



**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

June 30, 2025

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT

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INDEPENDENT AUDITOR'S REPORT

Board of Education
North Syracuse Central School District
North Syracuse, New York

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, schedule of changes in the District's total OPEB liability and related ratios, schedule of revenues, expenditures and changes in fund balance-budget (Non-GAAP Basis) and actual- general fund, schedule of district contributions and schedule of district's proportionate share of the net pension asset (liability) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about

the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise North Syracuse Central School District's basic financial statements. The schedule of change from adopted to final budget and the real property tax limit-general fund, the schedule of project expenditures – capital projects fund, the schedule of net investment in capital assets and the schedule of expenditures of federal awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of change from adopted budget to final budget and the real property tax limit, schedule of project expenditures – capital projects fund, net investment in capital assets and the schedule of expenditures of federal awards are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of change from adopted budget to final budget and the real property tax limit, schedule of project expenditures – capital projects fund, net investment in capital assets and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2025 on our consideration of North Syracuse Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is 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 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.



Syracuse, New York
October 6, 2025

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2025

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

Financial Highlights

- The District's general fund decreased \$4,381,101 during the current year, ending at \$43,607,796 as of June 30, 2025. The decrease in fund balance was primarily driven by the District having actual expenditures and use of resources of \$209,903,783 compared to actual revenues of \$205,522,682.
- The District has \$27,145,676 of various general fund reserves. The most significant reserve is the capital project reserve which was \$8,334,147 as of June 30, 2025.
- The District had approximately \$41,987,000,000 in capital expenditures during 2024-2025 related to ongoing capital projects and bus purchases.
- The District redeemed its short-term bond anticipation note (BAN) that matured and issued a new BAN totaling \$58,843,269 that matured on August 2, 2025. A summary of the BAN as of June 30, 2025 is as follows:

Purpose	6/30/2024 Amount Outstanding	Principal Reduction	New Monies	6/30/2025 Amount Outstanding
Purchase Buses (various authorizations)	\$ 5,935,953	\$ (1,894,164)	\$ 2,152,433	\$ 6,194,222
Roof Reconstruction Project (2017 authorization	1,100,000	(1,100,000)	-	-
2021 (\$81.9m) and 2024 (\$8.5m) authorizations	9,480,047	(1,000,000)	43,000,000	51,480,047
Junior High Chiller (2022 authorization)	1,169,000	-	-	1,169,000
	<u>\$ 17,685,000</u>	<u>\$ (3,994,164)</u>	<u>\$ 45,152,433</u>	<u>\$ 58,843,269</u>

- The District expended approximately \$799,000 of awarded pandemic-relief federal grant funds in 2024-2025, representing approximately 8% of all federal aid in 2024-2025.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2025

Overview of the Financial Statements

This annual report consists of three parts: MD&A (this section), the basic financial statements, and supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-wide* financial statements that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the district-wide statements. The fund financial statements concentrate on the District's most significant funds with all other non-major funds listed in total in one column.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the *short term* as well as what remains for future spending.
- *Fiduciary funds* statements provide information about the financial relationships in which the District acts solely as a *trustee* or *agent* for the benefit of others. The District has no fiduciary funds.

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

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

Figure A-1 Major Features of the District-Wide and Fund Financial Statements

		Fund Financial Statements
	District-Wide	Governmental Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance
Required financial statements	• Statement of net position • Statement of activities	• Balance sheet • Reconciliation of governmental funds balance sheet to the Statement of net position • Statement of revenues, expenditures, and changes in fund balances • Reconciliation of governmental funds revenues, expenditures and changes in fund balances to the Statement of activities

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2025

Required financial statements	• Statement of net position • Statement of activities	• Balance sheet • Reconciliation of governmental funds balance sheet to the Statement of net position • Statement of revenues, expenditures, and changes in fund balances • Reconciliation of governmental funds revenues, expenditures and changes in fund balances to the Statement of activities
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus
Type of asset/deferred outflows of resources/ liability/deferred inflows of resources information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both financial and capital, short-term and long-term	Generally, assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due or available during the year or soon thereafter; no capital assets or long-term liabilities included
Type of inflow/out flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

District-Wide Statements

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

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

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

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

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2025

Fund Financial Statements

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

- Some funds are required by New York State law and regulations. Generally, the District is required by New York State General Municipal Law (para. 36) to follow the system of accounts formulated and prescribed by the New York State Comptroller.
- The District establishes other funds to control and to manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as Federal grants).

The District has the following funds:

- **Governmental Funds:** Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2025

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the District's governmental activities.

Table 1
Condensed Statement of Net Position

	District-Wide		Percent Change
	2025	2024	
Current and Other Assets	\$ 100,965,992	\$ 94,073,331	7.33%
Net Pension Asset	12,012,359	-	100.00%
Capital Assets	229,435,366	193,835,155	18.37%
 Total Assets	 \$ 342,413,717	 \$ 287,908,486	 18.93%
Deferred Outflow of Resources	62,292,025	87,810,346	-29.06%
Total Assets and Deferred Outflow of Resources	\$ 404,705,742	\$ 375,718,832	7.72%
 Current liabilities	 \$ 96,897,158	 \$ 53,364,510	 81.58%
Noncurrent liabilities	295,423,256	373,826,608	-20.97%
Net pension liability	12,074,113	14,994,166	100.00%
 Total Liabilities	 404,394,527	 442,185,284	 -8.55%
Deferred inflows of resources	167,411,534	115,107,118	45.44%
Net Position (deficit):			
Net investment in capital assets	136,274,911	138,148,689	-1.36%
Restricted	46,753,028	35,513,233	31.65%
Unrestricted net deficit	(350,128,258)	(355,235,492)	-1.44%
 Total Net Position (Deficit)	 (167,100,319)	 (181,573,570)	 -7.97%
Total Liabilities, Deferred Inflows and Net Position (Deficit)	\$ 404,705,742	\$ 375,718,832	7.72%

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2025

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (continued)

Table 2
Changes in Net Position (Deficit) from Operating Results

	District-Wide		Percent
	2025	2024	Change
REVENUES			
Program Revenues:			
Charges for Services	\$ 760,845	\$ 912,208	-16.59%
Operating Grants and Contributions	10,048,664	15,770,700	-36.28%
	10,809,509	16,682,908	-35.21%
General Revenue:			
Property Taxes and Other Tax Items	105,844,278	102,915,699	2.85%
State Sources	97,018,925	94,848,097	2.29%
Federal Sources (Medicaid)	714,190	898,933	-20.55%
Other General Revenues	16,572,794	15,869,762	4.43%
Total Revenues	230,959,696	231,215,399	-0.11%
PROGRAM EXPENSES			
General Support	25,128,045	27,369,359	-8.19%
Instruction	165,486,367	168,806,448	-1.97%
Transportation	16,081,506	15,746,778	2.13%
Debt Service	4,771,345	1,557,281	206.39%
School Food Service Program	5,019,182	4,547,032	10.38%
Total Expenses	216,486,445	218,026,898	-0.71%
Change in Net Position	\$ 14,473,251	\$ 13,188,501	9.74%

In Table 2, the District's total revenues decreased by \$255,703 and the total cost of all programs and services decreased by \$1,540,453. Some of the variances causing these fluctuations are described below:

Expenses decreased primarily due to the decrease in the other postemployment benefit liability based on actuarial changes in the liability which reduces overall expenses. Both demographic, assumption changes and a change in the discount rate for the actuarial determined liability resulted in the overall liability decreasing by \$76,372,952. This was offset by a net positive change in the pension obligation by \$15,055,920, based on market performance in the Teacher's retirement plan and net increase in general operating expenses by \$20,239,932, primarily in instruction and employee benefits which increased \$16,720,495.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2025

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (continued)

Table 3 presents the cost of each of the District's largest programs as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3
Governmental Activities

	Total cost of services		Net cost of services	
	2025	2024	2025	2024
General Support	\$ 25,128,045	\$ 27,369,359	\$ 25,128,045	\$ 27,369,359
Instruction	165,486,367	168,806,448	158,953,545	156,138,343
Pupil Transportation	16,081,506	15,746,778	16,081,506	15,746,778
Debt Service - Interest	4,771,345	1,557,281	4,771,345	1,557,281
School Food Service Program	5,019,182	4,547,032	742,495	532,229
Total	<u>\$ 216,486,445</u>	<u>\$ 218,026,898</u>	<u>\$ 205,676,936</u>	<u>\$ 201,343,990</u>

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

The purpose of the District's governmental funds is to account for and provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. The unreserved fund balance is divided between designated balances and undesignated balances. The District has designated portions of the unreserved fund balance to earmark resources for certain government-wide liabilities and postemployment obligations that are not recognized in the governmental funds. Fund balances for capital projects are restricted by State law to be spent for the purpose of the fund and are not available for spending at the District's discretion.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2025

Financial Analysis of the School District's Funds (continued)

General Fund Budgetary Highlights

The budgetary comparison information presents both adopted and final modified budget totals compared with actual results for the General Fund for the year ended June 30, 2025. The significant variances between the adopted and the final budget for 2025 were as follows:

Adopted Budget	\$ 212,196,591
2025 Additional Appropriations:	
Encumbrances Carryover	437,482
Budget revisions	<u>579,528</u>
Final Budget	<u>\$ 213,213,601</u>

Capital Assets and Debt Administration

Capital Assets

At June 30, 2025, the District had approximately \$229.4 million invested in a broad range of capital assets including buildings, transportation equipment, computer equipment, and furniture and fixtures. Table 4 categorically illustrates the District's capital assets net of related depreciation.

Table 4
Capital Assets at Year End, (Net of Depreciation)

	Capital Assets		Percent Change
	2025	2024	
Land	\$ 2,330,383	\$ 2,129,541	9.43%
Buildings and Improvements	260,075,676	225,201,058	15.49%
Equipment	37,592,248	35,902,290	4.71%
Construction in Progress	64,111,018	60,111,182	6.65%
Less: Accumulated Depreciation	<u>(134,673,959)</u>	<u>(129,508,916)</u>	<u>3.99%</u>
Total	<u>\$ 229,435,366</u>	<u>\$ 193,835,155</u>	<u>18.37%</u>

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Year Ended June 30, 2025

Long-Term Obligations

At June 30, 2025, the District had approximately \$300 million in long-term obligations. Table 5 provides a summary of the obligations. The notes to the basic financial statements provide additional details regarding these obligations.

Table 5
Outstanding Long-term Obligations, at Year End

	District-Wide		Percent Change
	2025	2024	
General Obligation Bonds	\$ 34,479,609	\$ 38,208,331	-9.76%
Other Postemployment Benefits	256,515,950	332,888,902	-22.94%
Pension Liabilities, net	61,754	14,994,166	100.00%
Compensated Absences	4,427,697	2,729,375	62.22%
Total Long-term Obligations	<u>\$ 295,485,010</u>	<u>\$ 388,820,774</u>	<u>-24.00%</u>

The state limits the amount of general obligation debt that district's can issue to 10% of the assessed value of all taxable property within the District's geographic limits. The District's outstanding general obligation debt of \$34.5 million is significantly below the state-imposed debt limit.

