

**Carle Place Union Free
School District, New York**

Financial Statements and
Supplementary Information

Year Ended June 30, 2024

Carle Place Union Free School District, New York

Table of Contents

	<u>Page No.</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	4
Basic Financial Statements	
District-Wide Financial Statements	
Statement of Net Position	17
Statement of Activities	18
Fund Financial Statements	
Balance Sheet - Governmental Funds	19
Reconciliation of Governmental Funds Balance Sheet to the District-Wide Statement of Net Position	21
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	22
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	25
Notes to Financial Statements	26
Required Supplementary Information	
Other Postemployment Benefits	
Schedule of Changes in the School District's Total OPEB Liability and Related Ratios	54
New York State Teachers' Retirement System	
Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset)	56
Schedule of Contributions	56
New York State and Local Employees' Retirement System	
Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset)	58
Schedule of Contributions	58
Combining and Individual Fund Financial Statements and Schedules	
Major Governmental Funds	
General Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	60
Schedule of Revenues Compared to Budget	61
Schedule of Expenditures and Other Financing Uses Compared to Budget	63
Capital Projects Fund	
Project-Length Schedule	67
Non-Major Governmental Funds	
Combining Balance Sheet	69
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	70

Carle Place Union Free School District, New York

Table of Contents (Concluded)

	<u>Page No.</u>
Supplementary Information	
Analysis of Change from Adopted Budget to Final Budget	71
Section 1318 of Real Property Tax Law Limit Calculation	71
Schedule of Net Investment in Capital Assets	72
Federal Programs	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	73
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	75
Schedule of Expenditures of Federal Awards	78
Notes to Schedule of Expenditures of Federal Awards	79
Schedule of Findings and Questioned Costs	80



Independent Auditors' Report

**The Board of Education of the
Carle Place Union Free School District, New York**

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards 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 2, 2024 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

October 2, 2024

(This page intentionally left blank)

Carle Place Union Free School District, New York

Management's Discussion and Analysis (MD&A) June 30, 2024

Introduction

This discussion and analysis of the Carle Place Union Free School District, New York's ("School District") financial performance provides an overview of the School District's financial activities for the year ended June 30, 2024. It should be read in conjunction with the basic financial statements, which immediately follows this section, to enhance understanding of the School District's financial performance.

Financial Highlights

The continued use of long-term planning and prudent budgeting has allowed the School District to maintain the quality of education expected by School District residents. Although the School District will continue to face various fiscal challenges, these challenges have not yet drastically impacted services provided to students. It should be noted that the School District is mindful of achieving this balance of providing an exceptional educational experience without overburdening taxpayers.

Key financial highlights for fiscal year 2024 are as follows:

Select Budgetary Data

Year	Budget	Anticipated State Aid	% of State Aid to Total	Tax Levy	Budget Approval
2009 - 2010	43,773,065	4,000,000	9.14	37,898,065	56.91 %
2010 - 2011	44,645,051	3,700,000	8.29	39,021,051	61.34
2011 - 2012	45,526,824	3,200,000	7.03	40,190,324	64.05
2012 - 2013	46,398,124	3,332,000	7.18	40,898,551	67.97
2013 - 2014	47,579,305	3,750,000	7.88	41,716,434	70.33
2014 - 2015	48,180,796	3,755,000	7.79	42,323,209	77.09
2015 - 2016	47,660,182	3,720,000	7.81	41,260,012 *	85.28
2016 - 2017	48,466,946	4,455,118	9.19	41,398,350 *	82.19
2017 - 2018	49,279,492	4,610,000	9.35	41,690,546 *	77.78
2018 - 2019	49,440,424	4,610,000	9.32	42,519,900 *	79.89
2019 - 2020	50,224,682	4,870,000	9.70	43,197,689 *	81.16
2020 - 2021	51,086,433	4,922,000	9.63	43,948,766 *	71.14
2021 - 2022	51,594,676	4,996,044	9.68	44,578,542 *	78.97
2022 - 2023	53,137,357	5,565,895	10.47	44,856,506 *	77.85
2023 - 2024	54,726,163	6,072,718	11.10	45,822,518 *	77.12

* Adjusted for LIPA PILOT amounts

- The School District continued to offer all programs, while maintaining the maximum fund balance allowed by law.
- New York State Law limits the amount of unassigned fund balance that can be retained by the General Fund to 4% of the ensuing year's budget. At the end of the current fiscal year, the

unassigned fund balance of the General Fund was \$2,287,441 and this amount was within the statutory limit.

- The School District's governmental funds financial statements report a combined ending fund balance of \$24,909,470, an increase of \$3,498,787 from the prior year.
- The General Fund has an aggregate fund balance of \$21,026,204. Of this amount, the unassigned fund balance is \$2,287,441 or 10.9%. This amount is available for spending at the discretion of the School District.
- On the district-wide financial statements, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$292,011 and the School District's total net position increased by \$3,313,690 for the year ended June 30, 2024.
- The district-wide financial statements must report certain items in accordance with the pronouncements of the Governmental Accounting Standards Board ("GASB"). The GASB is charged with developing the accounting rules that apply to governments, including school districts and BOCES. One of the most significant of these standards, GASB Statement No. 75 "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*", requires the School District to recognize the financial impact associated with other postemployment benefit ("OPEB") obligations. These obligations include any benefits provided to retirees, other than a pension, including health insurance, life insurance, vision, dental, etc. This standard requires the School District to report the *total*, rather than *net*, OPEB liability related to its employees, since New York State has not authorized the establishment of an irrevocable trust to set aside assets for this purpose. As a result of the provisions of GASB Statement No. 75, the School District's *total* OPEB liability as of June 30, 2024, is \$45,714,074, compared to \$57,490,765 the prior year. The OPEB liability is reflected on the district-wide Statement of Net Position and impacts the total net position calculation. More detailed information about the School District's OPEB obligations reported in accordance with the provisions of GASB Statement No. 75 is presented in note 3E in the notes to financial statements.
- The district-wide financial statements for the year ended June 30, 2024, are also significantly impacted by the provisions of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*." This pronouncement established accounting and financial reporting requirements associated with the School District's participation in the cost sharing multiple employer pension plans administered by the New York State and Local Employees' Retirement System ("ERS") and the New York State Teachers' Retirement System ("TRS"). Under this standard, cost-sharing employers are required to report in their district-wide financial statements a net pension liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all of the municipalities and school districts in the plan. At June 30, 2024, the School District reported in its Statement of Net Position a liability for its proportionate share of the ERS net pension liability of \$ 2,060,726 and \$1,414,595 for its proportionate share of the TRS net pension liability. More detailed information about the School District's pension plan reporting in accordance with the provisions of GASB Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in Note 3E in the notes to financial statements.
- Taxable assessed value of the School District increased by approximately 3.1% from the prior year.
- On January 31, 2024, the Carle Place community approved a Proposition for \$740,600 to continue to make various upgrades to the School District's facilities. Expenditures for these projects are being paid from the funds accumulated and Restricted for Capital Improvements. Including this Proposition, the total value of projects approved thus far is \$38,600,198. School District voters have

also approved five separate capital reserve accounts (one in May 2008, one in May 2013, one in May 2017, one in June 2020, and one in June 2023) each not to exceed \$10 million or 15 years.

