

WILSON CENTRAL SCHOOL DISTRICT

FINANCIAL STATEMENTS

JUNE 30, 2024

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INDEPENDENT AUDITORS' REPORT

The Board of Education
Wilson Central School District

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

GAAP requires that management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the 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 (GASB), who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information as listed in the table of contents, including the schedule of expenditures of federal awards required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Lumsden & McCormick, LLP". The signature is written in a cursive, flowing style.

October 8, 2024

Management's Discussion and Analysis (unaudited)

June 30, 2024

Introduction

Management's Discussion and Analysis (MD&A) of Wilson Central School District (the District) provides an overview of the District's financial performance and activities for the year ended June 30, 2024. The information contained in the MD&A should be considered in conjunction with the information presented as part of the District's financial statements that follow. This MD&A, the financial statements, and notes thereto are essential to obtaining a full understanding of the District's financial position and results of operations. The District's financial statements have the following components: (1) government-wide financial statements, (2) governmental fund financial statements, (3) reconciliations between the government-wide and governmental fund financial statements, (4) fiduciary fund statements, (5) notes to the financial statements, and (6) supplementary information.

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business. The statement of net position presents information on all of the District's assets and deferred outflows of resources less liabilities and deferred inflows of resources with the difference reported as net position. The statement of activities presents information showing how the District's net position changed during each year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future periods. The government-wide financial statements present information about the District as a whole. All of the activities of the District are considered to be governmental activities.

Governmental fund financial statements focus on near-term inflows and outflows of resources, as well as on balances of resources available at the end of the year. Such information may be useful in evaluating the District's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the District's near-term financing decisions. The reconciliation portion of the financial statements facilitates the comparison between governmental funds and governmental activities.

Fiduciary funds are used to report fiduciary activities, which may include pension and other postemployment benefit trust funds, investment trust funds, private-purpose trust funds, and custodial funds. The District maintains a custodial fund for student activity accounts. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's programs.

The notes to the financial statements provide additional information that is essential for a full understanding of the government-wide, governmental fund, and fiduciary fund financial statements.

Supplementary information further explains and supports the financial statements and includes information required by generally accepted accounting principles, the New York State Education Department, and the Federal government.

Condensed Statement of Net Position	Change			
	2024	2023	\$	%
Current and other assets	\$ 30,176,000	\$ 27,415,000	\$ 2,761,000	10.1%
Capital assets	30,125,000	29,388,000	737,000	2.5%
Total assets	60,301,000	56,803,000	3,498,000	6.2%
Deferred outflows of resources	6,032,000	7,723,000	(1,691,000)	(21.9%)
Long-term liabilities	14,043,000	15,520,000	(1,477,000)	(9.5%)
Other liabilities	1,993,000	1,668,000	325,000	19.5%
Total liabilities	16,036,000	17,188,000	(1,152,000)	(6.7%)
Deferred inflows of resources	3,139,000	3,334,000	(195,000)	(5.8%)
Net position				
Net investment in capital assets	22,215,000	20,573,000	1,642,000	8.0%
Restricted	23,733,000	21,511,000	2,222,000	10.3%
Unrestricted	1,210,000	1,920,000	(710,000)	(37.0%)
Total net position	\$ 47,158,000	\$ 44,004,000	\$ 3,154,000	7.2%

Net position amounted to \$47,158,000 and \$44,004,000 as of June 30, 2024 and 2023, respectively. A significant portion of the District's net position reflects its investment in capital assets consisting of land, buildings and improvements, and furniture and equipment, less outstanding debt used to acquire those assets. The District uses capital assets to provide services to students; consequently, these assets are not available for future spending.

The District's net position includes resources that are subject to external restrictions on how they may be used. These reserves are set aside for specific purposes governed by laws and regulations and include the debt service reserve, which is set aside for the repayment of bonds issued to finance capital projects; the capital reserve, which is dedicated for future renovations as approved by the District's voters; the workers' compensation reserve, which is restricted to pay expenses incurred as part of the District's participation in a workers' compensation consortium; and the retirement contribution reserve, which is restricted to fund contributions paid by the District to the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS). Other restricted resources include the unemployment insurance, employee benefit accrued liability, insurance, repair, and tax certiorari reserves and amounts restricted for scholarships to students.

Total assets increased \$3,498,000 (\$8,583,000 or 13.1% decrease in 2023). Current and other assets increased \$2,761,000 (\$7,608,000 or 21.7% decrease in 2023) primarily as a result of positive operations. Capital assets increased \$737,000 (\$975,000 or 3.2% decrease in 2023) due to additions exceeding depreciation and amortization expense and disposals.

Total liabilities decreased \$1,152,000 (\$872,000 or 5.3% increase in 2023). The decrease in long-term liabilities of \$1,477,000 (\$795,000 or 5.4% increase in 2023) is the result of required bond repayments of \$905,000 and the decrease in the TRS and ERS net pension liabilities of \$850,000. Other liabilities increased \$325,000 (\$77,000 or 4.8% increase in 2023) due to an increase in accounts payable at year-end due to timing of payments.

Changes in deferred outflows and deferred inflows of resources include changes in pension activity at the State level which are required to be reflected on the District's financial statements. Deferred outflows of resources include contributions paid by the District to the State pension systems after the measurement date. Deferred outflows and deferred inflows of resources also reflect variances from actuarial assumptions, actual results of investment earnings compared to projected earnings, and changes of assumptions. Also included in deferred outflows and deferred inflows of resources are differences between expected and actual experience and changes of assumptions related to the District's total OPEB liability.

Condensed Statement of Activities	2024	2023	\$	Change	%
Revenues					
Program revenues					
Charges for services	\$ 149,000	\$ 264,000	\$ (115,000)		(43.6%)
Operating grants and contributions	3,187,000	2,349,000	838,000		35.7%
General revenues					
Property taxes	13,073,000	12,736,000	337,000		2.6%
State aid	15,165,000	14,487,000	678,000		4.7%
Other	1,728,000	1,298,000	430,000		33.1%
Total revenues	33,302,000	31,134,000	2,168,000		7.0%
Expenses					
Instruction	23,923,000	23,124,000	799,000		3.5%
Support services					
General support	3,552,000	3,726,000	(174,000)		(4.7%)
Pupil transportation	1,764,000	1,656,000	108,000		6.5%
Food service	769,000	580,000	189,000		32.6%
Interest	140,000	154,000	(14,000)		(9.1%)
Total expenses	30,148,000	29,240,000	908,000		3.1%
Change in net position	3,154,000	1,894,000	1,260,000		66.5%
Net position – beginning	44,004,000	42,110,000	1,894,000		4.5%
Net position – ending	\$ 47,158,000	\$ 44,004,000	\$ 3,154,000		7.2%

District revenues increased \$2,168,000 in 2024 (1.6% or \$509,000 decrease in 2023). The increase in operating grants and contributions of \$838,000 (18.3% or \$526,000 decrease in 2023) was primarily due to increased grants received from the Federal Education Stabilization Fund as well as increased Federal and State reimbursement for the Child Nutrition program. The increase in state aid of \$678,000 (2.8% or \$398,000 increase in 2023) was primarily due to increases in excess cost aid of \$348,000, general aid of \$158,000, and BOCES aid of \$126,000. Other revenues increased \$430,000 (28.6% or \$520,000 decrease in 2023) due to an additional \$500,000 in interest income as the District was able to take advantage of higher interest rates and insurance recoveries of \$250,000 for the emergency roof replacement, offset by decreases in refunds of prior year expenditures of \$341,000.

Total expenses increased \$908,000 (\$2,470,000 or 9.2% increase in 2023). Pension expense increased \$368,000 largely as a result of amortization increases from TRS deferred outflows of resources, such as accumulated amounts from prior years' investment losses and actuarial changes. Tuition for students attending out of District placements increased \$206,000, transportation costs increased \$105,000 due to additional bus runs and contract rates, and contractual expenditures related to the federal and state grants increased \$282,000. In total, employee wages remained consistent as a result of cost savings from retirees offset by annual raises and new hires.

Financial Analysis of the District's Funds

Total fund balances for the governmental funds increased from \$25,752,000 to \$28,187,000. Revenues of \$33,302,000 exceeded expenditures of \$30,867,000, resulting in an increase in total fund balance of \$2,435,000.

- Total fund revenue increased \$2,149,000 or 6.9% (increase of \$595,000 or 1.9% in 2023). The increase is due to interest income, Federal Education Stabilization Fund grants, State and Federal Child Nutrition reimbursements, state aid, BOCES aid, and insurance recoveries, as noted above.
- Total fund expenditures increased \$2,119,000 or 7.4% (increase of \$850,000 or 3.0% in 2023). Instruction expenses increased \$520,000 or 3.3% in 2024 (\$241,000 or 1.5% increase in 2023) due to increases in grants received from the Education Stabilization Fund also noted above. Capital outlay increased \$1,702,000 or 274.3% (\$525,000 or 550.2% increase in 2023) due to capital projects in progress.
- Fund balance in the general fund increased \$2,596,000 (\$2,282,000 increase in 2023) primarily as a result of the increased state aid and interest revenues noted above.