Factors Bearing on the District's Future

- Employer contributions for Teachers' Retirement System and Employees' Retirement System may continue to fluctuate. ERS rates were 15.2% in 2025 and expected to be 16.5% in 2026 and grow to 17.6% in 2027. TRS rates were 10.11% in 2025 and expected to be 9.56% in 2026.
- The District receives substantial financial assistance from New York State (State) in the form of State Aid. Approximately 42% of estimated revenues is from State Aid for fiscal year 2025. If the State should not adopt its budget (by 3/31 each year) in a timely manner in any year, the District may be affected by a delay in the payment of State Aid. The State is not constitutionally obligated to maintain or continue State Aid to the District. No assurance can be given that present State Aid levels will be maintained in the future.
- The Districts other post employment benefit (OPEB) liability decreased significantly by \$76,372,952 compared to the previous year. This liability represents the estimated cost for the District pertaining to its post employment benefits. The District is not allowed by NYS regulations to provide establish reserves or fund this estimated liability through a trust.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School District Business Office at 5355 W. Taft Road, North Syracuse, New York 13212.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Statement of Net Position
June 30, 2025

ASSETS

Cash and cash equivalents	
Unrestricted	\$ 9,703,721
Restricted	23,303,300
Investments	
Unrestricted	29,129,676
Restricted	23,449,728
Receivables	
State and federal aid	10,106,366
Due from other governments	4,991,178
Other	195,077
Inventories	86,946
Capital assets, net	229,435,366
Net pension asset-proportionate share	12,012,359
Total assets	<u>342,413,717</u>

DEFERRED OUTFLOW OF RESOURCES

Defeasance on advanced refunding of bonds	162,423
Other postemployment benefits	28,454,970
Pensions	33,674,632
Total deferred outflow of resources	<u>62,292,025</u>
Total assets and deferred outflow of resources	<u>\$ 404,705,742</u>

LIABILITIES

Accounts payable	\$ 4,073,830
Accrued liabilities	23,727,276
Due to teachers' retirement system	9,211,189
Due to employees' retirement system	1,041,594
Notes payable	
Bond anticipation	58,843,269
Long-term obligations	
Due and payable within one year	
Bonds payable	3,718,722
Due and payable after one year	
Bonds payable	30,760,887
Other postemployment benefits payable	256,515,950
Compensated absences payable	4,427,697
Net pension liability-proportionate share	12,074,113
Total liabilities	<u>404,394,527</u>

DEFERRED INFLOW OF RESOURCES

Pensions	15,564,446
Other postemployment benefits	151,847,088
Total deferred inflow of resources	<u>167,411,534</u>

NET POSITION (Deficit)

Net investment in capital assets	136,274,911
Restricted	46,753,028
Unrestricted (deficit)	<u>(350,128,258)</u>
Total net position (deficit)	<u>(167,100,319)</u>
Total liabilities, deferred inflow of resources, and net position (deficit)	<u>\$ 404,705,742</u>

See notes to basic financial statements

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Statement of Activities and Changes in Net Position
For the Year Ended June 30, 2025

	Expenses	Indirect Expenses Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Position
			Charges for Services	Operating Grants	
FUNCTIONS/PROGRAMS					
General support	\$ (16,487,475)	\$ (8,640,570)	\$ -	\$ -	\$ (25,128,045)
Instruction	(124,791,691)	(40,694,676)	392,128	6,140,694	(158,953,545)
Pupil transportation	(11,132,154)	(4,949,352)	-	-	(16,081,506)
Employee benefits	(54,992,805)	54,992,805	-	-	-
Debt service - interest	(4,771,345)	-	-	-	(4,771,345)
School food service program	(4,310,975)	(708,207)	368,717	3,907,970	(742,495)
Total functions and programs	<u>\$ (216,486,445)</u>	<u>\$ -</u>	<u>\$ 760,845</u>	<u>\$ 10,048,664</u>	<u>(205,676,936)</u>
GENERAL REVENUES					
Real property taxes					95,480,264
Other real property tax items					10,074,108
Nonproperty tax items					289,906
Use of money and property					4,160,043
Sale of property and compensation for loss					87,028
State sources					97,018,925
Medicaid reimbursement					714,190
Local sources					8,220,876
Miscellaneous					<u>4,104,847</u>
Total general revenues					<u>220,150,187</u>
Change in net position					14,473,251
Total net position (deficit) - beginning of year					<u>(181,573,570)</u>
Total net position (deficit) - end of year					<u>\$ (167,100,319)</u>

See notes to basic financial statements

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Balance Sheet – Governmental Funds
June 30, 2025

	Major Funds		Non-Major Funds				Total
	General	Capital Projects Fund	Special Aid	Debt Service	School Food Service Fund	Extraclassroom Activities Fund	Governmental Funds
ASSETS							
Cash and cash equivalents							
Unrestricted	\$ 5,673,352	\$ -	\$ -	\$ -	\$ 3,614,325	\$ 416,044	\$ 9,703,721
Restricted	5,803,542	13,616,163	1,811,636	2,071,959	-	-	23,303,300
Investments	29,129,676	-	-	-	-	-	29,129,676
Investments - restricted	21,342,134	2,107,594	-	-	-	-	23,449,728
Receivables							
State and federal aid	3,978,121	-	5,703,672	-	424,573	-	10,106,366
Due from other funds	6,278,747	-	234,940	929,627	10,327	-	7,453,641
Due from other governments	3,554,398	-	1,436,780	-	-	-	4,991,178
Other	135,803	-	53,154	-	6,120	-	195,077
Inventories	-	-	-	-	86,946	-	86,946
Total assets	<u>\$ 75,895,773</u>	<u>\$ 15,723,757</u>	<u>\$ 9,240,182</u>	<u>\$ 3,001,586</u>	<u>\$ 4,142,291</u>	<u>\$ 416,044</u>	<u>\$ 108,419,633</u>
LIABILITIES							
Accounts payable	\$ 1,006,851	\$ 2,692,045	\$ 190,934	\$ 5,104	178,896	\$ -	\$ 4,073,830
Accrued liabilities	20,787,020	2,201,659	616,261	-	60,053	-	23,664,993
Due to other funds	241,323	952,127	6,206,163	-	54,028	-	7,453,641
Due to teachers' retirement system	9,211,189	-	-	-	-	-	9,211,189
Due to employees' retirement system	1,041,594	-	-	-	-	-	1,041,594
Notes payable							
Bond anticipation notes payable	-	58,843,269	-	-	-	-	58,843,269
Total liabilities	<u>32,287,977</u>	<u>64,689,100</u>	<u>7,013,358</u>	<u>5,104</u>	<u>292,977</u>	<u>-</u>	<u>104,288,516</u>
FUND BALANCES							
Nonspendable:							
Inventory/ prepayments	13,818	-	-	-	86,946	-	100,764
Restricted for:							
Reserved for tax certiorari	2,341,720	-	-	-	-	-	2,341,720
Reserved for workers' compensation	4,252,262	-	-	-	-	-	4,252,262
Reserved for liability claims and property loss	1,027,224	-	-	-	-	-	1,027,224
Reserved for employee benefits	3,948,338	-	-	-	-	-	3,948,338
Reserved for retirement contributions	3,464,253	-	-	-	-	-	3,464,253
Reserved for teacher's retirement contributions	3,777,732	-	-	-	-	-	3,777,732
Reserved for capital projects	8,334,147	-	-	-	-	-	8,334,147
Restricted for special aid programs	-	-	2,226,824	-	-	-	2,226,824
Committed to:							
Committed fund balance	-	-	-	-	-	416,044	416,044
Assigned to:							
Assigned appropriated fund balance	7,450,000	-	-	-	70,000	-	7,520,000
Assigned unappropriated fund balance (deficit)	584,595	(48,965,343)	-	2,996,482	3,692,368	-	(41,691,898)
Unassigned:							
Unassigned fund balance	8,413,707	-	-	-	-	-	8,413,707
Total fund balance (deficit)	<u>43,607,796</u>	<u>(48,965,343)</u>	<u>2,226,824</u>	<u>2,996,482</u>	<u>3,849,314</u>	<u>416,044</u>	<u>4,131,117</u>
Total liabilities and fund balances	<u>\$ 75,895,773</u>	<u>\$ 15,723,757</u>	<u>\$ 9,240,182</u>	<u>\$ 3,001,586</u>	<u>\$ 4,142,291</u>	<u>\$ 416,044</u>	<u>\$ 108,419,633</u>

See notes to basic financial statements

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2025

	Total Governmental Funds	Long-term Assets, Liabilities	Reclassifications and Eliminations	Statement of Net Position Totals
ASSETS				
Cash and cash equivalents				
Unrestricted	\$ 9,703,721	\$ -	\$ -	\$ 9,703,721
Restricted	23,303,300	-	-	23,303,300
Investments	29,129,676	-	-	29,129,676
Unrestricted	23,449,728	-	-	23,449,728
Restricted				
Receivables				
State and federal aid	10,106,366	-	-	10,106,366
Due from other funds	7,453,641	-	(7,453,641)	-
Due from other governments	4,991,178	-	-	4,991,178
Other	195,077	-	-	195,077
Inventories	86,946	-	-	86,946
Capital assets, net	-	229,435,366	-	229,435,366
Net pension asset- proportionate share	-	12,012,359	-	12,012,359
Total assets	<u>108,419,633</u>	<u>241,447,725</u>	<u>(7,453,641)</u>	<u>342,413,717</u>
DEFERRED OUTFLOW OF RESOURCES				
Defeasance on advanced refunding of bonds	-	162,423	-	162,423
Other postemployment benefits	-	28,454,970	-	28,454,970
Pensions	-	33,674,632	-	33,674,632
Total deferred outflow of resources	<u>-</u>	<u>62,292,025</u>	<u>-</u>	<u>62,292,025</u>
	<u>\$ 108,419,633</u>	<u>\$ 303,739,750</u>	<u>\$ (7,453,641)</u>	<u>\$ 404,705,742</u>
LIABILITIES				
Payables				
Accounts payable	\$ 4,073,830	\$ -	\$ -	\$ 4,073,830
Accrued liabilities	23,664,993	62,283	-	23,727,276
Due to other funds	7,453,641	-	(7,453,641)	-
Due to employees' retirement system	1,041,594	-	-	1,041,594
Due to teacher's retirement system	9,211,189	-	-	9,211,189
Notes payable				
Bond anticipation	58,843,269	-	-	58,843,269
Long-term debt-due within one year				
Bonds payable	-	3,718,722	-	3,718,722
Long-term debt-due in more than one year				
Bonds payable	-	30,760,887	-	30,760,887
Other postemployment benefits payable	-	256,515,950	-	256,515,950
Compensated absences	-	4,427,697	-	4,427,697
Net pension liability- proportionate share	-	12,074,113	-	12,074,113
Total liabilities	<u>104,288,516</u>	<u>307,559,652</u>	<u>(7,453,641)</u>	<u>404,394,527</u>
DEFERRED INFLOW OF RESOURCES				
Pensions	-	15,564,446	-	15,564,446
Other post employment benefits	-	151,847,088	-	151,847,088
	-	167,411,534	-	167,411,534
FUND BALANCE/NET POSITION (DEFICIT)				
Total fund balance/net position (deficit)	<u>4,131,117</u>	<u>(171,231,436)</u>	<u>-</u>	<u>(167,100,319)</u>
	<u>\$ 108,419,633</u>	<u>\$ 303,739,750</u>	<u>\$ (7,453,641)</u>	<u>\$ 404,705,742</u>

See notes to basic financial statements

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds
For the Year Ended June 30, 2025