- On May 21, 2024 the proposed 2024-2025 budget in the amount of \$57,186,018 was authorized by the School District's residents with a 77% approval rate. The associated tax levy was equal to the allowable tax levy limit and required only a simple majority for approval.
- Retirements continue to provide a positive financial impact to budgetary results. As of June 30, 2024, an additional seven staff members retired.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements are comprised of three components: (1) district-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report also contains individual fund statements and schedules in addition to the basic financial statements.

District-Wide Financial Statements

The *district-wide financial statements* are designed to provide readers with a broad overview of the School District's finances, in a manner similar to a private-sector business.

- The *statement of net position* presents information on all of the School District's assets, liabilities and deferred inflows/outflows of resources with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.
- The *statement of activities* presents information showing how the School District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, (for example, earned but unused vacation leave, OPEB and net pension liabilities).
- The *governmental* activities of the School District include general support, instruction, pupil transportation, cost of food sales, community services, other, and debt service principal and interest.

The district-wide financial statements can be found on the first two pages immediately following this section as the first two pages of the basic financial statements.

Fund Financial Statements

- 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 School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the School District can be divided into two categories: governmental funds and fiduciary funds.
- *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the

end of the fiscal year. Such information may be useful in evaluating the School District's near-term financing requirements.

- Because the focus of governmental funds is narrower than that of the 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, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.
- The School District maintains five individual governmental funds; General Fund, Capital Projects Fund, Special Aid Fund, School Lunch Fund and Special Purpose Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Capital Projects and Special Aid funds, since the School District has elected to report them as major funds. Combining information for the non-major funds (which include the School Lunch and Special Purpose funds) can be found elsewhere in this report.
- The School District adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the respective budgets.
- The *Fiduciary Funds* are used to account for assets held by the School District on behalf of others. In accordance with the provisions of GASB Statement No.84, the School District had no such activity to report in this fund category.

The financial statements for the governmental and fiduciary funds can be found in the basic financial statements section of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the basic financial statements section of this report.

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information for the School District's other postemployment and pension benefit liabilities, the combining statements for the non-major governmental funds and schedules of budget to actual results comparisons.

District-Wide Financial Analysis

For the Carle Place Union Free School District, New York assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$292,011 at the close of the current fiscal year as detailed below.

Net Position

	2024	2023
Current Assets	\$ 28,897,374	\$ 25,129,656
Capital Assets, net	<u>35,291,611</u>	<u>35,044,956</u>
Total Assets	<u>64,188,985</u>	<u>60,174,612</u>
Deferred Outflows of Resources		
Deferred amount on refunding bonds	17,461	52,380
Pension related	11,917,541	15,702,756
OPEB related	<u>143,355</u>	<u>2,361,716</u>
	<u>12,078,357</u>	<u>18,116,852</u>
Current Liabilities	3,993,283	3,729,274
Long-term Liabilities	<u>51,988,822</u>	<u>66,743,600</u>
Total Liabilities	<u>55,982,105</u>	<u>70,472,874</u>
Deferred Inflows of Resources		
Pension related	1,914,868	1,357,713
OPEB related	<u>18,078,358</u>	<u>9,482,556</u>
	<u>19,993,226</u>	<u>10,840,269</u>
Net Position		
Net Investment in capital assets	34,531,398	33,544,302
Restricted		
Liability and casualty claims	703,929	674,471
ERS retirement contributions	3,762,089	2,936,970
TRS retirement contributions	2,297,788	2,221,769
Repairs	778,116	510,378
Capital projects	3,619,541	4,637,280
Capital improvements	8,673,467	5,384,988
Unemployment Insurance	117,322	112,412
Special Purposes	232,690	255,572
Unrestricted	<u>(54,424,329)</u>	<u>(53,299,821)</u>
Total Net Position	<u>\$ 292,011</u>	<u>\$ (3,021,679)</u>

Current assets increased by \$3,767,718 from the prior year. This was primarily due to an increase in cash and equivalents resulting from a lower-than-normal transfer to the Capital Projects Fund from reserves for summer work. Contributing factors also include General Fund revenues that exceeded the budget particularly in the areas of charges for services – day school tuition as well as expenditures savings in all functional categories.

Long-term liabilities, which consist of general obligation bonds, compensated absences, net pension liabilities and OPEB liabilities, decreased by \$14,754,778 from the previous year. This decrease is the result of an \$11,776,691 decrease in the School District's other postemployment benefit liability resulting mainly from differences between actual and expected experience coupled with a decrease in

the School District's proportionate share of the ERS and TRS liability in the amount of \$2,114,506, which is a result of the relative performance of plan investments for the most recent plan fiscal year as compared to the prior plan fiscal year. Compensated absences and bonds payable also decreased from the previous year.

A large component of the School District's net position is its investment in capital assets totaling \$34,531,398, less any related debt used to acquire those assets that are still outstanding. This is an increase of \$246,655. This is primarily due to the following projects: Phase 7 abatement and reconstruction of classroom spaces at Rushmore Avenue and ceiling and lighting replacements in the corridors and gymnasium at Cherry Lane School. The School District uses these capital assets to provide services to the students and consequently, these assets are not available for future spending. Although the School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Those assets subject to external restrictions listed above constitute \$20,184,942 of net position and are comprised of amounts restricted for specific purposes, i.e., liability and casualty claims, ERS and TRS retirement contributions, repairs, capital projects, capital improvements, unemployment insurance and special purposes. The unrestricted portion of the School District's net position is a negative \$54,424,329 as a result of the recognition of the School District's total OPEB liability required under GASB Statement No. 75.

