TIOGA CENTRAL SCHOOL DISTRICT

Tioga Center, New York

FINANCIAL REPORT

For the Year Ended
June 30, 2025

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Certified Public Accountants

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, 2025, 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, 2025, 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.

Emphasis of Matter

During the year ended June 30, 2025, the School District implemented GASB Statement No. 101, "Compensated Absences." As discussed in Note 19 to the financial statements, fund balance in the General Fund, and governmental activities net position as of June 30, 2024 were restated to reflect this change in accounting principle. Our opinion is not modified with respect to this matter.

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; and the Schedule of Net Investment in Capital Assets (supplementary information); 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2025, 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,

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
September 23, 2025

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, 2025. 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.

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.

Figure 1

Condensed Statement of Net Position	Governmental Activities and Total School District		Total Dollar Change
	2025	2024	
Current Assets	$ 5,950,603	$ 26,146,166	$ (20,195,563)
Noncurrent Assets	11,933,405	10,195,750	1,737,655
Capital Assets, Net	50,273,117	42,509,419	7,763,698
Total Assets	68,157,125	78,851,335	(10,694,210)
Total Deferred Outflows of Resources	7,005,477	9,377,958	(2,372,481)
Current Liabilities	9,357,420	38,796,079	(29,438,659)
Noncurrent Liabilities	81,218,697	64,708,177	16,510,520
Total Liabilities	90,576,117	103,504,256	(12,928,139)
Total Deferred Inflows of Resources	8,837,603	9,412,000	(574,397)
Net Investment in Capital Assets	16,222,784	15,664,228	558,556
Restricted	11,294,666	10,587,391	707,275
Unrestricted	(51,768,568)	(50,938,582)	(829,986)
Total Net Position (Deficit)	$ (24,251,118)	$ (24,686,963)	$ 435,845

Significant changes from prior year are as follows:

- Net position as of June 30, 2024 was restated to reflect a change in accounting principle for implementation of GASB Statement No. 101 "Compensated Absences." See Note 19 for additional information.

- Current assets decreased as a result of reduction in restricted cash as a result of the timing of BAN issuances in the prior year.

- Noncurrent assets increased based on Board and voter approved increases in General Fund reserves. Additionally, due to a conversion of the NYSTRS net pension liability in the prior year to a net pension asset in the current year.

- 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).

- Current liabilities decreased and noncurrent liabilities increased based on the conversion of short-term financing to long-term financing, as well as the timing of BAN issuances in the prior year within current liabilities.

- Capital assets increased because capital outlay exceeded depreciation/amortization expense.

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

Figure 2

Changes in Net Position	Governmental Activities and Total School District		Total Dollar Change
	2025	2024	
REVENUES			
Program Revenues:			
Charges for Services	**$ 120,949**	$ 122,668	$ (1,719)
Operating Grants	**3,381,033**	4,051,848	(670,815)
Capital Grants	**-**	48,228	(48,228)
General Revenues:			
Real Property Taxes	**3,554,427**	3,461,936	92,491
Real Property Tax Items	**936,663**	845,723	90,940
State Sources	**18,024,354**	16,693,768	1,330,586
Use of Money and Property	**506,001**	531,487	(25,486)
Other General Revenues	**471,799**	505,029	(33,230)
Total Revenues	**$ 26,995,226**	**$ 26,260,687**	**$ 734,539**
PROGRAM EXPENSES			
General Support	**$ 4,152,808**	$ 3,387,934	$ 764,874
Instruction	**17,712,193**	16,614,423	1,097,770
Pupil Transportation	**2,318,561**	2,090,862	227,699
Community Services	**-**	9,788	(9,788)
School Lunch Program	**972,402**	941,400	31,002
Interest on Debt	**1,403,417**	1,030,212	373,205
Total Expenses	**$ 26,559,381**	**$ 24,074,619**	**$ 2,484,762**
CHANGE IN NET POSITION	**$ 435,845**	**$ 2,186,068**	**$ (1,750,223)**

Significant changes from prior year are as follows:

- An increase in State Aid Basic Aid and Lottery Aid contributed to increased State Sources.
- The ending of the Education Stabilization Fund life cycle resulted in a decrease in both operating and capital grants.
- Total expenses increased due to a net increase in the School District's OPEB liability and related deferred inflows and outflows of resources.

The prior period information presented in the MD&A for the fiscal year 2024 is not consistent with the information presented for 2025 due to the change in accounting principle associated with the School District's adoption of GASB Statement No. 101.

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 increased 1,229.8%. The change is primarily due to less short-term financing within the Capital Projects Fund in the current year compared to prior year.

Figure 3

Governmental Fund Balances	*2025*	*2024*	*Total Dollar Change*
Major Funds:			
General Fund	**$ 11,935,316**	$ 11,343,658	$ 591,658
Debt Service Fund	**1,270,948**	1,248,347	22,601
Capital Project Fund - Renovation	**(2,684,759)**	(13,732,973)	11,048,214
Capital Project Fund - Buses	**(826,600)**	(452,979)	(373,621)
Non-Major Governmental Funds	**737,936**	670,501	67,435
Total Governmental Funds	**$ 10,432,841**	**$ (923,446)**	**$ 11,356,287**

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 $1,179,066 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 $474,193. This is primarily due to lower than expected costs related to general support and instructional programs, as well as employee benefits.

Figure 4

Condensed Budgetary Comparison General Fund - 2025	Original Budget	Final Budget	Actual w/ Encumbrances	Favorable (Unfavorable) Variance
REVENUES				
Real Property Taxes	$ 3,983,053	$ 3,566,836	$ 3,554,427	$ (12,409)
Other Tax Items	460,443	876,660	936,663	60,003
State Sources	18,653,871	18,653,871	19,148,322	494,451
Other, Including Financing Sources	146,000	146,000	783,021	637,021
Total Revenues and Other Financing Sources	**$ 23,243,367**	**$ 23,243,367**	**$ 24,422,433**	**$ 1,179,066**
Appropriated Fund Balances and Reserves	**$ 750,000**	**$ 997,427**		
Encumbrances	**$ 153,513**	**$ 153,513**		
EXPENDITURES				
General Support	$ 3,191,780	$ 3,315,808	$ 3,180,424	$ 135,384
Instruction	9,935,060	9,694,830	9,519,977	174,853
Pupil Transportation	1,239,437	1,329,437	1,260,006	69,431
Community Service	13,000	3,000	-	3,000
Employee Benefits	6,094,742	6,080,379	5,988,917	91,462
Debt Service	268,209	296,915	296,914	1
Other Financing Uses	3,404,652	3,673,938	3,673,876	62
Total Expenditures and Other Financing (Uses)	**$ 24,146,880**	**$ 24,394,307**	**$ 23,920,114**	**$ 474,193**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2025, the School District had invested in a broad range of capital assets totaling $77,615,898, offset by accumulated depreciation of $27,444,419. In addition, the School District reported intangible lease assets of $386,832 offset by accumulated amortization of $285,194. *Figure 5* shows the changes in the School District's capital assets.

