

FISHERS ISLAND UNION FREE SCHOOL DISTRICT

Basic Financial Statements,
Supplementary Information and
Independent Auditors' Report

June 30, 2023

FISHERS ISLAND UNION FREE SCHOOL DISTRICT

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Fishers Island Union Free School District
Fishers Island, New York:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fishers Island Union Free School District (the District), as of and for the year ended June 30, 2023, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the fiduciary fund of the District, as of June 30, 2023, 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 (GAAP).

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

GAAP requires that the management's discussion and analysis and the other required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 18, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering District's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
October 18, 2023

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Management's Discussion and Analysis
June 30, 2023

The Fishers Island Union Free School District's (the District) discussion and analysis of the financial performance provides an overall review of the District's financial activities for the year ended June 30, 2023 in comparison with the year ended June 30, 2022, with emphasis on the current year. This should be read in conjunction with the financial statements, which immediately follow this section.

1. FINANCIAL HIGHLIGHTS

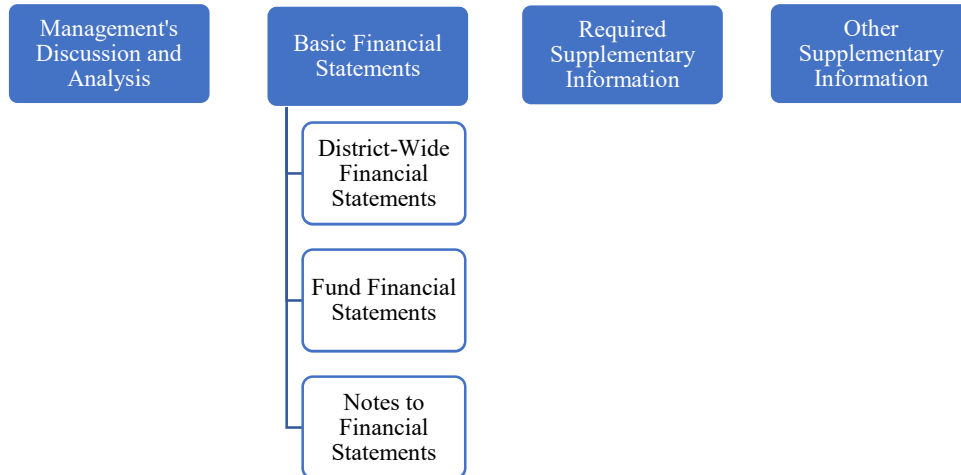
Key financial highlights for the year ended June 30, 2023 are as follows:

- The District's total net position, as reflected in the District-Wide financial statements, increased by \$297,990. This was primarily due to revenue exceeding expenses.
- The District's expenses for the year, as reflected in the District-Wide financial statements, totaled \$3,712,170. Of this amount, \$80,305 was offset by program charges for services, \$64,509 was offset by operating grants and the remaining \$3,567,356 was offset by general revenue.
- The general fund's total fund balance, as reflected in the fund financial statements, increased by \$172,363 to \$1,185,099 as total expenditures and other uses were less than total revenue.
- The District's 2023 property tax levy of \$3,431,538 was an increase of \$96,710, or 2.9% over the 2022 tax levy.

2. OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts - management's discussion and analysis (MD&A), the basic financial statements, required supplementary information, and other supplementary information. The basic financial statements consist of District-Wide financial statements, fund financial statements, and notes to the financial statements. A graphic display of the relationship of these statements follows:

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Management's Discussion and Analysis, Continued



A. District-Wide Financial Statements

The District-Wide financial statements present the governmental activities of the District and are organized to provide an understanding of the fiscal performance of the District as a whole in a manner similar to a private sector business. There are two District-Wide financial statements - the Statement of Net Position and the Statement of Activities. These statements provide both an aggregate and long-term view of the District's finances.

These statements utilize the accrual basis of accounting. This basis of accounting recognizes the financial effects of events when they occur, without regard to the timing of cash flows related to the events.

The Statement of Net Position

The Statement of Net Position presents information on all of the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities

The Statement of Activities presents information showing the change in net position during the fiscal year. All changes in net position are recorded at the time the underlying financial event occurs. Revenues are recognized in the period when they are earned and expenses are recognized in the period when the liability is incurred. Therefore, revenues and expenses are reported in the statement for some items that will result in cash flow in future fiscal periods.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Management's Discussion and Analysis, Continued

B. Funds Financial Statements

The fund financial statements provide more detailed information about the District's funds, not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District also uses fund accounting to ensure compliance with finance-related legal requirements. The funds of the District are reported in the governmental funds and the fiduciary fund.

Governmental Funds

These statements utilize the modified accrual basis of accounting. This basis of accounting recognizes revenues in the period that they become measurable and available. It recognizes expenditures in the period in which the District incurs the liability, except for certain expenditures such as compensated absences, pension costs and other postemployment benefits, which are recognized as expenditures to the extent the related liabilities mature each period.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the District-Wide financial statements. However, the governmental fund financial statements focus on shorter term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year for spending in future years. Consequently, the governmental fund statements provide a detailed short-term view of the District's operations and the services it provides.

Because the focus of governmental funds is narrower than that of District-Wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the District-Wide financial statements. By doing so, you may better understand the long-term impact of the District's near-term financing decisions. Both the Balance Sheet - Governmental Funds and the Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds: general fund, special aid fund, capital projects fund and miscellaneous fund, each of which is considered to be a major fund and is presented separately in the fund financial statements.

Fiduciary Fund

Fiduciary funds are used to account for assets held by the District in its capacity as agent or trustee and utilize the accrual basis of accounting. All of the District's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. Fiduciary activities have been excluded from the District's District-Wide financial statements because the District cannot use these assets to finance its operations.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Management's Discussion and Analysis, Continued

3. FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

A. Net Position

A summary of the District's Statements of Net Position as of June 30 2023 and 2022 is as follows:

	<u>2023</u>	<u>2022</u>	<u>Increase (decrease)</u>	<u>Percentage change</u>
Current and other assets	\$ 1,944,832	1,575,864	368,968	23.4%
Net pension assets	-	1,994,701	(1,994,701)	100.0%
Capital assets, net	<u>2,840,226</u>	<u>2,915,855</u>	<u>(75,629)</u>	-2.6%
Total assets	<u>4,785,058</u>	<u>6,486,420</u>	<u>(1,701,362)</u>	-26.2%
Deferred outflows of resources	<u>1,225,709</u>	<u>1,129,497</u>	<u>96,212</u>	8.5%
Current liabilities	534,020	410,669	123,351	30.0%
Long-term liabilities	<u>3,476,394</u>	<u>3,178,245</u>	<u>298,149</u>	9.4%
Total liabilities	<u>4,010,414</u>	<u>3,588,914</u>	<u>421,500</u>	11.7%
Deferred inflows of resources	<u>158,805</u>	<u>2,483,445</u>	<u>(2,324,640)</u>	-93.6%
Net position:				
Net investment in capital assets	2,840,226	2,915,855	(75,629)	-2.6%
Restricted	1,131,992	950,092	181,900	19.1%
Unrestricted (deficit)	<u>(2,130,670)</u>	<u>(2,322,389)</u>	<u>191,719</u>	8.3%
Total net position	<u>\$ 1,841,548</u>	<u>1,543,558</u>	<u>297,990</u>	19.3%

Current and other assets increased by \$368,968 to \$1,944,832. The increase was mainly an increase in cash as revenue exceeded expenses.

Capital assets, net decreased by \$75,629, compared to the prior year. This decrease is due to depreciation exceeding assets. The accompanying Notes to Financial Statements, Note 8 "Capital Assets" provides additional information.

Net pension assets - proportionate share decreased by \$1,994,701, compared to the prior year. This represents the District's proportionate shares of the New York State and Local Employees' Retirement System (ERS) and New York State Teachers' Retirement System's (TRS) collective net pension assets. At June 30, 2023, ERS and TRS reported collective net pension liabilities. This information is provided to the District by ERS and TRS.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
 Management’s Discussion and Analysis, Continued

Deferred outflows of resources represents contributions to ERS and TRS subsequent to the measurement dates and actuarial adjustments at the plan level that will be amortized in future years.

Current liabilities increased by \$123,351, as compared to the prior year. This increase is mainly attributable to an increase in accrued liabilities of \$216,346 for deferred teacher salaries paid during the summer which was offset by decreases in amounts due to TRS and the fiduciary fund.

Long-term liabilities increased by \$298,149 from the previous year. This increase is primarily attributable to the ERS and TRS pension liabilities which were assets in the prior year.

Deferred inflows of resources represents actuarial adjustments at the pension plan level that will be amortized in future years.

The net investment in capital assets relates to the investment in capital assets at cost such as land, buildings and improvements, and furniture and equipment, net of depreciation and related debt. This number decreased from the prior year as follows:

	Increase (decrease)
Capital asset additions	\$ 80,977
Depreciation expense	<u>(156,606)</u>
	\$ <u>(75,629)</u>

The restricted net position of \$1,131,992 relates to the District’s reserves for unemployment insurance, retirement contributions, employee benefit accrued liability, capital, repairs and extraclassroom activities. This is a net increase of \$181,900 from the prior year.