Changes in Net Position

	2024	2023
REVENUES		
Program Revenues		
Charges for Services	\$ 2,361,676	\$ 2,071,807
Operating Grants and Contributions	1,596,757	1,869,667
Capital Grants and Contributions	-	83,305
Total Program Revenues	<u>3,958,433</u>	<u>4,024,779</u>
General Revenues		
Real Property Taxes	43,910,385	42,754,257
Other Tax Items	4,601,142	4,794,388
Unrestricted Use of Money and Property	651,104	328,237
Sale of Property and Compensation for Loss	27,618	58,641
Unrestricted State Aid	5,786,041	5,429,297
Miscellaneous	190,050	395,412
Total General Revenues	<u>55,166,340</u>	<u>53,760,232</u>
Total Revenues	<u>59,124,773</u>	<u>57,785,011</u>
PROGRAM EXPENSES		
General Support	9,159,394	9,625,409
Instruction	43,408,650	44,975,604
Pupil Transportation	2,509,530	2,269,581
Community Services	41,251	32,211
Cost of Food Sales	516,061	486,041
Other	150,654	122,579
Interest	25,543	38,510
Total Expenses	<u>55,811,083</u>	<u>57,549,935</u>
Change in Net Position	3,313,690	235,076
NET POSITION		
Beginning	<u>(3,021,679)</u>	<u>(3,256,755)</u>
Ending	<u>\$ 292,011</u>	<u>\$ (3,021,679)</u>

Revenues:

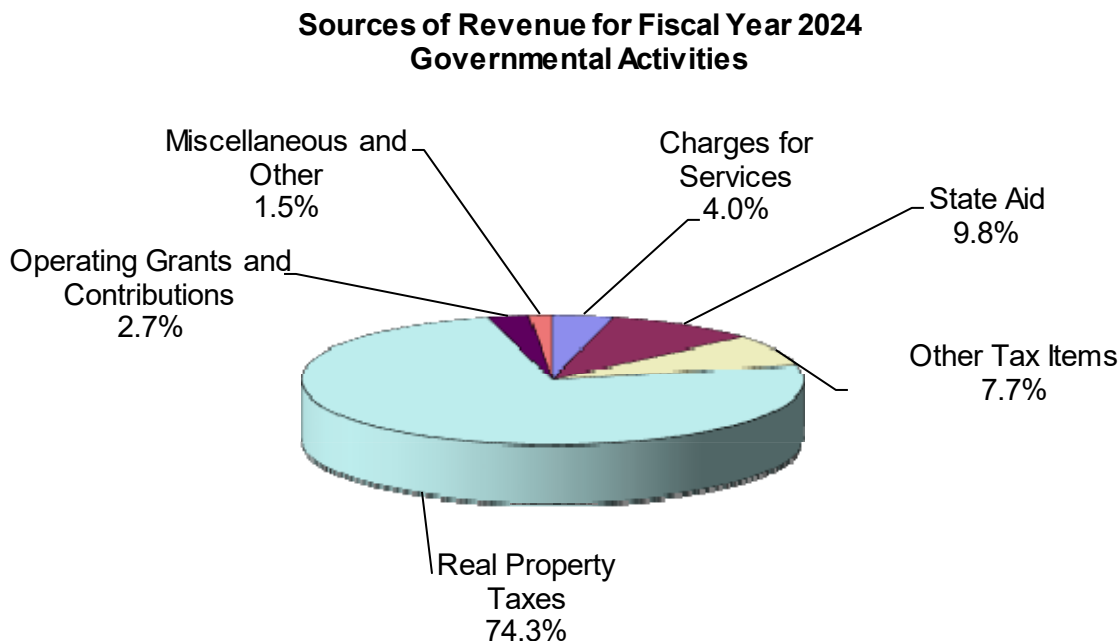
- The School District's primary source of revenue, real property taxes, increased by \$1,156,128 or 2.7%. The increase in property tax revenue is the result of an increase in the tax levy over the prior year to cover increased expenses related to instruction, employee benefits and transportation as well as an increase in property tax revenue received for public utilities and special franchises. The declining trend in STAR revenue (see below) also contributed to the increase in real property tax revenue received by the School District.

- Other tax items include (“PILOT”) payments and revenues received for the School Tax Relief Reimbursement Program (“STAR”). The STAR Program provides tax relief to homeowners by decreasing the assessments taxable to the homeowner or by providing a refund of a portion of school taxes paid. During the 2023-2024 fiscal year, PILOT revenues increased by \$28,002. This increase was offset by a decrease in STAR revenue of \$190,116. As a result of changes to NYS law, the School District’s STAR revenue has decreased by approximately 25% or \$633,642 over the past five years thereby shifting the burden from the state to the taxpayers.
- Revenue from day school tuition increased by approximately \$214,917 due to changes in tuition rates as well as an increase in the number of students attending the summer special education program.

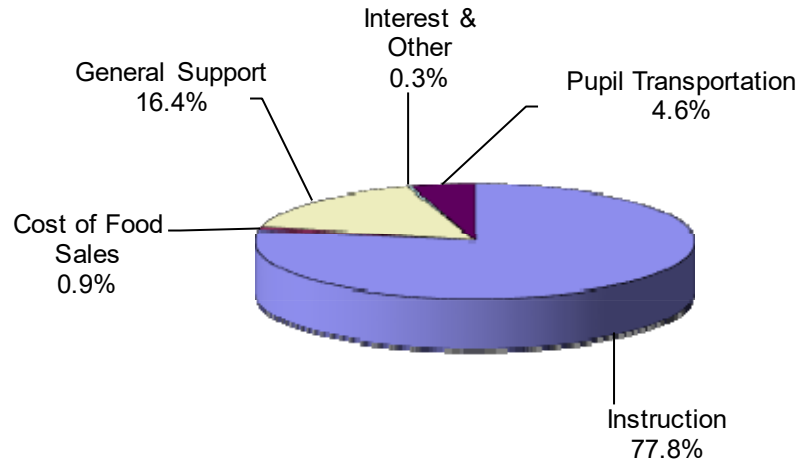
Expenses:

- Overall, General Support expenses decreased by approximately \$466,015 from the prior year. This decrease is due to adjustments to the postemployment benefit liability resulting from differences between actual and expected experience.
- Instructional program expenses decreased by approximately \$1,566,954 or 3.5%, over the prior year. This is primarily the result of adjustments to the postemployment benefit liability resulting from differences between actual and expected experience.

As indicated on the following graphs, the School District relies primarily upon real property taxes which makes up approximately 74% of School District revenue. The School District’s instruction costs account for approximately 78% of its expenses.



Expenses for Fiscal Year 2024 Governmental Activities



Financial Analysis of the School District's Funds

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

Governmental Funds

The focus of the School District's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the School District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The GASB issued Statement No. 54 "*Fund Balance Reporting and Governmental Fund Type Definitions*" in February 2009. The requirements of GASB Statement No. 54 became effective for the School District's fiscal period ending June 30, 2012. GASB Statement No. 54 abandoned the reserved and unreserved classifications of fund balance and replaced them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. As of the end of the current fiscal year, the School District's governmental funds reported combined fund balances of \$24,909,470 an increase of \$3,498,787 from the prior year. The composition of the combined fund balances are as follows:

Nonspendable	\$ 241,428
Restricted	22,041,389
Assigned	339,212
Unassigned	2,287,441

The definitions of the types of items included in each of these categories are included in Note 1 to the financial statements. A detailed chart of each of the individual amounts in each category is included in Note 3H to the financial statements.