Figure 5

Changes in Capital Assets	Governmental Activities and Total School District		Total Dollar Change
	2025	2024	
Land	**$ 308,479**	$ 308,479	$ -
Construction in Progress	**17,359,271**	13,769,505	3,589,766
Buildings and Improvements, Net	**30,181,703**	26,295,910	3,885,793
Equipment, Net	**2,322,026**	2,008,412	313,614
Intangible Lease Assets, Net	**101,638**	127,113	(25,475)
Total	**$ 50,273,117**	**$ 42,509,419**	**$ 7,763,698**

Capital asset activity for the year ended June 30, 2025 included the following:

Construction in Progress	$ 8,806,566
Buses	526,483
Equipment	188,512
Intangible Lease Asset	26,878
Total Additions	9,548,439
Loss on Disposal	(18,092)
Less: Depreciation Expense	(1,714,296)
Less: Amortization Expense	(52,353)
Net Increase in Capital Assets	**$ 7,763,698**

Debt Administration

Figure 6 shows the changes in the School District's outstanding debt, including its lease liabilities. Total indebtedness represented 65.5% 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

Outstanding Debt	*Governmental Activities and Total School District*		*Total Dollar Change*
	2025	*2024*	
Bond Anticipation Notes	**$ 4,756,600**	$ 35,472,775	$ (30,716,175)
Serial Bonds	**25,645,000**	9,895,000	15,750,000
Statutory Installment Bonds	**55,088**	163,741	(108,653)
Premium on Obligations	**2,618,960**	1,401,981	1,216,979
Lease Liabilities	**453**	2,234	(1,781)
Total	**$ 33,076,101**	**$ 46,935,731**	**$ (13,859,630)**

Moody's Rating Committee assigned an A1 rating on the 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 the 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.

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 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 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 PILOTs with Solar Fields being built on land within the borders of the district. See above for PILOT impacts to the tax levy limit.

- The School District has experienced, and expects to experience for the foreseeable future, double digit percentage increases to the cost of health insurance. The rising costs associated with health care will certainly have an impact on Tioga's annual budget, and the long-term sustainability of the cost increases is being reviewed.

- 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 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, 2025

ASSETS	
Current Assets	
Cash and Cash Equivalents - Unrestricted	$ 2,064,413
Cash and Cash Equivalents - Restricted	162,222
Investments - Restricted	222,247
Due From State and Federal Governments	2,349,766
Due From Other Governments	456,940
Other Receivables	76,446
Inventories	34,339
Prepaid Expenses	584,230
Total Current Assets	5,950,603
Noncurrent Assets	
Cash and Cash Equivalents - Restricted	4,116,129
Investments - Restricted	6,740,069
Net Pension Asset - Proportionate Share	1,077,207
Capital Assets, Net:	
Nondepreciable	17,667,750
Depreciable Capital Assets, Net	32,503,729
Intangible Lease Assets, Net	101,638
Total Noncurrent Assets	62,206,522
Total Assets	68,157,125
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	3,175,592
OPEB	3,491,680
Deferred Charges on Defeased Debt	338,205
Total Deferred Outflows of Resources	7,005,477
LIABILITIES	
Current Liabilities	
Accounts Payable	363,243
Accrued Liabilities	107,689
Retainage Payable	1,194,772
Due to Other Governments	326
Bond Interest and Matured Bonds	67,096
Bond Anticipation Notes Payable	4,756,600
Due to Teachers' Retirement System	827,257
Due to Employees' Retirement System	101,648
Unearned Revenues - Other	217,197
Current Portion of Long-Term Obligations:	
Compensated Absences	12,789
Bonds Payable	1,708,350
Lease Liabilities	453
Total Current Liabilities	9,357,420

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2025

Noncurrent Liabilities		
Bonds Payable	$	26,610,698
Compensated Absences Payable		877,010
Other Postemployment Benefits Liability		52,485,654
Net Pension Liability - Proportionate Share		1,245,335
Total Noncurrent Liabilities		81,218,697
Total Liabilities		90,576,117
DEFERRED INFLOWS OF RESOURCES		
Pensions		1,428,048
OPEB		7,409,555
Total Deferred Inflows of Resources		8,837,603
NET POSITION		
Net Investment in Capital Assets		16,222,784
Restricted		11,294,666
Unrestricted Net (Deficit)		(51,768,568)
Total Net (Deficit)	**$**	**(24,251,118)**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants	Program Revenues: Capital Grants	Net (Expense) Revenue and Changes in Net Position
General Support	$ 4,152,808	$ -	$ -	$ -	$ (4,152,808)
Instruction	17,712,193	67,286	2,490,894	-	(15,154,013)
Pupil Transportation	2,318,561	-	-	-	(2,318,561)
Community Services	-	2,810	-	-	2,810
School Lunch Program	972,402	50,853	890,139	-	(31,410)
Interest on Debt	1,403,417	-	-	-	(1,403,417)
Total Functions and Programs	**$ 26,559,381**	**$ 120,949**	**$ 3,381,033**	**$ -**	(23,057,399)
GENERAL REVENUES					
Real Property Taxes					3,554,427
Real Property Tax Items					936,663
Use of Money and Property					506,001
Unrestricted State Sources					18,024,354
Sale of Property and Compensation for Loss					245,684
Miscellaneous					226,115
Total General Revenues					23,493,244
Change in Net Position					435,845
Total Net Position (Deficit) - Beginning of Year, as previously reported					(24,542,994)
Change in Accounting Principle - Compensated Absences					(143,969)
Total Net Position (Deficit) - Beginning of Year					(24,686,963)
Total Net Position (Deficit) - End of Year					**$ (24,251,118)**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2025

	Major Funds					
	General Fund	Debt Service Fund	Capital Project Renovation Fund	Capital Project Bus Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents - Unrestricted	$ 672,367	$ 14,747	$ 1,357,759	$ -	$ 19,540	$ 2,064,413
Cash and Cash Equivalents - Restricted	3,779,474	287,268	-	-	211,609	4,278,351
Investments - Restricted	5,540,647	983,680	-	-	437,989	6,962,316
Due From Other Funds	155,682	-	14,747	-	53	170,482
Due From State and Federal Governments	1,948,571	-	-	-	401,195	2,349,766
Due From Other Governments	456,940	-	-	-	-	456,940
Other Receivables	76,386	-	-	-	60	76,446
Inventories	-	-	-	-	34,339	34,339
Prepaid Expenses	584,230	-	-	-	-	584,230
Total Assets	**$ 13,214,297**	**$ 1,285,695**	**$ 1,372,506**	$ -	**$ 1,104,785**	**$ 16,977,283**
LIABILITIES						
Accounts Payable	$ 244,664	$ -	$ 117,665	$ -	$ 914	$ 363,243
Accrued Liabilities	105,036	-	-	-	2,653	107,689
Due to Other Funds	376	14,747	9,600	-	145,759	170,482
Due to Other Governments	-	-	-	-	326	326
Bond Anticipation Notes Payable	-	-	3,930,000	826,600	-	4,756,600
Due to Teachers' Retirement System	827,257	-	-	-	-	827,257
Due to Employees' Retirement System	101,648	-	-	-	-	101,648
Unearned Revenues	-	-	-	-	217,197	217,197
Total Liabilities	1,278,981	14,747	4,057,265	826,600	366,849	6,544,442
FUND BALANCES						
Nonspendable	584,230	-	-	-	34,339	618,569
Restricted	9,320,121	1,270,948	-	-	703,597	11,294,666
Assigned	1,039,339	-	-	-	-	1,039,339
Unassigned	991,626	-	(2,684,759)	(826,600)	-	(2,519,733)
Total Fund Balances	11,935,316	1,270,948	(2,684,759)	(826,600)	737,936	10,432,841
Total Liabilities and Fund Balances	**$ 13,214,297**	**$ 1,285,695**	**$ 1,372,506**	**$ -**	**$ 1,104,785**	**$ 16,977,283**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2025

