865,606</u>	<u>\$ 1,354,931</u>
Appropriated Fund Balance	400,000	400,000		
Appropriated Reserves	-	-		
Designated Fund Balance and Encumbrances Carried Forward from Prior Year	47,272	47,272		
Total Revenues, Appropriated Reserves, and Designated Fund Balance	<u>\$ 21,957,947</u>	<u>\$ 21,957,947</u>		

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-U.S. GAAP) GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
EXPENDITURES					
General Support					
Board of Education	\$ 19,368	\$ 19,417	\$ 15,343	\$ -	\$ 4,074
Central Administration	190,028	190,028	186,898	-	3,130
Finance	486,254	528,774	525,392	850	2,532
Staff	18,150	40,150	37,044	-	3,106
Central Services	1,957,215	2,038,405	1,773,829	94,529	170,047
Special Items	156,095	153,995	152,103	-	1,892
Total General Support	2,827,110	2,970,769	2,690,609	95,379	184,781
Instruction					
Instruction, Administration, and Improvement	536,383	558,281	553,184	-	5,097
Teaching - Regular School	5,163,890	5,160,141	5,004,574	25,913	129,654
Programs for Students With Disabilities	2,181,685	1,910,179	1,645,676	1,080	263,423
Occupational Education	416,201	416,201	416,201	-	-
Teaching - Special School	8,050	-	-	-	-
Instructional Media	221,230	261,552	229,811	17,670	14,071
Pupil Services	940,949	1,028,527	958,363	10,985	59,179
Total Instruction	9,468,388	9,334,881	8,807,809	55,648	471,424
Pupil Transportation	1,172,235	1,278,828	1,141,770	2,486	134,572
Community Services	3,000	3,000	616	-	2,384
Employee Benefits	5,778,695	5,594,039	5,311,888	-	282,151
Debt Service					
Principal	219,459	285,271	285,271	-	-
Interest	16,471	16,570	16,570	-	-
Total Debt Service	235,930	301,841	301,841	-	-
Total Expenditures	19,485,358	19,483,358	18,254,533	153,513	1,075,312
OTHER FINANCING USES					
Operating Transfers Out	2,472,589	2,474,589	2,470,004	-	4,585
Total Expenditures and Other Financing Uses	\$ 21,957,947	\$ 21,957,947	20,724,537	\$ 153,513	\$ 1,079,897
Net Change in Fund Balance			2,141,069		
Fund Balance - Beginning of Year			8,955,300		
Fund Balance - End of Year			\$ 11,096,369		

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS NYSLRS PENSION PLAN FOR THE LAST 10 FISCAL YEARS

	<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>	<u>2015</u>
Contractually Required Contribution	\$ 275,408	\$ 237,360	\$ 291,362	\$ 248,090	\$ 221,829	\$ 224,217	\$ 223,617	\$ 234,420	\$ 257,975	\$ 281,863
Contributions in Relation to the Contractually Required Contribution	(275,408)	(237,360)	(291,362)	(248,090)	(221,829)	(224,217)	(223,617)	(234,420)	(257,975)	(281,863)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
School District's Covered Payroll	2,269,920	2,182,470	1,828,053	1,791,679	1,629,661	1,578,420	1,537,150	1,550,455	1,506,778	1,510,236
Contributions as a Percentage of Covered Payroll	12.1%	10.9%	15.9%	13.8%	13.6%	14.2%	14.5%	15.1%	17.1%	18.7%

SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS NYSTRS PENSION PLAN FOR THE LAST 10 FISCAL YEARS

	<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>	<u>2015</u>
Contractually Required Contribution	672,270	\$ 667,669	\$ 608,366	\$ 561,140	\$ 532,846	\$ 628,824	\$ 539,877	\$ 609,729	\$ 670,185	\$ 860,426
Contributions in Relation to the Contractually Required Contribution	(672,270)	(667,669)	(608,366)	(561,140)	(532,846)	(628,824)	(539,877)	(609,729)	(670,185)	(860,426)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
School District's Covered Payroll	6,888,012	6,488,523	6,207,816	5,888,143	6,014,063	5,921,130	5,508,949	5,202,466	5,054,186	4,908,306
Contributions as a Percentage of Covered Payroll	9.8%	10.3%	9.8%	9.5%	8.9%	10.6%	9.8%	11.7%	13.3%	17.5%