Budgetary Results

The School District continues to employ conservative budgeting practices that allow for certain operational contingencies, which, by their nature are unknown. This practice is discussed publicly during budget preparation and items are noted as such when the budget is prepared. In addition, all financial results are shared and available to the public. The School District also maintains a formal document which includes the planning for and use of its reserves. This document is also discussed publicly and made available to district residents. As a result of this process, and with the realization of certain efficiencies, the School District ended the 2023-2024 fiscal year spending approximately \$0.94 of every dollar it budgeted.

General Fund Revenues

Revenues and other financing sources collected in 2023-2024 exceeded the final budget by \$2,871,128, or 5.2%. Approximately 96% of this variance was generated by the following items:

- The collection of unbudgeted tuition totaling \$1,941,975 from five school districts for non-resident special education students who attended Carle Place Schools during 2023-2024 including those who attended the summer special education program.
- Interest earnings on School District deposits that exceeded anticipated amounts by \$825,611 due to favorable rates with our financial institutions.

General Fund Expenditures

Total expenditures and other financing uses were less than the final budget by \$3,021,770 or 5.7% of the total budget exclusive of encumbrances. This positive variance is reflected in all categories of expenditures, with \$673,415 in general support, \$1,628,270 in instruction, \$97,277 in transportation and \$460,190 in employee benefits. The types of items that generate these variances include, but are not limited to the following:

- Actual increases in employee health insurance expenditures being less than estimated;
- Changes in special education placements;
- Savings due to retirements;
- Unexpended charges for utilities;
- Utilization of available grant funds for one-time technology equipment and program supply costs;

As stated earlier, some of these variances are planned for and disclosed in the budgeting process. In general, the normal course of School District operations can also generate savings. When combined, these factors can generate positive variances of varying degrees.

The remaining funds have been used to further strengthen the School District's overall financial position with the maintenance of restricted, committed, and assigned fund balance. The School District places funds into these various categories based on specific goals and targets. These goals and targets are updated annually and discussed publicly each spring. The majority of the remaining funds are Restricted for Capital Projects.

Property Tax Cap

In June 2011, New York State Governor Cuomo signed property tax cap legislation into law. This law essentially limits increases on the school district's *tax levy* to the lesser of 2% or the Consumer Price Index, whichever is less. This legislation provides for very little flexibility with the exception that it included a provision whereby the community can override the property tax cap with a supermajority of 60% voter approval for proposed budgets that exceed the tax cap. However, New York State has also put tax rebate incentives in place that are only available to district residents if their district stays within the tax cap, thereby placing further pressure on a willingness to propose a budget requiring supermajority approval.

The initial property tax cap was set to expire on June 16, 2017. In 2015, the tax cap legislation was amended slightly and extended through June 2020. In April 2019, the enacted budget made the property tax permanent.

This law has a direct impact on the School District and its ability to continue to provide the same level of services expected by the community. Without significant mandate relief, or increases in state aid, or both, the School District will continue to experience increases in expenditures outside its control that aggregate to an overall tax levy increase greater than the allowable, capped amount. The 2012-2013 budget was the first one under the new property tax cap law, and was approved by the residents with a simple majority. Since then, it should be noted that the aforementioned budgeting practices, in conjunction with long range budget plans, have allowed the School District to prepare budgets that were within or below the prescribed amounts, maintained almost all services, and that have all been approved by the community. However, long-range budget projections continue to predict revenue shortfalls as a result of the tax cap. While these projections include many estimates, it continues to demonstrate the difficulty the School District will have in preparing future budgets.

Capital Assets

At June 30, 2024, the School District had \$35,291,611, net of accumulated depreciation, invested in a broad range of capital assets, including land, construction-in-progress, buildings and improvements, land improvements, and machinery and equipment. The change in capital assets, net of accumulated depreciation, is reflected below.

Class	June 30, 2024	June 30, 2023
Land	\$ 305,700	\$ 305,700
Construction-in-Progress	12,834,111	10,840,752
Buildings and Improvements	19,003,648	20,325,840
Land Improvements	1,233,030	1,395,281
Machinery and Equipment	1,915,122	2,177,383
Total Capital Assets, net of accumulated depreciation	<u>\$ 35,291,611</u>	<u>\$ 35,044,956</u>

Construction-in-Progress represents those funds spent as of June 30, 2024 that are related to the various capital projects previously approved by community residents. The change in capital assets during the current fiscal year includes additions related to budgeted machinery and equipment purchases as well as significant additions to Construction-in-Progress for capital projects started during the 2022-2023 school year. More detailed information about the School District's capital assets is presented in Note 3C and on the Capital Projects Fund Project Length Schedule included in the financial statements.

Long-Term Liabilities

At June 30, 2024, the School District reported \$51,988,822 in long-term liabilities including general obligation debt outstanding, as follows:

	June 30, 2024	June 30, 2023
General Obligation Bonds Payable	\$ 765,000	\$ 1,515,000
Unamortized Premium on bonds	12,674	38,034
Compensated Absences	2,021,753	2,109,974
Net Pension Liability (ERS and TRS)	3,475,321	5,589,827
Other Post Employment Benefit Liability	45,714,074	57,490,765
	<u>\$ 51,988,822</u>	<u>\$ 66,743,600</u>

The decrease in total long-term liabilities is due to decreases in the School District's OPEB liability as well as ERS and TRS net pension liabilities for the fiscal year ending June 30, 2024. During the current fiscal year, the School District retired \$730,000 of outstanding general obligation bonds.

The School District's current bond rating as of June 2024 remains at Aa1 per Moody's Investor Service.

More detailed information about the School District's long-term liabilities is presented in Note 3E to the financial statements.

Additional Factors Affecting the School District

At the time these financial statements were prepared, the School District was aware of the following circumstances that could significantly affect its financial health in the future:

- The New York State Education Department is currently reviewing the foundation aid formula which, as of June 30, 2024, has been fully funded. The impact of a change to the way in which districts receive the majority of their state aid remains unknown. A reduction in state aid revenue would put a significant strain on district resources.
- Retirement system contribution rates will likely increase over the next several years as the performance of the market during the pandemic begins to be incorporated into the contribution calculation.
- Both transportation and infrastructure costs will be significantly impacted by the implementation of the zero-emission bus mandate by New York State.
- The period of performance for Federal stimulus funding related to the pandemic concludes September 30, 2024. As a result, all districts will need to begin absorbing the costs of programs implemented with these funds over the past three years.
- The School District has been able to maintain its services through the use of assigned and restricted fund balance and conservative budgetary practices. However, as costs continue to escalate, and with a tax cap in place, these strategies may only sustain the School District for a period of time.