Fund Balances (Deficit) - Total Governmental Funds		**$ 10,432,841**
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	$ 78,002,730	
Less Accumulated Depreciation	(27,444,419)	
Less Accumulated Amortization	(285,194)	50,273,117
Long-term liabilities, including bonds payable, bond premium, and lease liabilities, are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds Payable	$ (25,700,088)	
Lease Liabilities	(453)	
Bond Premium	(2,618,960)	(28,319,501)
The School District's proportion of the collective net pension (asset)/liability is not reported in the funds.		
TRS Net Pension Asset - Proportionate Share	$ 1,077,207	
ERS Net Pension Liability - Proportionate Share	(1,245,335)	(168,128)
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	$ 338,205	
Deferred Outflows - OPEB	3,491,680	
Deferred Inflows - OPEB	(7,409,555)	
TRS Deferred Inflows - Pension	(1,408,298)	
ERS Deferred Inflows - Pension	(19,750)	
TRS Deferred Outflows - Pension	2,540,559	
ERS Deferred Outflows - Pension	635,033	(1,832,126)
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	$ (67,096)	
Retainage Payable	(1,194,772)	
Compensated Absences	(889,799)	
Other Postemployment Benefits Liability	(52,485,654)	(54,637,321)
Net (Deficit) of Governmental Activities		**$ (24,251,118)**

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, 2025

	Major Funds					
	General Fund	Debt Service Fund	Capital Projects Fund - Renovations	Capital Projects Fund - Buses	Non-Major Governmental Funds	Total Governmental Funds
REVENUES						
Real Property Taxes	$ 3,554,427	$ -	$ -	$ -	$ -	3,554,427
Real Property Tax Items	936,663	-	-	-	-	936,663
Charges for Services	36,372	-	-	-	-	36,372
Use of Money and Property	487,617	-	-	-	18,384	506,001
Sale of Property and Compensation for Loss	46,108	217,668	-	-	-	263,776
Other Revenue	178,090	-	-	-	67,781	245,871
State Sources	19,148,322	-	-	-	727,913	19,876,235
Medicaid Reimbursement	33,724	-	-	-	-	33,724
Federal Sources	-	-	-	-	1,509,396	1,509,396
Sales - School Lunch	-	-	-	-	50,853	50,853
Total Revenues	24,421,323	217,668	-	-	2,374,327	27,013,318
EXPENDITURES						
General Support	3,117,284	265,819	-	-	-	3,383,103
Instruction	9,504,854	-	-	-	1,659,956	11,164,810
Pupil Transportation	1,248,930	-	-	-	17,693	1,266,623
Employee Benefits	5,988,917	-	-	-	236,121	6,225,038
Debt Service:						
Principal	264,912	2,613,575	-	-	-	2,878,487
Interest	32,002	2,022,174	-	-	-	2,054,176
Cost of Sales	-	-	-	-	418,909	418,909
Capital Outlay	-	-	7,638,670	526,483	-	8,165,153
Total Expenditures	20,156,899	4,901,568	7,638,670	526,483	2,332,679	35,556,299
Excess (Deficiency) of Revenues Over Expenditures	4,264,424	(4,683,900)	(7,638,670)	(526,483)	41,648	(8,542,981)
OTHER FINANCING SOURCES AND (USES)						
Redeemed From Appropriations	-	-	1,943,575	127,600	-	2,071,175
Premium on Obligations	-	1,381,215	-	-	-	1,381,215
Proceeds of Obligations	-	-	16,446,878	-	-	16,446,878
Operating Transfers In	1,110	3,325,286	322,165	25,262	26,897	3,700,720
Operating Transfers (Out)	(3,673,876)	-	(25,734)	-	(1,110)	(3,700,720)
Total Other Financing Sources and (Uses)	(3,672,766)	4,706,501	18,686,884	152,862	25,787	19,899,268
Net Change in Fund Balances	591,658	22,601	11,048,214	(373,621)	67,435	11,356,287
Fund Balances (Deficit) - Beginning of Year, as Previously Presented	11,096,369	-	(13,732,973)	-	1,465,869	(1,170,735)
Change Within Financial Reporting Entity (Non-Major to Major Fund)	-	1,248,347	-	(452,979)	(795,368)	-
Change in Accounting Principles - Compensated Absences	247,289	-	-	-	-	247,289
Fund Balances (Deficit) - Beginning of Year, as Adjusted	11,343,658	1,248,347	(13,732,973)	(452,979)	670,501	(923,446)
Fund Balances (Deficit) - End of Year	**$ 11,935,316**	**$ 1,270,948**	**$ (2,684,759)**	**$ (826,600)**	**$ 737,936**	**$ 10,432,841**

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, 2025

Net Change in Fund Balances - Total Governmental Funds		**$ 11,356,287**
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	$ 9,548,439	
Net Book Value of Disposed Assets	(18,092)	
Depreciation Expense	(1,714,296)	
Amortization Expense	(52,353)	7,763,698
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	$ 28,659	
Proceeds of Debt	(26,878)	
Statutory Installment Bond Proceeds	(16,420,000)	
Repayment of Bond Principal	670,000	
Repayment of Statutory Installment Bond Debt	108,653	(15,639,566)
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	$ (1,373,950)	
Compensated Absences	51,042	(1,322,908)
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, retainage payable, amortization of bond premiums, and deferred amounts from refunding bonds.		
Deferred Amounts from Refunding Bonds	$ (47,824)	
Amortization of Premiums on Obligations and New Premiums	(1,216,979)	
Retainage Payable	(1,194,772)	
Change in Accrued Interest	534,347	(1,925,228)
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	$ 155,295	
ERS	48,267	203,562
Net Change in Net Position of Governmental Activities		**$ 435,845**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2025

	Custodial Fund
ASSETS	
Cash and Cash Equivalents	$ 89,276
Total Assets	**89,276**
NET POSITION	
Unrestricted	**$ 89,276**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2025

	Custodial Fund
ADDITIONS	
Extraclassroom Activity Funds Receipts	$ 85,098
DEDUCTIONS	
Extraclassroom Activity Funds Disbursements	71,318
Change in Net Position	13,780
Net Position - Beginning of Year	75,496
Net Position - End of Year	**$ 89,276**

See Notes to Basic Financial Statements

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.

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.

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.

- Capital Projects Fund - Buses: Accounts for the purchase of buses for the School District.

- Debt Service Fund: Accounts for accumulation of resources and payment of principal and interest of long-term general obligation debt of governmental activities.

Non-Major Funds

- 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.

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.

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.

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.

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.

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.

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

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.

Vacation, Sick Leave, and Compensatory Absences
A compensated absence is leave for which employees may receive one or more (a) cash payments when the leave is used for time off, (b) other cash payments, such as payment for unused leave upon termination of employment, or (c) noncash settlements, such as conversion to defined benefit postemployment benefits. The payment or settlement could occur during employment or upon termination of employment. Examples of compensated absences include vacation leave, sick leave, and other paid time off. The rate at which different leave types are earned, the maximum amount of those leave types allowed to be accumulated, and the eligibility to earn the leave types are generally specified in negotiated labor contracts or are outlined in individual employment contracts. Consistent with GASB Statement No. 101, "Compensated Absences," a liability is recognized when the leave is attributed to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability for compensated absences is measured using the pay rates in effect as of the financial statement date and includes salary-related payments, where applicable.

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.

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.

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.

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.

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

Legally Adopted Reserves - Continued

- Retirement Contribution Reserves (GML §6-r) - Used for the purpose of financing retirement contributions. These reserves 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 July 31, 2024. Taxes were collected during the period September 3, 2024 to November 15, 2024.