- Fund balance in the school lunch fund increased \$62,000 to \$621,000 (\$87,000 increase in 2023). The fund experienced positive net income as more funding was received from the Child Nutrition program.
- At June 30, 2024, the debt service reserve increased to \$2,768,000 (\$2,720,000 in 2023) and will be used to repay long-term debt as required by General Municipal Law.

General Fund Budgetary Highlights

Total revenues of \$29,833,000 exceeded budgeted revenue by \$1,126,000. The expenditure budget including carryover encumbrances was \$29,170,000. Actual expenditures and carryover encumbrances were less than the final amended budget by \$3,512,000 or 12.0%. This difference is attributable to many factors and many unknown items when the budget is prepared. The District generated savings in employee benefits, instruction, pupil transportation, and central services.

Capital Assets

	2024	2023
Land	\$ 81,000	\$ 81,000
Construction in progress	2,395,000	519,000
Land improvements	1,350,000	1,350,000
Buildings and improvements	52,781,000	52,361,000
Vehicles and equipment	3,712,000	3,613,000
	60,319,000	57,924,000
Accumulated depreciation	(30,509,000)	(28,661,000)
	29,810,000	29,263,000
Right-to-use leased equipment, net	315,000	125,000
	\$ 30,125,000	\$ 29,388,000

The increase in capital assets in the current year is a result of current year additions of \$2,633,000 exceeding depreciation and amortization expense and disposals of \$1,896,000.

Debt

At June 30, 2024, the District had \$7,910,000 in bonds outstanding, with \$920,000 due within one year (\$8,815,000 outstanding at June 30, 2023). Outstanding compensated absences payable were \$758,000, with \$159,000 expected to be paid within one year (\$671,000 outstanding at June 30, 2023).

Additional information on the District's long-term liabilities can be found in the notes to the financial statements.

Current Financial Issues and Concerns

Federal revenue sources remain elevated due to pandemic-related funding but are expected to decrease in 2024-2025. The District continues to plan for years when these additional funds are no longer available. School districts in New York State also remain impacted by the political pressures imposed on elected officials in funding of education. Year to year changes in funding levels and State aid formulas complicate this process.

Contacting the District's Financial Management

This financial report is designed to provide our District residents, taxpayers, parents, students, investors, and creditors with a general overview of the District's finances, and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Carolyn Oliveri, Business Administrator, Wilson Central School District, 412 Lake Street, Wilson, New York 14172.

WILSON CENTRAL SCHOOL DISTRICT

Statement of Net Position

June 30, 2024

(With comparative totals as of June 30, 2023)

	2024	2023
Assets		
Cash	\$ 11,147,586	\$ 9,226,077
Accounts receivable	17,398	24,800
Due from other governments	601,548	509,212
State and federal aid receivable	1,271,962	940,978
Investments	17,010,743	16,593,828
Inventory and prepaid expenses	126,817	119,526
Capital assets (Note 4)	60,692,369	58,110,246
Accumulated depreciation and amortization	(30,567,198)	(28,722,273)
Total assets	60,301,225	56,802,394
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	5,159,605	6,730,951
Deferred outflows of resources related to OPEB	872,359	992,347
Total deferred outflows of resources	6,031,964	7,723,298
Liabilities		
Accounts payable	825,689	164,903
Accrued liabilities	15,142	279,823
Due to retirement systems	1,134,354	1,169,207
Unearned revenue	18,381	54,306
Long-term liabilities		
Due within one year:		
Bonds	920,000	905,000
Compensated absences	159,000	141,000
Due beyond one year:		
Bonds	6,990,000	7,910,000
Compensated absences	599,000	530,000
Net pension liability	1,657,806	2,508,119
Total OPEB liability	3,717,020	3,525,423
Total liabilities	16,036,392	17,187,781
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	859,683	551,396
Deferred inflows of resources related to OPEB	2,278,936	2,782,241
Total deferred inflows of resources	3,138,619	3,333,637
Net Position		
Net investment in capital assets	22,215,171	20,572,973
Restricted	23,732,881	21,510,925
Unrestricted	1,210,126	1,920,376
Total net position	\$ 47,158,178	\$ 44,004,274

See accompanying notes.

WILSON CENTRAL SCHOOL DISTRICT

Statement of Activities

For the year ended June 30, 2024

(With summarized comparative totals for June 30, 2023)

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue	
		Charges for Services	Operating Grants and Contributions	2024	2023
Governmental activities					
General support	\$ 3,552,508	\$ 18,600	\$ 17,075	\$ (3,516,833)	\$ (3,682,294)
Instruction	23,922,629	22,622	2,453,302	(21,446,705)	(21,192,362)
Pupil transportation	1,763,931	-	-	(1,763,931)	(1,655,800)
Community services	-	-	-	-	(515)
Interest expense	139,538	-	-	(139,538)	(153,863)
School food service	769,495	108,239	716,220	54,964	58,121
	<u>\$ 30,148,101</u>	<u>\$ 149,461</u>	<u>\$ 3,186,597</u>	<u>(26,812,043)</u>	<u>(26,626,713)</u>
General revenues					
Real property taxes				13,072,658	12,736,537
Miscellaneous				1,728,470	1,297,604
State aid				15,164,819	14,486,667
Total general revenues				<u>29,965,947</u>	<u>28,520,808</u>
Change in net position				3,153,904	1,894,095
Net position - beginning				44,004,274	42,110,179
Net position - ending				<u>\$ 47,158,178</u>	<u>\$ 44,004,274</u>

See accompanying notes.

WILSON CENTRAL SCHOOL DISTRICT

Balance Sheet - Governmental Funds

June 30, 2024

(With summarized comparative totals as of June 30, 2023)

	General	Special Aid	Capital Projects	Debt Service	Food Service	Miscellaneous Special Revenue	Total Governmental Funds	
							2024	2023
Assets								
Cash	\$ 7,160,047	\$ 282,113	\$ 227,849	\$ 2,768,078	\$ 562,153	\$ 147,346	\$ 11,147,586	\$ 9,226,077
Accounts receivable	17,398	-	-	-	-	-	17,398	24,800
Due from other governments	601,548	-	-	-	-	-	601,548	509,212
State and federal aid receivable	537,069	690,443	-	-	44,450	-	1,271,962	940,978
Due from other funds, net	914,142	-	-	-	-	-	914,142	570,613
Investments	17,010,743	-	-	-	-	-	17,010,743	16,593,828
Inventory and prepaid expenses	106,986	-	-	-	19,831	-	126,817	119,526
Total assets	\$ 26,347,933	\$ 972,556	\$ 227,849	\$ 2,768,078	\$ 626,434	\$ 147,346	\$ 31,090,196	\$ 27,985,034
Liabilities								
Accounts payable	\$ 285,212	\$ 49,671	\$ 490,806	\$ -	\$ -	\$ -	\$ 825,689	\$ 164,903
Accrued liabilities	10,142	-	-	-	-	-	10,142	273,823
Due to retirement systems	1,134,354	-	-	-	-	-	1,134,354	1,169,207
Due to other funds, net	-	911,635	2,507	-	-	-	914,142	570,613
Unearned revenue	1,381	11,250	-	-	5,750	-	18,381	54,306
Total liabilities	1,431,089	972,556	493,313	-	5,750	-	2,902,708	2,232,852
Fund Balances								
Nonspendable	106,986	-	-	-	19,831	-	126,817	119,526
Restricted	20,817,457	-	-	2,768,078	-	147,346	23,732,881	21,510,925
Assigned	662,676	-	-	-	600,853	-	1,263,529	1,146,482
Unassigned	3,329,725	-	(265,464)	-	-	-	3,064,261	2,975,249
Total fund balances (deficit)	24,916,844	-	(265,464)	2,768,078	620,684	147,346	28,187,488	25,752,182
Total liabilities and fund balances (deficit)	\$ 26,347,933	\$ 972,556	\$ 227,849	\$ 2,768,078	\$ 626,434	\$ 147,346	\$ 31,090,196	\$ 27,985,034

See accompanying notes.