- Increases in employee benefits, health insurance in particular, continue to be major budgetary considerations. Contracts have been renegotiated whereby new employees contribute at higher rates. In addition, retirement system contributions are primarily market driven and the School District is subject to market risk.
- Mandates from the New York State Education Department, and the cost of compliance, continue to strain an already difficult financial situation. Although mandate relief is continuously mentioned as an immediate and real way to reduce costs, and taxes, no substantive action has been taken at the state level.

Requests for Information

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Carle Place Union Free School District
Attn: Joanna DeMartino, CPA
Assistant Superintendent for Business
168 Cherry Lane
Carle Place, New York 11514

Carle Place Union Free School District, New York

Statement of Net Position

June 30, 2024

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 26,538,149
Receivables	
Taxes	345,600
Accounts	453,865
State and Federal aid	1,318,332
Prepaid expenses	232,186
Inventories	9,242
Capital assets	
Not being depreciated	13,139,811
Being depreciated, net	22,151,800
Total Assets	<u>64,188,985</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on refunding bonds	17,461
Pension related	11,917,541
OPEB related	143,355
Total Deferred Outflows of Resources	<u>12,078,357</u>
LIABILITIES	
Accounts payable	572,205
Accrued liabilities	561,532
Employee payroll deductions	22,042
Due to retirement systems	2,780,682
Unearned revenues	51,443
Accrued interest payable	5,379
Non-current liabilities	
Due within one year	2,187,000
Due in more than one year	49,801,822
Total Liabilities	<u>55,982,105</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related	1,914,868
OPEB related	18,078,358
Total Deferred Inflows of Resources	<u>19,993,226</u>
NET POSITION	
Net investment in capital assets	34,531,398
Restricted for	
Liability and casualty claims	703,929
ERS retirement contributions	3,762,089
TRS retirement contributions	2,297,788
Repairs	778,116
Capital projects	3,619,541
Capital improvements	8,673,467
Unemployment insurance	117,322
Special purposes	
Extraclassroom activities	60,577
Other	172,113
Unrestricted	<u>(54,424,329)</u>
Total Net Position	<u><u>\$ 292,011</u></u>

The notes to financial statements are an integral part of this statement.

Carle Place Union Free School District, New York

Statement of Activities
Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
General support	\$ 9,159,394	\$ 1,050	\$ 266,127	\$ (8,892,217)
Instruction	43,408,650	2,038,975	1,018,305	(40,351,370)
Pupil transportation	2,509,530	-	-	(2,509,530)
Community services	41,251	-	-	(41,251)
Cost of food sales	516,061	321,651	184,553	(9,857)
Other	150,654	-	127,772	(22,882)
Interest	25,543	-	-	(25,543)
Total Governmental Activities	\$ 55,811,083	\$ 2,361,676	\$ 1,596,757	(51,852,650)
General revenues				
Real property taxes				43,910,385
Other tax items				
Payments in lieu of taxes				2,663,604
School tax relief reimbursement				1,912,133
Interest and penalties on real property taxes				25,405
Unrestricted use of money and property				651,104
Sale of property and compensation for loss				27,618
Unrestricted State aid				5,786,041
Miscellaneous				190,050
Total General Revenues				55,166,340
Change in Net Position				3,313,690
Net Position - Beginning				(3,021,679)
Net Position - Ending				\$ 292,011

The notes to financial statements are an integral part of this statement.

Carle Place Union Free School District, New York

Balance Sheet
Governmental Funds
June 30, 2024

	General	Capital Projects	Special Aid
ASSETS			
Cash and equivalents	\$ 21,122,970	\$ 5,107,909	\$ 42,925
Receivables			
Taxes	345,600	-	-
Accounts	453,865	-	-
State and Federal aid	416,807	-	901,525
Due from other funds	8,959,245	198,288	2,873,218
Prepaid expenditures	232,186	-	-
Inventories	-	-	-
Total Assets	<u>\$ 31,530,673</u>	<u>\$ 5,306,197</u>	<u>\$ 3,817,668</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 441,072	\$ 103,930	\$ 26,816
Accrued liabilities	557,497	-	1,313
Employee payroll deductions	22,042	-	-
Due to other funds	6,703,176	1,716,242	3,783,162
Due to retirement systems	2,780,682	-	-
Unearned revenues	-	-	6,377
Total Liabilities	<u>10,504,469</u>	<u>1,820,172</u>	<u>3,817,668</u>
Fund balances			
Nonspendable	232,186	-	-
Restricted	18,322,674	3,486,025	-
Assigned	183,903	-	-
Unassigned	2,287,441	-	-
Total Fund Balances	<u>21,026,204</u>	<u>3,486,025</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 31,530,673</u>	<u>\$ 5,306,197</u>	<u>\$ 3,817,668</u>

The notes to financial statements are an integral part of this statement.

Non-Major Governmental	Total Governmental Funds
\$ 264,345	\$ 26,538,149
-	345,600
-	453,865
-	1,318,332
234,746	12,265,497
-	232,186
9,242	9,242
<u>\$ 508,333</u>	<u>\$ 41,162,871</u>

\$ 387	\$ 572,205
2,722	561,532
-	22,042
62,917	12,265,497
-	2,780,682
45,066	51,443
<u>111,092</u>	<u>16,253,401</u>

9,242	241,428
232,690	22,041,389
155,309	339,212
-	2,287,441
<u>397,241</u>	<u>24,909,470</u>
<u>\$ 508,333</u>	<u>\$ 41,162,871</u>

(This page intentionally left blank)

Carle Place Union Free School District, New York

Reconciliation of Governmental Funds Balance Sheet to the District-Wide Statement of Net Position June 30, 2024

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because

Total Fund Balances - Total Governmental Funds	\$ 24,909,470
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	13,139,811
Capital assets - depreciable	60,320,662
Accumulated depreciation	<u>(38,168,862)</u>
	<u>35,291,611</u>
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	11,917,541
Deferred outflows - OPEB related	143,355
Deferred inflows - pension related	(1,914,868)
Deferred inflows - OPEB related	<u>(18,078,358)</u>
	<u>(7,932,330)</u>
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amount on refunding bonds	17,461
Premium on general obligation bonds	<u>(12,674)</u>
	<u>4,787</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(5,379)
General obligation bonds payable	(765,000)
Compensated absences	(2,021,753)
Net pension liability - ERS	(2,060,726)
Net pension liability - TRS	(1,414,595)
Total OPEB liability	<u>(45,714,074)</u>
	<u>(51,981,527)</u>
Net Position of Governmental Activities	<u><u>\$ 292,011</u></u>

The notes to financial statements are an integral part of this statement.