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.

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

New Accounting Standards
The School District adopted and implemented the following current Statements of the GASB effective for the year ended June 30, 2025:

- GASB has issued Statement No. 101, "Compensated Absences," effective for the year ended June 30, 2025.

- GASB has issued Statement No. 102, "Certain Risk Disclosures," effective for the year ended June 30, 2025.

Future Changes in Accounting Standards

- GASB has issued Statement No. 103, "Financial Reporting Model Improvements," effective for the year ending June 30, 2026.

- GASB has issued Statement No. 104, "Disclosure of Certain Capital Assets," effective for the year ending June 30, 2026.

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

Note 2 **Participation in BOCES**
During the year ended June 30, 2025, the School District's share of BOCES income amounted to $958,045. The School District was billed $2,286,911 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 $13,908,594, including investments, were either insured or collateralized with securities held by the pledging financial institution in the School District's name as required.

Note 3 **Cash and Cash Equivalents and Investments - Continued**

Restricted cash and investments at June 30, 2025 consisted of the following:

Restricted for Debt Service	$ 1,270,948
Restricted for School Lunch	384,469
Restricted for General Fund Reserves	9,320,121
Restricted for Scholarships	265,129
Total	**$ 11,240,667**

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:

Fund	Cost	Fair Value	Type of Investment	Level
General Fund	$ 5,537,422	$ 5,540,647	Treasury Bill	(1)
School Lunch Fund	221,988	222,247	Treasury Bill	(1)
Debt Service Fund	983,233	983,680	Treasury Bill	(1)
Miscellaneous Special Revenue Fund	215,493	215,742	Treasury Bill	(1)
Total	**$ 6,958,136**	**$ 6,962,316**		

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	$ 103,389
IDEA	43,410
School Lunch	63,818
Excess Cost Aid	224,677
General Aid	1,723,984
Other	190,488
Total	**$ 2,349,766**

Note 5 **Interfund Balances and Activity**

Interfund balances at June 30, 2025, are as follows:

	Interfund Receivable	Interfund Payable	Interfund Revenues	Interfund Expenditures
General Fund	$ 155,682	$ 376	$ 1,110	$ 3,673,876
Debt Service Fund	-	14,747	3,325,286	-
Capital Projects Renovation Fund	14,747	9,600	322,165	25,734
Capital Projects Buses Fund	-	-	25,262	-
Non-Major Governmental Funds	53	145,759	26,897	1,110
Total	**$ 170,482**	**$ 170,482**	**$ 3,700,720**	**$ 3,700,720**

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.

Note 6 **Capital Assets**

Capital asset balances and activity for the year ended June 30, 2025, 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	13,769,505	8,806,566	(5,216,800)	17,359,271
Total Nondepreciable Historical Cost	14,077,984	8,806,566	(5,216,800)	17,667,750
Capital Assets That Are Depreciated				
Buildings and Improvements	48,714,478	-	5,213,409	53,927,887
Furniture and Equipment	6,039,581	714,995	(734,315)	6,020,261
Total Depreciable Historical Cost	54,754,059	714,995	4,479,094	59,948,148
Intangible Lease Assets				
Equipment	359,954	26,878	-	386,832
Total Historical Cost	69,191,997	9,548,439	(737,706)	78,002,730
Less Accumulated Depreciation				
Buildings and Improvements	(22,418,568)	(1,327,616)	-	(23,746,184)
Furniture and Equipment	(4,031,169)	(386,680)	719,614	(3,698,235)
Total Accumulated Depreciation	(26,449,737)	(1,714,296)	719,614	(27,444,419)
Less Accumulated Amortization				
Equipment	(232,841)	(52,353)	-	(285,194)
Total Historical Cost, Net	**$ 42,509,419**	**$ 7,781,790**	**$ (18,092)**	**$ 50,273,117**

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

General Support	$ 70,114
Instruction	1,223,381
Pupil Transportation	462,410
School Lunch Program	10,744
Total	**$ 1,766,649**

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 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 12/21/2024 at 3.65%	$ 579,200	$ -	$ (579,200)	**$ -**
BAN Maturing 07/03/2024 at 4.50%	12,600,000	-	(12,600,000)	**-**
BAN Maturing 06/27/2025 at 4.50%	22,293,575	-	(22,293,575)	**-**
BAN Maturing 06/26/2026 at 4.00%	-	3,930,000	-	**3,930,000**
BAN Maturing 12/19/2025 at 3.75%	-	826,600	-	**826,600**
Total Short-Term Debt	**$ 35,472,775**	**$ 4,756,600**	**$ (35,472,775)**	**$ 4,756,600**

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

Interest Paid	$ 1,594,493
Premium on BAN Obligations	(15,396)
Less Interest Accrued in the Prior Year	(581,195)
Interest Accrued in the Current Year	18,193
Total	**$ 1,016,095**

Note 8 **Long-Term Debt**

At June 30, 2025, the total outstanding indebtedness of the School District represented 65.5% of its statutory debt limit, exclusive of building aids. 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, 2025:

	Issue Date	Final Maturity	Interest Rate	Outstanding June 30, 2025
Serial Bonds				
Building	05/27/2016	06/15/2039	5.00%-5.125%	$ 440,000
Building	05/27/2016	06/15/2034	5.00%	3,475,000
Building	06/10/2015	06/15/2030	3.00%-5.00%	445,000
Building	06/16/2021	06/15/2036	4.00%-5.00%	1,105,000
Refunding	05/27/2016	06/15/2039	2.00%-5.00%	3,760,000
Building	06/17/2025	06/15/2039	5.00%	16,420,000
Total Serial Bonds				25,645,000
Statutory Installment Bonds				
Bus #179	12/28/2021	06/15/2026	1.60%	55,088
Total Statutory Installment Bonds				55,088
Total				**$ 25,700,088**

Note 8 **Long-Term Debt - Continued**

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

Interest Paid	$ 459,683
Less Interest Accrued in the Prior Year	(20,248)
Interest Accrued in the Current Year	48,903
Amortization of Deferred Charges on Defeased Debt	47,824
Less Amortization of Bond Premium	(148,840)
Total	**$ 387,322**

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:

Governmental Activities	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Serial Bonds	$ 9,895,000	$ 16,420,000	$ (670,000)	$ 25,645,000	$ 1,410,000
Statutory Installment Bonds	163,741	-	(108,653)	55,088	55,088
Subtotal	10,058,741	16,420,000	(778,653)	25,700,088	1,465,088
Premium on Obligations	1,401,981	1,365,819	(148,840)	2,618,960	243,262
Total	**$ 11,460,722**	**$ 17,785,819**	**$ (927,493)**	**$ 28,319,048**	**$ 1,708,350**

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:

Governmental Activities	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Deferred Charges on Defeased Debt	$ 386,029	$ -	$ (47,824)	$ 338,205	$ 45,065
Total	**$ 386,029**	**$ -**	**$ (47,824)**	**$ 338,205**	**$ 45,065**

Note 8 **Long-Term Debt - Continued**

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

Year	Principal	Interest	Total
2026	$ 1,465,088	$ 1,482,997	$ 2,948,085
2027	1,710,000	1,175,236	2,885,236
2028	1,695,000	1,089,738	2,784,738
2029	1,780,000	1,004,986	2,784,986
2030	1,865,000	915,988	2,780,988
2031-2035	9,795,000	3,144,730	12,939,730
2036-2039	7,390,000	865,688	8,255,688
Total	**$ 25,700,088**	**$ 9,679,363**	**$ 35,379,451**

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 $440,000 at June 30, 2025.