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET)/LIABILITY NYSLRS PENSION PLAN FOR THE YEARS ENDED JUNE 30,

	<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>	<u>2015</u>
School District's Proportion of the Net Pension (Asset)/Liability	0.0072360%	0.0067484%	0.0058823%	0.0054203%	0.0051149%	0.0050910%	0.0053390%	0.0052690%	0.0056690%	0.0032710%
School District's Proportionate Share of the Net Pension (Asset)/Liability	\$ 1,065,437	\$ 1,447,129	\$ (480,855)	\$ 5,397	\$ 1,354,446	\$ 360,703	\$ 172,322	\$ 495,081	\$ 909,893	\$ 199,537
School District's Covered Payroll During the Measurement Period	2,235,109	2,159,149	1,812,895	1,791,679	1,614,725	1,571,293	1,525,400	1,542,119	1,494,997	1,515,316
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Payroll	47.67%	67.02%	(26.52%)	0.3%	83.9%	23.0%	11.3%	32.1%	60.9%	13.2%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.9%	90.8%	103.7%	99.9%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%
The Following is a Summary of Changes of Assumptions										
Inflation	2.90%	2.90%	2.70%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.70%
Salary Increases	4.40%	4.40%	4.40%	4.50%	4.20%	3.80%	3.80%	3.80%	3.80%	4.90%
Cost of Living Adjustments	1.50%	1.50%	1.40%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.40%
Investment Rate of Return	5.90%	5.90%	5.90%	6.80%	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%
Discount Rate	5.90%	5.90%	5.90%	6.80%	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%
Society of Actuaries' Mortality Scale	MP-2021	MP-2021	MP-2020	MP-2019	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014	MP-2014

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET)/LIABILITY NYSTRS PENSION PLAN FOR THE YEARS ENDED JUNE 30,

	<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>	<u>2015</u>
School District's Proportion of the Net Pension (Asset)/Liability	0.035110%	0.035154%	0.033893%	0.035555%	0.034405%	0.033974%	0.032939%	0.032776%	0.032676%	0.016891%
School District's Proportionate Share of the Net Pension (Asset)/Liability	\$ 401,513	\$ 674,570	\$ (5,873,303)	\$ 982,483	\$ (893,850)	\$ (614,340)	\$ (250,372)	\$ 351,035	\$ (3,393,946)	\$ (3,627,338)
School District's Covered Payroll During the Measurement Period	6,488,523	6,207,816	5,888,143	6,014,063	5,921,130	5,508,949	5,202,466	5,054,186	4,908,306	4,810,093
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Payroll	6.2%	10.9%	(99.7)%	16.3%	(15.1)%	(11.2)%	(4.8)%	6.9%	(69.1)%	(75.4)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.2%	98.6%	113.2%	97.8%	(102.2)%	(101.5)%	(100.7)%	99.0%	(110.5)%	(111.5)%
The Following is a Summary of Changes of Assumptions										
Inflation	2.40%	2.40%	2.20%	2.20%	2.25%	2.50%	2.50%	3.00%	3.00%	3.00%
Salary Increases	1.95% - 5.18%	1.95% - 5.18%	1.90% - 4.72%	1.90% - 4.72%	1.90% - 4.72%	1.90% - 4.72%	1.90% - 4.72%	4.0% - 10.9%	4.0% - 10.9%	4.0% - 10.9%
Cost of Living Adjustments	1.30%	1.30%	1.30%	1.30%	1.50%	1.50%	1.50%	1.63%	1.63%	1.63%
Investment Rate of Return	6.95%	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%	8.00%	8.00%
Discount Rate	6.95%	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%	8.00%	8.00%
Society of Actuaries' Mortality Scale	MP-2021	MP-2020	MP-2019	MP-2018	MP-2014	MP-2014	MP-2014	AA	AA	AA

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE SCHOOL DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE LAST 10 FISCAL YEARS