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position**

June 30, 2024

Total fund balances - governmental funds \$ 28,187,488

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. 30,125,171

The District's proportionate share of the net pension position as well as pension-related deferred outflows and deferred inflows of resources are recognized on the government-wide statements and include:

Deferred outflows of resources related to pensions	5,159,605	
Net pension liability	(1,657,806)	
Deferred inflows of resources related to pensions	(859,683)	2,642,116

The District's total OPEB liability as well as OPEB-related deferred outflows and deferred inflows of resources are recognized on the government-wide statements and include:

Deferred outflows of resources related to OPEB	872,359	
Total OPEB liability	(3,717,020)	
Deferred inflows of resources related to OPEB	(2,278,936)	(5,123,597)

Certain liabilities are not due and payable currently and therefore are not reported as liabilities of the governmental funds. These liabilities are:

Accrued interest	(5,000)	
Bonds	(7,910,000)	
Compensated absences	(758,000)	(8,673,000)

Net position - governmental activities \$ 47,158,178

WILSON CENTRAL SCHOOL DISTRICT

**Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds**

For the year ended June 30, 2024

(With summarized comparative totals for June 30, 2023)

	General	Special Aid	Capital Projects	Debt Service	Food Service	Miscellaneous Special Revenue	Total Governmental Funds	
							2024	2023
Revenues								
Real property taxes	\$ 11,602,933	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,602,933	\$ 11,163,371
Real property tax items	1,469,725	-	-	-	-	-	1,469,725	1,573,166
Charges for services	22,622	-	-	-	-	-	22,622	26,594
Use of money and property	1,102,072	-	-	48,149	4,475	4,534	1,159,230	647,590
Sale of property and compensation for loss	4,252	-	292,044	-	-	-	296,296	56,118
Miscellaneous	291,544	-	-	-	12,197	17,075	320,816	667,787
State sources	15,164,819	408,588	-	-	256,158	-	15,829,565	14,741,153
Federal sources	175,175	1,869,539	-	-	447,865	-	2,492,579	2,056,909
Sales	-	-	-	-	108,239	-	108,239	220,634
Total revenues	29,833,142	2,278,127	292,044	48,149	828,934	21,609	33,302,005	31,153,322
Expenditures								
General support	2,894,842	-	-	-	266,023	15,680	3,176,545	3,248,569
Instruction	14,460,900	1,932,172	-	-	-	-	16,393,072	15,873,327
Pupil transportation	1,739,789	-	-	-	-	-	1,739,789	1,633,998
Community services	-	-	-	-	-	-	-	515
Employee benefits	5,354,280	384,323	-	-	68,326	-	5,806,929	6,082,901
Debt service								
Principal	905,000	-	-	-	-	-	905,000	890,000
Interest	140,538	-	-	-	-	-	140,538	153,863
Cost of sales	-	-	-	-	381,933	-	381,933	243,485
Capital outlay	-	-	2,272,011	-	50,882	-	2,322,893	620,617
Total expenditures	25,495,349	2,316,495	2,272,011	-	767,164	15,680	30,866,699	28,747,275
Excess revenues (expenditures)	4,337,793	(38,368)	(1,979,967)	48,149	61,770	5,929	2,435,306	2,406,047
Other financing sources (uses)								
Operating transfers, net	(1,741,968)	38,368	1,703,600	-	-	-	-	-
Net change in fund balances	2,595,825	-	(276,367)	48,149	61,770	5,929	2,435,306	2,406,047
Fund balances - beginning	22,321,019	-	10,903	2,719,929	558,914	141,417	25,752,182	23,346,135
Fund balances (deficit) - ending	\$ 24,916,844	\$ -	\$ (265,464)	\$ 2,768,078	\$ 620,684	\$ 147,346	\$ 28,187,488	\$ 25,752,182

See accompanying notes.

**Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures, and Changes in Fund Balances to the Statement of Activities**

For the year ended June 30, 2024

Total net change in fund balances - governmental funds \$ 2,435,306

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

Capital outlays are reported in governmental funds as expenditures. In the statement of activities, the cost of the assets is allocated over estimated useful lives as depreciation and amortization expense. This is the amount by which capital outlays exceed depreciation and amortization expense and disposals. 737,198

Pension expense is recognized when paid on the fund statement of revenues, expenditures, and changes in fund balances and actuarially determined on the statement of activities. These differences are:

2024 TRS and ERS contributions	1,282,076	
2024 ERS accrued contribution	85,493	
2023 ERS accrued contribution	(75,103)	
2024 TRS net pension expense	(1,805,131)	
2024 ERS net pension expense	<u>(516,655)</u>	(1,029,320)

OPEB expense is recognized when paid on the fund statement of revenues, expenditures, and changes in fund balances and actuarially determined on the statement of activities. 191,720

Payments of long-term liabilities are reported as expenditures in the governmental funds and as a reduction of debt in the statement of net position. 905,000

In the statement of activities, certain expenses are measured by the amounts earned during the year. In the governmental funds these expenditures are reported when paid.

The difference are:

Interest	1,000	
Compensated absences	<u>(87,000)</u>	(86,000)

Change in net position - governmental activities \$ 3,153,904

WILSON CENTRAL SCHOOL DISTRICT

**Statement of Revenues, Expenditures, and Changes in
Fund Balance Budget (Non-GAAP) and Actual - General Fund**

For the year ended June 30, 2024

	Budgeted Amounts		Actual (Budgetary Basis)	Encumbrances	Variance with Final Budget Over/(Under)
	Original	Final			
Revenues					
Local sources					
Real property taxes	\$ 13,019,927	\$ 11,602,933	\$ 11,602,933		\$ -
Real property tax items	46,900	1,463,894	1,469,725		5,831
Charges for services	33,500	33,500	22,622		(10,878)
Use of money and property	70,000	70,000	1,102,072		1,032,072
Sale of property and compensation for loss	200	200	4,252		4,052
Miscellaneous	265,000	265,000	291,544		26,544
State sources	15,231,488	15,231,488	15,164,819		(66,669)
Federal sources	40,000	40,000	175,175		135,175
Total revenues	28,707,015	28,707,015	29,833,142		1,126,127
Expenditures					
General support					
Board of education	48,000	48,000	34,518	-	(13,482)
Central administration	258,500	267,500	263,692	-	(3,808)
Finance	361,050	353,117	312,116	-	(41,001)
Staff	185,250	159,500	89,873	40,422	(29,205)
Central services	2,355,583	2,370,083	1,944,966	67,683	(357,434)
Special items	253,000	253,000	249,677	-	(3,323)
Instruction					
Instruction, administration, and improvement	728,481	727,681	680,939	1,277	(45,465)
Teaching - regular school	6,893,130	6,895,931	6,325,094	1,363	(569,474)
Programs for children with handicapping conditions	4,443,515	4,443,515	3,877,505	16,987	(549,023)
Occupational education	1,100,614	1,100,614	1,010,914	-	(89,700)
Teaching - special schools	20,000	25,690	22,361	-	(3,329)
Instructional media	1,094,765	1,094,265	1,003,144	5,061	(86,060)
Pupil services	1,644,827	1,654,819	1,540,943	29,111	(84,765)
Pupil transportation	2,122,081	2,122,081	1,739,789	-	(382,292)
Community services	1,000	1,000	-	-	(1,000)
Employee benefits	6,598,390	6,591,390	5,354,280	772	(1,236,338)
Debt service					
Principal	920,000	920,000	905,000	-	(15,000)
Interest	141,831	141,831	140,538	-	(1,293)
Total expenditures	29,170,017	29,170,017	25,495,349	162,676	(3,511,992)
Excess revenues (expenditures)	(463,002)	(463,002)	4,337,793	(162,676)	4,638,119
Other financing sources (uses)					
Operating transfers out	(150,000)	(150,000)	(1,741,968)		1,591,968
Appropriated fund balance and carryover encumbrances	613,002	613,002	-		(613,002)
Total other financing sources (uses)	463,002	463,002	(1,741,968)		(2,204,970)
Excess revenues (expenditures) and other financing sources (uses)	\$ -	\$ -	\$ 2,595,825	\$ (162,676)	\$ 2,433,149

See accompanying notes.

WILSON CENTRAL SCHOOL DISTRICT

Statement of Fiduciary Net Position - Custodial Fund

June 30, 2024

Assets

Cash	\$ 114,133
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Liabilities

Accrued liabilities	<u>123</u>
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Net Position

Extraclassroom activity balances	<u>\$ 114,010</u>
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WILSON CENTRAL SCHOOL DISTRICT

Statement of Changes in Fiduciary Net Position - Custodial Fund

For the year ended June 30, 2024

Additions

Student activity additions	\$ 164,011
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Deductions

Student activity deductions	<u>145,543</u>
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Change in net position	18,468
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Net position - beginning	<u>95,542</u>
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Net position - ending	<u>\$ 114,010</u>
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Notes to Financial Statements

1. Summary of Significant Accounting Policies

Reporting Entity

Wilson Central School District (the District) is governed by Education and other laws of the State of New York (the State). The District's Board of Education has responsibility and control over all activities related to public school education within the District. The District's Superintendent is the chief executive officer and the President of the Board serves as the chief fiscal officer. The Board members are elected by the public and have decision-making authority, the power to designate management, the ability to influence operations, and the primary accountability for fiscal matters.