Note 9 **Compensated Absences**

Represents the value of accumulated hours earned that will be used or paid out to employees.

Current year activity consists of the following:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Compensated Absences	$ 940,841	$ -	$ (51,042)	$ 889,799	$ 12,789
Total	**$ 940,841**	**$ -**	**$ (51,042)**	**$ 889,799**	**$ 12,789**

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.

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, 2025, the School District reported $323,513, offset by the accumulated amortization of $222,328, in intangible lease assets that were not included in the lease liability below.

Lease liabilities as of June 30, 2025 are as follows:

Description of Lease	Issue Date	Final Maturity	Discount Rate	Outstanding June 30, 2025
Postage Machine	08/07/2020	08/01/2025	3%	$ 453
Total				**$ 453**

Interest paid on lease liabilities totaled $47.

The following is a summary of maturity of lease liabilities.

Year	Principal	Interest	Total
2026	$ 453	$ 3	$ 456
Total	**$ 453**	**$ 3**	**$ 456**

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.

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.

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
2025	**$ 351,148**	**$ 672,270**
2024	275,408	667,669
2023	237,360	608,366

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

At June 30, 2025, 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, 2025 for ERS and June 30, 2024 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, 2024	June 30, 2023
Net Pension (Asset)/ Liability	$ 17,145,726,768	$ (2,983,608,315)
School District's Proportionate Share of the Plan's Total Net Pension (Asset)/Liability	1,245,335	(1,077,207)
School District's Share of the Net Pension (Asset)/ Liability	0.0072632%	0.036104%

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, 2025, the School District recognized pension expense of $319,969 for ERS and $559,277 for TRS in the District-wide financial statements. At June 30, 2025, 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	$ 309,101	$ 1,159,954	$ 14,580	$ -
Changes of Assumptions	52,227	644,388	-	108,392
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	97,706	-	-	1,196,869
Changes in Proportion and Differences Between the School District's Contributions and Proportionate Share of Contributions	74,351	26,133	5,170	103,037
School District's Contributions Subsequent to the Measurement Date	101,648	710,084	-	-
Total	**$ 635,033**	**$ 2,540,559**	**$ 19,750**	**$ 1,408,298**

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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending	ERS	TRS
2026	$ 250,014	$ (577,914)
2027	342,449	1,301,002
2028	(93,156)	(227,767)
2029	14,328	(256,199)
2030	-	133,193
Thereafter	-	49,862

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:

	ERS	TRS
Measurement Date	March 31, 2025	June 30, 2024
Actuarial Valuation Date	April 1, 2024	June 30, 2023
Investment Rate of Return	5.9%	6.95%
Salary Increases	4.3%	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-2021. For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021, applied on a generational basis.

For ERS, the actuarial assumptions used in the April 1, 2024 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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2015 - June 30, 2020.

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.

	ERS	TRS
Measurement Date	March 31, 2025	June 30, 2024
Asset Type		
Domestic Equity	3.54%	6.60%
International Equity	6.57%	7.40%
Global Equity	-	6.90%
Real Estate Equity	4.95%	6.30%
Private Equity	7.25%	10.00%
Opportunistic/ARS Portfolio	5.25%	-
Real Assets	5.55%	-
Cash	0.25%	-
Credit	5.40%	-
Domestic Fixed Income	2.00%	2.60%
Global Bonds	-	2.50%
Private Debt	-	5.90%
Real Estate Debt	-	3.90%
High-Yield Bonds	-	4.80%
Cash Equivalents	-	0.50%

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	$ 3,604,157	$ 1,245,335	$ (724,282)

TRS	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
School District's Proportionate Share of the Net Pension (Asset)/Liability	$ 4,975,681	$ (1,077,207)	$ (6,167,848)

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, 2025	June 30, 2024
Employers' Total Pension Liability	$ 247,600,239	$ 142,837,826
Plan Net Position	(230,454,512)	(145,821,435)
Employers' Net Pension (Asset)/Liability	**$ 17,145,727**	**$ (2,983,609)**
Ratio of Plan Net Position to the Employers' Total Pension Liability	93.1%	102.1%

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, 2025 represent the projected employer contribution for the period of April 1, 2025 through June 30, 2025 based on estimated ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2025 amounted to $101,648.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2025, are paid to the System in September, October, and November 2025 through a state aid intercept. Accrued retirement contributions as of June 30, 2025, represent employee and employer contributions for the fiscal year ended June 30, 2025 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2025 amounted to $827,257.

Current Year Activity

The following is a summary of current year activity:

	Beginning Balance	Change	Ending Balance
ERS			
Net Pension (Asset)/Liability	$ 1,065,437	$ 179,898	$ 1,245,335
Deferred Outflows of Resources	(943,523)	308,490	(635,033)
Deferred Inflows of Resources	556,405	(536,655)	19,750
Subtotal	678,319	(48,267)	630,052
TRS			
Net Pension (Asset)/Liability	401,513	(1,478,720)	(1,077,207)
Deferred Outflows of Resources	(2,750,743)	210,184	(2,540,559)
Deferred Inflows of Resources	295,057	1,113,241	1,408,298
Subtotal	(2,054,173)	(155,295)	(2,209,468)
Total	**$ (1,375,854)**	**$ (203,562)**	**$ (1,579,416)**

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, 2025, the following employees were covered by the benefit terms.

Retirees and Survivors	126
Terminated Vested Employees	-
Active Employees	165
Total	**291**

Total OPEB Liability
The School District's total OPEB liability of $52,485,654 was measured as of July 1, 2024 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs
The total OPEB liability as of June 30, 2025 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	3.93%
Single Discount Rate	3.93%
Salary Scale	4.25%
Rate of Inflation	2.60%
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	7.50% for 2025, decreasing to an ultimate rate of 4.04% for 2093 and later years

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 (Getzen v1b). 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, 2024 valuation were consistent with the requirements of GASB Statement No. 75 and Actuarial Standards of Practice (ASOPs).

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2024	$ 51,766,704
Changes for the Year	
Service Cost	1,793,797
Interest Cost	1,925,526
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	(122,511)
Changes in Assumptions or Other Inputs	(1,265,103)
Benefit Payments	(1,612,759)
Net Change	718,950
Balance at June 30, 2025	**$ 52,485,654**

Changes of assumptions and other inputs reflect a change in the discount rate from 3.65% for 2024 to 3.93% for 2025.

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

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 (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability	$ 61,649,234	$ 52,485,654	$ 45,151,767

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	$ 44,195,720	$ 52,485,654	$ 63,318,804

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
For the year ended June 30, 2025, the School District recognized OPEB expense of $2,987,622.

At June 30, 2025, 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	$ -	$ 2,770,130
Changes in Assumptions or Other Inputs	1,878,008	4,639,425
Contributions Subsequent to Measurement Date	1,613,672	-
Total	**$ 3,491,680**	**$ 7,409,555**

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

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

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, 2026. 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
2026	$ (805,292)
2027	(1,509,792)
2028	(1,632,003)
2029	(1,114,929)
2030	(281,581)
2031 and Thereafter	(187,950)

Current Year Activity

The following is a summary of current year activity:

	Beginning Balance	Change	Ending Balance
OPEB			
Other Postemployment Benefits Liability	$ 51,766,704	$ 718,950	$ 52,485,654
Deferred Outflows of Resources	(5,297,663)	1,805,983	(3,491,680)
Deferred Inflows of Resources	8,560,538	(1,150,983)	7,409,555
Total Effect on Net Position	**$ 55,029,579**	**$ 1,373,950**	**$ 56,403,529**

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.