	Major Funds		Non-Major Funds				Total
	General	Capital Projects Fund	Special Aid	Debt Service	School Food Service Fund	Extracurricular Activities Fund	Governmental Funds
REVENUES							
Real property taxes	\$ 95,480,264	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,480,264
Other real property tax items	10,074,108	-	-	-	-	-	10,074,108
Nonproperty tax items	289,906	-	-	-	-	-	289,906
Charges for services	392,128	-	-	-	-	-	392,128
Use of money and property	3,578,149	-	-	500,717	81,177	-	4,160,043
Sale of property and compensation for loss	87,028	-	-	-	-	-	87,028
State sources	92,193,121	-	3,085,913	-	1,739,891	-	97,018,925
Sales	-	-	-	-	368,717	-	368,717
State and local sources- Main Street Program	-	-	8,220,876	-	-	-	8,220,876
Local sources / Miscellaneous	2,713,788	45,554	892,046	-	-	453,459	4,104,847
Federal sources	714,190	-	6,140,694	-	3,907,970	-	10,762,854
Total revenues	205,522,682	45,554	18,339,529	500,717	6,097,755	453,459	230,959,696
EXPENDITURES							
General support	18,227,934	-	-	-	-	433,198	18,661,132
Instruction	111,911,930	-	18,090,005	-	-	-	130,001,935
Pupil transportation	10,889,034	-	-	-	-	-	10,889,034
Cost of sales	-	-	-	-	4,310,975	-	4,310,975
Employee benefits	54,284,598	-	-	-	708,207	-	54,992,805
Debt service							
Principal	7,259,164	-	-	-	-	-	7,259,164
Interest	4,002,320	-	-	-	-	-	4,002,320
Capital outlay	336,233	41,488,501	9,499	-	152,266	-	41,986,499
Total expenditures	206,911,213	41,488,501	18,099,504	-	5,171,448	433,198	272,103,864
Excess (deficiency) of revenues over expenditures	(1,388,531)	(41,442,947)	240,025	500,717	926,307	20,261	(41,144,168)
OTHER FINANCING SOURCES AND USES							
Premium on obligations	-	-	-	503,698	-	-	503,698
BANs redeemed from appropriations	-	3,994,164	-	-	-	-	3,994,164
Interfund transfers - in	281,526	3,000,000	234,625	-	39,471	-	3,555,622
Interfund transfers - out	(3,274,096)	-	(281,526)	-	-	-	(3,555,622)
Total other sources (uses)	(2,992,570)	6,994,164	(46,901)	503,698	39,471	-	4,497,862
Excess (deficiency) of revenues and other sources over expenditures and other (uses)	(4,381,101)	(34,448,783)	193,124	1,004,415	965,778	20,261	(36,646,306)
Fund balance (deficit) - beginning of year	47,988,897	(14,516,560)	2,033,700	1,992,067	2,883,536	395,783	40,777,423
Fund balance (deficit) - end of year	\$ 43,607,796	\$ (48,965,343)	\$ 2,226,824	\$ 2,996,482	\$ 3,849,314	\$ 416,044	\$ 4,131,117

See notes to basic financial statements

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Reconciliation of Governmental Funds Revenues, Expenditures and Changes in Fund Balance to the Statement
of Activities
For the Year Ended June 30, 2025

	Total Governmental Funds	Long-term Revenue, Expenses	Capital Related Items	Long-term Debt Transactions	Statement of Activities Totals
REVENUES					
Real property taxes	\$ 95,480,264	\$ -	\$ -	\$ -	\$ 95,480,264
Other real property tax items	10,074,108	-	-	-	10,074,108
Nonproperty tax items	289,906	-	-	-	289,906
Charges for services	392,128	-	-	-	392,128
Use of money and property	4,160,043	-	-	-	4,160,043
Sale of property and compensation for loss	87,028	-	-	-	87,028
State sources	97,018,925	-	-	-	97,018,925
Federal sources	10,762,854	-	-	-	10,762,854
Sales - school lunch	368,717	-	-	-	368,717
Local sources	8,220,876	-	-	-	8,220,876
Miscellaneous	4,104,847	-	-	-	4,104,847
Total revenues	230,959,696	-	-	-	230,959,696
EXPENDITURES/EXPENSES					
General support	18,661,132	(622,451)	191,589	(1,742,795)	16,487,475
Instruction	130,001,935	(1,285,985)	4,789,716	(8,713,975)	124,791,691
Pupil transportation	10,889,034	-	1,404,983	(1,161,863)	11,132,154
School lunch program	4,310,975	-	-	-	4,310,975
Employee benefits	54,992,805	-	-	-	54,992,805
Debt service	11,261,484	-	-	(6,490,139)	4,771,345
Capital outlay	41,986,499	-	(41,986,499)	-	-
Total expenditures/expenses	272,103,864	(1,908,436)	(35,600,211)	(18,108,772)	216,486,445
Excess (deficiency) of revenues over expenditures/expenses	(41,144,168)	1,908,436	35,600,211	18,108,772	14,473,251
OTHER SOURCES AND USES					
Premium on obligations	503,698	-	-	(503,698)	-
BANs redeemed from appropriation	3,994,164	-	-	(3,994,164)	-
Total other sources (uses)	4,497,862	-	-	(4,497,862)	-
Net change for the year	\$ (36,646,306)	\$ 1,908,436	\$ 35,600,211	\$ 13,610,910	\$ 14,473,251

See notes to basic financial statements

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1 – Summary of Certain Significant Accounting Policies

The financial statements of the North Syracuse Central School District (the “District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting principles and policies used by the District are described below:

A) Reporting entity:

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

The reporting entity of the District is based upon criteria set forth by GASB Codification section 2100 – Defining the Financial Reporting Entity. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Certain organizations, such as parent-teacher organizations (PTO’s), educational foundations, and other organizations may directly or indirectly provide support to the District, however, do not meet the requirements to be included in reporting entity of the District, therefore the activities of such organizations are not included in these financial statements.

The accompanying financial statements present the activities of the District and other organizational entities determined to be includable in the District’s financial reporting entity. The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District’s reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief description of certain activities included in the District’s reporting entity.

i) Extraclassroom Activity Fund

The Extraclassroom Activity Fund of the District represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the District with respect to its financial transactions and the designation of student management. These student funds are raised other than by taxation or through charges of the Board of Education. Separate financial statements of the Extraclassroom Activity Fund can be found at the District’s business office. The District accounts for assets held as an agent for various student organizations in a special revenue fund.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1 - Summary of Certain Significant Accounting Policies (continued)

B) Joint venture:

The District is a component district in Onondaga-Cortland-Madison Board of Cooperative Education Services (OCMBOCES). There are 23 participating school districts, including North Syracuse, in OCMBOCES. The participation in OCMBOCES is accounted for as a joint venture by the District since it has both an ongoing financial interest and an ongoing financial responsibility to OCMBOCES. The District has an ongoing financial interest since OCMBOCES pays surpluses to the component districts on an annual basis, although the District has no equity interest in OCMBOCES. The District does not control the financial or operating policies of OCMBOCES; however, it has an ongoing financial responsibility since the continued existence of OCMBOCES depends on continued funding from the participating school districts.

BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs which provide educational and support activities. There is no authority or process by which a school district can terminate its status as a BOCES component.

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

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

The District contracts with OCMBOCES whereby the contracts convey control of the right to use the underlying assets in the contracts for a period of time in an exchange like transaction. These contracts at inception have terms ranging from 4 to 5 years and are for technology and other equipment. The District also enters into service contracts with OCMBOCES for its Lit fiber network. These contracts are not significant to these financial statements and are recognized as an outflow of resources in accordance with the terms and conditions of the contracts. Rental expense for the year approximated \$1,240,433.

During the year, the District was billed \$25,040,433 for OCMBOCES administrative and program costs. The District's share of OCMBOCES aid amounted to \$7,067,403. Financial statements for the BOCES are available from the BOCES administrative office. As of June 30, 2024 (the most recent available audited financial statements), OCMBOCES has a total net position (deficit) of \$(188,853,718).

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1 - Summary of Certain Significant Accounting Policies (continued)

C) Basis of presentation:

i) District-wide statements:

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

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

ii) Fund financial statements:

The fund statements provide information about the District's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All other remaining governmental funds are reported as non-major funds. The District reports the following major governmental funds:

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

Capital Projects Funds: These funds are used to account for the financial resources used for acquisition, construction, or major repair of capital facilities. For these funds, each capital project is assessed to determine whether it is a major or non-major fund. Those capital projects that are determined to be major are reported in separate columns in the financial statements. Those that are determined to be non-major are reported in the supplementary schedules either separately or in the aggregate.

The District reports the following non-major funds:

Special Revenue Funds: These funds account for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes, child nutrition or other activities whose funds are restricted as to use. Non-major special revenue funds include the following:

Special Aid Fund: Used to account for special operating projects or programs supported in whole, or in part, with federal funds or state or local grants.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1 - Summary of Certain Significant Accounting Policies (continued)

School Food Service Fund: Used to account for transactions of the breakfast, lunch and milk programs.

Extracurricular Activities Fund: Used to account for activities of students of the District that are committed for use by student organizations.

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

D) Measurement focus and basis of accounting:

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

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

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 90 days after the end of the fiscal year, as it matches the liquidation of related obligations.

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

E) Property taxes:

Real property taxes are levied annually by the Board of Education no later than September 1, 2024. Taxes were collected during the period September 1, 2024 to October 31, 2024.

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

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1 - Summary of Certain Significant Accounting Policies (continued)

F) Restricted resources:

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

G) Interfund transactions:

The operations of the District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The District typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid with one year. Transfers of funds include the transfer of expenditure and revenues to provide financing or other services and are reported as other financing sources and uses in the financial statements.

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

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

H) Estimates:

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

I) Cash and investments:

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

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

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1 - Summary of Certain Significant Accounting Policies (continued)

I) Cash and investments (continued):

Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies; obligations of the State and its municipalities and Districts and obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organizations (if permitted by the District's policy). Investments are stated at fair value.

J) Accounts receivable:

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

K) Inventories and prepaid items:

Inventories of food in the School Food Service Fund are recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value that approximates market. Purchases of inventory items in other funds are recorded as expenditures at the time of purchase, and are considered immaterial in amount.

Prepaid items represent payments made by the District for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the district-wide and fund financial statements. These items are reported as assets on the statement of net position or balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed. These non-liquid assets (inventories and prepaid items) have been classified as nonspendable fund balance as these assets are not available for other subsequent expenditures.

L) Other assets:

Certain proceeds from bond anticipation notes, as well as resources set aside for their repayment are classified as restricted assets in the Statement of Net Position and their use is limited by applicable bond covenants. Bond issuance costs are recognized as an expense in the period incurred.

In the district-wide financial statements, bond discounts and premiums, and any prepaid bond insurance costs are deferred and amortized over the life of the debt issue. Bond issuance costs are recognized as an expense in the period incurred.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1 - Summary of Certain Significant Accounting Policies (continued)

M) Capital assets:

Capital assets acquisitions are reported at historical costs. Donated assets are reported at estimated fair market value at the time received. Land and construction in progress are not depreciated. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the Statement of Net Position are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings	\$ 50,000	Straight Line	50 yrs
Building improvements	\$ 25,000	Straight Line	25 yrs
Vehicles	\$ 20,000	Straight Line	5 yrs
Furniture and equipment	\$ 5,000	Straight Line	5 yrs

N) Deferred Outflows and Inflows of Resources:

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

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

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1 - Summary of Certain Significant Accounting Policies (continued)

O) Employees' Retirement Plans:

The District participates in both the New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement System (TRS), which are both cost-sharing multiple-employer retirement systems. The fiduciary net position of the ERS and TRS has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension asset/(liability), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from the ERS and TRS fiduciary net position.

P) Deferred revenue:

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

Q) Vested employee benefits:

A compensated absence is leave for which employees may receive one or more (a) cash payments when the leave is used for time off; (b) other cash payments, such as payment for unused leave upon termination of employment; or (c) noncash settlements. A compensated absence may include vacation (or annual) leave, sick leave, paid time off (PTO), holidays, parental leave, bereavement leave, and certain other types of leave.