The District provides education and support services such as administration, transportation, and plant maintenance. The District receives funding from local, state, and federal sources and must comply with requirements of these funding sources. However, the District is not included in any other governmental reporting entity as defined by accounting principles generally accepted in the United States of America (GAAP), nor does it contain any component units.

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

Joint Venture

The District is one of 13 participating school districts in the Orleans/Niagara Board of Cooperative Educational Services (BOCES). Formed under §1950 of Education Law, a BOCES is a voluntary cooperative association of school districts in a geographic area that shares planning, services, and programs, and also provides educational and support activities. There is no authority or process by which the District can terminate its status as a component of BOCES.

The component school district boards elect the members of the BOCES governing body. There are no equity interests and no single participant controls the financial or operating policies. BOCES may also contract with other municipalities on a cooperative basis under State General Municipal Law.

A BOCES' budget is comprised of separate spending plans for administrative, program, and capital costs. Each component school district shares in administrative and capital costs determined by its enrollment. Participating districts are charged a service fee for programs in which students participate, and for other shared contracted administrative services. Participating districts may issue debt on behalf of BOCES; there is currently no such debt issued by the District.

During the year ended June 30, 2024, the District was billed \$3,963,000 for BOCES administrative and program costs and recognized revenue of \$262,000 as a refund from prior year expenditures paid to BOCES. Audited financial statements are available from BOCES' administrative offices.

Risk Management

The District participates in the Orleans/Niagara School Health Plan and the Niagara County Mutual Self-Insurance Plan, which are public entity risk pools. These plans are designed to provide health insurance and workers' compensation coverage for participating entities. These activities are further presented in Note 8.

Basis of Presentation

Government-Wide Statements: The statement of net position and the statement of activities display financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize double counting of internal activities. These statements are required to distinguish between *governmental* and *business-type* activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The District does not maintain any business-type activities.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities.

- Direct expenses are those that are specifically associated with a program or are clearly identifiable to a particular function. Indirect expenses relate to the administration and support of the District's programs, including personnel, overall administration, and finance. Employee benefits are allocated to functional expenses as a percentage of related payroll expense.
- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational requirements of a particular program, and (c) capital grants and contributions limited to the purchase or construction of specific capital assets, if any. Revenues that are not classified as program revenues, including all taxes and state aid, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds. Separate statements for each fund category – *governmental and fiduciary* – are presented. The emphasis of the fund financial statements is on major governmental funds, each displayed in a separate column.

The District reports the following major funds:

- *General fund.* This is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
- *Special aid fund.* This fund is used to account for the proceeds of specific revenue sources – other than expendable trusts or major capital projects – such as federal, state, and local grants and awards that are restricted or committed to expenditure for specific purposes. Either governments or other third parties providing the grant funds impose these restrictions.
- *Capital projects fund.* This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The District also elected to display the following as major funds:

- *Debt service fund.* This fund is used to account for resources that are restricted to expenditure for principal and interest.
- *Food service fund.* This fund is a special revenue fund whose specific revenue sources, including free and reduced meal subsidies received from state and federal programs, are assigned to the operation of the District's breakfast and lunch programs.
- *Miscellaneous special revenue fund.* This fund is used to account for resources that are restricted to student scholarships. Donations are made by third parties and District personnel manage the funds and assist with determination of scholarship recipients.

Fiduciary fund reporting focuses on net position and changes in net position. Fiduciary funds are used to report fiduciary activities, which may include pension and other postemployment benefit trust funds, investment trust funds, private-purpose trust funds, and custodial funds. The District maintains a custodial fund for its student activity accounts.

The financial statements include certain prior year summarized comparative information in total but not by separate governmental activities and major funds. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

Basis of Accounting and Measurement Focus

The government-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 flows take place. Nonexchange transactions, in which the District receives value directly without giving equal value in exchange, include property taxes, grants, and donations. Revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if they are collected within ninety days after year end. 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. Capital asset purchases are reported as expenditures in governmental funds. Proceeds of long-term liabilities are reported as other financing sources.

Under the terms of grant agreements, revenues are recognized to the extent of program expenditures. Amounts received in advance of the expenditures are considered unearned and reported as revenue when the expense is incurred.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Property Taxes

The District levies real property taxes no later than September 1. For the year ended June 30, 2024, the tax lien was issued on August 8, 2023 for collection from September 1, 2023 through November 1, 2023. Thereafter, uncollected amounts became the responsibility of Niagara County. Such amounts were submitted to the District by April 1st of the following year as required by law.

Budget Process, Amendments, and Encumbrances

District administration prepares a proposed budget for the general fund requiring approval by the Board. A public hearing is held upon completion and filing of the tentative budget. Subsequently, the budget is adopted by the Board. The proposed budget is then presented to voters of the District. The budget for the fiscal year beginning July 1, 2023 was approved by a majority of the voters in a general election held on May 16, 2023.

Annual appropriations are adopted and employed for control of the general fund. These budgets are adopted on a GAAP basis under the modified accrual basis of accounting. Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) which may be incurred. Appropriations authorized for the current year may be increased by the planned use of specific restricted, committed, and assigned fund balances and subsequent budget amendments approved by the Board as a result of new revenue sources not included in the original budget.

Major capital expenditures are subject to individual project budgets based on the cost of the project and external financing rather than annual appropriations. For the capital projects fund, these budgets do not lapse at year end and are carried over to the completion of the project.

Encumbrance accounting is used to assure budgetary control over commitments related to unperformed (executory) contracts for goods or services outstanding at the end of each year. Encumbrances are budgetary expenditures in the year committed and again in the subsequent period when the expenditure is paid. All budget appropriations that are unencumbered lapse at the end of the fiscal year. Encumbrances outstanding at year end are presented for GAAP-related purposes as committed or assigned fund balances and do not constitute expenditures or liabilities. At July 1, encumbrances carried forward from the prior year are reestablished through budget appropriations.

Cash and Investments

Cash and investment management is governed by State laws and as established in the District’s written policies. Cash must be deposited in FDIC-insured commercial banks or trust companies located within the State. The District’s policies permit the Treasurer to use demand and time accounts, certificates of deposit, obligations of the United States Treasury and its Agencies, and obligations of the State or its localities, including those held under repurchase agreements or in external investment pools.

Custodial credit risk is the risk that in the event of a bank failure the District’s deposits may not be returned to it. Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts. At June 30, 2024, the District’s bank deposits were fully collateralized by FDIC coverage and securities held by the pledging institutions’ agents in the District’s name.

Investments include U.S. Treasury bills with original maturities in excess of three months.

Inventory and Prepaid Expenses

Inventory consists of food and similar goods related to food service operations and is recorded at the lower of first-in, first-out cost or net realizable value. Donated commodities are stated at values which approximate market. Certain payments to vendors reflect expenditures applicable to future periods and are reflected as prepaid expenses.

Capital Assets

Capital assets are reported at actual or estimated historical cost based on appraisals. Contributed assets are recorded at fair value at the time received. Depreciation and amortization are provided in the government-wide statements over estimated useful lives using the straight-line method. Maintenance and repairs are expensed as incurred; significant improvements are capitalized.

Capitalization thresholds for determining which assets are added to capital accounts and the estimated useful lives of capital assets are:

	Capitalization Policy	Estimated Useful Life in Years
Land improvements	\$ 1,500	20
Buildings and improvements	\$ 1,500	50
Vehicles and equipment	\$ 1,500	5 - 20

Pensions

The District participates in the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS) (the Systems) as mandated by State law. The Systems recognize benefit payments when due and payable in accordance with benefit terms; investment assets are reported at fair value. On the government-wide statements, the District recognizes its proportionate share of net pension position, deferred outflows and deferred inflows of resources, pension expense (revenue), and information about and changes in the fiduciary net position on the same basis as reported by the respective defined benefit pension plans.

Other Postemployment Benefits (OPEB)

On the government-wide statements, the total OPEB liability, deferred outflows and deferred inflows of resources, and OPEB expense for the District's defined benefit healthcare plan (Note 7) have been measured on the same basis as reported by the plan. Benefit payments are due and payable in accordance with benefit terms.

Compensated Absences

The liability for compensated absences reported in the government-wide financial statements consists of unpaid accumulated sick and vacation time. The liability has been calculated using the vesting method, in which leave amounts for both employees currently eligible to receive payments and those expected to become eligible to receive such payments are included. Sick pay is accrued on the basis of negotiated contracts with administrative and employee groups which provide for the payment of accumulated sick time at retirement or the option of converting this vested amount to provide for payment of health insurance until exhausted.