	<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>	<u>2015</u>
Service Cost	\$ 1,934,969	\$ 2,147,575	\$ 2,162,680	\$ 1,495,577	\$ 1,503,600	\$ 1,627,269	\$ 2,060,542	\$ *	\$ *	\$ *
Interest Cost	1,825,724	1,249,867	1,232,387	1,713,574	1,800,092	2,061,381	1,794,107	*	*	*
Changes of Benefit Terms	-	-	-	-	-	(141,080)	-	*	*	*
Differences Between Expected and Actual Experience	-	(3,195,119)	-	(5,444,440)	-	(9,501,223)	-	*	*	*
Changes in Assumptions or Other Inputs	(898,039)	(5,372,963)	662,406	9,772,094	539,361	(3,306,101)	(7,792,746)	*	*	*
Benefit Payments	<u>(1,470,212)</u>	<u>(1,425,043)</u>	<u>(1,377,917)</u>	<u>(1,420,208)</u>	<u>(1,359,375)</u>	<u>(1,366,889)</u>	<u>(1,271,079)</u>	*	*	*
	1,392,442	(6,595,683)	2,679,556	6,116,597	2,483,678	(10,626,643)	(5,209,176)	*	*	*
Total OPEB Liability - Beginning of Year	<u>50,374,262</u>	<u>56,969,945</u>	<u>54,290,389</u>	<u>48,173,792</u>	<u>45,690,114</u>	<u>56,316,757</u>	<u>61,526,133</u>	*	*	*
Total OPEB Liability - End of Year	<u>\$ 51,766,704</u>	<u>\$ 50,374,262</u>	<u>\$ 56,969,945</u>	<u>\$ 54,290,389</u>	<u>\$ 48,173,792</u>	<u>\$ 45,690,114</u>	<u>\$ 56,316,957</u>	<u>\$ 61,526,133</u>	<u>\$ *</u>	<u>\$ *</u>
Covered Employee Payroll	\$ 9,064,582	\$ 8,900,000	\$ 8,043,000	\$ 8,300,000	\$ 7,800,000	\$ 7,500,000	\$ 6,450,000	\$ *	\$ *	\$ *
Total OPEB Liability as a Percentage of Covered Payroll	571%	566%	708%	654%	618%	609%	873%	*	*	*
The Following is a Summary of Changes of Assumptions										
Healthcare Cost Trend Rates	7.80% - 3.94%	7.80% - 3.94%	6.50% - 4.04%	6.50% - 4.04%	7.00% - 4.13%	7.00% - 4.13%	7.20% - 3.94%			
Salary Increases	4.25%	4.25%	4.25%	4.25%	3.50%	4.25%	4.25%			
Discount Rate	3.65%	3.54%	2.14%	2.21%	3.50%	3.87%	3.60%			
Society of Actuaries' Mortality Scale	MP-2021	MP-2021	MP-2020	MP-2020	MP-2018	MP-2018	MP-2017			

* Information for Periods Prior to Implementation of GASB Statement No. 75 is Unavailable
and Will be Completed for Each Year Going Forward as it Becomes Available.

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2024

***Note 1* Budgetary Procedures and Budgetary Accounting**

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

Appropriations are adopted at the program line level. Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances), which may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted.

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

Annual legal budgets are not adopted for the Special Revenue Funds (Special Aid, School Lunch, and Miscellaneous Special Revenue). Budgetary controls for the Special Aid Fund are established in accordance with the applicable grant agreements. Special Aid grants may also cover a period other than the School District's fiscal year. Budgetary controls for School Lunch Fund are established internally.

***Note 2* Reconciliation of the General Fund Budget Basis to U.S. GAAP**

No adjustment is necessary to convert excess of revenues and other sources over expenditures and other uses on the U.S GAAP basis to the budget basis, as there were no encumbrances added to the actual expenditures recorded in the budgetary comparison schedules.

***Note 3* Schedules of School District Contributions - NYSLRS and NYSTRS Pension Plan and Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability**

NYSLRS

Changes in Benefit Terms

None.

NYSTRS

Changes in Benefit Terms

Effective with the 2023 actuarial valuation, the following plan change was effective: Chapter 720 on the Laws of 2022 changed the age at which reduction in the ordinary death benefit commenced to age 62 for members with a date of membership prior to April 1, 2012 (before it was 61), and to age 63 for members with a date of membership on or after April 1, 2012 (before it was 61). The post-retirement death benefit has been increased as well.