Sick leave eligibility and accumulation is specified in negotiated labor contracts, and in individual employment contracts. Upon retirement, resignation or death, employees may contractually receive a payment based on unused accumulated sick leave. District employees are granted vacation in varying amounts, based primarily on length of service and position. Some earned benefits may be forfeited if not taken within varying time periods.

Consistent with GASB Cod. C60, Compensated Absences, liabilities for compensated absences are recognized in the financial statements prepared using the economic resources measurement of focus for (a) leave that has not been used and (b) leave that has been used but not yet paid or settled.

R) Other Post-Employment Benefits (OPEB):

The District's OPEB obligation is recognized as a liability and the related deferred outflows and inflows of resources and expense are actuarially determined. The District's OPEB plan provides post-employment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provision of various employment contracts in effect at the time of retirement. Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the District and the retired employee. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as expenditure.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1 - Summary of Certain Significant Accounting Policies (continued)

S) Other Employee Benefit Plans:

The District sponsors the North Syracuse Central School District 403(b) Retirement Plan (403(b) Plan) and the Deferred Compensation Plan for Employees of the North Syracuse Central School District (457(b) Plan). Eligible District employees may voluntarily elect to make contributions by payroll deduction to the Plans subject to the terms and conditions of the Plans. Eligible employees may elect to make voluntary contributions up to certain contribution limits set by the Internal Revenue Code. The District does not make any elective contributions to the Plans, all contributions are from employees, except for certain non-elective contributions for retirement incentives in accordance with various collective bargaining agreements. These Plans are considered other employee benefit plans and are not considered fiduciary activities as defined in GASB Cod. 1300, as such the financial activity of the Plans are excluded from these financial statements.

T) Short-term debt:

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

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

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

U) Accrued liabilities and long-term obligations:

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

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

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1 - Summary of Certain Significant Accounting Policies (continued)

V) Net position classifications:

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

Net investment in capital assets – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.

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

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

W) Fund balance classifications:

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

1) Non-spendable fund balance – includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Non-spendable fund balance includes the inventory recorded in the School Food Service fund of \$86,946 and prepaid expenditures recorded in the General fund of \$13,818.

2) Restricted – includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. All encumbrances of funds other than the General fund are classified as restricted fund balance. The District has established in accordance with New York State Education Law and General Municipal Law, the following reserves as restricted fund balances:

A) Liability Claims and Property Loss

According to Education Law §1709(8)(c), funds must be used to pay for liability claims and property loss incurred. Separate funds for liability claims and property loss are required, and these reserves may not in total exceed 3% of the annual budget or \$15,000, whichever is greater. This type reserve fund may be utilized only by school districts, except city school district with a population greater than 125,000.

B) Workers' Compensation

According to General Municipal Law §6-j, funds must be 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 self-insurance program. The reserve may be established by Board action, and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or excess applied to the appropriations of the next succeeding fiscal years' budget.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1 - Summary of Certain Significant Accounting Policies (continued)

W) Fund balance classifications: (continued)

C) Tax Certiorari Reserve

According to Education Law §3651.1-a, funds must be used to establish a reserve fund for tax certiorari and to expend from the fund without voter approval. The monies held in the reserve shall not exceed the amount that might reasonably be deemed necessary to meet anticipated judgments and claims arising out of tax certiorari proceedings. Any resources deposited to the reserve which are not expended for tax certiorari proceedings in the year such monies are deposited must be returned to the General Fund on or before the first day of the fourth fiscal year after deposit of these monies.

D) Capital Projects Reserve

According to Education Law §3651, fund must be used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of the reserve; the ultimate amount, its probable term and the source of the funds. Expenditure may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law.

E) Employee Benefits

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

F) Retirement Contribution Reserves

These reserves are established by Board resolution and are funded by budgetary appropriation and such other reserves and funds that may be legally appropriated. The reserves must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board. In addition, the Board adopted a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1 - Summary of Certain Significant Accounting Policies (continued)

W) Fund balance classifications: (continued)

Restricted fund balance includes the following at June 30, 2025:

General Fund:

Reserved for tax certiorari	\$ 2,341,720
Reserved for workers' compensation	4,252,262
Reserved for liability claims and property loss	1,027,224
Reserved for employee benefits	3,948,338
Reserved for retirement contributions	3,464,253
Reserved for teacher's retirement contributions	3,777,732
Reserved for capital projects	8,334,147
	<u>\$ 27,145,676</u>

Special Aid Fund:

Special aid programs	<u>\$ 2,226,824</u>
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3) Committed – includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the districts highest level of decision-making authority, i.e., the Board of Education. The District has committed fund balance of \$416,044 in the Extraclassroom Activities Fund as of June 30, 2025.

4) Assigned – includes amounts that are constrained by the district's intent to be used for specific purposes, but are neither restricted nor committed. The purpose of the constraint must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balance also includes an amount appropriated to partially fund the subsequent year's budget, as well as encumbrances not classified as restricted at the end of the fiscal year. All encumbrances of the General Fund are classified as Assigned fund balance in the General Fund. Encumbrances reported in the General fund amounted to \$584,595. Assigned fund balance in the General Fund amounted to \$8,034,595. Any remaining fund balance in other funds is considered assigned. The Debt Service and School Food Service funds also report assigned fund balances of \$2,996,482 and \$3,762,368. The Capital Projects fund reports assigned fund deficit of \$(48,965,343). As of June 30, 2025, the District's General fund encumbrances were classified as follows:

General support	\$ 269,450
Instruction	265,591
Pupil transportation	8,670
Employee benefits	40,884
	<u>\$ 584,595</u>

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

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1 - Summary of Certain Significant Accounting Policies (continued)

W) Fund balance classifications: (continued)

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

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

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

X) New accounting standards

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

GASB has issued Statement No. 101, Compensated Absences, effective for the year ending June 30, 2025. This Statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has not been used, but not yet paid in cash or settled through noncash means. This liability would include leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

GASB has issued Statement No. 102, Certain Risk Disclosures, effective for the year ending June 30, 2025. This Statement's objective is to provide users of governmental financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1 - Summary of Certain Significant Accounting Policies (continued)

Y) Future Changes in Accounting Standards

GASB has issued Statement No. 103, Financial Reporting Model Improvements, effective for the year ending June 30, 2026. This Statement's objective is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assisting a government's accountability. Additionally, the statements also address certain application issues.

GASB has issued Statement No. 104, Disclosure of Certain Capital Assets, effective for the year ending June 30, 2026. This statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosure such as leased assets, intangible right-to-use assets, and assets held for sale.

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

Note 2 - Explanation of Certain Differences between Fund Statements and District-Wide Statements

Due to the differences in the measurement focus and basis of accounting used in the funds statements and the District-wide statements (Statement of Net Position and Statement of Activities and Changes in Net Position), certain financial transactions are treated differently. The financial statements contain a full reconciliation of these items. The differences result primarily from the economic resource measurement focus of the District-wide statements, compared with the current financial resources measurement focus of the governmental funds.

A) Total fund balances of governmental funds vs. net position of governmental activities:

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

B) Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities:

Differences between the funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of five broad categories.

i) Long-term revenue differences:

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

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 2 - Explanation of Certain Differences between Fund Statements and District-Wide Statements (continued)

ii) Capital related differences:

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

iii) Long-term debt transaction differences:

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

iv) Pension differences:

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

v) Othe postemployment benefits (OPEB) differences:

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

Note 3 – Stewardship, Compliance and Accountability

Budgets – The District administration prepares a proposed budget for approval by the Board of Education for the following governmental funds for which legal (appropriated) budgets are adopted: The voters of the District approved the proposed appropriation budget for the General Fund.

Appropriations are adopted at the program line item level. Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. No supplemental appropriations occurred during the year. Budgets are adopted annually on a basis consistent with generally accepted accounting principles (GAAP). Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 3 – Stewardship, Compliance and Accountability (continued)

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

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

The Capital Projects fund had a deficit fund balance of \$48,965,343. The District currently has Bond Anticipation Notes in the amount of \$58,843,269 which is expected to be converted to a long-term financing obligation in the near future. When converted to long-term financing, the District will recognize the appropriate amount of revenue for this financing which will fund the current deficit balance.

Note 4 – Cash and Cash Equivalents

Total financial institution bank balances at year-end, per the bank, were approximately \$46,955,000. These deposits are insured or collateralized with securities held by the financial institution in the District's name.

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes \$23,303,300 within the governmental funds.

Deposits are valued at cost or cost plus interest and are categorized as either (1) insured, or for which the securities are held by the District's agent in the District's name, (2) collateralized, and for which the securities are held by the pledging financial institution's trust department or agent in the District's name, or (3) uncollateralized. At June 30, 2025, all deposits were fully insured and collateralized by the District's agent in the District's name.

Note 5 – Investments

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

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 5 – Investments (continued)

The District's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

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

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

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

External Investment Pool

The District participates in an external investment pool, the New York Cooperative Liquid Assets Securities System (NYCLASS). NYCLASS was established in September 1989, as a cooperative investment arrangement organized under the NYCLASS Municipal Cooperation Agreement made pursuant to New York General Municipal Law, Article 3A and 5-G. NYCLASS is available for investment by any New York State Municipal Cooperation or District. NYCLASS operates like a money market mutual fund with shares valued at \$1.00. NYCLASS is administered by and elected governing board of up to fifteen members. A board member must be either a participant's chief fiscal officer, other designated officer, or employee of the participant who has knowledge and expertise in financial matters. The board invests cooperative funds only in securities that are legal for public funds investment in New York. The board limits these investments to repurchase agreements collateralized 102% with U.S. Treasury securities and agency securities backed by the full faith and credit of the U.S. Government, U.S. Treasury bills and notes, obligations of the state of New York, collateralized bank deposits, and other U.S. government guaranteed obligations. NYCLASS measures its investments at fair value in accordance with GASB standards. NYCLASS reports the amortized cost of investments to participants, which approximates fair value. NYCLASS is rated by S&P Global Ratings and the current rating as of July 1, 2025 was AAAm, whereby AAAm is defined as extremely strong capacity to maintain principal stability and limit exposure to principal losses due to credit market and/or liquidity risks.

As of June 30, 2025, the District's investment in NYCLASS totaled \$26,060,835 (\$23,953,241 general fund and \$2,107,594 capital projects fund). Financial statements, independently audited, of NYCLASS are available from NYCLASS at www.newyorkclass.org.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 5 – Investments (continued)

The District measures investments at fair value. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a district can access at the measurement date. Level 2 inputs are inputs – other than quoted prices included within Level 1 – that are observable for an assets or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for an asset or liability. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. A summary of the Districts investments as of June 30, 2025 is as follows:

Investments by fair value level	Valuation Inputs			Total
	Level 1	Level 2	Level 3	
U.S. Treasury securities	\$ 19,999,492	\$ -	\$ -	\$ 19,999,492
Money market funds	10,519,076	-	-	10,519,076
Total	<u>\$ 30,518,568</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,518,568</u>

The District's NYCLASS investment of \$22,060,836 is exempted from the hierarchy table above as the fair value of the investment is directly provided by NYCLASS to the District.