Note 13 Commitments and Contingencies - Continued

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, 2025, the School District incurred premiums or contribution expenditures totaling $3,978,295.

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.

Financial Concentrations and Constraints

The School District has reviewed its concentrations and constraints in accordance with GASB Statement No. 102, "Certain Risk Disclosures." Based on this review, no events associated with said concentrations or constraints have been identified that are more likely than not to cause a substantial impact requiring additional disclosure.

Note 14 Stewardship, Compliance, and Accountability

Deficit Net Position

At June 30, 2025, the District-wide Statement of Net Position had an unrestricted net deficit of $51,768,568. 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.

Note 14 **Stewardship, Compliance, and Accountability - Continued**

Deficit Fund Balance
The Capital Project Renovation Fund has a deficit fund balance of $2,684,759 at year end. The Capital Project Buses Fund has a deficit fund balance of $826,600 at year end. These deficits will be eliminated as short-term debt is redeemed or converted to permanent financing.

Note 15 **Fund Balance Detail**
At June 30, 2025, nonspendable, restricted and assigned fund balance in the governmental funds was as follows:

	General Fund	Debt Service Fund	Non-Major Governmental Funds
Nonspendable			
Prepaid Expenses	$ 584,230	$ -	$ -
Inventory	-	-	34,339
Total Nonspendable Fund Balance	**$ 584,230**	**$ -**	**$ 34,339**
Restricted			
Reserve for ERS Contributions	$ 2,296,996	$ -	$ -
Reserve for TRS Contributions	668,900	-	-
Employee Benefit Accrued Liability Reserve	271,918	-	-
Capital Reserve	6,082,307	-	-
School Lunch	-	-	438,468
Scholarships	-	-	265,129
Debt	-	1,270,948	-
Total Restricted Fund Balance	**$ 9,320,121**	**$ 1,270,948**	**$ 703,597**
Assigned			
Appropriated for Next Year's Budget	$ 950,000	$ -	$ -
Encumbered for:			
General Support	63,140	-	-
Instruction	15,123	-	-
Pupil Transportation	11,076	-	-
Total Assigned Fund Balance	**$ 1,039,339**	**$ -**	**$ -**

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, 2025 of the General Fund reserves were as follows:

General Fund	Beginning Balance	Additions	Interest Earned	Appropriated	Ending Balance
Reserve for ERS Contributions	$2,081,551	$ 135,000	$ 80,445	$ -	$2,296,996
Reserve for TRS Contributions	511,023	137,872	20,005	-	668,900
Employee Benefit Accrued Liability Reserve	261,420	-	10,498	-	271,918
Capital Reserve	5,848,811	-	233,496	-	6,082,307
Total Restricted Fund Balance	**$8,702,805**	**$ 272,872**	**$344,444**	**$ -**	**$9,320,121**

Note 17 Tax Abatements

For the year ended June 30, 2025, 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, 2025 is as follows:

	Taxable Assessed Value	Combined Tax Rates Per $1,000	Tax Value	PILOT Received	Taxes Abated
Tioga County Industrial Development Agency					
Solar Energy Systems	$ 30,255,835	$ 190	$ 22,627	$ 6,667	$ 15,960
Tioga Downs	30,255,835	47	1,410,004	504,865	905,139
Total PILOT Agreements	**$ 60,511,670**		**$1,432,631**	**$ 511,532**	**$ 921,099**

Note 18 **Reclassification of Non-Major Fund to Major Fund**

During the current year, the Capital Projects Buses Fund and Debt Service Fund, which were reported as non-major funds in the prior year, have been reclassified as major funds. This change is due to increases in both funds' revenues and expenditures. According to the criteria established by GASB Statement No. 34, the funds met the quantitative thresholds required for classification as a major fund.

Note 19 **Restatement**

During the year, the School District implemented GASB Statement No. 101, "Compensated Absences," resulting in a change in accounting principle. As a result, the School District's June 30, 2024 fund balance in the General Fund and net position for governmental activities have been restated to reflect the following:

	Governmental Activities	General Fund
Net Position (Deficit)/Fund Balance Beginning of Year	$ (24,542,994)	$ 11,096,369
GASB Statement No. 101 Implementation	(143,969)	247,289
Net Position (Deficit)/Fund Balance Beginning of Year, as Restated	**$ (24,686,963)**	**$ 11,343,658**

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF REVENUES COMPARED TO BUDGET (NON-U.S. GAAP)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Local Sources				
Real Property Taxes	$ 3,983,053	$ 3,566,836	$ 3,554,427	$ (12,409)
Other Tax Items	460,443	876,660	936,663	60,003
Charges for Services	9,500	9,500	36,372	26,872
Use of Money and Property	2,500	2,500	487,617	485,117
Sale of Property and Compensation for Loss	-	-	46,108	46,108
Miscellaneous	134,000	134,000	178,090	44,090
Total Local Sources	4,589,496	4,589,496	5,239,277	649,781
State Sources	18,653,871	18,653,871	19,148,322	494,451
Medicaid Reimbursement	-	-	33,724	33,724
Total Revenues	23,243,367	23,243,367	24,421,323	1,177,956
OTHER FINANCING SOURCES				
Operating Transfers In	-	-	1,110	1,110
Total Revenues and Other Financing Sources	23,243,367	23,243,367	**$ 24,422,433**	**$ 1,179,066**
Appropriated Fund Balance	750,000	750,000		
Appropriated Reserves	-	247,427		
Designated Fund Balance and Encumbrances Carried Forward from Prior Year	153,513	153,513		
Total Revenues, Appropriated Reserves, and Designated Fund Balance	**$ 24,146,880**	**$ 24,394,307**		

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, 2025

	Original Budget	Final Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
EXPENDITURES					
General Support					
Board of Education	$ 19,801	$ 22,300	$ 20,704	$ 10	$ 1,586
Central Administration	196,088	201,041	200,436	-	605
Finance	495,601	549,404	526,762	1,000	21,642
Staff	18,150	20,450	13,566	-	6,884
Central Services	2,281,872	2,345,561	2,179,814	62,130	103,617
Special Items	180,268	177,052	176,002	-	1,050
Total General Support	3,191,780	3,315,808	3,117,284	63,140	135,384
Instruction					
Instruction, Administration, and Improvement	569,995	653,085	650,798	-	2,287
Teaching - Regular School	5,478,974	5,421,234	5,360,803	972	59,459
Programs for Students With Disabilities	2,292,790	1,898,050	1,833,564	9,044	55,442
Occupational Education	358,655	358,655	357,690	-	965
Teaching - Special School	8,050	-	-	-	-
Instructional Media	242,478	308,705	294,430	-	14,275
Pupil Services	984,118	1,055,101	1,007,569	5,107	42,425
Total Instruction	9,935,060	9,694,830	9,504,854	15,123	174,853
Pupil Transportation	1,239,437	1,329,437	1,248,930	11,076	69,431
Community Services	13,000	3,000	-	-	3,000
Employee Benefits	6,094,742	6,080,379	5,988,917	-	91,462
Debt Service					
Principal	236,254	264,913	264,912	-	1
Interest	31,955	32,002	32,002	-	-
Total Debt Service	268,209	296,915	296,914	-	1
Total Expenditures	20,742,228	20,720,369	20,156,899	89,339	474,131
OTHER FINANCING USES					
Operating Transfers Out	3,404,652	3,673,938	3,673,876	-	62
Total Expenditures and Other Financing Uses	**$ 24,146,880**	**$ 24,394,307**	23,830,775	**$ 89,339**	**$ 474,193**
Net Change in Fund Balance			591,658		
Fund Balance - Beginning of Year			11,343,658		
Fund Balance - End of Year			**$ 11,935,316**		