TIOGA CENTRAL SCHOOL DISTRICT

BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS JUNE 30, 2024

	Special Revenue Funds				Capital Projects Fund Buses	Total Non-Major Governmental Funds
	Debt Service Fund	School Lunch Fund	Miscellaneous Special Revenue Fund	Special Aid Fund		
ASSETS						
Cash and Cash Equivalents - Unrestricted	\$ -	\$ -	\$ -	\$ 17,228	\$ 7,804	\$ 25,032
Cash and Cash Equivalents - Restricted	311,660	354,999	37,122	-	118,417	822,198
Investments - Restricted	931,780	-	207,476	-	-	1,139,256
Due From Other Funds	4,907	10	-	-	-	4,917
Due From State and Federal Governments	-	50,788	-	622,197	-	672,985
Other Receivables	-	4	-	-	-	4
Inventories	-	34,262	-	-	-	34,262
Total Assets	\$ 1,248,347	\$ 440,063	\$ 244,598	\$ 639,425	\$ 126,221	\$ 2,698,654
LIABILITIES						
Accounts Payable	\$ -	\$ 6,325	\$ -	\$ 40,071	\$ -	\$ 46,396
Accrued Liabilities	-	1,948	-	-	-	1,948
Due to Other Funds	-	-	-	598,754	-	598,754
Due to Other Governments	-	320	-	-	-	320
Bond Anticipation Notes Payable	-	-	-	-	579,200	579,200
Unearned Revenues	-	5,567	-	600	-	6,167
Total Liabilities	-	14,160	-	639,425	579,200	1,232,785
FUND BALANCES						
Nonspendable	-	34,262	-	-	-	34,262
Restricted	1,248,347	391,641	244,598	-	-	1,884,586
Unassigned	-	-	-	-	(452,979)	(452,979)
Total Fund Balances	1,248,347	425,903	244,598	-	(452,979)	1,465,869
Total Liabilities and Fund Balances	\$ 1,248,347	\$ 440,063	\$ 244,598	\$ 639,425	\$ 126,221	\$ 2,698,654

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE NON-MAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	Special Revenue Funds				Capital Projects Fund Buses	Total Non-Major Governmental Funds
	Debt Service Fund	School Lunch Fund	Miscellaneous Special Revenue Fund	Special Aid Fund		
REVENUES						
Use of Money and Property	\$ 260,807	\$ 6,315	\$ 7,578	\$ -	\$ -	\$ 274,700
Miscellaneous	-	-	25,277	2,200	-	27,477
State Sources	-	282,441	-	482,708	-	765,149
Federal Sources	-	687,350	-	1,596,330	-	2,283,680
Sales - School Lunch	-	50,199	-	-	-	50,199
Total Revenues	260,807	1,026,305	32,855	2,081,238	-	3,401,205
EXPENDITURES						
General Support	-	-	-	27,893	-	27,893
Instruction	-	409,785	30,271	1,650,219	-	2,090,275
Pupil transportation	-	-	-	39,492	-	39,492
Employee Benefits	-	87,395	-	322,811	-	410,206
Debt Service						
Principal	1,685,000	-	-	-	-	1,685,000
Interest	755,585	-	-	-	-	755,585
Cost of Sales	-	439,033	-	-	-	439,033
Capital Outlay	-	-	-	-	308,626	308,626
Total Expenditures	2,440,585	936,213	30,271	2,040,415	308,626	5,756,110
Excess (Deficiency) of Revenues Over Expenditures	(2,179,778)	90,092	2,584	40,823	(308,626)	(2,354,905)
OTHER FINANCING SOURCES AND (USES)						
Premium on Obligations	196,757	-	-	-	-	196,757
Operating Transfers In	2,370,394	10	-	7,405	-	2,377,809
Total Other Sources (Uses)	2,567,151	10	-	7,405	-	2,574,566
Net Change in Fund Balances	387,373	90,102	2,584	48,228	(308,626)	219,661
Fund Balances (Deficit) - Beginning of Year, as Previously Presented	860,974	335,801	242,014	-	(144,353)	1,294,436
Change Within Financial Reporting Entity (Major to Non-Major Fund)	-	-	-	(48,228)	-	(48,228)
Fund Balances (Deficit) - Beginning of Year, as Adjusted	860,974	335,801	242,014	(48,228)	(144,353)	1,246,208
Fund Balances (Deficit) - End of Year	\$ 1,248,347	\$ 425,903	\$ 244,598	\$ -	\$ (452,979)	\$ 1,465,869

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET AND THE REAL PROPERTY TAX LIMIT FOR THE YEAR ENDED JUNE 30, 2024

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted Budget	\$ 21,910,675
Prior Year's Encumbrances	<u>47,272</u>
Original Budget	<u>21,957,947</u>
Final Budget	<u>21,957,947</u>

§1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

Next Year's Budget is a Voter Approved Budget	<u>\$ 23,993,367</u>
Maximum Allowed (4% of the 2024-2025 Budget)	<u>\$ 959,735</u>