Note 6 - Capital Assets

Capital asset balances and activity for the year ended June 30, 2025 were as follows:

Governmental activities:	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets that are not depreciated:				
Land	\$ 2,129,541	\$ 200,842	\$ -	\$ 2,330,383
Construction in progress	60,111,182	39,075,295	(35,075,459)	64,111,018
Total nondepreciable	<u>62,240,723</u>	<u>39,276,137</u>	<u>(35,075,459)</u>	<u>66,441,401</u>
Capital assets that are depreciated:				
Buildings	225,201,058	34,874,618	-	260,075,676
Furniture and equipment	35,902,290	2,911,203	(1,221,245)	37,592,248
Total depreciable assets	<u>261,103,348</u>	<u>37,785,821</u>	<u>(1,221,245)</u>	<u>297,667,924</u>
Less accumulated depreciation:				
Buildings	(104,622,173)	(4,306,410)	-	(108,928,583)
Furniture and equipment	(24,886,743)	(2,079,878)	1,221,245	(25,745,376)
Total accumulated depreciation	<u>(129,508,916)</u>	<u>(6,386,288)</u>	<u>1,221,245</u>	<u>(134,673,959)</u>
Total depreciated assets, net	<u>\$ 193,835,155</u>	<u>\$ 70,675,670</u>	<u>\$ (35,075,459)</u>	<u>\$ 229,435,366</u>
Depreciation expense was charged to governmental functions as follows:				
General support		\$ 191,589		
Instruction		4,789,716		
Pupil transportation		1,404,983		
		<u>\$ 6,386,288</u>		

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 7 - Short-Term Obligations

Transactions in short-term obligations for the year are summarized below:

	Beginning Balance	Issued	Redeemed	Ending Balance
BAN maturing 8/4/24 at 4.75%	\$ 17,685,000	\$ -	\$ 17,685,000	\$ -
BAN maturing 8/2/25 at 4.25%	-	58,843,269	-	58,843,269
	<u>\$ 17,685,000</u>	<u>\$ 58,843,269</u>	<u>\$ 17,685,000</u>	<u>\$ 58,843,269</u>

The BANs are general obligations of the District. The purpose of the BANs were to provide financing for buses and several ongoing voter approved capital projects (Smith Road Elementary, Junior High chiller, High School HVAC and roof reconstruction project). Interest incurred on short-term debt for the year is summarized below:

Interest paid	\$ 837,704
Less: interest accrued in the prior year	(767,896)
Plus: interest accrued in the current year	<u>2,286,068</u>
Total interest on short-term debt	<u>\$ 2,355,876</u>

Note 8- Long-Term Obligations

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

The School District borrows money in order to acquire land or equipment, construct buildings, or make improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government. The provisions will be in the General Fund's future budgets for capital indebtedness.

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

	Beginning Balance	Additions	Deletions	Ending Balance	One Year
Government Activities					
Bonds Payable	\$ 38,208,331	\$ -	\$ 3,728,722	\$ 34,479,609	\$ 3,718,722
Other Obligations					
Net pension liability	14,994,166	-	2,920,053	12,074,113	-
Other postemployment benefits payable	332,888,902	24,613,421	100,986,373	256,515,950	-
Compensated absences	<u>2,729,375</u>	<u>1,698,322</u>	<u>-</u>	<u>4,427,697</u>	<u>-</u>
Total Long-term Obligations	<u>\$ 388,820,774</u>	<u>\$ 26,311,743</u>	<u>\$ 107,635,148</u>	<u>\$ 307,497,369</u>	<u>\$ 3,718,722</u>

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 8- Long-Term Obligations (continued)

The General Fund has typically been used to liquidate long-term liabilities such as compensated absences.

Interest on long-term obligations for the year was comprised of:

Interest paid	\$ 1,646,444
Less: interest accrued in the prior year	(68,602)
Plus: interest accrued in the current year	<u>62,283</u>
Interest expense	<u>\$ 1,640,125</u>

The following is a schedule of bonds outstanding at June 30, 2025:

Payable from/ Description	Date of Original Issue	Original Amount	Date of Final Maturity	Interest Rate (%)	Outstanding Amount
Refunding of 2010D Bonds	11/9/2017	2,810,000	6/15/2037	3.125%-5.00%	\$ 1,635,000
Premium on 2010D Bond Refunding	11/9/2017	307,215	6/15/2037	NA	184,328
Serial Bonds	8/11/2017	2,665,000	6/15/2030	4.00%-5.00%	1,225,000
Premium on 2017 Serial Bond	8/11/2017	459,185	6/15/2030	NA	176,609
Revenue Bond (2020A)	6/17/2020	815,000	6/15/2032	5.00%	565,000
Revenue Bond (2020A)	6/17/2020	875,000	6/15/2034	5.00%	660,000
Premium on 2020A Bond	6/17/2020	168,944	6/15/2032	NA	98,549
Premium on 2020A Bond	6/17/2020	181,547	6/15/2034	NA	116,707
Refunding of 2013 Bonds	3/19/2021	5,595,000	6/15/2026	4.00%	1,200,000
Premium on 2013 Bond Refunding	3/19/2021	625,865	6/15/2026	NA	125,173
Revenue Bond (2023A)	6/15/2023	4,165,000	6/15/2036	5.00%	3,870,000
Premium on 2023A Bond	6/15/2023	600,611	6/15/2036	NA	508,209
Revenue Bond (2023A)	6/15/2023	22,545,000	6/15/2038	5.00%	21,325,000
Premium on 2023A Bond	6/15/2023	3,219,270	6/15/2038	NA	<u>2,790,034</u>
					<u>\$ 34,479,609</u>

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 8- Long-Term Obligations (continued)

The following is a summary of the maturity of long-term indebtedness; including amortization of premiums:

Fiscal year ended June 30,	Principal	Premium	Interest	Total
2026	\$ 3,255,000	\$ 463,722	\$ 1,494,794	\$ 5,213,516
2027	2,160,000	338,549	1,344,044	3,842,593
2028	2,265,000	338,549	1,236,044	3,839,593
2029	2,375,000	338,549	1,122,794	3,836,343
2031	2,375,000	338,548	1,004,044	3,717,592
2031-2035	12,350,000	1,460,921	3,244,931	17,055,852
2036-2040	5,700,000	720,771	498,175	6,918,946
Totals	<u>\$ 30,480,000</u>	<u>\$ 3,999,609</u>	<u>\$ 9,944,825</u>	<u>\$ 44,424,434</u>

In 2021, \$5,595,000 in general obligation bonds were issued to advance refund \$6,025,000 of Smith Road Elementary Renovation outstanding bonds. The net proceeds were used to purchase U.S. Government Securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide all future debt service payments on those bonds. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. This refunding created a defeasance of refunded debt of \$195,865. This defeasance has been recorded as a deferred outflow of resources and will be amortized over a period of 5 years, the life of the bond. This amortization results in annual reduction of interest expense of \$32,644.

In 2018, \$2,810,000 in general obligation bonds were issued to advance refund \$2,800,000 of 2010 outstanding bonds. The net proceeds were used to purchase U.S. Government Securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide all future debt service payments on those bonds. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. This refunding created a defeasance of refunded debt of \$212,365. This defeasance of has been recorded as a deferred outflow of resources and will be amortized over a period of 18 years, the life of the bond. This amortization results in annual reduction of interest expense of \$11,798. There are approximately \$162,400 of total unrefunded bond payments remaining as of June 30, 2025.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 9 – Interfund Balances and Activity

	Interfund		Interfund	
	Receivable	Payable	Revenues	Expenditures
General Fund	\$ 6,278,747	\$ 241,323	\$ 281,526	\$ 3,274,096
Special Aid Fund	234,940	6,206,163	234,625	281,526
School Lunch Fund	10,327	54,028	39,471	-
Debt Service Fund	929,627	-	-	-
Capital Projects Fund	-	952,127	3,000,000	-
Total government activities	<u>\$ 7,453,641</u>	<u>\$ 7,453,641</u>	<u>\$ 3,555,622</u>	<u>\$ 3,555,622</u>

The District typically transfers from the General Fund to the Capital Fund to fund capital renovations and additions. The district also transfers from the General Fund to the Special Aid fund the local portion of the Special Education Summer School Program. The District transfers premiums on debt issuances between Debt Service Fund and Capital Fund for capital project funding. The District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. All interfund payables are expected to be repaid within one year.

Note 10 – Employees' Retirement Plans

General Information

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

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

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 10 - Employees' Retirement Plans (continued)

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

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education law.

Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

	NYSTRS	NYSERS
2024-2025	\$ 8,433,547	\$ 3,626,058
2023-2024	8,398,808	3,031,201
2022-2023	7,487,404	2,441,592

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

	ERS	TRS
Actuarial valuation date	4/1/2024	6/30/2023
Net pension asset/ (liability)	\$ (12,074,113)	\$ 12,012,359
District's portion of the Plan's total net pension asset/ (liability)	0.0704206%	0.402612%

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 10 - Employees' Retirement Plans (continued)

For the year ended June 30, 2025, the District recognized its proportionate share of pension expense of \$3,036,250 for ERS and the actuarial value \$6,295,546 for TRS. At June 30, 2025 the District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred outflow of resources		Deferred inflow of resources	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience	\$ 2,996,876	\$ 12,935,104	\$ 141,364	\$ -
Changes of assumption	506,364	7,185,825	-	1,208,723
Net difference between projected and actual earnings on pension plan investments	947,301	-	-	13,346,754
Changes in proportion and differences between the District's contributions and proportionate share of contributions	669,615	-	29,258	838,347
District's contribution subsequent to the measurement date	-	8,433,547	-	-
Total	<u>\$ 5,120,156</u>	<u>\$ 28,554,476</u>	<u>\$ 170,622</u>	<u>\$ 15,393,824</u>

The District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/(liability) in the year ended March 31, 2026 for ERS and June 30, 2025 for TRS. Other amounts reported as deferred outflows of resources, and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended:	ERS	TRS
2025	\$ -	\$ (6,491,657)
2026	2,356,470	14,463,137
2027	3,301,027	(2,544,718)
2028	(883,718)	(2,803,382)
2029	175,755	1,508,745
Thereafter	-	594,980
	<u>\$ 4,949,534</u>	<u>\$ 4,727,105</u>

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 10 - Employees' Retirement Plans (continued)

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

	ERS	TRS
Measurement date	March 31, 2025	June 30, 2024
Actuarial valuation date	April 1, 2024	June 30, 2023
Inflation	2.90%	2.40%
Salary increases	4.30%	1.95%-5.18%
Investment rate of return (net of) investment expenses, including inflation	5.90%	6.95%
Cost of living adjustments	1.50%	1.30%

For ERS, annuitant mortality rates are based on July 1, 2015 – June 30, 2020 system's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021. For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021.

For ERS, the actuarial assumptions were based on the results of an actuarial experience study for the period April 1, 2020. For TRS, assumptions were computed by the TRS' Office of the Actuary and adopted by the TRS' Retirement Board in October, 2021. The actuarial assumptions are based upon recent TRS member experience. Detailed assumption information may be found in the TRS' annual Actuarial Valuation Report.

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

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

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 10 - Employees' Retirement Plans (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

Asset Type	ERS		TRS	
	Target Allocation	Long-term expected Real rate of return	Target Allocation	Long-term expected Real rate of return
	2025	2025	2024	2024
Domestic equity	25%	3.54%	32%	4.00%
International equity	14%	6.57%	15%	6.65%
Private equity	15%	7.25%	10%	7.25%
Real estate	12%	4.95%	9%	4.60%
Opportunistic/ARS portfolio	3%	5.25%	3%	5.25%
Credit	4%	5.40%	4%	5.40%
Real assets	4%	5.55%	3%	5.79%
Fixed income	22%	2.00%	23%	1.50%
Cash	1%	0.25%	1%	0.25%
	<u>100%</u>		<u>100%</u>	

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

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

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 10 - Employees' Retirement Plans (continued)

The following represents the District's proportionate share of the net pension asset/(liability) as of June 30, 2025 calculated using the discount rate of 5.90% of ERS and 6.95% for TRS, as well as what the District's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1-percentage point lower (4.90% for ERS and 5.95% for TRS) or 1-percentage point higher (6.90% for ERS and 7.95% for TRS) than the current rate:

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension asset (liability)	<u>\$ (34,944,004)</u>	<u>\$ (12,074,113)</u>	<u>\$ 7,022,260</u>
TRS	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
Employer's proportionate share of the net pension asset (liability)	<u>\$ (55,485,779)</u>	<u>\$ 12,012,359</u>	<u>\$ 68,780,104</u>

Changes of assumptions about future economic or demographic factors or other inputs are amortized over a closed period equal to the average of the expected service lives of all employees that are provided with pension benefits.