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contribution	**$ 351,148**	$ 275,408	$ 237,360	$ 291,362	$ 248,090	$ 221,829	$ 224,217	$ 223,617	$ 234,420	$ 257,975
Contributions in Relation to the Contractually Required Contribution	**(351,148)**	(275,408)	(237,360)	(291,362)	(248,090)	(221,829)	(224,217)	(223,617)	(234,420)	(257,975)
Contribution Deficiency (Excess)	**-**	-	-	-	-	-	-	-	-	-
School District's Covered Payroll	**2,486,708**	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
Contributions as a Percentage of Covered Payroll	**14.1%**	12.1%	10.9%	15.9%	13.8%	13.6%	14.2%	14.5%	15.1%	17.1%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contribution	**$ 710,084**	$ 672,270	$ 667,669	$ 608,366	$ 561,140	$ 532,846	$ 628,824	$ 539,877	$ 609,729	$ 670,185
Contributions in Relation to the Contractually Required Contribution	**(710,084)**	(672,270)	(667,669)	(608,366)	(561,140)	(532,846)	(628,824)	(539,877)	(609,729)	(670,185)
Contribution Deficiency (Excess)	**-**	-	-	-	-	-	-	-	-	-
School District's Covered Payroll	**7,275,451**	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
Contributions as a Percentage of Covered Payroll	**9.8%**	9.8%	10.3%	9.8%	9.5%	8.9%	10.6%	9.8%	11.7%	13.3%

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,

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
School District's Proportion of the Net Pension (Asset)/Liability	**0.0072632%**	0.0072360%	0.0067484%	0.0058823%	0.0054203%	0.0051149%	0.0050910%	0.0053390%	0.0052690%	0.0056690%
School District's Proportionate Share of the Net Pension (Asset)/Liability	**$ 1,245,335**	$ 1,065,437	$ 1,447,129	$ (480,855)	$ 5,397	$ 1,354,446	$ 360,703	$ 172,322	$ 495,081	$ 909,893
School District's Covered Payroll During the Measurement Period	**2,374,350**	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
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Payroll	**52.45%**	47.67%	67.02%	26.52%	0.3%	83.9%	23.0%	11.3%	32.1%	60.9%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**93.1%**	93.9%	90.8%	103.7%	99.9%	86.4%	96.3%	98.2%	94.7%	90.7%
The Following is a Summary of Changes of Assumptions										
Inflation	**2.90%**	2.90%	2.90%	2.70%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Salary Increases	**4.30%**	4.40%	4.40%	4.40%	4.50%	4.20%	3.80%	3.80%	3.80%	3.80%
Cost of Living Adjustments	**1.50%**	1.50%	1.50%	1.40%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%
Investment Rate of Return	**5.90%**	5.90%	5.90%	5.90%	6.80%	6.80%	7.00%	7.00%	7.00%	7.00%
Discount Rate	**5.90%**	5.90%	5.90%	5.90%	6.80%	6.80%	7.00%	7.00%	7.00%	7.00%
Society of Actuaries' Mortality Scale	**MP-2021**	MP-2021	MP-2021	MP-2020	MP-2019	MP-2018	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,

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
School District's Proportion of the Net Pension (Asset)/Liability	**0.036104%**	0.035110%	0.035154%	0.033893%	0.035555%	0.034405%	0.033974%	0.032939%	0.032776%	0.032676%
School District's Proportionate Share of the Net Pension (Asset)/Liability	**$ (1,077,207)**	$ 401,513	$ 674,570	$ (5,873,303)	$ 982,483	$ (893,850)	$ (614,340)	$ (250,372)	$ 351,035	$ (3,393,946)
School District's Covered Payroll During the Measurement Period	**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
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Payroll	**15.6%**	6.2%	10.9%	99.7%	16.3%	15.1%	11.2%	4.8%	6.9%	69.1%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**102.1%**	99.2%	98.6%	113.2%	97.8%	(102.2)%	(101.5)%	(100.7)%	99.0%	(110.5)%
The Following is a Summary of Changes of Assumptions										
Inflation	**2.40%**	2.40%	2.40%	2.20%	2.20%	2.25%	2.50%	2.50%	3.00%	3.00%
Salary Increases	**1.95% - 5.18%**	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%
Cost of Living Adjustments	**1.30%**	1.30%	1.30%	1.30%	1.30%	1.50%	1.50%	1.50%	1.63%	1.63%
Investment Rate of Return	**6.95%**	6.95%	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%	8.00%
Discount Rate	**6.95%**	6.95%	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%	8.00%
Society of Actuaries' Mortality Scale	**MP-2021**	MP-2021	MP-2020	MP-2019	MP-2018	MP-2014	MP-2014	MP-2014	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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Service Cost	**$ 1,793,797**	$ 1,934,969	$ 2,147,575	$ 2,162,680	$ 1,495,577	$ 1,503,600	$ 1,627,269	$ 2,060,542	$ *	$ *
Interest Cost	**1,925,526**	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	**(122,511)**	-	(3,195,119)	-	(5,444,440)	-	(9,501,223)	-	*	*
Changes in Assumptions or Other Inputs	**(1,265,103)**	(898,039)	(5,372,963)	662,406	9,772,094	539,361	(3,306,101)	(7,792,746)	*	*
Benefit Payments	**(1,612,759)**	(1,470,212)	(1,425,043)	(1,377,917)	(1,420,208)	(1,359,375)	(1,366,889)	(1,271,079)	*	*
	718,950	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	**51,766,704**	50,374,262	56,969,945	54,290,389	48,173,792	45,690,114	56,316,757	61,526,133	*	*
Total OPEB Liability - End of Year	**$ 52,485,654**	$ 51,766,704	$ 50,374,262	$ 56,969,945	$ 54,290,389	$ 48,173,792	$ 45,690,114	$56,316,957	$61,526,133	$ *
Covered Employee Payroll	**$ 9,256,000**	$ 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	**567%**	571%	566%	708%	654%	618%	609%	873%	*	*
The Following is a Summary of Changes of Assumptions										
Healthcare Cost Trend Rates	**7.5% - 4.04%**	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%	4.25%	3.50%	4.25%	4.25%		
Discount Rate	**3.93%**	3.65%	3.54%	2.14%	2.21%	3.50%	3.87%	3.60%		
Society of Actuaries' Mortality Scale	**MP-2021**	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, 2025

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

The New York State Legislature modified the Tier 6 final average salary calculation (Chapter 56 of Laws of 2024, PartQQ), which was first reflected in the April 1, 2024 funding valuation.

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 - Continued**

NYSTRS

Changes in Benefit Terms

Effective with the 2024 actuarial valuation, the following plan change was effective: Chapter 56 on the Laws of 2024 amended Section 512 of Retirement and Social Security Law to change the definition of final average salary (FAS) for Tier 6 members to be based on the wages earned during any three consecutive years which provide the highest average wages, instead of five years. The legislation also reduced the lookback to the same requirements as applicable to Tier 4; namely, the FAS calculation will exclude any yearly increases in salary that exceeds 10% of the average previous two years' salaries.