General Fund Fund Balance Subject to §1318 of Real Property Tax Law

Unrestricted Fund Balance

Assigned Fund Balance	\$ 903,513
Unassigned Fund Balance	<u>958,503</u>
Total Unrestricted Fund Balance	<u>1,862,016</u>

(Less):

Appropriated Fund Balance	\$ 750,000
Encumbrances Included in Committed and Assigned Fund Balance	<u>153,513</u>
Total Adjustments	<u>903,513</u>

General Fund Fund Balance Subject to §1318 of Real Property Tax Law	<u>\$ 958,503</u>
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Actual Percentage	3.99%
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TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF PROJECT EXPENDITURES CAPITAL PROJECTS FUND FOR THE YEAR ENDED JUNE 30, 2024

PROJECT TITLE	Original Budget	Revised Budget	Expenditures				Unexpended Balance	Methods of Financing				Fund Balance (Deficit) June 30, 2024
			Prior Years	Current Year	Transfer to General Fund	Total		Proceeds of Obligations	Federal/State Aid	Local Sources	Total	
SMART Schools Investment Plan	\$ 150,000	\$ 150,000	\$ 152,040	\$ -	\$ -	\$ 152,040	\$ (2,040)	\$ -	\$ 142,440	\$ -	\$ 142,440	\$ (9,600) *
\$100K Project J0007-028	100,000	94,548	-	94,548	5,452	100,000	(5,452)	-	-	100,000	100,000	-
2021 \$18.6M Project A0007	-	18,390,911	1,427,224	7,445,254	-	8,872,478	9,518,433	27,345,264	-	602,360	27,947,624	19,075,146 *
2021 \$18.6M Project A0007-022	-	2,116,664	1,868,422	22,540	-	1,890,962	225,702	1,890,962	-	-	1,890,962	- *
Emergency Cap Project K-12 C0007	460,000	460,000	346,998	-	672	347,670	112,330	-	-	347,670	347,670	- *
ARP Project HVAC E0007-023	964,559	964,559	916,331	48,228	-	964,559	-	-	964,559	-	964,559	- *
Turf Track Project K-12 I0007-027	580,590	3,182,190	1,247,812	2,804,579	-	4,052,391	(870,201)	5,700,000	-	400,000	6,100,000	2,047,609 *
2024 Capital Project 0007-029	-	-	-	3,549	-	3,549	(3,549)	-	-	-	-	(3,549) *
Bus Purchases	351,805	485,843	144,352	308,626	7,805	460,783	25,060	579,200	-	58,800	638,000	177,217
GASB 87 -Leases	64,082	64,082	-	64,082	-	64,082	-	64,082	-	-	64,082	-
Subtotal	2,671,036	25,908,797	6,103,179	10,791,406	13,929	16,908,514	9,000,283	35,579,508	1,106,999	1,508,830	38,195,337	21,286,823
Unredeemed BANs - Buses	-	-	-	-	-	-	-	(579,200)	-	-	(579,200)	(579,200)
Unredeemed BANs - Capital Projects	-	-	-	-	-	-	-	(34,893,575)	-	-	(34,893,575)	(34,893,575)
Total	\$2,671,036	\$25,908,797	\$6,103,179	\$ 10,791,406	\$ 13,929	\$ 16,908,514	\$ 9,000,283	\$ 106,733	\$ 1,106,999	\$ 1,508,830	\$ 2,722,562	\$ (14,185,952)

*Architectural and State Approved Budget Modifications for Subproject Reallocations
Not Yet Finalized and Were Available at this Report Date.

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF NET INVESTMENT IN CAPITAL ASSETS JUNE 30, 2024

Capital Assets, Net	<u>\$ 42,509,419</u>
Add:	
Amounts Deferred on Refunding	386,029
Unspent Bond Proceeds	<u>20,238,812</u>
(Deduct):	
Bond Anticipation Notes	<u>(35,472,775)</u>
Payables for Capital Projects	<u>(534,301)</u>
Premium on Bonds	<u>(1,401,981)</u>
Short-Term Portion of Lease Liabilities	<u>(1,781)</u>
Long-Term Portion of Lease Liabilities	<u>(453)</u>
Short-Term Portion of Bonds Payable, Before Deferred Amounts	<u>(778,653)</u>
Long-Term Portion of Bonds Payable, Before Deferred Amounts	<u>(9,280,088)</u>
 Net Investment in Capital Assets	 <u><u>\$ 15,664,228</u></u>