The unrestricted deficit amount of \$(2,130,670) is the District’s net position which is not invested in capital assets and has not been restricted, and is considered “available for spending.”

Overall, the District’s total net position increased by \$297,990 or 19.3% from 2022 to 2023.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Management's Discussion and Analysis, Continued

B. Changes in Net Position

The results of this year's operations as a whole are reported in the Statement of Activities in a programmatic format. A summary of this statement for the years ended June 30, 2023 and 2022 is as follows:

	<u>2023</u>	<u>2022</u>	<u>Increase (decrease)</u>	<u>Percentage change</u>
Revenue:				
Program revenue:				
Charges for services	\$ 80,305	91,937	(11,632)	-12.7%
Operating grants	64,509	26,083	38,426	147.3%
General revenue:				
Real property taxes and STAR	3,431,539	3,334,997	96,542	2.9%
State sources	296,809	292,600	4,209	1.4%
Other sources	<u>136,998</u>	<u>292,139</u>	<u>(155,141)</u>	-53.1%
Total revenue	<u>4,010,160</u>	<u>4,037,756</u>	<u>(27,596)</u>	-0.7%
Expenses:				
General support	1,093,113	1,071,451	21,662	2.0%
Instruction	2,564,175	2,035,705	528,470	26.0%
Pupil transportation	7,582	6,606	976	14.8%
Interest	<u>47,300</u>	<u>8,730</u>	<u>38,570</u>	100.0%
Total expenses	<u>3,712,170</u>	<u>3,122,492</u>	<u>589,678</u>	18.9%
Change in net position	<u>\$ 297,990</u>	<u>915,264</u>	<u>(617,274)</u>	179.8%

The District's net position increased by \$297,990 for the year ended June 30, 2023, due to an excess of revenue over expenses based on the accrual basis of accounting.

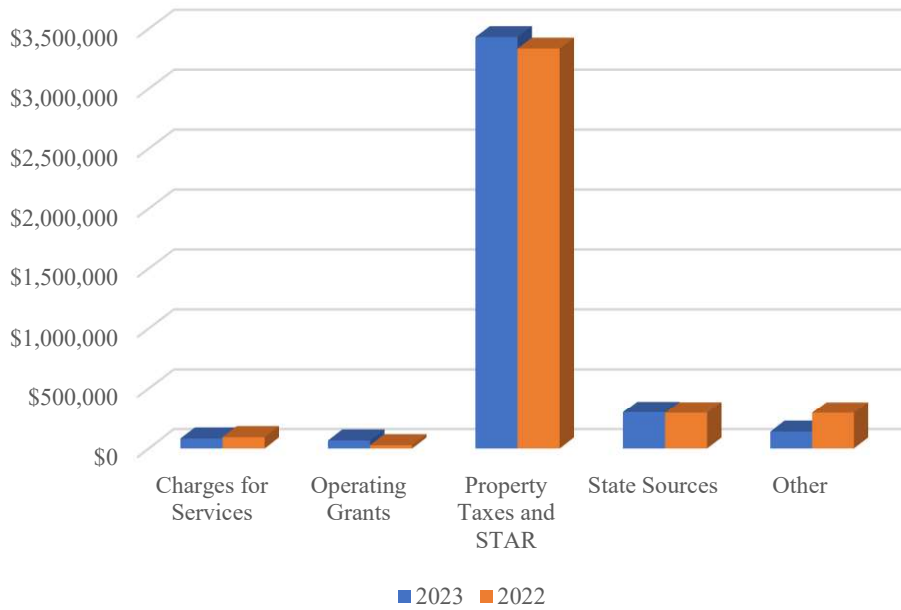
The District's revenue decreased by \$27,596 or 0.7%. The major factors that contributed to the decrease were increased real property taxes and STAR which was offset by a decrease in insurance recoveries.

The District's expenses for the year increased by \$589,678 or 18.9%. The major contributing factor to this increase was a decrease in costs for OPEB in the prior year which decreased prior year employee benefit costs.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Management’s Discussion and Analysis, Continued

As indicated on the graphs that follow, real property taxes and STAR is the largest component of revenue recognized (i.e., 85.6% and 82.7% of the total for the years 2023 and 2022, respectively). Instruction expenses is the largest category of expenses incurred (i.e., 69.1% and 65.2% of the total for the years 2023 and 2022, respectively).

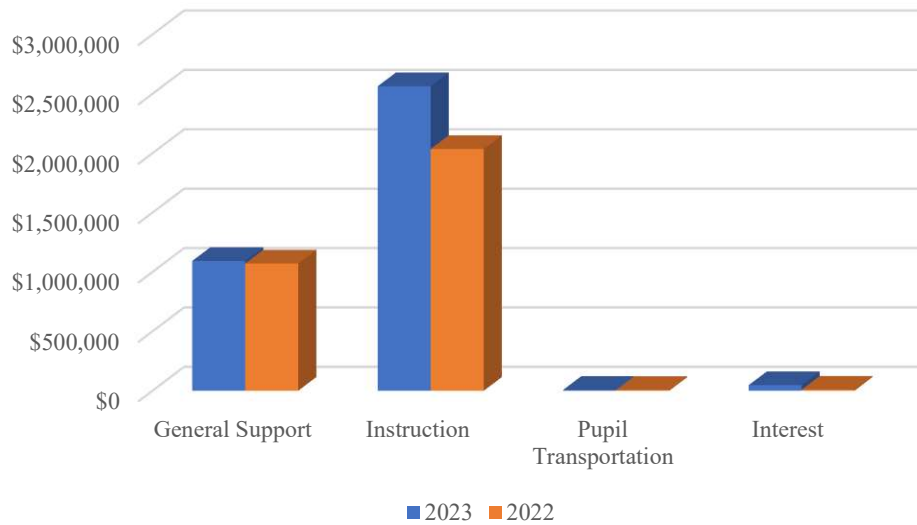
A graphic display of the distribution of revenue for the two years follows:



	Charges for Services	Operating Grants	Property Taxes and STAR	State Sources	Other
2023	2.0%	1.6%	85.6%	7.4%	3.4%
2022	2.3%	0.6%	82.7%	7.2%	7.2%

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Management's Discussion and Analysis, Continued

A graphic display of the distribution of expenses for the two years follows:



	General Support	Instruction	Pupil Transportation	Interest
2023	29.4%	69.1%	0.2%	1.3%
2022	34.3%	65.2%	0.2%	0.3%

4. Financial Analysis of the District's Funds

At June 30, 2023, the District's governmental funds reported a combined fund balance of \$1,410,812, which is an increase of \$245,617 from the prior year. A summary of the change in general fund - fund balance is as follows:

	<u>2023</u>	<u>2022</u>	<u>Increase (decrease)</u>
General Fund:			
Nonspendable	\$ 1,498	-	1,498
Restricted:			
Unemployment insurance	695	694	1
Retirement contribution	125,180	125,000	180
Employee benefit accrued liability	239,520	239,176	344
Capital	686,450	535,678	150,772
Repairs	25,000	-	25,000
Assigned	5,423	4,461	962
Unassigned	101,333	107,727	(6,394)
	<u>\$ 1,185,099</u>	<u>1,012,736</u>	<u>172,363</u>

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Management's Discussion and Analysis, Continued

A. General Fund

The net change in the general fund - fund balance is an increase of \$172,363 (compared to a decrease of \$483,284 in 2022). General fund expenditures and other uses of \$3,657,386 was less than revenue of \$3,829,749.

Expenditures and transfers out decreased by \$565,761 (13.4%) from 2022 totals, primarily from prior year renovations to faculty housing and transfers out for capital projects.

Revenue increased \$89,886 (2.4%) from 2022 totals, primarily from an increase in real property taxes and Star.

In May 2006, the voters of the District authorized the creation of a capital reserve (capital reserve #1) for \$1,000,000 to be funded for a period of ten years. In May 2010, the voters of the District authorized funding the reserve for up to another \$1,000,000, totaling \$2,000,000. Through June 30, 2023, the reserve had been funded in the amount of \$1,270,000 and had earned \$14,478 in interest. To date, voters have approved that \$1,305,000 be withdrawn and expended on District capital improvement projects. The balance in this reserve at June 30, 2023 is \$49,478.

On June 30, 2016, the voters approved the creation of a capital reserve fund (capital reserve #2) for the purpose of financing alterations, renovations and/or reconstruction or other improvements to the District's school building, including, without limitation, restoration to the main school building masonry, renovations to the bathrooms and other site improvements connected to such buildings and facilities. Such capital reserve fund would be for a probable term of ten years in an amount not to exceed \$1,000,000, plus any accrued earnings on amounts deposited in such reserve fund. This reserve has been funded through June 30, 2023 in the amount of \$1,015,000 and has earned \$701 in interest. To date voters have approved \$1,000,000 to be withdrawn and expended on capital projects for the District. The balance in this reserve at June 30, 2023 is \$636,972.

5. GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2022-23 Budget

The District's general fund original budget for the year ended June 30, 2023 was \$3,839,191. There were no budget revisions resulting in a final budget of \$3,839,191.

The budget was funded through a combination of revenue, the majority of which was \$3,431,538 in estimated real property taxes and STAR.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Management's Discussion and Analysis, Continued

B. Change in General Fund's Unassigned Fund Balance (Budget to Actual)

The general fund's unassigned fund balance is the component of total fund balance that is the residual of prior years' excess revenue over expenditures, net of transfers to reserves and assignments, such as appropriations to fund the subsequent year's budget, encumbrances and amounts classified as nonspendable. The change in this balance demonstrated through a comparison of the actual revenue and expenditures for the year compared to budget is as follows:

Opening, unassigned fund balance	\$ 107,727
Revenues under budget	(4,981)
Expenditures, other uses and encumbrances under budget	176,382
Change in nonspendable	(176,297)
Funding of reserves	<u>(1,498)</u>
Closing, unassigned fund balance	\$ <u>101,333</u>

Opening, Unassigned Fund Balance

The \$107,727 shown in the table is the portion of the District's June 30, 2022 fund balance that was retained as unassigned.

Revenues Under Budget

The 2022-2023 final budget for revenue was \$3,834,730. The actual revenue received for the year was \$3,829,749. The deficit of actual revenue as compared to the estimated or budgeted revenue was \$4,981.

Expenditures, Other Uses and Encumbrances Under Budget

The 2022-2023 final budget for expenditures and other uses was \$3,839,191. The actual expenditures and other uses as of June 30, 2023 were \$3,657,386 and \$5,423 of encumbrances were outstanding. Therefore, the final budget was under expended by \$176,382.

Change in Nonspendable

Nonspendable fund balance represents amounts that are not available in the current period because of their form or because they must remain intact. Changes in nonspendable have a direct effect on unassigned fund balance.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Management's Discussion and Analysis, Continued

Funding of Reserves

Monies transferred into authorized reserves do not affect the total fund balance unless, and until these monies are actually expended. The transfers do, however, reduce the District's discretion regarding the use of these transferred monies, and thus, reduce the unassigned fund balance by the amount of the transfers.

Transfers were made to the capital reserve of \$150,000 and repair reserve of \$25,000. Additionally, interest of \$1,297 was allocated to the reserves.

Closing, Unassigned Fund Balance

Based upon the summary changes shown in the previous table, the unassigned fund balance at June 30, 2023 was \$101,333. This amount equals 2.57% of the 2023-24 budget and is under the 4% statutory limit.

6. CAPITAL ASSETS AND DEBT ADMINISTRATION

A. Capital Assets

At June 30, 2023, the District had invested in a broad range of capital assets, as indicated in the table below. The net decrease in capital assets is due to depreciation of \$156,606 in excess of capital additions of \$80,977 recorded for the year ended June 30, 2023. A summary of the District's capital assets, net of depreciation at June 30, 2023 and 2022 is as follows:

	<u>2023</u>	<u>2022</u>	Increase <u>(decrease)</u>
Land	\$ 109,500	109,500	-
Construction in progress	405,343	375,780	29,563
Buildings and improvements	2,221,536	2,315,621	(94,085)
Furniture and equipment	<u>103,847</u>	<u>114,954</u>	<u>(11,107)</u>
Capital assets, net	<u>\$2,840,226</u>	<u>2,915,855</u>	<u>(75,629)</u>

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Management's Discussion and Analysis, Continued

B. Debt Administration

The District had no outstanding bond indebtedness as of June 30, 2023.

7. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

A. Subsequent Year's Budget

The general fund budget, the only fund with a legally adopted budget, was approved by the voters on May 16, 2023, for the year ending June 30, 2024, is \$3,940,884.

The District's budgeted revenue for the year ending June 30, 2024, is \$3,940,884, an increase of \$106,154 or 2.8% over the June 30, 2023, adopted budget of \$3,834,730. Property tax revenue increased to \$3,531,583 from \$3,431,538 or 2.9%. State aid increased (2.8%) and tuition decreased by (3.8%) due to projected decrease of tuition students.

B. Tax Cap

New York State law limits the increase in the property tax levy of school districts to the lesser of 2% or the rate of inflation to June 15, 2023. There are additional statutory adjustments in the law. School districts may override the tax levy limit by presenting to the voters a budget that requires a tax levy that exceeds the statutory limit. However, that budget must be approved by 60% of the votes cast. Based on the law, the District's tax levy cap for 2023-24 is 2.9%. The District had an increase in the 2023-24 levy of 2.9% and is therefore compliant with the tax cap.

8. CONTACTING THE DISTRICT

This financial report is designed to provide the reader with a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Requests for additional information can be directed to:

Mr. Christian Arsenault, Superintendent
Fishers Island Union Free School District
78 Greenwood Road, #600
Fishers Island, NY 06390-0600

FISHERS ISLAND UNION FREE SCHOOL DISTRICT

Statement of Net Position

Governmental Activities

June 30, 2023

Assets:	
Cash:	
Unrestricted	\$ 500,009
Restricted	1,137,052
Receivables:	
Taxes receivable	160,319
Accounts receivable	54,753
State and federal aid	30,027
Due from other governments	61,174
Prepaid	1,498
Capital assets, net	<u>2,840,226</u>
Total assets	<u>4,785,058</u>
Deferred outflows of resources - pensions	<u>1,225,709</u>
Liabilities:	
Payables:	
Accounts payable	16,201
Accrued liabilities	246,785
Security deposits	5,060
Due to other governments	5,814
Due to teachers' retirement system	234,198
Due to employees' retirement system	3,177
Unearned credits - collections in advance	22,785
Long-term liabilities:	
Compensated absences payable	129,274
Net pension liabilities, proportionate shares	387,045
Total OPEB liability	<u>2,960,075</u>
Total liabilities	<u>4,010,414</u>
Deferred inflows of resources - pensions	<u>158,805</u>
Net position:	
Net investment in capital assets	2,840,226
Restricted:	
Unemployment insurance	695
Retirement contribution	125,180
Employee benefit accrued liability	239,520
Capital	686,450
Repair	25,000
Extraclassroom activities	55,147
Unrestricted (deficit)	<u>(2,130,670)</u>
Total net position	<u>\$ 1,841,548</u>

See accompanying notes to financial statements.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Statement of Activities
Governmental Activities
Year ended June 30, 2023

	<u>Expenses</u>	<u>Program Revenue</u>		Net (Expense)
		<u>Charges for</u>	<u>Operating</u>	Revenue and
		<u>Services</u>	<u>Grants</u>	Change in
				<u>Net Position</u>
Functions and programs:				
General support	\$ 1,093,113	-	-	(1,093,113)
Instruction	2,564,175	80,305	64,509	(2,419,361)
Pupil transportation	7,582	-	-	(7,582)
Interest	47,300	-	-	(47,300)
Total functions and programs	<u>\$ 3,712,170</u>	<u>80,305</u>	<u>64,509</u>	<u>(3,567,356)</u>
General revenue:				
Real property taxes and tax items				3,431,539
Use of money and property				94,679
State sources				296,809
Miscellaneous				42,319
Total general revenue				<u>3,865,346</u>
Change in net position				297,990
Net position at beginning of year				<u>1,543,558</u>
Net position at end of year				<u>\$ 1,841,548</u>

See accompanying notes to financial statements.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Balance Sheet - Governmental Funds
June 30, 2023

	<u>General</u>	<u>Special Aid</u>	<u>Capital Projects</u>	<u>Miscellaneous</u>	<u>Total Governmental Funds</u>
<u>Assets</u>					
Cash:					
Unrestricted	\$ 298,908	3,491	-	197,610	500,009
Restricted	1,076,845	-	-	60,207	1,137,052
Receivables:					
Taxes receivable	160,319	-	-	-	160,319
Accounts receivable	54,373	-	-	380	54,753
Due from other funds	85,713	-	-	8,144	93,857
State and federal aid	4,273	25,754	-	-	30,027
Due from other governments	9,055	52,119	-	-	61,174
Prepaid	1,498	-	-	-	1,498
Total assets	<u>\$ 1,690,984</u>	<u>81,364</u>	<u>-</u>	<u>266,341</u>	<u>2,038,689</u>
<u>Liabilities and Fund Balance</u>					
Liabilities:					
Accounts payable	11,411	-	555	4,235	16,201
Accrued liabilities	246,785	-	-	-	246,785
Security deposits	-	-	-	5,060	5,060
Due to other governments	5,814	-	-	-	5,814
Due to other funds	-	63,079	30,778	-	93,857
Due to teachers' retirement system	234,198	-	-	-	234,198
Due to employees' retirement system	3,177	-	-	-	3,177
Unearned credits - collections in advance	4,500	18,285	-	-	22,785
Total liabilities	<u>505,885</u>	<u>81,364</u>	<u>31,333</u>	<u>9,295</u>	<u>627,877</u>
Fund balance:					
Nonspendable	1,498	-	-	-	1,498
Restricted:					
Unemployment insurance	695	-	-	-	695
Retirement contribution	125,180	-	-	-	125,180
Employee benefit accrued liability	239,520	-	-	-	239,520
Capital	686,450	-	-	-	686,450
Repair	25,000	-	-	-	25,000
Extraclassroom activities	-	-	-	55,147	55,147
Assigned:	5,423	-	-	201,899	207,322
Unassigned (deficit)	101,333	-	(31,333)	-	70,000
Total fund balance (deficit)	<u>1,185,099</u>	<u>-</u>	<u>(31,333)</u>	<u>257,046</u>	<u>1,410,812</u>
Total liabilities and fund balance	<u>\$ 1,690,984</u>	<u>81,364</u>	<u>-</u>	<u>266,341</u>	<u>2,038,689</u>