Carle Place Union Free School District, New York

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2024

	General	Capital Projects	Special Aid
REVENUES			
Real property taxes	\$ 43,910,385	\$ -	\$ -
Other tax items	4,601,142	-	-
Charges for services	2,038,975	-	-
Use of money and property	918,281	-	-
Sale of property and compensation for loss	27,618	-	-
State aid	5,936,220	-	174,904
Federal aid	15,214	-	678,008
Food sales	-	-	-
Miscellaneous	190,050	-	-
Total Revenues	57,637,885	-	852,912
EXPENDITURES			
Current			
General support	6,443,828	-	-
Instruction	30,345,188	-	1,097,992
Pupil transportation	2,430,046	-	-
Community services	33,851	-	-
Employee benefits	11,844,015	-	-
Cost of food sales	-	-	-
Other	-	-	-
Capital outlay	-	1,993,359	-
Debt service			
Principal	750,000	-	-
Interest	20,906	-	-
Total Expenditures	51,867,834	1,993,359	1,097,992
Excess (Deficiency) of Rev- enues Over Expenditures	5,770,051	(1,993,359)	(245,080)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	880,600	245,080
Transfers out	(1,127,317)	-	-
Total Other Financing Sources (Uses)	(1,127,317)	880,600	245,080
Net Change in Fund Balances	4,642,734	(1,112,759)	-
FUND BALANCES			
Beginning of Year	16,383,470	4,598,784	-
End of Year	\$ 21,026,204	\$ 3,486,025	\$ -

The notes to financial statements are an integral part of this statement.

Non-Major Governmental	Total Governmental Funds
\$ -	\$ 43,910,385
-	4,601,142
-	2,038,975
2,377	920,658
-	27,618
4,625	6,115,749
175,292	868,514
321,651	321,651
130,031	320,081
633,976	59,124,773
-	6,443,828
-	31,443,180
-	2,430,046
-	33,851
-	11,844,015
516,147	516,147
150,654	150,654
-	1,993,359
-	750,000
-	20,906
666,801	55,625,986
(32,825)	3,498,787
1,637	1,127,317
-	(1,127,317)
1,637	-
(31,188)	3,498,787
428,429	21,410,683
\$ 397,241	\$ 24,909,470

Carle Place Union Free School District, New York

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2024

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 3,498,787</u>
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay expenditures	2,217,440
Depreciation	<u>(1,970,785)</u>
	<u>246,655</u>
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Principal paid on general obligation bonds	<u>750,000</u>
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest	4,922
Compensated absences	88,221
Changes in pension liabilities and related deferred outflows and inflows of resources	(2,227,864)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	962,528
Amortization of loss on refunding bonds and issuance premium	<u>(9,559)</u>
	<u>(1,181,752)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 3,313,690</u></u>

The notes to financial statements are an integral part of this statement.

Carle Place Union Free School District, New York

Statement of Revenues, Expenditures and Changes In Fund
Balance - Budget and Actual
General Fund
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 45,822,518	\$ 43,910,385	\$ 43,910,385	\$ -
Other tax items	2,580,810	4,492,943	4,601,142	108,199
Charges for services	97,000	97,000	2,038,975	1,941,975
Use of money and property	91,620	91,620	918,281	826,661
Sale of property and compensation for loss	-	22,284	27,618	5,334
State aid	6,072,718	6,072,718	5,936,220	(136,498)
Federal aid	10,000	10,000	15,214	5,214
Miscellaneous	51,497	69,807	190,050	120,243
Total Revenues	54,726,163	54,766,757	57,637,885	2,871,128
EXPENDITURES				
Current				
General support	6,923,843	7,195,053	6,443,828	751,225
Instruction	31,771,171	32,068,336	30,345,188	1,723,148
Pupil transportation	2,468,809	2,538,538	2,430,046	108,492
Community services	37,550	37,550	33,851	3,699
Employee benefits	12,720,959	12,304,205	11,844,015	460,190
Debt service				
Principal	750,000	750,000	750,000	-
Interest	155,906	129,825	20,906	108,919
Total Expenditures	54,828,238	55,023,507	51,867,834	3,155,673
Excess (Deficiency) of Revenues Over Expenditures	(102,075)	(256,750)	5,770,051	6,026,801
OTHER FINANCING USES				
Transfers out	(160,000)	(1,177,317)	(1,127,317)	50,000
Net Change in Fund Balance	(262,075)	(1,434,067)	4,642,734	6,076,801
FUND BALANCE				
Beginning of Year	262,075	1,434,067	16,383,470	14,949,403
End of Year	\$ -	\$ -	\$ 21,026,204	\$ 21,026,204

The notes to financial statements are an integral part of this statement.

(This page intentionally left blank)

Note 1 - Summary of Significant Accounting Policies

The Carle Place Union Free School District, New York, ("School District") was established in 1948 and operates in accordance with the provisions of the Education Law of the State of New York. The Board of Education is the legislative body responsible for overall operation of the School District and is elected by the voters of the School District. The Superintendent serves as the chief executive officer. The School District's primary function is to provide education for its pupils. Services such as transportation of pupils, administration, finance and plant maintenance support the primary function.

The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The School District's significant accounting policies are described below:

A. Financial Reporting Entity

The financial reporting entity consists of a) the primary government, which is the School District, b) organizations for which the School District is financially accountable and c) other organizations for which the nature and significance of their relationship with the School District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

In evaluating how to define the School District, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the School District's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

The School District participates in the Nassau County Board of Cooperative Educational Services ("BOCES"), a jointly governed entity. BOCES is a voluntary cooperative association of school districts in a geographic area that share planning, services and programs, which provide educational and support services. BOCES' governing board is elected based on the vote of members of the participating districts' governing boards. BOCES' budget is comprised of separate budgets for administrative, program and capital costs. BOCES charges the districts for program costs based on participation and for administrative and capital costs. Each component school district's share of administrative and capital costs is determined by resident public school enrollment as defined in Education Law. Copies of BOCES' financial statements can be requested from Nassau County BOCES, 71 Clinton Road, Garden City, New York 11530.

B. District-Wide Financial Statements

The district-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the School District as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used.

Note 1 - Summary of Significant Accounting Policies (Continued)

The Statement of Net Position presents the financial position of the School District at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The School District does not allocate indirect expenses to functions in the Statement of Activities.

While separate district-wide and fund financial statements are presented, they are interrelated. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter is excluded from the district-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements.