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

Board of Education
Tioga Central School District
Tioga Center, New York

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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Tioga Central School District (the School District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated September 19, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Respectfully submitted,



Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
September 19, 2024

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY UNIFORM GUIDANCE**

Board of Education
Tioga Central School District
Tioga Center, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Tioga Central School District (the School District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2024. The School District's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' 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 School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 School 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 School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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 Auditors' 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
September 19, 2024

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2024

Federal Grantor/Pass - Through Grantor Program Title	Federal ALN #	Pass - Through Grantor #	Expenditures to Subrecipients	Expenditures
U.S. Department of Education				
Passed Through NYS Department of Education:				
Title I Grants to Local Educational Agencies	84.010	0021243355	\$ -	\$ 312,946
Rural and Low-Income School Program	84.358B	0006243355	-	26,871
Supporting Effective Instruction State Grants	84.367	0147224355	-	34,971
Student Support and Academic Enrichment Grants	84.424	0204224355	-	19,851
Education Stabilization Fund (ESF)				
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	5880213355	-	413,201
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	5882213355	-	85,233
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	5883213355	-	59,886
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	5884213355	-	339,928
(COVID-19) Elementary and Secondary School Emergency Relief Fund	84.425D	5891213355	-	37,423
Total ESF			-	935,671
Special Education Cluster:				
Special Education - Grants to States	84.027	0032240979	-	254,468
(COVID-19) ARP - Special Education - Grants to States	84.027X	5532220979	-	2,071
Special Education - Preschool Grants	84.173	0033240979	-	9,481
Total Special Education Cluster			-	266,020
Total U.S. Department of Education			-	1,596,330
U.S. Department of Agriculture				
Passed Through NYS Department of Education:				
Child Nutrition Cluster:				
National School Lunch	10.555	(1)	-	457,231
School Breakfast Program	10.553	(1)	-	173,127
Summer Food Service Program	10.559	(1)	-	17,005
Total Child Nutrition Cluster			-	647,363
(COVID-19) Supply Chain Assistance	10.649	(1)	-	28,177
Local Food for Schools Cooperative Agreement Program	10.185	(1)	-	11,810
Total U.S. Department of Agriculture			-	687,350
Total Expenditures of Federal Awards			\$ -	\$ 2,283,680

(1) Unknown

See Notes to Schedule of Expenditures of Federal Awards

TIOGA CENTRAL SCHOOL DISTRICT

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

Note 1 **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs administered by the School District, an entity as defined in Note 1 to the School District's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through from other government agencies, are included on the Schedule of Expenditures of Federal Awards.

Note 2 **Basis of Accounting**

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program. The information is presented in accordance with the requirements of Uniform Guidance, *Audits of State and Local Governments*, and *Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, preparation of the financial statements.

Note 3 **Indirect Costs**

Indirect costs are included in the reported expenditures to the extent they are included in the federal financial reports used as the source for the data presented. The School District has elected not to use the 10% de minimis indirect cost rate.

Note 4 **Matching Costs**

Matching costs, such as the School District's share of certain program costs, are not included in the reported expenditures.

Note 5 **Non-Monetary Federal Program**

The School District is the recipient of a federal award program that does not result in cash receipts or disbursements termed a "non-monetary program." During the year ended June 30, 2024, the Tioga Central School District received \$48,185 worth of commodities under the National School Lunch Program (ALN #10.555).

Note 6 **Other Disclosures**

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value and is covered by the School District's casualty insurance policies. There were no loans or loan guarantees outstanding at year end. No amounts were provided to subrecipients.

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2024

Section I Summary of Auditors' Results

Financial Statements

Type of Auditors' Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material Weakness(es) Identified? Yes X No

Significant Deficiency(ies) Identified that are not
Considered to be Material Weakness(es)? Yes X None Reported

Noncompliance Material to Financial Statements Noted? Yes X No

Federal Awards

Internal Control Over Major Programs:

Material Weakness(es) Identified? Yes X No

Significant Deficiency(ies) Identified that are not
Considered to be Material Weakness(es)? Yes X None Reported

Type of Auditors' 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>ALN Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B Programs: \$ 750,000

Auditee qualified as low-risk? Yes X No

Section II Financial Statement Findings None.

Section III Federal Award Findings and Questioned Costs None.