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year, which ends on March 31st. Accrued retirement contributions as of June 30, 2025 represent the projected employer contribution for the period of April 1, 2025 through June 30, 2025 based on paid ERS covered wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2025 amounted to \$1,041,594 of employer contributions. Employee contributions are remitted monthly.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2025 are paid to the system in September, October and November 2025 through a state aid intercept. Accrued retirement contributions as of June 30, 2025 represent employee and employer contributions for the fiscal year ended June 30, 2025 based on paid TRS covered wages multiplied by the employer's contribution rate and employee contributions for the fiscal year as reported to the TRS. Accrued retirement contributions as of June 30, 2025 amounted to \$9,211,189.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 11 – Other post-employment benefit (OPEB) obligation payable:

General information about the plan and benefits:

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

Funding Policy- The obligations of the Plan members and employers are established by action of the District pursuant to applicable collective bargaining and other employment agreements. Employees contribute varying percentages of the premiums, depending on when retired and their applicable agreement. Employees are required to reach age 55 and have 3 to 15 years of service to qualify for other post-employment benefits. The District currently funds the Plan to satisfy current obligations on a pay-as-you-go basis. During the year ended June 30, 2025, approximately \$15,624,000 was paid on behalf of 1,077 retirees. The District has \$10,000,000 included in accrued liabilities within the general fund representing the estimated benefit payments for employees and retirees of the Plan.

Benefits Provided- The District provides for continuation of medical and/or Medicare Part B benefits for certain retirees and their spouses. The benefit terms are dependent on which contract each employee falls under, retirees and their spouses receive benefits for the lifetime of the retired employee. The specifics of each contract are on file at the District offices and are available upon request.

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

Actives	1,251
Retirees	845
Spouses of retirees	358
	<u>2,454</u>

The District's total OPEB liability was measured as of June 30, 2025; the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2024.

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

Inflation Rate	2.40%
Salary Scale	2.40%
Discount Rate	5.20% (Bond Buyer GO 20-Bond Municipal Bond Index)
Healthcare Cost Trend Rates	7.3% to 3.8% over 50 years

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 11 – Other post-employment benefit obligation payable: (continued)

The Discount rate was based on the Bond Buyer Weekly 20-Bond GO Index

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

Retirement participation rate assumed that 85% of eligible Teachers and Instructional Administrators and 75% of participants other than Teachers and Instructional Administrators will elect medical coverage at retirement age, and 48% of active member's spouses will elect medical coverage. Additionally, a tiered approach based on age and years of service was used to determine retirement rate assumption.

Termination rates are based on tables used by the New York State Teachers' Retirement System and the New York State and Local Retirement System for female employees. Rates are tiered based on the percentage of employees who will terminate employment at any given age each year, for reasons other than death or retirement.

Changes in the Total OPEB Liability

Balance at June 30, 2024	<u>\$ 332,888,902</u>
<u>Changes for the Year</u>	
Service cost	11,265,325
Interest on total OPEB liability	13,348,096
Effect of demographic gains or losses	(43,331,292)
Effect of changes in assumptions or inputs	(48,551,341)
Benefit payments	<u>(9,103,740)</u>
Net Changes	<u>(76,372,952)</u>
Balance at June 30, 2025	<u>\$ 256,515,950</u>

Changes of benefit terms reflect changes in assumptions and other inputs, including a change in the discount rate from 3.93% in 2024 to 5.20% in 2025.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate- The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.20%) or 1 percentage point higher (6.20%) than the current discount rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB Liability	<u>\$ 294,841,535</u>	<u>\$ 256,515,950</u>	<u>\$ 225,192,351</u>

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 11 – Post-employment benefit obligation payable: (continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate- The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability	\$ 219,405,506	\$ 256,515,950	\$ 303,502,052

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

For the year ended June 30, 2025, the District recognized OPEB expense of \$(2,514,893). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,056,935	\$ (54,093,615)
Changes of assumptions or other inputs	27,398,035	(97,753,473)
	<u>\$ 28,454,970</u>	<u>\$ (151,847,088)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense over the average remaining service life for all active and inactive members, ranging from 6.2 to 7.8 years as follows:

Year Ended June 30,	Amount
2026	\$ (24,944,483)
2027	(24,863,712)
2028	(22,501,034)
2029	(19,574,147)
2030	(13,132,217)
Thereafter	(18,376,525)
	<u>\$ (123,392,118)</u>

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 12– Unrestricted Net Position

Unrestricted net position in the General Fund consists of the following at June 30, 2025:

Designated for subsequent year's expenditures	\$ 7,450,000
Reserve for encumbrances	584,595
Unreserved	<u>8,413,707</u>
Total unrestricted net position	<u>\$ 16,448,302</u>

Note 13 – Risk Management

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

Self- Insured Plans

The District has chosen to establish a self-funded dental benefit program for some of its employees. The benefit programs administrator, Delta Dental of New York, is responsible for the approval, processing and payment of claims, after which they bill the District for reimbursement. The District is also responsible for a monthly administrative fee. The benefit program reports on a fiscal year ending June 30. The program is accounted for in the General Fund of the District. At year-end, the District has a liability of \$102,000, which represents reported and unreported claims which were incurred on or before year-end, but which were not paid by the District as of that date. Dental claims activity is summarized below for the past two fiscal years:

	<u>2024-25</u>	<u>2023-24</u>
Claims and administration fees	\$ 520,717	\$ 512,777
Claim payments	(520,717)	(512,777)
Estimated incurred but not reported as of June 30,	<u>102,000</u>	<u>119,500</u>
Balance at end of year	<u>\$ 102,000</u>	<u>\$ 119,500</u>

The District has also chosen to establish a self-funded health insurance program for some of its employees. Medical claims paid during the year ended June 30, 2025 amount to approximately \$37,516,000. Payments of claims and claim adjustment expenses are pooled for the group and each member's premiums are adjusted accordingly. The District has a reserve of \$7,128,130 as of June 30, 2025 for incurred but not reported claims, included in accrued liabilities in the general fund.

Note 14 – Donor-Restricted Endowments

The District administers endowment funds, which are restricted by the donor for the purposes of student scholarships. Donor-restricted endowments are reported at fair value. The District authorizes expenditures from donor-restricted endowments in compliance with the wishes expressed by the donor, which varies among the unique endowments administered by the District. These funds are held in the general fund.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 15 – Commitments, Contingencies and Concentrations

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

New York State Education Law requires that most capital projects require approval by the New York Office of Facilities Planning. New York State provides building aid for certain type of capital projects undertaken by school districts. Building aid is subject to numerous reporting requirements. The failure to adhere to these reporting requirements could lead to the refund of building aid already received and the loss of future aid on these particular capital projects. Building aid represents a significant source of financing for the Districts' financing of such projects and any loss or refund of building aid could have a significant impact on these financial statements.

Several tax certiorari actions are pending against the District for reductions in the assessment value of various properties. Management believes that the likelihood of a reduction is probable. The District plans on funding any settlements from the Tax Certiorari Reserve.

The District has an unused irrevocable stand-by letter of credit with a bank totaling \$41,600,000 as of June 30, 2025. The District may draw from this stand-by letter of credit in accordance with the terms and conditions of the agreement. The maximum available amount is reset every 30 days based the Districts cash and cash equivalent financial position at the reset date.

The majority of the District's employees are covered by various collective bargaining agreements. The North Syracuse Education Association, Local 2881, affiliated with the New York State United Teachers (NYSUT) represents the largest percentage of employees covered by a collective bargaining agreement. Employees represented by this agreement include teachers, deans, department chairpersons/team leaders, school counselors, librarians, school psychologists, social workers, registered nurses, occupational therapists, physical therapists, speech therapists and athletic trainers. This agreement is through June 30, 2028. The District has additional collective bargaining agreements in place with different expiration dates, including the North Syracuse Principals' Association, North Syracuse CSD Office Personnel Unit #7811-00, North Syracuse Central School's Middle Managers, North Syracuse Custodial/Maintenance Unit 7811-02, North Syracuse Academic Directors' Association and North Syracuse School Bus Engineers Association.

Note 16 – Tax Abatements

The Onondaga County Industrial Development Agency enters into various property tax abatement programs for the purpose of economic development. The District's property tax revenue was reduced \$1,068,952 for the year ended June 30, 2025. The District received payment in Lieu of Tax (PILOT) revenue of approximately \$790,172.

Note 17 – Subsequent Events

Management has evaluated subsequent events through October 6, 2025, which is the date the financial statements were available to be issued. On July 31, 2025, the District issued \$106,637,020 in bond anticipation notes at 4.00% maturing on July 31, 2026, and \$4,370,221 in bond anticipation notes at 4.00% maturing on June 25, 2026 (total of \$111,007,241). The BANs are general obligations of the District to provide financing for buses and capital projects. The proceeds of the BANs renewed \$8,397,478 of the BAN outstanding as of June 30, 2025 and provided \$59,412,450 of new monies for the projects.

Required Supplementary Information

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Required Supplementary Information
Schedule of Changes in the District's total OPEB Liability and Related Ratios
For the Years Ended June 30:

	2025	2024	2023	2022	2021	2020	2019	2018
Measurement Date	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability	<u>\$ 256,515,950</u>	<u>\$ 332,888,902</u>	<u>\$ 333,269,047</u>	<u>\$ 354,677,173</u>	<u>\$ 429,663,033</u>	<u>\$ 344,796,888</u>	<u>\$ 274,149,344</u>	<u>\$ 354,384,840</u>
Service Cost	11,265,325	11,525,626	11,428,828	16,487,575	12,837,332	9,760,711	12,660,625	11,176,303
Interest	13,348,096	12,400,399	12,788,473	9,526,565	7,796,311	9,815,529	10,910,104	10,408,641
Changes in benefit terms	-	-	-	-	-	-	(1,006,310)	-
Effect of demographic gains or losses	(43,331,292)	-	(25,658,891)	-	4,165,575	-	(18,306,648)	3,054,556
Changes in assumptions or other inputs	(48,551,341)	(14,099,229)	(10,181,995)	(90,733,326)	69,840,291	58,064,202	(77,692,365)	-
Benefit payments	<u>(9,103,740)</u>	<u>(10,206,941)</u>	<u>(9,784,541)</u>	<u>(10,266,674)</u>	<u>(9,773,364)</u>	<u>(6,992,898)</u>	<u>(6,800,902)</u>	<u>(11,977,589)</u>
Net change in total OPEB liability	(76,372,952)	(380,145)	(21,408,126)	(74,985,860)	84,866,145	70,647,544	(80,235,496)	12,661,911
Total OPEB liability- beginning	<u>332,888,902</u>	<u>333,269,047</u>	<u>354,677,173</u>	<u>429,663,033</u>	<u>344,796,888</u>	<u>274,149,344</u>	<u>354,384,840</u>	<u>341,722,929</u>
Total OPEB liability- ending	<u>\$ 256,515,950</u>	<u>\$ 332,888,902</u>	<u>\$ 333,269,047</u>	<u>\$ 354,677,173</u>	<u>\$ 429,663,033</u>	<u>\$ 344,796,888</u>	<u>\$ 274,149,344</u>	<u>\$ 354,384,840</u>
Covered payroll	\$ 88,218,672	\$ 77,493,007	\$ 77,493,007	\$ 70,565,543	\$ 70,565,543	\$ 67,917,013	\$ 67,917,013	\$ 75,345,468
Total OPEB liability as a percentage of covered payroll	290.77%	429.57%	430.06%	502.62%	608.89%	507.67%	403.65%	470.35%