C. Fund Financial Statements

The accounts of the School District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts, which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The School District maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the district-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explain the adjustments necessary to transform the fund based financial statements into the governmental activities column of the district-wide presentation. The School District's resources are reflected in the fund financial statements in two broad fund categories, in accordance with generally accepted accounting principles as follows:

Fund Categories

- a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following represents the School District's major governmental funds.

General Fund - The General Fund constitutes the primary operating fund of the School District and is used to account for and report all financial resources not accounted for and reported in another fund.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for

Note 1 - Summary of Significant Accounting Policies (Continued)

capital outlays, including the acquisition or construction of major capital facilities and other capital assets.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The major Special Revenue Fund of the School District is the Special Aid Fund. The Special Aid Fund is used to account for special projects or programs supported in whole or in part with Federal or State funds. The major revenues of this fund are Federal and State aid.

The School District also reports the following non-major governmental funds:

Special Revenue Funds:

School Lunch Fund - The School Lunch Fund is used to record the operations of the lunch and milk programs of the School District.

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the School District in accordance with grantor or contributor stipulations. Among the activities included in the Special Purpose fund are extraclassroom activities.

- b. Fiduciary Funds (Not Included in District-Wide Financial Statements) – The Fiduciary Funds are used to account for assets held by the School District on behalf of others. In accordance with the provisions of GASB Statement No. 84, “*Fiduciary Activities*”, the School District had no such activity to report in this fund category.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The 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 (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues

Note 1 - Summary of Significant Accounting Policies (Continued)

from Federal and State grants are recognized as revenue when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and other postemployment benefits liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt are reported as other financing sources.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances

Cash and Equivalents, Investments and Risk Disclosure

Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

The School District's deposits and investment policies are governed by State statutes. The School District has adopted its own written investment policy, which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The School District is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The School District has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

The School District utilizes a pooled investment concept for all governmental funds to facilitate its investment program. Investment income from this pooling is allocated to the respective funds based upon the sources of funds invested.

Investments - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

The School District follows the provisions of GASB Statement No. 72, "*Fair Value Measurement and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Note 1 - Summary of Significant Accounting Policies (Continued)

Risk Disclosure

Interest Rate Risk - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the School District does not invest in any long-term investment obligations.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. GASB Statement No. 40, "*Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*", directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the School District's name. The School District's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at June 30, 2024.

Credit Risk - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The School District does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

Concentration of Credit Risk - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The School District's investment policy limits the amount on deposit at each of its banking institutions.

Property Taxes Receivable - Real property taxes attach as an enforceable lien on real property as of July 1st and are payable on October 1st and April 1st. The town included in the levy is responsible for the billing and collection of the taxes through June, at which time collection responsibility is transferred to the County of Nassau, New York ("County"). The County guarantees the full payment of the School District warrant and assumes responsibility for uncollected taxes.

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the School District. Receivables are recorded and revenues recognized as earned or as specific program expenditures are incurred. Allowances are recorded when appropriate.

Due From/To Other Funds - During the course of its operations, the School District has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of June 30, 2024, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of costs which have been satisfied prior to the end of the fiscal year, but represent amounts which have

Note 1 - Summary of Significant Accounting Policies (Continued)

been provided for in the subsequent year's budget and will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Inventories - Inventories in the School Lunch Fund consist of food and supplies and are recorded at cost on a first-in, first-out basis or, in the case of surplus food, at a stated value which approximates market. These inventories consist primarily of items held for consumption. The cost is recorded as inventory at the time individual inventory items are purchased. The School District uses the consumption method to relieve inventory. In the fund financial statements, reported amounts are equally offset as a nonspendable portion of fund balance, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Capital Assets - Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the district-wide financial statements. Capital assets are defined by the School District as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.

Land and construction-in-progress are not depreciated. Property, plant and equipment of the School District are depreciated using the straight line method over the following estimated useful lives.

<u>Class</u>	<u>Life in Years</u>
Buildings and Improvements	7-25
Land Improvements	20
Machinery and Equipment	5-20

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheets.

Unearned Revenues - Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In the district-wide financial statements, unearned revenues consist of amounts received in advance and/or amounts from grants received before the eligibility requirements have been met.

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The School District has reported unearned revenues of \$6,377 for State and Federal aid received in advance in the Special Aid Fund and \$45,066 for Federal aid received in advance and meal purchases paid in advance in

Note 1 - Summary of Significant Accounting Policies (Continued)

the School Lunch Fund. Such amounts have been deemed to be measurable but not “available” pursuant to generally accepted accounting principles.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The School District reported deferred amounts on refunding bonds results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is being deferred and amortized over the shorter of the life of the refunded or refunding debt.

The School District also reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit liabilities in the district-wide financial statements. These amounts are detailed in the discussion of the School District’s pension and other postemployment benefit liabilities in Note 3E.

Long-Term Liabilities - In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Capital Projects Fund expenditures.

Compensated Absences - The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the district-wide Statement of Net Position as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

Net Pension Liability (Asset) - The net pension liability (asset) represents the School District’s proportionate share of the net pension liability (asset) of the New York State and Local Employees’ Retirement System and the New York State Teachers’ Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, *“Accounting and Financial Reporting for Pensions”* and GASB Statement No. 71, *“Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68.”*

Note 1 - Summary of Significant Accounting Policies (Continued)

Other Postemployment Benefit Liability ("OPEB") - In addition to providing pension benefits, the School District provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other than Pensions."*

Net Position - represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

Restricted net position consists of restricted assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position for the School District includes restricted for liability and casualty claims, ERS retirement contributions, TRS retirement contributions, repairs, capital projects, capital improvements, unemployment insurance and special purposes.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the School District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the district-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally

Note 1 - Summary of Significant Accounting Policies (Continued)

enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in the General Municipal Law or Education Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Board of Education is the highest level of decision making authority for the School District that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the School District removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Board of Education.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Board of Education for amounts assigned for balancing the subsequent year's budget or the Assistant Superintendent for Business for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive unassigned fund balance. For all governmental funds other than the General Fund, any deficit fund balance is reported as unassigned.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the School District's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the School District's policy to use fund balance in the following order: committed, assigned, and unassigned.