See accompanying notes to financial statements.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
June 30, 2023

Total governmental fund balance		\$ 1,410,812
Amounts reported for governmental activities in the Statement of Net Position are different because:		
<p>The cost of building and acquiring capital assets (land, buildings, equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the Balance Sheet. However, the Statement of Net Position includes those capital assets among the assets of the District as a whole, and their original costs are expensed annually over their useful lives.</p>		
Capital assets	\$ 7,946,483	
Accumulated depreciation	<u>(5,106,257)</u>	
Total capital assets		2,840,226
<p>Proportionate shares of long-term liabilities and deferred outflows and inflows of resources associated with participation in the state retirement systems are not current financial resources or obligations and are not reported in the funds.</p>		
Net pension liability - TRS	(211,204)	
Net pension liability - ERS	(175,841)	
Deferred outflows of resources - pensions	1,225,709	
Deferred inflows of resources - pensions	<u>(158,805)</u>	679,859
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. Long-term liabilities at year end consist of:</p>		
Compensated absences	(129,274)	
Total OPEB liability	<u>(2,960,075)</u>	<u>(3,089,349)</u>
Total net position		<u>\$ 1,841,548</u>

See accompanying notes to financial statements.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds
Year ended June 30, 2023

	<u>General</u>	Special <u>Aid</u>	Capital <u>Projects</u>	<u>Miscellaneous</u>	Total Governmental <u>Funds</u>
Revenue:					
Real property taxes and STAR	\$ 3,431,539	-	-	-	3,431,539
Charges for services	80,305	-	-	-	80,305
Use of money and property	17,972	-	-	76,707	94,679
Miscellaneous	3,124	-	-	39,195	42,319
State sources	296,809	6,541	-	-	303,350
Federal sources	-	57,968	-	-	57,968
	<u>3,829,749</u>	<u>64,509</u>	<u>-</u>	<u>115,902</u>	<u>4,010,160</u>
Expenditures:					
General support	797,151	-	-	54,251	851,402
Instruction	1,816,060	64,509	-	33,834	1,914,403
Pupil transportation	7,582	-	-	-	7,582
Employee benefits	914,293	-	-	-	914,293
Interest	47,300	-	-	-	47,300
Capital outlay	-	-	29,563	-	29,563
	<u>3,582,386</u>	<u>64,509</u>	<u>29,563</u>	<u>88,085</u>	<u>3,764,543</u>
Deficiency of revenue over expenditures	<u>247,363</u>	<u>-</u>	<u>(29,563)</u>	<u>27,817</u>	<u>245,617</u>
Other financing sources (uses):					
Transfers in	-	-	-	75,000	75,000
Transfers out	<u>(75,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(75,000)</u>
	<u>(75,000)</u>	<u>-</u>	<u>-</u>	<u>75,000</u>	<u>-</u>
Net change in fund balances	172,363	-	(29,563)	102,817	245,617
Fund balance (deficit) at beginning of year	<u>1,012,736</u>	<u>-</u>	<u>(1,770)</u>	<u>154,229</u>	<u>1,165,195</u>
Fund balance (deficit) at end of year	<u>\$ 1,185,099</u>	<u>-</u>	<u>(31,333)</u>	<u>257,046</u>	<u>1,410,812</u>

See accompanying notes to financial statements.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
 Reconciliation of the Statement of Revenue, Expenditures and
 Changes in Fund Balance - Governmental Funds to the Statement of Activities
 Year ended June 30, 2023

Net change in fund balances \$ 245,617

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

Capital Related Differences

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized and depreciated over their useful lives.

Capital outlay, net	\$ 80,977	
Depreciation expense	<u>(156,606)</u>	(75,629)

Long-Term Expense Differences

Changes in certain items in the Statement of Net Position do not provide or require the use of current resources and are not recorded as revenue or expenditures in the governmental funds.

Change in compensated absences payable	71,701	
Net change in total OPEB liability	<u>17,195</u>	88,896

Pension Differences

Changes in the proportionate share of the collective pension expense of the state retirement plans reported in the Statement of Activities did not affect current financial resources, and therefore, is not reported in the governmental funds.

Net change in pension - TRS	89,754	
Net change in pension - ERS	<u>(50,648)</u>	<u>39,106</u>

Change in net position of governmental activities	<u>\$ 297,990</u>	
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See accompanying notes to financial statements.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
Year ended June 30, 2023

	Custodial <u>Fund</u>
Additions - taxes collected for library	\$ 48,617
Deductions - taxes paid to library	<u>48,617</u>
Change in net position	-
Fiduciary net position at beginning of year	<u>-</u>
Fiduciary net position at end of year	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT

Notes to Financial Statements

June 30, 2023

(1) Summary of Significant Accounting Policies

The financial statements of Fishers Island Union Free School District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting principles and policies used by the District are as follows:

(a) Reporting Entity

The District is governed by the laws of New York State. The District is an independent entity governed by an elected Board of Education (the Board) consisting of five 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 financial reporting entity is based on criteria set forth by GASB. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the District. The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following entity is included in the District's financial statements:

Extraclassroom Activity Funds

The extraclassroom activity funds 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. The District reports these assets held by it as agent for the extraclassroom organizations in the Balance Sheet - Governmental Funds. Separate audited financial statements of the extraclassroom activity funds can be found at the District's Business Office.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(b) Joint Venture

The District is a component school district in the Board of Cooperative Educational Services of Eastern Suffolk (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that share planning, services, and programs which provide educational and support activities. BOCES are organized under Section §1950 of the 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 Section §1950 of the Education Law. All BOCES property is held by the BOCES Board as a corporation under Section §1950(6). In addition, BOCES Boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under Section §119-n(a) of the 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 Education Law, Section §1950(4)(b)(7). There is no authority or process by which a school district can terminate its status as a BOCES component. In addition, component school districts pay tuition or a service fee for programs in which its students participate.

(c) Basis of Presentation

District-Wide Statements

The Statement of Net Position and the Statement of Activities present information about the overall governmental financial activities of the District, except for fiduciary activities. Eliminations have been made to minimize the double counting of interfund transactions. Governmental activities generally are financed through taxes, state aid, intergovernmental revenue, and other exchange and nonexchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while capital grants reflect capital-specific grants, if applicable.

The Statement of Net Position presents the financial position of the District at fiscal year end. 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. Employee benefits are allocated to functional areas in proportion to the payroll expended for those areas. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs and (b) grants, contributions, and other revenue that is restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including real property taxes and state aid, is presented as general revenue.

Fund Financial Statements

The fund financial statements provide information about the District's funds, including the fiduciary fund. Separate statements for each fund type, governmental and fiduciary, are presented. The District's financial statements present the following fund types:

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(c) Basis of Presentation, Continued

Governmental Funds - are those through which most governmental functions are financed.

The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The emphasis of governmental fund financial statements is on major funds as defined by GASB, each displayed in a separate column. The following are the District's major governmental funds:

General Fund - is the general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund.

Special Aid Fund - is used to account for the proceeds of specific revenue sources such as federal and state grants that are legally restricted to expenditures for specified purposes. These legal restrictions may be imposed by either governments that provide the funds or outside parties.

Capital Projects Fund - is used to account for financial resources used for acquisition, construction, renovation, or major repair of capital facilities and other capital assets, such as equipment.

Miscellaneous Fund - is used to account for assets held by the District for various student groups or the extraclassroom activity funds with which the District has administrative involvement.

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

Custodial Fund - this fund is used to account for monies and other resources held by the District in a trustee or agent capacity pending payment to the applicable agencies.

(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 transactions or events for recognition in the financial statements.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(d) Measurement Focus and Basis of Accounting, Continued

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

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within 180 days after the end of the fiscal year, except for real property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, pension costs and other postemployment benefits, 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 are reported as other financing sources.

(e) Real Property Taxes

Calendar

Real property taxes are levied annually by the Board no later than November 1st and become a lien on December 1st. Taxes are collected by the Town of Southold and remitted to the District from December to June.

Enforcement

Uncollected real property taxes are subsequently enforced by the County of Suffolk in June.

(f) Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net resources 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 to Financial Statements.

(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 within one year. Permanent transfers of funds include transfers to provide financing or other services. This includes the transfer of unrestricted general fund revenues to finance various programs that the District must account for in other funds in accordance with budgetary authorizations.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(g) Interfund Transactions, Continued

In the District-Wide statements, the amounts reported on the Statement of Net Position for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all interfund receivables and payables between the funds, with the exception of those due from or to the fiduciary fund.