TIOGA CENTRAL SCHOOL DISTRICT

BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025

	Special Revenue Funds			Total
	School Lunch Fund	Miscellaneous Special Revenue Fund	Special Aid Fund	Non-Major Governmental Funds
ASSETS				
Cash and Cash Equivalents - Unrestricted	$ -	$ -	$ 19,540	$ 19,540
Cash and Cash Equivalents - Restricted	162,222	49,387	-	211,609
Investments - Restricted	222,247	215,742	-	437,989
Due From Other Funds	53	-	-	53
Due From State and Federal Governments	63,818	-	337,377	401,195
Other Receivables	60	-	-	60
Inventories	34,339	-	-	34,339
Total Assets	**$ 482,739**	**$ 265,129**	**$ 356,917**	**$ 1,104,785**
LIABILITIES				
Accounts Payable	$ 914	$ -	$ -	$ 914
Accrued Liabilities	2,417	-	236	2,653
Due to Other Funds	-	-	145,759	145,759
Due to Other Governments	326	-	-	326
Unearned Revenues	6,275	-	210,922	217,197
Total Liabilities	9,932	-	356,917	366,849
FUND BALANCES				
Nonspendable	34,339	-	-	34,339
Restricted	438,468	265,129	-	703,597
Total Fund Balances	472,807	265,129	-	737,936
Total Liabilities and Fund Balances	**$ 482,739**	**$ 265,129**	**$ 356,917**	**$ 1,104,785**

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

		Special Revenue Funds				
	Debt Service Fund	School Lunch Fund	Miscellaneous Special Revenue Fund	Special Aid Fund	Capital Projects Fund Buses	Total Non-Major Governmental Funds
REVENUES						
Use of Money and Property	$ -	$ 9,632	$ 8,752	$ -	$ -	$ 18,384
Miscellaneous	-	-	62,781	5,000	-	67,781
State Sources	-	283,604	-	444,309	-	727,913
Federal Sources	-	659,672	-	849,724	-	1,509,396
Sales - School Lunch	-	50,853	-	-	-	50,853
Total Revenues	-	1,003,761	71,533	1,299,033	-	2,374,327
EXPENDITURES						
Instruction	-	409,338	51,002	1,199,616	-	1,659,956
Pupil transportation	-	-	-	17,693	-	17,693
Employee Benefits	-	128,663	-	107,458	-	236,121
Cost of Sales	-	418,909	-	-	-	418,909
Total Expenditures	-	956,910	51,002	1,324,767	-	2,332,679
Excess (Deficiency) of Revenues Over Expenditures	-	46,851	20,531	(25,734)	-	41,648
OTHER FINANCING SOURCES AND (USES)						
Operating Transfers In	-	53	-	26,844	-	26,897
Operating Transfers (Out)	-	-	-	(1,110)	-	(1,110)
Total Other Sources (Uses)	-	53	-	25,734	-	25,787
Net Change in Fund Balances	-	46,904	20,531	-	-	67,435
Fund Balances (Deficit) - Beginning of Year, as Previously Presented	1,248,347	425,903	244,598	-	(452,979)	1,465,869
Change Within Financial Reporting Entity (Non-Major to Major Fund)	(1,248,347)	-	-	-	452,979	(795,368)
Fund Balances- Beginning of Year, as Adjusted	-	425,903	244,598	-	-	670,501
Fund Balances - End of Year	**$ -**	**$ 472,807**	**$ 265,129**	**$ -**	**$ -**	**$ 737,936**

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, 2025

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted Budget	$ 23,993,367
Prior Year's Encumbrances	153,513
Original Budget	24,146,880
Appropriated Reserves	247,427
Total Additions	247,427
Final Budget	**$ 24,394,307**

§1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

Next Year's Budget is a Voter Approved Budget	**$ 25,069,385**	
Maximum Allowed (4% of the 2025-2026 Budget)		**$ 1,002,775**

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

Unrestricted Fund Balance		
Assigned Fund Balance	$ 1,039,339	
Unassigned Fund Balance	991,626	
Total Unrestricted Fund Balance	2,030,965	
Less:		
Appropriated Fund Balance	$ 950,000	
Encumbrances Included in Committed and Assigned Fund Balance	89,339	
Total Adjustments	1,039,339	
General Fund Fund Balance Subject to §1318 of Real Property Tax Law		**$ 991,626**
Actual Percentage		3.96%

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF PROJECT EXPENDITURES
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2025

PROJECT TITLE	Original Budget	Revised Budget	Expenditures: Prior Years	Expenditures: Current Year	Expenditures: Transfer to General Fund	Expenditures: Total	Unexpended Balance	Methods of Financing: Proceeds of Obligations	Methods of Financing: Federal/State Aid	Methods of Financing: Local Sources	Methods of Financing: Total	Fund Balance (Deficit) June 30, 2025
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	-	-	-	**-**	-
$100K Project L00077-30	100,000	100,000	-	100,000	-	100,000	-	-	-	100,000	**100,000**	-
2021 $18.6M Project A0007	-	18,390,911	10,766,989	6,892,879	-	17,659,868	731,043	16,420,000	-	2,418,588	**18,838,588**	1,178,720 *
2021 $18.6M Project A0007-022	-	2,116,664	-	-	-	-	2,116,664	-	-	-	**-**	- *
Emergency Cap Project K-12 C0007	460,000	460,000	347,670	-	-	347,670	112,330	-	-	347,670	**347,670**	- *
ARP Project HVAC E0007-023	964,559	964,559	964,559	-	-	964,559	-	-	964,559	-	**964,559**	- *
Turf Track Project K-12 I0007-027	416,592	447,611	4,052,391	373,394	-	4,425,785	(3,978,174)	3,930,000	-	570,000	**4,500,000**	74,215 *
Emergency Boiler Project M5026-005	550,000	247,427	-	219,785	25,734	245,519	1,908	-	-	247,425	**247,425**	1,906
Bus Purchases	383,542	526,482	460,783	552,217	-	1,013,000	(486,518)	826,600	-	186,400	**1,013,000**	-
GASB 87 -Leases	26,878	26,878	-	26,878	-	26,878	-	26,878	-	-	**26,878**	-
Subtotal	3,151,571	23,525,080	16,744,432	8,165,153	25,734	24,935,319	(1,410,239)	21,203,478	1,106,999	3,870,083	**26,180,560**	1,245,241
Unredeemed BANs - Buses	-	-	-	-	-	-	-	(826,600)	-	-	**(826,600)**	(826,600)
Unredeemed BANs - Capital Projects	-	-	-	-	-	-	-	(3,930,000)	-	-	**(3,930,000)**	(3,930,000)
Total	**$ 3,151,571**	**$ 23,525,080**	**$ 16,744,432**	**$ 8,165,153**	**$ 25,734**	**$ 24,935,319**	**$ (1,410,239)**	**$ 16,446,878**	**$ 1,106,999**	**$ 3,870,083**	**$ 21,423,960**	**$ (3,511,359)**

**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
FOR THE YEAR ENDED JUNE 30, 2025

Capital Assets, Net	**$ 50,273,117**
Add:	
Amounts Deferred on Refunding	338,205
(Deduct):	
Bond Anticipation Notes	(4,756,600)
Payables for Capital Projects	(117,665)
Premium on Bonds	(2,618,960)
Short-Term Portion of Lease Liabilities	(453)
Short-Term Portion of Bonds Payable, Before Deferred Amounts	(1,465,088)
Long-Term Portion of Bonds Payable, Before Deferred Amounts	(24,235,000)
Retainage Payable	(1,194,772)
Net Investment in Capital Assets	**$ 16,222,784**

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Certified Public Accountants

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, 2025, 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 23, 2025.

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 23, 2025