The government-wide financial statements reflect the entire liability, while in the governmental funds financial statements, only the amount of matured liabilities is accrued based on expendable available financial resources.

Equity Classifications

Government-Wide Statements

The District is required to classify net position into three categories:

- *Net investment in capital assets* – consists of capital assets, net of accumulated depreciation and amortization, reduced by outstanding balances of any related debt obligations that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* – consists of restricted assets reduced by related liabilities and deferred inflows of resources. Restrictions are imposed by external organizations such as federal or state laws or required by the terms of the District's bonds.
- *Unrestricted* – the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position and therefore are available for general use by the District.

Governmental Fund Statements

The District considers unrestricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, unless the use of the restricted amount was appropriated in the current year's budget. Within unrestricted fund balance, the District considers committed, assigned, then unassigned resources to have been spent when an expenditure is incurred for which amounts in any of those fund balance classifications could be used.

Fund balance is categorized as follows:

Nonspendable:	
Inventory	\$ 19,831
Prepaid expenses	106,986
Restricted:	
Capital	15,288,696
Debt service	2,768,078
Employee benefit accrued liability	410,684
Insurance	814,858
Retirement contribution	2,683,703
Unemployment insurance	428,977
Workers' compensation	908,533
Repair	271,149
Tax certiorari	10,857
Scholarships	147,346
Assigned:	
Designated for subsequent year	500,000
Encumbrances	162,676
Food service	600,853
Unassigned	3,064,261
	<u>\$ 28,187,488</u>

Nonspendable fund balances represent resources that cannot be spent as they are not expected to be converted to cash.

Restricted fund balances generally result from reserves created by the State of New York Legislature and included in General Municipal Law, State Education Law, or Real Property Tax Law as authorized for use by the Board of Education. Certain reserves may require voter approval for their establishment and/or use. Earnings on invested resources are required to be added to the various reserves.

Fund balance restrictions include scholarships donated to the District by third parties for the benefit of students and the following reserves:

- *Capital* – is used to accumulate funds to finance all or a portion of future capital projects for which bonds may be issued. Voter authorization is required for both the establishment of the reserve and payments from the reserve. During 2007, 2011, and 2017, voters approved capital reserves of \$5,000,000 each and during 2022 approved a capital reserve of \$1,000,000 for a total of \$16,000,000; each reserve has a term of 20 years. To date, \$19,156,000 has been funded and \$15,288,696 is available for use in the general fund.
- *Debt service* – is used to account for proceeds from the sale of property that was financed by obligations still outstanding, interest and earnings on outstanding obligations (including bond premiums), and remaining bond proceeds not needed for their original purpose as required under §165 of Finance Law. This reserve must be used to pay the debt service obligations for which the original money was generated.
- *Employee benefit accrued liability* – is used to account for the payment of accumulated vacation and sick time due upon termination of an employee's services. It is 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.
- *Insurance* – is used to pay liability, casualty, and other types of losses except losses incurred for which insurance may be purchased. The amount is funded through budgetary appropriations which may not exceed 5% of the budget.
- *Retirement contribution* – is used to finance retirement contributions payable to TRS and ERS. For TRS, funding is limited to 2% annually of eligible salaries with a maximum reserve of 10% of eligible salaries. At June 30, 2024, the retirement contribution reserve includes \$1,013,046 for TRS and \$1,670,657 for ERS.
- *Unemployment insurance* – is used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants as the District has elected to use the benefit reimbursement method.
- *Workers' compensation* – is used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law, and for payment of expenses of administering this program.
- *Repair* – is used to accumulate funds to finance costs of major repairs to capital improvements or equipment, and requires a public hearing for its use.

- *Tax certiorari* – is used to pay judgments and claims resulting from tax certiorari proceedings in accordance with Real Property Tax Law. Funds not used by July 1 of the fourth fiscal year following their deposit must be returned to unassigned fund balance.

Committed fund balances are authorized by the Board of Education as recommended by the District’s management prior to the end of the fiscal year, although funding of the commitment may be established subsequent to year end.

Assigned fund balances include the planned use of existing fund balance to offset the subsequent year’s tax levy. Additionally, the Board of Education has given the District’s management the authority to assign fund balances for specific purposes that are neither restricted nor committed.

Interfund Balances

The operations of the District include transactions between funds including resources for cash flow purposes. These interfund receivables and payables are repaid within one year. Permanent transfers of funds provide financing or other services.

In the government-wide statements, the amounts reported on the statement of net position for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all interfund receivables and payables between the funds, with the exception of those due from or to fiduciary funds.

Interfund receivables and payables are netted on the accompanying governmental funds balance sheet as the right of legal offset exists. It is the District’s practice to settle these amounts at the net balances due between funds.

2. Stewardship and Compliance

The District’s unassigned fund balance in the general fund exceeds 4% of the 2025 budget, which is a limitation imposed by New York State Real Property Tax Law §1318. The capital projects deficit fund balance of \$265,464 will be funded when the District obtains permanent financing.

3. Interfund Transactions – Fund Financial Statements

Fund	Receivable	Payable	Transfers	
			In	Out
General	\$ 1,029,000	\$ 114,858	\$ -	\$ 1,741,968
Special aid	114,858	1,026,493	38,368	-
Capital projects	-	2,507	1,703,600	-
	<u>\$ 1,143,858</u>	<u>\$ 1,143,858</u>	<u>\$ 1,741,968</u>	<u>\$ 1,741,968</u>

The general fund provides cash flow to the various other funds; these amounts will be repaid when funds are received from the State after final expenditure reports have been submitted and approved or when permanent financing is obtained. The general fund made permanent transfers to the special aid fund to cover its share of costs related to the summer school handicap program and to the capital projects fund for voter-approved improvements.

4. Capital Assets

	July 1, 2023	Increases	Retirements/ Reclassifications	June 30, 2024
Non-depreciable and non-amortizable capital assets:				
Land	\$ 80,850	\$ -	\$ -	\$ 80,850
Construction in progress	519,096	1,876,366	-	2,395,462
	<u>599,946</u>	<u>1,876,366</u>	<u>-</u>	<u>2,476,312</u>
Depreciable capital assets:				
Land improvements	1,350,082	-	-	1,350,082
Buildings and improvements	52,361,107	419,845	-	52,780,952
Vehicles and equipment	3,613,115	109,043	(10,643)	3,711,515
Total depreciable assets	<u>57,324,304</u>	<u>528,888</u>	<u>(10,643)</u>	<u>57,842,549</u>
Accumulated depreciation:				
Land improvements	(1,350,082)	-	-	(1,350,082)
Buildings and improvements	(25,025,175)	(1,612,550)	-	(26,637,725)
Vehicles and equipment	(2,285,587)	(246,376)	10,643	(2,521,320)
Total accumulated depreciation	<u>(28,660,844)</u>	<u>(1,858,926)</u>	<u>10,643</u>	<u>(30,509,127)</u>
Total depreciable assets, net	<u>28,663,460</u>	<u>(1,330,038)</u>	<u>-</u>	<u>27,333,422</u>
Right-to-use lease assets:				
Equipment	185,996	228,061	(40,549)	373,508
Accumulated amortization	(61,429)	(37,191)	40,549	(58,071)
Total right-to-use assets, net	<u>124,567</u>	<u>190,870</u>	<u>-</u>	<u>315,437</u>
	<u>\$ 29,387,973</u>	<u>\$ 737,198</u>	<u>\$ -</u>	<u>\$ 30,125,171</u>

Depreciation and amortization expense have been allocated to the following functions: general support \$198,488, instruction \$1,662,547, and food service \$35,082.

As of June 30, 2024, net investment in capital assets consists of the following:

Capital assets, net of accumulated depreciation and amortization	\$ 30,125,171
Bonds	(7,910,000)
	<u>\$ 22,215,171</u>

5. Long-Term Liabilities

	July 1, 2023	Increases	Decreases	June 30, 2024	Amount Due in One Year
Bonds	\$ 8,815,000	\$ -	\$ 905,000	\$ 7,910,000	\$ 920,000
Compensated absences	671,000	87,000	-	758,000	159,000
	<u>\$ 9,486,000</u>	<u>\$ 87,000</u>	<u>\$ 905,000</u>	<u>\$ 8,668,000</u>	<u>\$ 1,079,000</u>

Existing Obligations

Description	Maturity	Rate	Balance
2013 Bonds	June 2028	1.0%-2.3%	\$ 800,000
2016 Bonds	June 2031	2.0%-2.5%	1,650,000
2021 Bonds	June 2035	1.0%-2.0%	5,460,000
			<u>\$ 7,910,000</u>

Debt Service Requirements

Years ending June 30,	Principal	Interest
2025	\$ 920,000	\$ 126,963
2026	940,000	113,013
2027	950,000	98,693
2028	850,000	85,206
2029	750,000	73,032
2030-2034	2,965,000	187,444
2035	535,000	5,350
	<u>\$ 7,910,000</u>	<u>\$ 689,701</u>

6. Pension Plans

Plan Descriptions

The District participates in the following cost-sharing, multiple employer, public employee retirement systems:

- TRS is administered by the New York State Teachers' Retirement Board and provides benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. TRS issues a publicly available financial report that contains financial statements and required supplementary information. The report may be obtained from the New York State Teachers' Retirement System at www.nystrs.org.
- ERS provides retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law governs obligations of employers and employees to contribute and provide benefits to employees. ERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained from the New York State and Local Retirement System at www.osc.state.ny.us/retire.