The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables are 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.

A detailed disclosure by individual fund for interfund receivables and payables is provided subsequently in these Notes to Financial Statements.

(h) Use of Estimates

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

(i) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, bank deposits and investments with a maturity date of three months or less from date of acquisition.

Certain cash balances are restricted by various legal and contractual obligations, such as legal reserves.

(j) Receivables

Receivables are shown net of an allowance for uncollectibles, if any. However, no allowance for uncollectibles has been provided since it is believed that such allowance would not be material.

(k) Capital Assets

Capital assets are reflected in the District-Wide financial statements. Capital assets are reported at actual cost, when the information is available, or estimated historical cost based on professional third-party information. Donated assets are reported at estimated fair market value at the date of donation.

All capital assets, except land and construction in progress, are depreciated on a straight line basis over their estimated useful lives. Capitalization thresholds, the dollar value above which asset acquisitions are added to the capital asset accounts, and estimated useful lives of capital assets as reported in the District-Wide statements are as follows:

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(k) Capital Assets, Continued

	<u>Capitalization Threshold</u>	<u>Estimated Useful Life</u>
Buildings and improvements	\$ 1,000	50 years
Furniture and equipment	1,000	5-20 years

(l) Deferred Outflows of Resources

Deferred outflows of resources, in the Statement of Net Position, represents a consumption of net position that applies to a future reporting period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has two items that qualify for reporting in this category.

The first item is related to pensions and represents the effect of net changes in the District's proportionate share of the collective net pension asset or liability not included in pension expense. The second are the District's contributions to the pension systems subsequent to the measurement date.

(m) Unearned Credits - Collections in Advance

Collections in advance arise when resources are received by the District before it has a legal claim to them, as when grants monies are received prior to the incurrence of qualifying expenditures or when charges for services monies are received in advance from payers prior to the services being rendered by the District. These amounts are recorded as liabilities in the financial statements. The liabilities are removed and revenues are recognized in subsequent periods when the District has legal claim to the resources.

(n) Deferred Inflows of Resources

Deferred inflows of resources represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category which represents the effect of net changes in the District's proportionate share of the collective net pension asset or liability not included in pension expense.

(o) Compensated Absences

Compensated absences consist of unpaid accumulated sick leave.

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

The liability for compensated absences has been calculated using the vesting method and an accrual for that liability is included in the District-Wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year-end.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(o) Compensated Absences, Continued

In the fund financial statements, a liability is reported only for payments due for unused compensated absences for those employees that have obligated themselves to separate from service with the District by June 30th.

(p) Other Benefits

Eligible District employees participate in the New York State Teachers' Retirement System (TRS) or the New York State and Local Employees' Retirement System (ERS).

District employees may choose to participate in the District's elective deferred compensation plan established under Internal Revenue Code §403(b).

The District provides health insurance coverage for active employees pursuant to collective bargaining agreements and individual employment contracts.

In addition to providing these benefits, the District provides postemployment health insurance coverage and survivor benefits for most retired employees and their survivors. Collective bargaining agreements and individual employment contracts determine if District employees are 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 an expenditure in the governmental funds as the liabilities for premiums mature (come due for payment). In the District-Wide statements, the cost of postemployment health insurance coverage is calculated using the alternative measurement method in accordance with GASB methodology.

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

(r) Equity 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 acquisitions, construction and improvements of those assets.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(r) Equity Classifications, Continued

Restricted - Reports net position when constraints placed on the assets or deferred outflows of resources 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 - Reports the balance of net position that does not meet the definition of the above two classifications.

Fund Statements

The fund statements report fund balance classifications according to the relative strength of spending constraints placed on the purpose for which resources can be used, as follows:

Nonspendable - Consists of amounts that are not available in the current period either because of their form or because they must be maintained intact. Nonspendable fund balance consists of prepaids.

Restricted - Consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation. The District has established the following restricted fund balances:

Unemployment Insurance

Unemployment Insurance Reserve (GML §6-r) is used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants. The reserve may be established by board action and funded by budgetary appropriations or other funds as may be legally appropriated. The reserve is accounted for in the general fund.

Retirement Contribution Reserve

Retirement Contribution Reserve (GML §6-r) is used for the purpose of financing retirement contributions payable to the ERS. The Board, by resolution, may establish the reserve and authorize expenditures from the reserve. The reserve is funded by budgetary appropriations or taxes raised for the reserve, revenue that is not required by law to be paid into any other fund or account, transfers from reserves and other funds that may legally be appropriated. The Board may also adopt a resolution establishing a sub-fund for contributions to the TRS. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law §6-r. These reserves are accounted for in the general fund.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(r) Equity Classifications, Continued

Fund Statements, Continued

Employee Benefit Accrued Liability Reserve

Employee Benefit Accrued Liability Reserve (GML §6-p) is used to reserve funds for the payment of accrued employee benefit primarily based on unused and unpaid sick leave, personal leave, holiday leave or vacation time 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. The reserve is accounted for in the general fund.

Capital Reserve

Capital Reserve (Education Law §3651) is 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. The reserve is accounted for in the general fund.

Repairs Reserve

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

Extraclassroom Activities Reserve

Extraclassroom Activities Reserve is used to restrict amounts held by the District on behalf of student organizations over which the District exercises general oversight.

Assigned - Consists of amounts that are subject to a purpose constraint that represents an intended use established by the Board. The purpose of the assignment 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 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.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(r) Equity Classifications, Continued

Fund Statements, Continued

Unassigned - Represents the residual classification for the District's general fund and could report a surplus or 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. NYS Real Property Tax Law §1318 restricts the unassigned fund balance of the general fund to an amount not greater than 4% of the subsequent year's budget.

Fund Balance Classification

Any portion of fund balance may be applied or transferred for a specific purpose by law, voter approval if required by law or by formal action of the Board if voter approval is not required. Amendments or modification to the applied or transferred fund balance must also be approved by formal action of the Board.

The Board shall delegate the authority to assign fund balance, for encumbrance purposes, to the person(s) to whom it has delegated the authority to sign purchase orders.

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications (that is restricted, assigned or unassigned) the expenditure is to be spent first from the restricted fund balance to the extent appropriated by either budget vote or Board approved budget revision and then from the assigned fund balance to the extent that there is an assignment and then from the unassigned fund balance.

(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 governmental fund statements and the District-Wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic resource measurement focus of the District-Wide statements, compared with the current financial resource measurement focus of the governmental funds.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(2) Explanation of Certain Differences Between Fund Statements and District-Wide Statements, Continued

(a) Total Fund Balance 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 focus of the Statement of Net Position versus the current financial resources focus of the Balance Sheet - Governmental Funds.

(b) Statement of Revenue, Expenditures and Changes in Fund Balance vs. Statement of Activities

Differences between the Statement of Revenue, Expenditures and Changes in Fund Balance - Governmental Funds and the Statement of Activities fall into one of three broad categories.

Long-Term Revenue and Expense Differences

Long-term revenue differences arise because governmental funds report revenue only when they are considered "available", whereas the Statement of Activities reports revenue 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, thereby affecting expenses such as compensated absences and other postemployment benefits.

Capital Related Differences

Capital related differences include the difference between proceeds from 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.

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.

(3) Stewardship, Compliance and Accountability

(a) Budgets

The District administration prepares a proposed budget for approval by the Board for the general fund, the only fund with a legally adopted budget.

The voters of the District approved the proposed appropriation budget for the general fund.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(3) Stewardship, Compliance and Accountability, Continued

(a) Budgets, Continued

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that maybe incurred. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year. 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 can be funded by the planned use of specific reserves, and can be increased by budget amendments approved by the Board as a result of selected new revenue sources not included in the original budget (when permitted by law) and appropriation of fund balances. 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 GAAP.

Budgets are established and used for individual capital projects based on authorized funding. The maximum project amount authorized is based upon the estimated cost of the project. These budgets do not lapse and are carried over to subsequent fiscal years until the completion of the projects.

(b) 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 part of assigned fund balance, unless classified as restricted, 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.

(c) Overexpenditure of Certain Appropriations

Certain general fund appropriations were overexpended as the District did not record year end budget amendments.

(4) Deposits With Financial Institutions and Investments

The District's investment policies are governed by state statutes and District policy. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its Agencies and obligations of New York State and its municipalities.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(4) Deposits With Financial Institutions and Investments, Continued

Custodial credit risk is the risk that in the event of a bank failure, the District may be unable to recover deposits or collateral securities that are in possession of an outside agency. GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are as follows:

- (a) Uncollateralized,
- (b) Collateralized by securities held by the pledging financial institution, or
- (c) Collateralized by securities held by the pledging financial institution's trust department or agent but not in the District's name.

The District's aggregate bank balances were covered by FDIC insurance or fully collateralized by securities pledged on the District's behalf at year end.

The District did not have any investments at year-end or during the year. Consequently, the District was not exposed to any material interest rate risk or foreign currency risk.