The District does not have assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* to pay OPEB benefits. The District currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual –
General Fund
For the Years Ended June 30, 2025

	Original Budget	Final Budget	Actual (Budgetary Basis)	Year-End Encumbrances	Final Budget Variance with Budgetary Actual
REVENUES					
Local sources					
Real property taxes	\$ 93,778,733	\$ 93,778,733	\$ 95,480,264		\$ 1,701,531
Other tax items	11,765,314	11,765,314	10,074,108		(1,691,206)
Nonproperty taxes	350,000	350,000	289,906		(60,094)
Charges for services	455,500	455,500	392,128		(63,372)
Use of money and property	1,330,000	1,330,000	3,578,149		2,248,149
Sale of property and compensation for loss	21,000	21,000	87,028		66,028
Miscellaneous	2,304,000	2,304,000	2,713,788		409,788
Total local sources	110,004,547	110,004,547	112,615,371		2,610,824
State sources	93,642,044	93,642,044	92,193,121		(1,448,923)
Medicaid	800,000	800,000	714,190		(85,810)
Total revenues	204,446,591	204,446,591	205,522,682		1,076,091
OTHER FINANCING SOURCES					
Use of fund balance	7,650,000	7,650,000	-		(7,650,000)
Transfer from other funds	100,000	100,000	281,526		181,526
Total revenues and other sources	\$ 212,196,591	\$ 212,196,591	\$ 205,804,208		\$ (6,392,383)
EXPENDITURES					
General support					
Board of education	146,864	130,801	130,587	210	4
Central administration	376,413	401,874	401,874	-	-
Finance	1,438,819	1,450,019	1,425,017	25,000	2
Staff	928,616	1,031,961	817,324	10,143	204,494
Central services	15,067,733	14,160,260	13,617,802	234,097	308,361
Special items	1,696,946	2,223,768	2,171,563	-	52,205
Total general support	19,655,391	19,398,683	18,564,167	269,450	565,066
Instruction					
Instruction, administration and improvement	7,975,864	8,758,003	8,745,724	12,253	26
Teaching - regular school	55,877,676	55,114,121	54,954,928	27,369	131,824
Programs for students with disabilities	27,830,453	29,539,852	29,442,655	96,654	543
Occupational education	2,879,471	2,837,112	2,830,901	2,208	4,003
Teaching - special schools	1,416	1,416	1,302	-	114
Instructional media	5,714,606	6,262,286	6,255,715	-	6,571
Pupil services	8,336,699	9,819,945	9,680,705	127,107	12,133
Total instruction	108,616,185	112,332,735	111,911,930	265,591	155,214
Pupil transportation	10,626,028	10,898,255	10,889,034	8,670	551
Employee benefits	63,105,674	55,955,346	54,284,598	40,884	1,629,864
Debt service	9,743,313	11,278,582	11,261,484	-	17,098
Total expenditures	211,746,591	209,863,601	206,911,213	584,595	2,367,793
OTHER FINANCING USES					
Transfer to other funds	450,000	3,350,000	3,274,096	-	75,904
Total expenditures and other uses	\$ 212,196,591	\$ 213,213,601	210,185,309	\$ 584,595	\$ 2,443,697
Net change in fund balance			(4,381,101)		
Fund balance - beginning			47,988,897		
Fund balance - ending			\$ 43,607,796		

Note To Required Supplementary Information

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with GAAP.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Required Supplementary Information
Schedule of District Contributions
For the Years Ended June 30:

	<i>Teachers' Retirement System</i>									
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 8,433,547	\$ 8,398,808	\$ 7,487,404	\$ 6,803,073	\$ 6,279,043	\$ 6,963,724	\$ 6,596,288	\$ 6,126,579	\$ 7,015,285	\$ 7,740,044
Contributions in relation to the contractually required contribution	<u>8,433,547</u>	<u>8,398,808</u>	<u>7,487,404</u>	<u>6,803,073</u>	<u>6,279,043</u>	<u>6,963,724</u>	<u>6,596,288</u>	<u>6,126,579</u>	<u>7,015,285</u>	<u>7,740,044</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 86,409,293	\$ 81,621,069	\$ 72,763,887	\$ 69,419,112	\$ 65,887,125	\$ 78,597,336	\$ 62,111,940	\$ 62,516,112	\$ 59,857,381	\$ 58,371,373
Contributions as a percentage of covered payroll	9.76%	10.29%	10.29%	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%
	<i>Employees' Retirement System</i>									
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 3,626,058	\$ 3,031,201	\$ 2,441,592	\$ 2,731,859	\$ 2,759,283	\$ 2,662,453	\$ 2,669,923	\$ 2,624,818	\$ 2,450,071	\$ 2,726,650
Contributions in relation to the contractually required contribution	<u>3,626,058</u>	<u>3,031,201</u>	<u>2,441,592</u>	<u>2,731,859</u>	<u>2,759,283</u>	<u>2,662,453</u>	<u>2,669,923</u>	<u>2,624,818</u>	<u>2,450,071</u>	<u>2,726,650</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 26,713,394	\$ 23,138,939	\$ 21,048,207	\$ 20,763,556	\$ 20,775,483	\$ 19,607,255	\$ 5,805,073	\$ 12,829,356	\$ 11,717,793	\$ 12,247,151
Contributions as a percentage of covered payroll	13.57%	13.10%	11.60%	13.16%	13.28%	13.58%	45.99%	20.46%	20.91%	22.26%

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Required Supplementary Information
Schedule of District's Proportionate Share of the Net Pension Asset (Liability)
For the Years Ended June 30:

	<i>Teachers' Retirement System</i>									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension asset (liability)	0.402612%	0.400545%	0.395420%	0.389171%	0.387288%	0.372114%	0.365994%	0.364309%	0.366509%	0.367501%
District's proportionate share of the net pension asset (liability)	\$ 12,012,359	\$ (4,580,567)	\$ (7,587,688)	\$ 67,439,598	\$ (10,701,814)	\$ 9,667,557	\$ 6,618,132	\$ 2,769,112	\$ (3,925,462)	\$ 45,671,000
District's covered payroll	\$ 86,409,293	\$ 81,621,069	\$ 72,763,887	\$ 69,419,112	\$ 65,887,125	\$ 78,597,336	\$ 62,111,940	\$ 62,516,112	\$ 59,857,381	\$ 58,371,373
District's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	13.90%	-5.61%	-10.43%	97.15%	-16.24%	12.30%	10.66%	4.43%	-6.56%	78.24%
Plan fiduciary net position as a percentage of the total pension asset (liability)	102.10%	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%
	<i>Employees' Retirement System</i>									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension asset (liability)	0.0704206%	0.0707251%	0.0690794%	0.0653130%	0.0636717%	0.0612392%	0.0616513%	0.0612517%	0.0613486%	0.0619478%
District's proportionate share of the net pension asset (liability)	\$ (12,074,113)	\$ (10,413,599)	\$ (14,813,399)	\$ 5,339,070	\$ (63,400)	\$ (16,216,507)	\$ (4,368,179)	\$ (1,976,865)	\$ (5,764,450)	\$ (9,942,788)
District's covered payroll	\$ 26,713,394	\$ 23,138,939	\$ 21,048,207	\$ 20,763,556	\$ 20,775,483	\$ 19,607,255	\$ 5,805,073	\$ 12,829,356	\$ 11,717,793	\$ 12,247,151
District's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	45.20%	45.00%	-70.38%	-25.71%	0.31%	82.71%	75.25%	15.41%	49.19%	81.18%
Plan fiduciary net position as a percentage of the total pension asset (liability)	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

Supplementary Information

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Supplementary Information
Schedules of Change from Adopted Budget to Final Budget and the Real Property Tax Limit – General Fund
For the Years Ended June 30, 2025

CHANGE FROM ADOPTED TO REVISED BUDGET

Adopted budget	\$ 212,196,591
Add prior year's encumbrances	<u>437,482</u>
Original budget	212,634,073
Budget revision:	<u>579,528</u>
Revised budget	<u><u>\$ 213,213,601</u></u>

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2025-26 voter-approved expenditure budget	\$ 224,048,589
maximum allowed (4% of 2025-26 budget)	8,961,944

General fund balance subject to Section 1318 of Real Property Tax Law*:

Unrestricted fund balance:	
Assigned fund balance	8,034,595
Unassigned fund balance	<u>8,413,707</u>
Total unrestricted fund balance	<u>16,448,302</u>

Less:

Appropriated fund balance	7,450,000
Encumbrances included in committed and assigned fund balance	<u>584,595</u>
Total adjustments	<u>8,034,595</u>

General fund fund balance subject to Section 1318 of Real Property Tax Law	<u><u>\$ 8,413,707</u></u>
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Actual percentage	3.76%
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*Per Office of the State Comptroller's "Fund Balance Reporting and Governmental Fund Type Definitions", Updated April 2011 (Originally Issued November 2010), the portion of [General Fund] fund balance subject to Section 1318 of the Real Property Tax Law is: unrestricted fund balance (i.e., the total of the committed, assigned, and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Supplementary Information
Schedule of Project Expenditures – Capital Projects Fund
For the Years Ended June 30, 2025