Benefits: The Systems provide retirement, disability, and death benefits for eligible members, including automatic cost of living adjustments. In general, retirement benefits are determined based on an employee's individual circumstances using a pension factor, an age factor, and final average salary. The benefits vary depending on the individual's employment tier. Pension factors are determined based on tier and an employee's years of service, among other factors.

Contribution Requirements: No employee contribution is required for those hired prior to July 1976. The Systems require employee contributions of 3% of salary for the first 10 years of service for those employees who joined the Systems from July 1976 through December 2009. Participants hired on or after January 1, 2010 through March 31, 2012 are required to contribute 3.5% (TRS) or 3% (ERS) of compensation throughout their active membership in the Systems. Participants hired on or after April 1, 2012 are required to contribute a percentage ranging from 3% to 6% each year, based on their level of compensation. Pursuant to Article 11 of Education Law, an actuarially determined contribution rate is established annually for TRS by the New York State Teachers' Retirement Board. This rate was 9.76% for 2024. For ERS, the Comptroller annually certifies the rates used, expressed as a percentage of the wages of participants, to compute the contributions required to be made by the District to the pension accumulation fund. For 2024, these rates ranged from 9.6% - 15.0%.

The amount outstanding and payable to TRS for the year ended June 30, 2024 was \$980,695. A liability to ERS of \$85,493 is accrued based on the District's legally required contribution for employee services rendered from April 1 through June 30, 2024.

Net Pension Position, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources

At June 30, 2024, the District reported a liability of \$627,265 for its proportionate share of the TRS net pension position and a liability of \$1,030,541 for its proportionate share of the ERS net pension position.

The TRS total pension liability at the June 30, 2023 measurement date was determined by an actuarial valuation as of June 30, 2022, with update procedures applied to roll forward the total pension liability to June 30, 2023. The District's proportion of the net pension position was based on the ratio of its actuarially determined employee contribution to TRS's total actuarially determined employer contributions for the fiscal year ended on the measurement date. At June 30, 2023, the District's proportion was 0.054851%, a decrease of 0.000525 from its proportion measured as of June 30, 2022.

The ERS total pension liability at the March 31, 2024 measurement date was determined by an actuarial valuation as of April 1, 2023, with update procedures applied to roll forward the total pension liability to March 31, 2024. The District's proportion of the net pension position was based on the ratio of its actuarially determined employer contribution to ERS's total actuarially determined employer contributions for the fiscal year ended on the measurement date. At March 31, 2024, the District's proportion was 0.0069990%, an increase of 0.0002582 from its proportion measured as of March 31, 2023.

For the year ended June 30, 2024, the District recognized pension expense of \$2,321,786 on the government-wide statements (TRS expense of \$1,805,131 and ERS expense of \$516,655). At June 30, 2024, the District reported deferred outflows and deferred inflows of resources as follows:

	TRS		ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,520,952	\$ (3,759)	\$ 331,936	\$ (28,100)
Changes of assumptions	1,350,484	(294,331)	389,624	-
Net difference between projected and actual earnings on pension plan investments	320,646	-	-	(503,414)
Changes in proportion and differences between contributions and proportionate share of contributions	50,503	(30,079)	129,272	-
District contributions subsequent to the measurement date	980,695	-	85,493	-
	<u>\$ 4,223,280</u>	<u>\$ (328,169)</u>	<u>\$ 936,325</u>	<u>\$ (531,514)</u>

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

Years ending June 30,	TRS	ERS
2025	\$ 267,533	\$ (129,248)
2026	(315,865)	231,266
2027	2,521,684	317,942
2028	191,033	(100,642)
2029	153,272	-
Thereafter	96,759	-
	<u>\$ 2,914,416</u>	<u>\$ 319,318</u>

Actuarial Assumptions

For TRS, the actuarial assumptions used in the June 30, 2022 valuation, with update procedures used to roll forward the total pension liability to June 30, 2023, were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020. These assumptions are:

Inflation – 2.4%

Salary increases – Based on TRS member experience, dependent on service, ranging from 1.95%-5.18%

Projected Cost of Living Adjustments (COLA) – 1.3% compounded annually

Investment rate of return – 6.95% compounded annually, net of investment expense, including inflation

Mortality – Based on TRS member experience, with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021, applied on a generational basis

Discount rate – 6.95%

The long term expected rate of return on TRS pension plan investments was determined in accordance with Actuarial Standard of Practice No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. 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.

For ERS, the actuarial assumptions used in the April 1, 2023 valuation, with update procedures used to roll forward the total pension liability to March 31, 2024, were based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020. These assumptions are:

Inflation – 2.9%

Salary increases – 4.4%

COLA – 1.5% annually

Investment rate of return – 5.9% compounded annually, net of investment expense, including inflation

Mortality – Society of Actuaries' Scale MP-2021

Discount rate – 5.9%

The long-term expected rate of return on ERS pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Investment Asset Allocation

Best estimates of arithmetic real rates of return (net of the long term inflation assumption) for each major asset class and the Systems' target asset allocations as of the applicable valuation dates are summarized as follows:

Asset Class	TRS		ERS	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	33%	6.8%	32%	4.0%
Global and international equities	19%	7.2%-7.6%	15%	6.7%
Private equities	9%	10.1%	10%	7.3%
Real estate equities	11%	6.3%	9%	4.6%
Domestic fixed income securities	16%	2.2%	23%	1.5%
Global fixed income securities	2%	1.6%	-	-
Bonds and mortgages	6%	3.2%	-	-
Short-term	1%	0.3%	1%	0.3%
Other	3%	4.4%-6.0%	10%	5.3%-5.8%
	<u>100%</u>		<u>100%</u>	

Discount Rate

The discount rate projection of cash flows assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those 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 District's proportionate share of its net pension position calculated using the discount rate of 6.95% (TRS) and 5.9% (ERS) and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1.0% Decrease	At Current Discount Rate	1.0% Increase
District's proportionate share of the TRS net pension asset (liability)	\$ (9,553,570)	\$ (627,265)	\$ 6,880,143
District's proportionate share of the ERS net pension asset (liability)	\$ (3,240,125)	\$ (1,030,541)	\$ 814,921

7. OPEB

Plan Description

The District maintains a single-employer defined benefit healthcare plan (the Plan) providing for continuation of medical and dental insurance for certain current and former administrators. The District pays 100% of medical insurance for life for certain administrators upon retirement from the District for those who meet the required years of service. Benefit provisions are based on individual contracts with the District, as negotiated from time to time. The Plan is also open to all eligible employees and provides continued insurance through the conversion of sick time or by payment of monthly premiums by retirees through participation in the District's policies. The District thereby provides an implicit rate subsidy on behalf of all eligible employees. Plan options include single and two-person coverage. The Plan has no assets, does not issue financial statements, and is not a trust.

At June 30, 2022, employees covered by the Plan include:

Active employees	169
Inactive employees or beneficiaries currently receiving benefits	20
Inactive employees entitled to but not yet receiving benefits	-
	<u>189</u>

Total OPEB Liability

The District's total OPEB liability of \$3,717,020 was measured as of June 30, 2023 and was determined by an actuarial valuation as of June 30, 2022, with update procedures to roll forward the total OPEB liability to June 30, 2023.