(5) Participation in BOCES

During the year ended June 30, 2023 the District was billed \$76,680 for administrative and program costs. The District's share of BOCES aid amounted to \$22,484. Financial statements for the BOCES are available from the BOCES administrative offices at 201 Sunrise Highway, Patchogue, New York 11772.

(6) Due From State and Federal

Due from state and federal at June 30, 2023 consisted of:

General Fund - New York State - Excess cost aid	\$ 4,273
Special Aid Fund - Federal and state grants	<u>25,754</u>
Total governmental funds	\$ <u>30,027</u>

(7) Due From Other Governments

Due from other governments at June 30, 2023 consisted of:

General Fund - BOCES	\$ 9,055
Special Aid Fund - Local grants	<u>52,119</u>
Total governmental funds	\$ <u>61,174</u>

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(8) Capital Assets

Capital asset balances and activity for the year ended June 30, 2023 were as follows:

	Balance <u>June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2023</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 109,500	-	-	109,500
Construction in progress	<u>375,781</u>	<u>29,563</u>	<u>-</u>	<u>405,344</u>
Total capital assets not being depreciated	<u>485,281</u>	<u>29,563</u>	<u>-</u>	<u>514,844</u>
Capital assets being depreciated:				
Buildings and improvements	6,935,178	41,115	-	6,976,293
Furniture and equipment	<u>445,047</u>	<u>10,299</u>	<u>-</u>	<u>455,346</u>
Total capital assets being depreciated	<u>7,380,225</u>	<u>51,414</u>	<u>-</u>	<u>7,431,639</u>
Less accumulated depreciation for:				
Buildings and improvements	(4,619,558)	(135,200)	-	(4,754,758)
Furniture and equipment	<u>(330,093)</u>	<u>(21,406)</u>	<u>-</u>	<u>(351,499)</u>
Total accumulated depreciation	<u>(4,949,651)</u>	<u>(156,606)</u>	<u>-</u>	<u>(5,106,257)</u>
Total capital assets being depreciated, net	<u>2,430,574</u>	<u>(105,192)</u>	<u>-</u>	<u>2,325,382</u>
Capital assets, net	<u>\$ 2,915,855</u>	<u>(75,629)</u>	<u>-</u>	<u>2,840,226</u>

Depreciation expense was charged to governmental functions as follows:

General support	\$ 47,496
Instruction	<u>109,110</u>
Total depreciation expense	\$ <u>156,606</u>

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(9) Interfund Transactions

Interfund balances at June 30, 2023 are as follows:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 85,713	-
Special Aid Fund	-	63,079
Capital Projects Fund	-	30,778
Miscellaneous Fund	<u>8,144</u>	<u>-</u>
Total	\$ <u>93,857</u>	<u>93,857</u>

(10) Short-Term Debt

Short-term debt activity for the year is summarized below:

	<u>Maturity</u>	<u>Stated Interest Rate</u>	<u>Balance June 30, 2022</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance June 30, 2023</u>
TAN	6/14/2023	4.75%	\$ <u>-</u>	<u>1,500,000</u>	<u>(1,500,000)</u>	<u>-</u>

The TANs were issued to provide cash flow for the District until the District received real property taxes from the Town.

Interest on short-term debt for the year was \$47,300, net of \$2,255 of premiums received.

(11) Long-Term Liabilities

Changes

Long-term liability balances and activity, excluding pensions and other postemployment benefits obligations, for the year are summarized below:

	<u>Balance June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2023</u>
Other long-term liabilities - compensated absences	\$ <u>200,975</u>	<u>-</u>	<u>71,701</u>	<u>129,274</u>

The general fund has typically been used to liquidate other long-term liabilities.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(12) Pension Plans - New York State

(a) General Information

The District participates in the TRS and the ERS. These are cost-sharing multiple employer, public employee retirement systems. The systems provide retirement, disability, withdrawal and death benefits to plan members and beneficiaries related to years of service and final average salary.

(b) Provisions and Administration

Teachers' Retirement System

TRS is administered by the New York State Teachers' Retirement Board. TRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law (NYSRSSL). 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 the TRS. Once a public employer elects to participate in TRS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. Additional information regarding TRS may be found on the TRS website at www.nystrs.org or obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395.

Employees' Retirement System

Obligations of employers and employees to contribute and benefits to employees are governed by the NYSRSSL. The net position of ERS 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 ERS. As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of ERS. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of ERS and for the custody and control of its funds. Once a public employer elects to participate in ERS, 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. ERS 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/retirement/publications/ or obtained by writing to the New York State and Local Employees' Retirement System, 110 State Street, Albany, New York 12244.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(12) Pension Plans - New York State, Continued

(c) Funding Policies

Plan members who joined the systems before July 27, 1976, are not required to make contributions. Those joining on or after July 27, 1976, and before January 1, 2010, with less than ten years of credited services are required to contribute 3% of their salary. Those joining on or after January 1, 2010 and before April 1, 2012, are required to contribute 3% of their salary to ERS or 3.5% of their salary to TRS throughout active membership. Those joining on or after April 1, 2012, are required to contribute between 3% and 6% dependent on their salary throughout active membership. Employers are required to contribute at an actuarially determined rate based on salaries paid. For TRS, the employers' contribution rate is established annually by the New York State Teachers' Retirement Board for the fiscal year ended June 30. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during ERS' fiscal year ended March 31.

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

At June 30, 2023, the District reported the following liabilities for its proportionate shares of the net pension liability of each System. The net pension liability for each System was measured as of June 30, 2022, for TRS and March 31, 2023 for ERS. The total pension liabilities used to calculate each net pension liability were determined by an actuarial valuation. The District's proportion of each net pension 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 TRS and ERS Systems in reports provided to the District.

	<u>TRS</u>	<u>ERS</u>
Measurement date	June 30, 2022	March 31, 2022
District's proportionate share of the net pension liability	\$ 211,204	175,841
District's portion of the Plan's total net pension liability	0.0110070%	0.0008200%
Change in proportion since the prior measurement date	0.00001900	(0.0002886)

For the year ended June 30, 2023, the District recognized pension expense of \$71,690 for ERS and \$265,783 for TRS in the Statement of Activities. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(12) Pension Plans - New York State, Continued

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

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>
Differences between expected and actual experience	\$ 221,315	18,728	4,232	4,938
Changes of assumptions	409,700	85,400	85,079	944
Net difference between projected and actual earnings on pension plan investments	272,896	-	-	1,033
Changes in proportion and differences between the District's contributions and proportionate share of contributions	24,309	25,776	37,115	25,464
District's contributions subsequent to the measurement date	<u>164,408</u>	<u>3,177</u>	<u>-</u>	<u>-</u>
Total	\$ <u>1,092,628</u>	<u>133,081</u>	<u>126,426</u>	<u>32,379</u>

District contributions subsequent to the measurement date will be recognized as reductions to the net pension liabilities in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending</u>		<u>TRS</u>	<u>ERS</u>
2024	\$	154,598	30,260
2025		78,489	(5,636)
2026		(35,466)	28,949
2027		535,988	43,952
2028		65,072	-
Thereafter		<u>3,113</u>	<u>-</u>
	\$	<u>801,794</u>	<u>97,525</u>

(e) Actuarial Assumptions

The total pension liabilities as of the measurement date were determined by using an actuarial valuation as noted in the table on the next page, with update procedures used to roll forward the total pension liabilities to the measurement date.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(12) Pension Plans - New York State, Continued

(e) Actuarial Assumptions, Continued

Significant actuarial assumptions used in the valuations were as follows:

	<u>TRS</u>	<u>ERS</u>
Measurement date	June 30, 2022	March 31, 2023
Actuarial valuation date	June 30, 2021	April 1, 2022
Investment rate of return (net of investment expense including inflation)	6.95%	5.90%
Salary scale	1.95% - 5.18%	4.40%
Inflation rate	2.40%	2.90%
Cost of living adjustments	1.30%	1.50%

For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021, applied on a generational basis. The previous actuarial valuation as of June 30, 2020 used the Society of Actuaries' Scale MP-2020. For ERS, annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2020. The previous valuation as of April 1, 2021 used the same assumptions to measure the total pension liability.

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

The long-term expected rate of return on TRS 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.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(12) Pension Plans - New York State, Continued

(e) Actuarial Assumptions, Continued

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

The target allocation and best estimates of arithmetic real rates of return for each major asset class are included in the target asset allocation summarized in the following table.