PROJECT TITLE	Building/ Project Number	Original	Revised	Expenditures			Unexpended	Methods of Financing				Fund Balance
				Prior	Current	Total		Proceeds of	State	Local	Total	
		Budget	Budget	Years	Year	Total	Balance	Obligations	Sources	Sources	Total	06/30/2025
2013-2014 Buses		\$ 1,298,137	\$ 1,297,789	\$ 1,297,789	\$ -	\$ 1,297,789	\$ -	\$ -	\$ -	\$ 1,298,135	\$ 1,298,135	\$ 346
2015-2016 Buses		1,403,038	1,394,910	1,394,910	-	1,394,910	-	-	-	1,403,040	1,403,040	8,130
2016-2017 Buses		1,566,829	1,559,960	1,559,960	-	1,559,960	-	-	-	1,566,827	1,566,827	6,867
2017-2018 Buses		1,557,327	1,557,327	1,557,327	-	1,557,327	-	-	-	1,557,331	1,557,331	4
2018-2019 Buses		1,506,092	1,472,390	1,472,390	-	1,472,390	-	-	-	1,472,440	1,472,440	50
2019-2020 Buses		1,506,092	1,505,917	1,505,917	-	1,505,917	-	-	-	1,506,092	1,506,092	175
2020-2021 Buses		2,113,295	2,092,654	2,092,654	-	2,092,654	-	-	-	1,690,636	1,690,636	(402,018)
2021-2022 Buses		1,709,165	1,709,165	1,709,165	-	1,709,165	-	-	-	1,025,910	1,025,910	(683,255)
2022-2023 Buses		1,729,195	1,729,195	1,729,195	-	1,729,195	-	-	-	756,152	756,152	(973,043)
2023-2024 Buses		1,987,433	1,987,433	1,987,433	-	1,987,433	-	-	-	580,874	580,874	(1,406,559)
2024-2025 Buses		2,412,651	2,412,651	-	2,412,651	2,412,651	-	-	-	-	-	(2,412,651)
Gillette MS Add./Renov.	0-012-018	19,000,000	19,000,000	18,324,125	-	18,324,125	675,875	16,934,059	75,000	1,270,287	18,279,346	(44,779)
CNS Land Purchase/Renov.	0-016-025	580,000	580,000	604,631	-	604,631	(24,631)	-	-	455,000	455,000	(149,631)
Cicero El Renovation	0-003-013	17,500,000	17,500,000	155,400	5,625	161,025	17,338,975	-	-	1,945,000	1,945,000	1,783,975
Cicero Boiler	0-003-014	1,850,000	1,850,000	1,049,310	-	1,049,310	800,690	-	-	1,850,000	1,850,000	800,690
Bear Road Renovation	0-002-016	20,900,000	31,400,000	31,166,219	1,498	31,167,717	232,283	24,388,325	1,000,000	9,982,911	35,371,236	4,203,519
Junior High Roof & Renovations	0-011-024	1,000,000	1,000,000	885,099	-	885,099	114,901	735,099	150,000	60,000	945,099	60,000
Fuel Station	7-052-001	1,600,000	1,600,000	1,080,030	-	1,080,030	519,970	875,000	349,701	65,030	1,289,731	209,701
Roxboro El Capital Outlay	0-008-017	100,000	100,000	15,000	-	15,000	85,000	-	-	15,000	15,000	-
Lakeshore Renovation	0-004-019	16,700,000	16,700,000	1,340,051	11,533,743	12,873,794	3,826,206	-	-	-	-	(12,873,794)
Bear Road Roof	0-002-015	2,622,000	2,622,000	2,005,347	-	2,005,347	616,653	1,653,415	-	954,585	2,608,000	602,653
Junior High Roof	0-011-025	4,250,000	4,250,000	3,232,631	-	3,232,631	1,017,369	1,057,246	-	1,775,000	2,832,246	(400,385)
Gillette Batting Cage	0-053-001	-	-	678	-	678	(678)	-	-	-	-	(678)
CNS Pool	0-016-035	17,000,000	17,000,000	902,710	2,967,852	3,870,562	13,129,438	-	-	2,000,000	2,000,000	(1,870,562)
Non-Aidable purchases		-	-	200,163	-	200,163	(200,163)	-	-	-	-	(200,163)
Lakeside Renovation	0-004-019	16,670,000	16,670,000	11,200	-	11,200	16,658,800	-	-	1,800,000	1,800,000	1,788,800
Allen Rd Security	0-001-023	1,729,287	1,729,287	87,505	12,055	99,560	1,629,727	-	-	-	-	(99,560)
Bear Rd Security	0-002-017	166,200	166,200	26,066	2,654	28,720	137,480	-	-	-	-	(28,720)
Roxboro El Security	0-008-019	1,833,350	1,833,350	100,165	18,159	118,324	1,715,026	-	-	-	-	(118,324)
Smith Rd Security	0-009-017	795,572	795,572	37,361	8,719	46,080	749,492	-	-	-	-	(46,080)
Rox Middle Security	0-010-022	4,570,673	4,570,673	202,562	38,296	240,858	4,329,815	-	-	-	-	(240,858)
Junior High Security	0-011-027	9,990,443	9,990,443	440,254	64,453	504,707	9,485,736	-	-	-	-	(504,707)
Gillette Security	0-012-021	1,437,311	1,437,311	424,478	1,117,323	1,541,801	(104,490)	-	-	-	-	(1,541,801)
CNS Security	0-016-036	7,856,987	7,856,987	350,842	76,868	427,710	7,429,277	-	-	-	-	(427,710)
Junior High Alarm Security	0-011-029	1,000,000	1,000,000	26,011	950,916	976,927	3,073	-	-	1,000,000	1,000,000	23,073
Smith Road Renovations	0-009-016	750,000	750,000	974,757	67,720	1,042,477	(292,477)	-	-	-	-	(1,042,477)
NSJHS Chiller	0-011-026	1,400,000	1,400,000	1,352,966	-	1,352,966	47,034	-	-	1,352,966	1,352,966	-
CNS HVAC System	0-016-033	9,000,000	9,000,000	10,577,018	977,697	11,554,715	(2,554,715)	-	-	2,000,000	2,000,000	(9,554,715)
CNS Renovations	0-016-034	21,030,000	21,030,000	9,430,004	16,796,782	26,226,786	(5,196,786)	-	-	5,300,000	5,300,000	(20,926,786)
CNS EPC	1-007-015	5,359,221	5,359,221	1,281	431,663	432,944	4,926,277	-	-	-	-	(432,944)
CNS Entrance	0-016-028	100,000	100,000	99,496	-	99,496	504	-	100,000	-	100,000	504
CNS HS Roof- Phase 2	0-016-031	1,280,500	1,280,500	781,511	1,055,080	1,836,591	(556,091)	1,119,585	-	979,734	2,099,319	262,728
Allen Road Roof- Phase 2	0-001-021	1,280,500	1,280,500	563,097	-	563,097	717,403	-	-	1,535,681	1,535,681	972,584
CNS Capital Outlay	0-016-032	100,000	100,000	99,051	-	99,051	949	-	-	99,051	99,051	-
CNS Greenhouse COP	0-016-038	100,000	262,500	262,147	-	262,147	353	-	-	100,147	100,147	(162,000)
Main Street Renovation	0-005-018	1,200,000	1,200,000	99,495	384,715	484,210	715,790	-	-	-	-	(484,210)
Allen Road Cabling	0-001-022	299,822	299,822	18,003	120,282	138,285	161,537	-	-	-	-	(138,285)
Roxboro El Cabling	0-008-018	357,709	357,709	22,240	169,353	191,593	166,116	-	-	-	-	(191,593)
Roxboro Middle Cabling	0-010-023	484,916	484,916	32,830	270,380	303,210	181,706	-	-	-	-	(303,210)
Junior High Cabling	0-011-028	1,493,812	1,493,812	24,052	1,328,588	1,352,640	141,172	-	-	-	-	(1,352,640)
CNS Energy Performance	0-016-037	1,175,590	1,175,590	129	-	129	1,175,461	-	-	-	-	(129)
CNS Greenhouse 2	0-016-040	100,000	100,000	-	83,913	83,913	16,087	-	-	-	-	(83,913)
Cicero El EPC	0-003-015	31,052	31,052	-	15,526	15,526	15,526	-	-	-	-	(15,526)
Main St EPC	0-005-017	280,800	280,800	-	144,162	144,162	136,638	-	-	-	-	(144,162)
District Office Security	1-007-014	1,246,000	1,246,000	-	9,575	9,575	1,236,425	-	-	-	-	(9,575)
District Office EPC	1-007-015	153,447	153,447	-	68,827	68,827	84,620	-	-	-	-	(68,827)
Smith Rd EPC	0-009-018	222,886	222,886	-	88,342	88,342	134,544	-	-	-	-	(88,342)
Gillette Rd EPC	0-012-022	673,170	673,170	-	240,637	240,637	432,533	-	-	-	-	(240,637)
CNS Stadium EPC	0-016-037	1,175,590	1,175,590	-	10,926	10,926	1,164,664	-	-	-	-	(10,926)
Transportation EPC	5-050-003	87,366	87,366	-	12,967	12,967	74,399	-	-	-	-	(12,967)
Total projects		\$ 217,323,458	\$ 227,916,095	\$ 103,312,655	\$ 41,487,947	\$ 144,800,602	\$ 83,115,493	\$ 46,762,729	\$ 1,674,701	\$ 47,397,829	\$ 95,835,259	\$ (48,965,343)

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Supplementary Information
Net Investment in Capital Assets
For the Years Ended June 30, 2025

Capital assets, net		\$ 229,435,366
Add (Deduct):		
Defeasance on advanced refunding of bonds	162,423	
Bond anticipation notes payable	(58,843,269)	
Short-term portion of bonds payable	(3,718,722)	
Long-term portion of bonds payable	<u>(30,760,887)</u>	
		<u>(93,160,455)</u>
Net investment in capital assets		<u>\$ 136,274,911</u>

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Supplementary Information
Schedule of Expenditures of Federal Awards
For the Years Ended June 30, 2025

	<u>Federal CFDA Number</u>	<u>Pass-Through Number</u>	<u>Passed Through to Subrecipients</u>	<u>Current Year Expenditures</u>
U.S. Department of Education				
Direct awards:				
Indian Education Grants to Local Educational Agencies	84.060			\$ 27,163
Passed through New York State Department of Education: (Grantor's No. 420303060000)				
<u>Special Education Cluster:</u>				
Special Education - Grants to States	84.027A	0032-25-0639		2,395,963
Special Education - Preschool Grants	84.173A	0033-25-0639		132,997
Total Special Education Cluster				<u>2,528,960</u>
<u>Title I:</u>				
Title I Grants to Local Educational Agencies (Title I, A)	84.010A	0021-25-2090		1,613,157
Title I Grants to Local Educational Agencies (Title I, A)	84.010A	0021-24-2090		2,031
Title I School Improvement Grant	84.010	0011-25-2640		2,039
Title I School Improvement Grant	84.010	0011-24-2640		25,375
Total Title I				<u>1,642,602</u>
Supporting Effective Instruction State Grants (Title II, A)	84.367A	0147-25-2090		<u>236,862</u>
English Language Acquisition Grants (Title III, A)	84.365A	0293-25-2090		21,945
English Language Acquisition Grants (Title III, A)	84.365A	0293-24-2090		1,362
				<u>23,307</u>
Student Support and Academic Enrichment (Title IV, A)	84.424A	0204-25-2090		<u>129,856</u>
Twenty-First Century Community Learning Centers	84.287C	0187-25-8023		752,843
<u>Education Stabilization Funds:</u>				
American Rescue Plan (ARP) Elementary and Secondary Emergency Relief (ESSER) 3	84.425U	5880-21-2090		469,867
American Rescue Plan- 1% Reserve- Comprehensive After School	84.425U	5883-21-2090		43,110
American Rescue Plan- 1% Reserve- Summer Enrichment	84.425U	5882-21-2090		286,124
				<u>799,101</u>
Total U.S. Department of Education				<u>6,140,694</u>
U.S. Department of Agriculture				
Passed through New York State Department of Education (Grantor's No. 420303060000)				
<u>Child Nutrition Cluster:</u>				
School Breakfast Program	10.553			793,928
National School Lunch Program (cash assistance)	10.555			2,709,861
National School Lunch Program (non-cash assistance)	10.555			277,731
Summer Food Service for Children	10.559			63,692
Total Child Nutrition Cluster				<u>3,845,212</u>
Local Food for Schools Cooperative Agreement	10.185			<u>62,758</u>
Total U.S. Department of Agriculture				<u>3,907,970</u>
Total Expenditures of Federal Awards				<u>\$ 10,048,664</u>

NORTH SYRACUSE CENTRAL SCHOOL DISTRICT
Supplementary Information
Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards presents the activity of federal award programs administered by the North Syracuse Central School District, which is described in Note 1 to the District's accompanying financial statements, using the modified accrual basis of accounting. Federal awards that are included in the schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. CFDA numbers and pass-through numbers are provided, when available.

2. Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards is a summary of the activity of North Syracuse Central School District's federal award programs and presents transactions that are included in the financial statements of the District presented on the modified accrual basis of accounting, as required by accounting principles generally accepted in the United States of America. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

Indirect costs are included in the reported expenditures to the extent they are included in the federal financial reports used as the source for the data provided. North Syracuse Central School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

4. Food Distribution

The District is the recipient of a federal award program that does not result in cash receipts or disbursements. The District was granted approximately \$277,700 of commodities under the National School Lunch Program (CFDA 10.555).