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

Healthcare cost trend rates – based on the National Health Expenditure Projections 2009-2025 for short-term rates and the Society of Actuaries Getzen Long-Term Healthcare Cost Trend Resource Model v2023_1f for long-term rates, initially 7.75% for pre-65, 4.50% for post-65, and 7.75% for prescription drug coverage, with an ultimate rate of 4.04% after 2075

Salary increases – 2.5%

Mortality – sex-distinct headcount-weighted Pub-2010 Public Retirement Plans Mortality Tables adjusted for mortality improvements with Scale MP-2021 on a fully generational basis

Discount rate – 3.86% based on the Fidelity Municipal General Obligation AA 20-Year Bond rate as of the measurement date

Inflation rate – 2.5%

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2023	<u>\$ (3,525,423)</u>
Changes for the year:	
Service cost	(163,295)
Interest	(132,421)
Changes of benefit terms	(6,116)
Differences between expected and actual experience	-
Changes of assumptions or other inputs	(89,912)
Benefit payments	<u>200,147</u>
Net changes	<u>(191,597)</u>
Balance at June 30, 2024	<u>\$ (3,717,020)</u>

The following presents the sensitivity of the District's total OPEB liability to changes in the discount rate, including what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% higher or lower than the current discount rate:

	1.0% Decrease (2.86%)	Discount Rate (3.86%)	1.0% Increase (4.86%)
Total OPEB liability	<u>\$ (4,000,308)</u>	<u>\$ (3,717,020)</u>	<u>\$ (3,450,928)</u>

The following presents the sensitivity of the District's total OPEB liability to changes in the healthcare cost trend rates, including what the District's total OPEB liability would be if it were calculated using trend rates that are 1% higher or lower than the current healthcare cost trend rates:

	1.0% Decrease (6.75% to 3.04%)	Healthcare Cost Trend Rate (7.75% to 4.04%)	1.0% Increase (8.75% to 5.04%)
Total OPEB liability	<u>\$ (3,324,213)</u>	<u>\$ (3,717,020)</u>	<u>\$ (4,171,354)</u>

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources

For the year ended June 30, 2024, the District recognized OPEB income of \$18,262. At June 30, 2024, the District reported deferred outflows 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	\$ 69,818	\$ (2,124,929)
Changes of assumptions	629,083	(154,007)
Benefit payments subsequent to the measurement date	173,458	-
	<u>\$ 872,359</u>	<u>\$ (2,278,936)</u>

Benefit payments subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the subsequent year. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending June 30,	
2025	\$ (308,195)
2026	(267,981)
2027	(285,072)
2028	(331,006)
2029	(251,613)
Thereafter	<u>(136,168)</u>
	<u>\$ (1,580,035)</u>

8. Risk Management

General Liability

The District purchases commercial insurance for various risks of loss due to torts, theft, damage, errors and omissions, and natural disasters. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

Health Insurance

The District participates in the Orleans/Niagara School Health Plan (the Plan). The Plan has been established to administer a health insurance program to lower the costs of such coverage to the nine participating members as of June 30, 2023 (the most recent information available). The District has transferred partial risk to the Plan. Plan members pay monthly premium equivalents based upon a pro-rata share of expenditures. All funds received are pooled and administered as a common fund. Plan members could be subjected, however, to pro-rata supplemental assessments in the event that the Plan's assets are not adequate to meet claims. No such supplemental assessments have been required in the past three years.

The Plan has published its own financial report for the year ended June 30, 2023, which can be obtained from Orleans/Niagara BOCES, 4232 Shelby Basin Road, Medina, New York 14103.

Workers' Compensation

The District participates in the Niagara County Mutual Self-Insurance Plan (the Plan) pursuant to Article 5 of the Workers' Compensation law to finance the liability and risk related to workers' compensation claims and to lower the costs of coverage to the participating members. The Plan includes 20 governmental entities as of December 31, 2023 (the most recent information available). The pool is funded through annual assessments for each participating entity based on payroll. The District has transferred partial risk to the Plan. Plan members pay monthly premium equivalents based upon a pro-rata share of expenditures. All funds received are pooled and administered as a common fund. Plan members could be subjected, however, to pro-rata supplemental assessments in the event that the Plan's assets are not adequate to meet claims. No such supplemental assessments have been required in the past three years.

The Plan has established its own financial report for the year ended December 31, 2023, which can be obtained from Niagara County Risk Management and Insurance Services, 111 Main Street, Suite 102, Lockport, New York 14094.

9. Commitments and Contingencies

Grants

The District receives financial assistance from federal and state agencies in the form of grants and calculated aid as determined by the State. The expenditure of grant funds generally requires compliance with the terms and conditions specified in the agreements and is subject to audit by the grantor agencies. State aid payments are based upon estimated expenditures and pupil statistics, are complex, and subject to adjustment. Any disallowed claims resulting from such audits could become a liability of the District. Based on prior experience, management expects such amounts to be immaterial.

Litigation

The District is subject to claims and lawsuits that arise in the ordinary course of business. In the opinion of management, these claims and lawsuits will not have a material adverse effect upon the financial position of the District.

Construction Commitments

The District has entered into contracts with various construction companies for its capital projects. Budgeted costs total \$9,864,000, of which \$2,395,000 has been spent to date.

WILSON CENTRAL SCHOOL DISTRICT

Required Supplementary Information (Unaudited)
Schedule of the District's Proportionate Share of the Net Pension Position
New York State Teachers' Retirement System

As of the measurement date of June 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension position	0.054851%	0.055376%	0.055199%	0.054624%	0.054190%	0.055211%	0.055265%	0.055988%	0.056821%	0.058738%
District's proportionate share of the net pension asset (liability)	\$ (627,265)	\$ (1,062,612)	\$ 9,565,539	\$ (1,509,420)	\$ 1,407,862	\$ 998,365	\$ 420,069	\$ (599,655)	\$ 5,901,859	\$ 6,542,993
District's covered payroll	\$ 10,130,466	\$ 9,810,071	\$ 9,369,119	\$ 9,271,490	\$ 9,045,207	\$ 8,992,153	\$ 8,757,696	\$ 8,639,518	\$ 8,717,499	\$ 8,630,595
District's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	(6.19%)	(10.83%)	102.10%	(16.28%)	15.56%	11.10%	4.80%	(6.94%)	67.70%	75.81%
Plan fiduciary net position as a percentage of the total pension liability	99.17%	98.57%	113.20%	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%	111.48%

The following is a summary of changes of assumptions:

Inflation	2.4%	2.4%	2.4%	2.2%	2.2%	2.25%	2.5%	2.5%	3.0%	3.0%
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	1.3%	1.3%	1.3%	1.3%	1.3%	1.5%	1.5%	1.5%	1.625%	1.625%
Investment rate of return	6.95%	6.95%	6.95%	7.1%	7.1%	7.25%	7.25%	7.5%	8.0%	8.0%
Discount rate	6.95%	6.95%	6.95%	7.1%	7.1%	7.25%	7.25%	7.5%	8.0%	8.0%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2020	MP-2019	MP-2018	MP-2014	MP-2014	MP-2014	AA	AA

WILSON CENTRAL SCHOOL DISTRICT

Required Supplementary Information (Unaudited)
Schedule of District Contributions
New York State Teachers' Retirement System

For the years ended June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 980,695	\$ 1,042,425	\$ 961,387	\$ 892,877	\$ 821,454	\$ 960,601	\$ 881,231	\$ 1,026,402	\$ 1,145,600	\$ 1,496,227
Contribution in relation to the contractually required contribution	(980,695)	(1,042,425)	(961,387)	(892,877)	(821,454)	(960,601)	(881,231)	(1,026,402)	(1,145,600)	(1,496,227)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 10,048,105	\$ 10,130,466	\$ 9,810,071	\$ 9,369,119	\$ 9,271,490	\$ 9,045,207	\$ 8,992,153	\$ 8,757,696	\$ 8,639,518	\$ 8,717,499
Contributions as a percentage of covered payroll	9.76%	10.29%	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	17.16%

WILSON CENTRAL SCHOOL DISTRICT

Required Supplementary Information (Unaudited)
Schedule of the District's Proportionate Share of the Net Pension Position
New York State and Local Employees' Retirement System

As of the measurement date of March 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension position	0.0069990%	0.0067408%	0.0064380%	0.0063006%	0.0058155%	0.0063319%	0.0066883%	0.0064228%	0.0068021%	0.0071470%
District's proportionate share of the net pension asset (liability)	\$ (1,030,541)	\$ (1,445,507)	\$ 526,280	\$ (6,274)	\$ (1,539,976)	\$ (448,636)	\$ (215,862)	\$ (603,503)	\$ (1,091,763)	\$ (241,443)
District's covered payroll	\$ 2,376,379	\$ 2,203,054	\$ 2,163,492	\$ 2,228,261	\$ 2,115,986	\$ 2,186,359	\$ 2,107,779	\$ 2,005,765	\$ 2,008,777	\$ 1,946,635
District's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	(43.37%)	(65.61%)	24.33%	(0.28%)	(72.78%)	(20.52%)	(10.24%)	(30.09%)	(54.35%)	(12.40%)
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

The following is a summary of changes of assumptions:

Inflation	2.9%	2.9%	2.7%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%	2.7%
Salary increases	4.4%	4.4%	4.4%	4.4%	4.2%	4.2%	3.8%	3.8%	3.8%	4.9%
Cost of living adjustments	1.5%	1.5%	1.4%	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%	1.4%
Investment rate of return	5.9%	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%	7.5%
Discount rate	5.9%	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%	7.5%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2020	MP-2020	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014	MP-2014

WILSON CENTRAL SCHOOL DISTRICT

Required Supplementary Information (Unaudited)
Schedule of District Contributions
New York State and Local Employees' Retirement System

For the years ended June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 301,381	\$ 257,524	\$ 354,754	\$ 330,514	\$ 311,836	\$ 334,206	\$ 328,403	\$ 317,390	\$ 386,217	\$ 372,490
Contribution in relation to the contractually required contribution	(301,381)	(257,524)	(354,754)	(330,514)	(311,836)	(334,206)	(328,403)	(317,390)	(386,217)	(372,490)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 2,376,379	\$ 2,203,054	\$ 2,163,492	\$ 2,228,261	\$ 2,115,986	\$ 2,186,359	\$ 2,107,779	\$ 2,005,765	\$ 2,008,777	\$ 1,946,635
Contributions as a percentage of covered payroll	12.68%	11.69%	16.40%	14.83%	14.74%	15.29%	15.58%	15.82%	19.23%	19.14%

WILSON CENTRAL SCHOOL DISTRICT

Required Supplementary Information (Unaudited)
Schedule of Changes in the District's
Total OPEB Liability and Related Ratios

For the years ended June 30,	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability - beginning	\$ (3,525,423)	\$ (4,360,098)	\$ (4,202,829)	\$ (6,870,272)	\$ (5,971,087)	\$ (5,743,122)	\$ (6,137,923)
Changes for the year:							
Service cost	(163,295)	(217,627)	(195,403)	(229,112)	(172,246)	(173,563)	(194,388)
Interest	(132,421)	(85,166)	(103,991)	(216,580)	(216,198)	(204,955)	(180,115)
Changes of benefit terms	(6,116)	-	59,717	(39,714)	-	-	-
Differences between expected and actual experience	-	753,216	-	2,878,277	-	(303,836)	-
Changes of assumptions or other inputs	(89,912)	100,299	(224,992)	(85,195)	(852,752)	135,356	441,293
Benefit payments	200,147	283,953	307,400	359,767	342,011	319,033	328,011
Net change in total OPEB liability	(191,597)	834,675	(157,269)	2,667,443	(899,185)	(227,965)	394,801
Total OPEB liability - ending	\$ (3,717,020)	\$ (3,525,423)	\$ (4,360,098)	\$ (4,202,829)	\$ (6,870,272)	\$ (5,971,087)	\$ (5,743,122)
Covered-employee payroll	\$ 11,952,646	\$ 11,167,788	\$ 11,114,078	\$ 11,683,025	\$ 12,225,096	\$ 12,303,616	\$ 11,407,638
Total OPEB liability as a percentage of covered-employee payroll	31.1%	31.6%	39.2%	36.0%	56.2%	48.5%	50.3%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

For 2023, differences between expected and actual experience include revision of the surviving spouse election from 100% to 25% to better reflect actual experience. In 2021, such differences include the impact of Congress' repeal of the Affordable Care Act's excise "Cadillac" taxes, actuarial standard changes to Medicare cost estimates, and other changes in healthcare costs. Such differences in 2019 are due to greater than expected claims costs.

The following is a summary of changes of assumptions:

Healthcare cost trend rates	7.75%-4.04%	6.75%-3.78%	6.75%-3.78%	6.50%-3.78%	6.75%-3.78%	7.00%-3.89%	7.50%-3.89%
Inflation rate	2.50%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Salary increases	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Discount rate	3.86%	3.69%	1.92%	2.45%	3.13%	3.62%	3.56%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2020	MP-2019	MP-2018	MP-2017	MP-2017

Data prior to 2018 is unavailable.

WILSON CENTRAL SCHOOL DISTRICT

Supplementary Information
Schedule of Change from Original to Final Budget and
Calculation of Unrestricted Fund Balance Limit - General Fund

For the year ended June 30, 2024

Original expenditure budget	\$ 29,207,015
Encumbrances carried over from prior year	<u>113,002</u>
Revised expenditure budget	<u>\$ 29,320,017</u>
* * *	
Unrestricted Fund Balance	
Assigned	\$ 662,676
Unassigned	<u>3,329,725</u>
	3,992,401
Encumbrances included in assigned fund balance	(162,676)
Appropriated fund balance used for tax levy	<u>(500,000)</u>
Amount subject to 4% limit pursuant to Real Property Tax Law §1318	<u>\$ 3,329,725</u>
§1318 of Real Property Tax Law - unrestricted fund balance limit calculation	
2025 expenditure budget (unaudited)	\$ 29,407,840
4% of budget	<u>1,176,314</u>
Actual percentage of 2025 expenditure budget	<u>11.3%</u>

Supplementary Information
Schedule of Capital Project Expenditures

June 30, 2024

Project Title	Original Budget	Revised Budget	Expenditures			Unexpended Balance
			Prior Years	Current Year	Total	
2021-2024 Reconstruction Project	\$ 9,863,584	\$ 9,863,584	\$ 519,096	\$ 1,876,366	\$ 2,395,462	\$ 7,468,122
2023 Emergency Outlay	500,000	314,503	-	314,503	314,503	-
2023-2024 Capital Outlay Project	100,000	81,142	-	81,142	81,142	-
	<u>\$ 10,463,584</u>	<u>\$ 10,259,229</u>	<u>\$ 519,096</u>	<u>\$ 2,272,011</u>	<u>\$ 2,791,107</u>	<u>\$ 7,468,122</u>

WILSON CENTRAL SCHOOL DISTRICT

**Supplementary Information
Schedule of Expenditures of Federal Awards**

For the year ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grantor Number	Expenditures
<u>U.S. Department of Education:</u>			
Passed Through New York State Education Department:			
Special Education Cluster:			
Special Education Grants to States	84.027	0032-24-0615	\$ 317,604
Special Education Preschool Grants	84.173	0033-24-0615	10,477
Total Special Education Cluster			<u>328,081</u>
Title I Grants to Local Educational Agencies	84.010	0021-24-1990	190,355
Supporting Effective Instruction State Grants	84.367	0147-24-1990	28,047
Student Support and Academic Enrichment Program	84.424	0204-24-1990	15,204
Education Stabilization Fund:			
American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	5880-21-1990	604,797
American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	5882-21-1990	40,512
American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	5883-21-1990	42,218
American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	5884-21-1990	620,325
Total Education Stabilization Fund			<u>1,307,852</u>
Total U.S. Department of Education			<u>1,869,539</u>
<u>U.S. Department of Agriculture:</u>			
Passed Through New York State Education Department:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	123,714
National School Lunch Program	10.555	N/A	302,653
Passed Through New York State Office of General Services:			
Child Nutrition Cluster:			
National School Lunch Program	10.555	N/A	21,498
Total Child Nutrition Cluster and U.S. Department of Agriculture			<u>447,865</u>
Total Expenditures of Federal Awards			<u>\$ 2,317,404</u>

Notes to Schedule of Expenditures of Federal Awards

1. Summary of Significant Accounting Policies

Basis of Presentation

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

Basis of Accounting

The District uses the modified accrual basis of accounting for each federal program, consistent with the fund basis financial statements.

The amounts reported as federal expenditures generally were obtained from the appropriate federal financial reports for the applicable programs and periods. The amounts reported in these federal financial reports are prepared from records maintained for each program, which are periodically reconciled with the District's financial reporting system.

Indirect Costs

The District does not use the 10% de minimis indirect cost rate permitted by the Uniform Guidance.

Non-Monetary Federal Program

The District is the recipient of a federal award program that does not result in cash receipts or disbursements, termed a "non-monetary program." During the year ended June 30, 2024, the District used \$21,498 worth of commodities under the National School Lunch Program (Assistance Listing Number 10.555).

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*

The Board of Education
Wilson Central School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America (GAAP) 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 remaining fund information of Wilson Central School District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 8, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in blue ink that reads "Sumner & McCormick, LLP". The signature is written in a cursive, flowing style.

October 8, 2024

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

The Board of Education
Wilson Central School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Snyder & McCormick, LLP

October 8, 2024

Schedule of Findings and Questioned Costs

For the year ended June 30, 2024

Section I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

Type of auditors' report issued on compliance for major programs: *Unmodified*

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

Identification of major programs:

Name of Federal Program or Cluster	Assistance Listing Number	Amount
Education Stabilization Fund	84.425	<u>\$ 1,307,852</u>

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

Auditee qualified as low-risk auditee? Yes

Section II. Financial Statement Findings

No matters were reported.

Section III. Federal Award Findings and Questioned Costs

No matters were reported.