Measurement date	<u>TRS</u>		<u>ERS</u>	
	June 30, 2022		March 31, 2023	
	Long-term expected real rate of return*	Target allocation	Long-term expected real rate of return*	Target allocation
Asset class:				
Domestic equity	6.50%	33%	4.30%	32%
International equity	7.20%	16%	6.85%	15%
Real estate equity	6.20%	11%	4.60%	9%
Global equity	6.90%	4%	-	-
Domestic fixed income	1.10%	16%	-	-
Global bonds	0.60%	2%	-	-
High-yield bonds	3.30%	1%	-	-
Real estate debt	2.40%	6%	-	-
Private equity	9.90%	8%	10.00%	10%
Private debt	5.30%	2%	-	-
Real assets	-	-	5.84%	3%
Fixed income	-	-	1.50%	23%
Opportunistic/ARS portfolio	-	-	5.38%	3%
Credit	-	-	5.43%	4%
Cash	(0.30%)	<u>1%</u>	0.00%	<u>1%</u>
		<u>100%</u>		<u>100%</u>

* Real rates of return are net of a long-term inflation assumption of 2.4% for TRS and 2.5% for ERS.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(12) Pension Plans - New York State, Continued

(f) Discount Rate

The discount rate used to calculate the total pension liability was 6.95% for TRS and 5.90% for ERS. The projections of cash flows used to determine the discount rates assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon the assumptions, the Systems' fiduciary net positions were 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).

(g) Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate

The following presents the District's proportionate shares of the net pension liabilities calculated using the discount rate of 6.95% for TRS and 5.9% for ERS, as well as what the District's proportionate shares of the net pension assets (liabilities) would be if it were calculated using a discount rate that is 1% lower (5.95% for TRS and 4.90% for ERS) or 1% higher (7.95% for TRS and 6.90% for ERS) than the current discount rate:

TRS	1% Decrease <u>(5.95%)</u>	Current Assumption <u>(6.95%)</u>	1% Increase <u>(7.95%)</u>
Employer's proportionate share of the net pension asset (liability)	\$ <u>(1,947,400)</u>	<u>(211,204)</u>	<u>1,248,926</u>
ERS	1% Decrease <u>(4.90%)</u>	Current Assumption <u>(5.90%)</u>	1% Increase <u>(6.90%)</u>
Employer's proportionate share of the net pension asset (liability)	\$ <u>(424,932)</u>	<u>(175,841)</u>	<u>32,304</u>

(h) Pension Plan Fiduciary Net Position

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

	(Dollars in Millions)	
	<u>TRS</u>	<u>ERS</u>
Measurement date	6/30/22	3/31/23
Employers' total pension liability	\$ (133,883)	(232,627)
Plan fiduciary net position	<u>131,964</u>	<u>211,183</u>
Employers' net pension liability	\$ <u>(1,919)</u>	<u>(21,444)</u>
Ratio of plan fiduciary net position to the employers' total pension liability	98.60%	90.78%

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(12) Pension Plans - New York State, Continued

(i) Payables to the Pension Plan

TRS employer and employee contributions for the fiscal year ended June 30, 2023 are paid to the System in September, October and November 2023 through a state aid intercept. Accrued retirement contributions as of June 30, 2023 represent employee and employer contributions for the fiscal year ended June 30, 2023 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued employer retirement contributions and employee retirement contributions as of June 30, 2023 amounted to \$169,406 and \$64,792, respectively. The amounts recorded as accrued employer retirement contributions have been recorded as an expenditure in the governmental fund statements and a deferred outflow of resources in the statement of net position.

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, 2023 represent the projected employer contribution for the period of April 1, 2023 through June 30, 2023 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2023 amounted to \$3,177. This amount has been recorded as an expenditure in the governmental fund statements and a deferred outflow of resources in the statement of net position.

(13) Pension Plans - Other

Tax Sheltered Annuities

The District has adopted a 403(b) plan covering all eligible employees. Employees may defer up to 100% of their compensation subject to Internal Revenue Code elective deferral limitations. Contributions made by the employees for the year ended June 30, 2023, totaled \$84,358.

(14) Postemployment Benefits

(a) Plan Description and Benefits

The District provides medical, Medicare part B reimbursement, and dental coverage (the healthcare plan) to retired employees in accordance with employment contracts. The plan is a single-employer defined benefit healthcare plan primarily administered through the New York State Health Insurance Program - Empire Plan. The plan does not issue a stand-alone financial report.

(b) Employees covered by benefit terms

At June 30, 2023, the following employees were covered by the benefit terms:

Current retirees and beneficiaries	13
Active employees	<u>23</u>
	<u>36</u>

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(14) Postemployment Benefits, Continued

(c) Total OPEB Liability

The District's total OPEB liability of \$2,960,075 was measured as of June 30, 2023 and was determined by an actuarial valuation as of that date.

(d) Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	1.25%
Discount rate	4.85%
Healthcare cost trend rates (average)	3.2% for 2023, increasing to 3.6% for 2026, then decreasing to an ultimate rate of 3.2% for 2030 and later years

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables, which mortality improvement projected for 10 years.

The previous actuarial valuation as of June 30, 2022 used a discount rate of 3.37%.

(e) Changes in the Total OPEB Liability

Total OPEB liability as of July 1, 2022	\$ 2,977,270
Changes for the year:	
Service cost	49,677
Interest on total OPEB liability	100,575
Differences between actual and expected experience	473,116
Changes in assumptions or inputs	(554,800)
Benefit payments	<u>(85,763)</u>
Total changes	<u>(17,195)</u>
Total OPEB liability as of June 30, 2023	\$ <u>2,960,075</u>

(f) 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 (3.85%) or 1-percentage point higher (5.85%) than the current discount rate:

	1% Decrease (3.85%)	Discount Rate (4.85%)	1% Increase (5.85%)
Total OPEB liability	\$ <u>3,315,036</u>	<u>2,960,075</u>	<u>2,671,082</u>

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(14) Postemployment Benefits, Continued

(g) Sensitivity of the Total OPEB Liability to Changes in the Healthcare Costs Trend Rates

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 healthcare costs trend rate that is 1-percentage point lower or 1-percentage point higher than the current trend rate:

	1% <u>Decrease</u>	Trend <u>Rate</u>	1% <u>Increase</u>
Total OPEB liability	\$ <u>2,617,921</u>	<u>2,960,075</u>	<u>3,385,812</u>

(h) OPEB Expense

The cost of the premiums is shared between the District and the employee. The District recognizes the cost of its share of the healthcare plan annually as expenditures in the general fund of the fund financial statements as the liabilities for premiums mature (come due for payment). For the year ended June 30, 2023, the District recognized a general fund expenditure of \$94,307 for insurance premiums for currently enrolled retirees. Currently, there is no provision in the law to permit the District to fund other postemployment benefits by any means other than the "pay as you go" method.

For the year ended June 30, 2023, the District recognized OPEB expense of \$68,569 in the Statement of Activities.

(15) Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; and 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.

(16) Reserve for Capital

On May 16, 2006, the voters approved the creation of a capital reserve fund for the purpose of future renovations and/or reconstruction of existing school buildings. Such capital reserve fund would be for a probable term of ten years in an amount not to exceed \$1,000,000. The capital reserve was to be funded with such funds to be obtained from end of year budget surplus funds and tax levy. On May 18, 2010, the voters approved to increase the fund to an amount not to exceed \$2,000,000. Through June 30, 2023, the reserve has been funded in the amount of \$1,305,000 and has earned \$14,478 in interest. To date, voters have approved that \$1,270,000 be withdrawn and expended on capital projects for the District. The balance in this reserve is \$49,478.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Notes to Financial Statements, Continued

(16) Reserve for Capital, Continued

On June 30, 2016, the voters approved the creation of a capital reserve fund for the purpose of financing alterations, renovations and/or reconstruction or other improvements to the District's school building, including, without limitation, restoration to the main school building masonry, renovations to the bathrooms and other site improvements connected to such buildings and facilities. Such capital reserve fund would be for a probable term of ten years in an amount not to exceed \$1,000,000, plus any accrued earnings on amounts deposited in such reserve fund. Through June 30, 2023, the reserve has been funded in the amount of \$1,015,000 and has earned \$701 in interest. To date the voters have approved \$1,000,000 to be withdrawn and expended on capital projects for the District. The balance in this reserve at June 30, 2023 is \$363,792.

(17) Commitments and Contingencies

(a) Grants

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

(b) Litigation

The District is involved in lawsuits arising from the normal conduct of its affairs. Management believes the outcome of any matters will not have a material effect on these financial statements.

(c) Operating Lease

The District leases various equipment under non-cancelable operating leases. Rental expense for the fiscal year ended June 30, 2023 was \$7,695. The minimum remaining operating lease payments is \$958 during 2024.

(18) Subsequent Events

Management has evaluated events through the date of the report, which is the date the financial statements were available to be issued, and determined that any events or transactions occurring during this period that would require recognition or disclosure are properly addressed in these financial statements.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of Revenue, Expenditures and Changes in Fund Balance -
 Budget and Actual - General Fund
 Year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Final Budget Variance with Budgetary Actual</u>
Revenue:				
Local sources:				
Real property taxes and STAR	\$ 3,431,538	3,431,538	3,431,539	1
Charges for services	99,637	99,637	80,305	(19,332)
Use of money and property	8,034	8,034	17,972	9,938
Miscellaneous	-	-	3,124	3,124
State sources	<u>295,521</u>	<u>295,521</u>	<u>296,809</u>	<u>1,288</u>
Total revenue	3,834,730	3,834,730	<u>3,829,749</u>	<u>(4,981)</u>
Appropriated fund balance - encumbrances	<u>4,461</u>	<u>4,461</u>		
Total revenue and appropriated fund balance	<u>\$ 3,839,191</u>	<u>3,839,191</u>		

(Continued)

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Required Supplementary Information
Schedule of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual - General Fund, Continued

	Original <u>Budget</u>	Final <u>Budget</u>	Actual (Budgetary Basis)	Year-End <u>Encumbrances</u>	Final Budget Variance with Budgetary <u>Actual</u>
Expenditures:					
General support:					
Board of education	\$ 10,213	10,213	9,511	-	702
Central administration	285,241	285,241	268,914	-	16,327
Finance	205,376	205,376	187,076	-	18,300
Staff	27,576	27,576	16,108	-	11,468
Central services	200,078	200,078	221,743	1,981	(23,646)
Special items	94,995	94,995	93,799	-	1,196
Instruction:					
Administration and improvement	24,835	24,835	9,854	85	14,896
Teaching - regular school Programs for children with disabilities	1,415,218	1,415,218	1,346,382	-	68,836
Instructional media	203,435	203,435	221,715	-	(18,280)
Pupil services	55,650	55,650	46,131	-	9,519
Pupil transportation	204,037	204,037	191,978	3,025	9,034
Employee benefits	8,500	8,500	7,582	-	918
Interest	1,005,037	1,005,037	914,293	332	90,412
	<u>12,000</u>	<u>12,000</u>	<u>47,300</u>	<u>-</u>	<u>(35,300)</u>
Total expenditures	<u>3,752,191</u>	<u>3,752,191</u>	<u>3,582,386</u>	<u>5,423</u>	<u>164,382</u>
Other financing uses:					
Transfers out	75,000	75,000	75,000	-	-
Budgetary reserves	<u>12,000</u>	<u>12,000</u>	<u>-</u>	<u>-</u>	<u>12,000</u>
Total other financing uses	<u>87,000</u>	<u>87,000</u>	<u>75,000</u>	<u>-</u>	<u>12,000</u>
Total expenditures and other financing uses	<u>\$ 3,839,191</u>	<u>3,839,191</u>	<u>3,657,386</u>	<u>5,423</u>	<u>176,382</u>
Net change in fund balance			172,363		
Fund balance at beginning of year			<u>1,012,736</u>		
Fund balance at end of year			<u>\$ 1,185,099</u>		

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Required Supplementary Information
Schedule of District's Proportionate Share of the Net Pension Asset/Liability
Year ended June 30, 2023

TRS	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension asset (liability)	0.011007%	0.010988%	0.010021%	0.010521%	0.010550%	0.010108%	0.009888%	0.0099650%	0.0112180%
District's proportionate share of the net pension asset (liability)	\$ (211,204)	1,904,074	(276,911)	273,339	190,773	76,829	(105,907)	1,035,062	1,249,647
District's covered payroll	\$ 1,646,317	1,949,843	1,905,272	1,700,901	1,756,143	1,718,485	1,641,700	1,607,749	1,658,383
District's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	12.83%	97.65%	14.53%	16.07%	10.86%	4.47%	6.45%	64.38%	75.35%
Plan fiduciary net position as a percentage of the total pension asset (liability)	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%
<u>ERS</u>									
District's proportion of the net pension asset (liability)	0.0008200%	0.0011086%	0.0011072%	0.0006156%	0.0005099%	0.0003211%	0.0003246%	0.0004412%	0.0004486%
District's proportionate share of the net pension asset (liability)	\$ (175,841)	90,627	(1,102)	(163,017)	(36,127)	(10,363)	(30,501)	(70,809)	(15,155)
District's covered payroll	\$ 282,994	330,445	337,699	252,870	204,185	163,511	95,672	100,036	156,507
District's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	62.14%	27.43%	0.33%	64.47%	17.69%	6.34%	31.88%	70.78%	9.68%
Plan fiduciary net position as a percentage of the total pension asset (liability)	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District should present information for those years for which information is available.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of District's Pension Contributions
 Year ended June 30, 2023

<u>TRS</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 169,406	191,085	181,572	150,700	186,502	168,412	189,243	170,814	259,686	269,436
Contribution in relation to the contractually required contribution	<u>169,406</u>	<u>191,085</u>	<u>181,572</u>	<u>150,700</u>	<u>186,502</u>	<u>168,412</u>	<u>189,243</u>	<u>170,814</u>	<u>259,686</u>	<u>269,436</u>
Contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-
District's covered payroll	\$ 1,646,317	1,949,843	1,905,272	1,700,901	1,756,143	1,718,485	1,641,700	1,578,588	1,607,749	1,658,383
Contribution as a percentage of covered payroll	10%	10%	10%	9%	11%	10%	12%	11%	16%	16%
<u>ERS</u>										
Contractually required contribution	\$ 23,260	35,098	42,876	35,186	23,157	21,198	14,688	24,692	29,283	32,985
Contribution in relation to the contractually required contribution	<u>23,260</u>	<u>35,098</u>	<u>42,876</u>	<u>35,186</u>	<u>23,157</u>	<u>21,198</u>	<u>14,688</u>	<u>24,692</u>	<u>29,283</u>	<u>32,985</u>
Contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-
District's covered payroll	\$ 282,994	330,445	337,699	252,870	204,185	163,511	95,672	127,083	141,075	157,605
Contribution as a percentage of covered payroll	8%	11%	13%	14%	11%	13%	15%	19%	21%	21%

FISHERS ISLAND UNION FREE SCHOOL DISTRICT

Required Supplementary Information

Schedule of Changes in District's

Total OPEB Liability and Related Ratios

Year ended June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability						
Service cost	\$ 49,677	49,677	49,677	49,677	49,677	181,283
Interest on total OPEB liability	100,575	84,321	67,375	72,683	97,207	31,029
Differences between actual and expected experience	473,116	(242,162)	835,214	238,253	(273,642)	-
Changes in assumptions or inputs	(554,800)	(743,950)	56,843	243,558	380,026	-
Benefit payments	<u>(85,763)</u>	<u>(121,596)</u>	<u>(86,340)</u>	<u>(112,169)</u>	<u>(122,285)</u>	<u>(171,515)</u>
Net change in total OPEB liability	(17,195)	(973,710)	922,769	492,002	130,983	40,797
Total OPEB liability - beginning	<u>2,977,270</u>	<u>3,950,980</u>	<u>3,028,211</u>	<u>2,536,209</u>	<u>2,405,226</u>	<u>2,364,429</u>
Total OPEB liability - ending	<u>\$ 2,960,075</u>	<u>2,977,270</u>	<u>3,950,980</u>	<u>3,028,211</u>	<u>2,536,209</u>	<u>2,405,226</u>
Covered payroll	\$ 2,164,579	2,312,860	2,294,330	2,147,908	2,233,568	2,089,652
Total OPEB liability as a percentage of covered payroll	136.76%	128.74%	172.22%	140.98%	113.55%	115.10%

Notes to schedule:

Changes of assumptions - Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
	4.85%	3.37%	2.14%	2.22%	2.97%	4.00%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District should present information for those years for which information is available.

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

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
 Other Supplementary Information
 Schedule of Change from Adopted Budget to Final Budget and
 the Real Property Tax Limit Calculation
 Year ended June 30, 2023

Change from adopted budget to final budget:

Adopted budget	\$ 3,834,730
Add prior year's encumbrances	<u>4,461</u>
Original/Final budget	<u><u>\$ 3,839,191</u></u>

Section 1318 of Real Property Tax Law Limit Calculation

2023-2024 voter approved expenditure budget	<u>\$ 3,940,884</u>
Maximum allowed 4% of 2023-24 budget	<u><u>157,635</u></u>

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

Unrestricted fund balance:

Assigned fund balance	\$ 5,423
Unassigned fund balance	<u>101,333</u>

Total unrestricted fund balance 106,756

Less - encumbrances 5,423

General fund fund balance subject to Section 1318
 of Real Property Tax Law \$ 101,333

Actual percentage 2.57%

* Per New York State 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.

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
 Other Supplementary Information
 Schedule of Project Expenditures and Financing Sources - Capital Projects Fund
 Year ended June 30, 2023

Project title	Budget June 30, 2022	Budget June 30, 2023	Expenditures and Obligations to Date			Unexpended Balance	Proceeds of Obligations	Methods of Financing		Fund Balance June 30, 2023
			Prior Years	Current Year	Total			State Aid	Local Sources	
District - Wide renovations	\$ 331,071	331,071	380,499	29,563	410,062	(78,991)	-	-	378,729	(31,333)
									378,729	
									Total	
									378,729	(31,333)

FISHERS ISLAND UNION FREE SCHOOL DISTRICT
Other Supplementary Information
Net Investment in Capital Assets
June 30, 2023

Capital assets, net	\$ <u>2,840,226</u>
Net investment in capital assets	\$ <u><u>2,840,226</u></u>

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

To the Board of Education
Fishers Island Union Free School District
Fishers Island, New York:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fishers Island Union Free School District (the District), as of and for the year ended June 30, 2023, and the related notes to financial statements which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 18, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

EFPR Group, CPAs, PLLC

Williamsville, New York
October 18, 2023