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

G. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported

Note 1 - Summary of Significant Accounting Policies (Continued)

amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is October 2, 2024.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

The School District generally follows the procedures enumerated below in establishing the budgetary data reflected in the fund financial statements:

- a) At least seven days prior to the budget hearing, a copy of the budget is made available to the voters.
- b) At the budget hearing, the voters may raise questions concerning the items contained in the budget.
- c) The Board of Education establishes a date for the annual meeting, which by law will be held on the third Tuesday in May.
- d) The voters are permitted to vote upon the General Fund budget at the annual meeting.
- e) If the original proposed budget is not approved by the voters, the Board of Education has the option of either resubmitting the original or revising the budget for voter approval at a special meeting held at a later date; or the Board of Education may, at that point, adopt a contingency budget. If the Board of Education decides to submit either the original or a revised budget to the voters for a second time, and the voters do not approve the second budget submittal, the Board of Education must adopt a contingency budget and the tax levy cannot exceed the total tax levy of the prior year (0% levy growth). In addition, the administrative component of the contingency budget shall not comprise a greater percentage of the contingency budget exclusive of the capital component than the lesser of either 1) the percentage the administrative component had comprised in the prior year budget exclusive of the capital component; or 2) the percentage the administrative component had comprised in the last proposed defeated budget exclusive of the capital component.
- f) Formal budgetary integration is employed during the year as a management control device for the General Fund.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- g) The Budget for General Fund is legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. The Board of Education does not adopt an annual budget for the Special Aid, School Lunch or Special Purpose funds since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year.
- h) The Board of Education has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts that are greater than \$5,000, at the function level, require approval by the Board of Education. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- i) Appropriations in the General Fund lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the Board of Education.

B. Limitation on Fund Balance

The School District is limited to the amount of committed, assigned and unassigned fund balance, with certain exceptions, that can be retained. New York State law limits this amount to 4% of the ensuing year's budget. The School District is within this statutory limit.

C. Property Tax Limitation

Chapter 97 of the Laws of 2011, as amended ("Tax Levy Limitation Law"), modified previous law by imposing a limitation on the amount of tax levy growth from one fiscal year to the next. Such limitation is the lesser of (i) 2% or (ii) the annual percentage increase in the CPI subject to certain exclusions. A budget with a tax levy that does not exceed such limit will require approval by at least 50% of the voters. Approval by at least 60% of the voters will be required for a budget with a tax levy in excess of the limit. In the event the voters reject the budget, the tax levy for the school district's budget for the ensuing fiscal year may not exceed the amount of the tax levy for the prior fiscal year. School districts will be permitted to carry forward a certain portion of their unused tax levy limitation from a prior year.

The Tax Levy Limitation Law permits certain significant exclusions to the tax levy limit for school districts. These include taxes to pay the local share of debt service on bonds or notes issued to finance voter approved capital expenditures and the refinancing or refunding of such bonds or notes, certain pension cost increases, and other items enumerated in the Tax Levy Limitation Law. However, such exclusion does not apply to taxes to pay debt service on tax anticipation notes, revenue anticipation notes, budget notes and deficiency notes; and any obligations issued to finance deficits and certain judgments, including tax certiorari refund payments.

D. Capital Projects Fund Project Deficit

The deficit in the Approved Smart Bond capital project of \$38,496 and the CL Gym Roof/Ceiling/Lighting Replacement project of \$95,020 arises because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

Carle Place Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2024

Note 3 - Detailed Notes on All Funds**A. Taxes Receivable**

Taxes receivable at June 30, 2024 consisted of the following:

Current Year Taxes	<u>\$ 345,600</u>
--------------------	-------------------

The taxes were remitted by the Town of Hempstead, New York in August, 2024.

B. Interfund Receivables/Payables

The composition of due from/to other funds at June 30, 2024 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 8,959,245	\$ 6,703,176
Capital Projects	198,288	1,716,242
Special Aid	2,873,218	3,783,162
Non-Major Governmental	234,746	62,917
	<u>\$ 12,265,497</u>	<u>\$ 12,265,497</u>

The outstanding balances between funds results mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

C. Capital Assets

Changes in the School District's capital assets are as follows:

<u>Class</u>	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2024</u>
Capital Assets, not being depreciated:				
Land	\$ 305,700	\$ -	\$ -	\$ 305,700
Construction-in-progress	10,840,752	1,993,359	-	12,834,111
	<u>\$ 11,146,452</u>	<u>\$ 1,993,359</u>	<u>\$ -</u>	<u>\$ 13,139,811</u>
Capital Assets, being depreciated:				
Buildings and Improvements	\$ 48,031,249	\$ -	\$ -	\$ 48,031,249
Land Improvements	4,357,834	-	-	4,357,834
Machinery and Equipment	7,768,840	224,081	61,342	7,931,579
Total Capital Assets, being depreciated	<u>60,157,923</u>	<u>224,081</u>	<u>61,342</u>	<u>60,320,662</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	27,705,409	1,322,192	-	29,027,601
Land Improvements	2,962,553	162,251	-	3,124,804
Machinery and Equipment	5,591,457	486,342	61,342	6,016,457
Total Accumulated Depreciation	<u>36,259,419</u>	<u>1,970,785</u>	<u>61,342</u>	<u>38,168,862</u>
Total Capital Assets, being depreciated, net	<u>\$ 23,898,504</u>	<u>\$ (1,746,704)</u>	<u>\$ -</u>	<u>\$ 22,151,800</u>
Capital Assets, net	<u>\$ 35,044,956</u>	<u>\$ 246,655</u>	<u>\$ -</u>	<u>\$ 35,291,611</u>

Carle Place Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2024

Note 3 - Detailed Notes on All Funds (Continued)

Depreciation expense was charged to School District functions and programs as follows:

General Support	\$ 1,121,968
Instruction	846,256
Cost of Food Sales	<u>2,561</u>
Total Depreciation Expense	<u>\$ 1,970,785</u>

D. Accrued Liabilities

Accrued liabilities at June 30, 2024 were as follows:

	General Fund	Special Aid Fund	Non-Major Governmental Funds	Total
Payroll and Employee Benefits	\$ 333,028	\$ 1,313	2,722	\$ 337,063
Other	<u>224,469</u>	<u>-</u>	<u>-</u>	<u>224,469</u>
	<u>\$ 557,497</u>	<u>\$ 1,313</u>	<u>\$ 2,722</u>	<u>\$ 561,532</u>

E. Long-Term Liabilities

The following table summarizes changes in the School District's long-term liabilities for the year ended June 30, 2024:

	Balance, July 1, 2023	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2024	Due Within One-Year
General Obligation Bonds Payable	\$ 1,515,000	\$ -	\$ 750,000	\$ 765,000	\$ 765,000
Plus - Unamortized Premium on Bonds	<u>38,034</u>	<u>-</u>	<u>25,360</u>	<u>12,674</u>	<u>-</u>
	<u>1,553,034</u>	<u>-</u>	<u>775,360</u>	<u>777,674</u>	<u>765,000</u>
Other Non-Current Liabilities:					
Compensated Absences	2,109,974	122,779	211,000	2,021,753	202,000
Net Pension Liability - ERS	3,111,995	-	1,051,269	2,060,726	-
Net Pension Liability - TRS	2,477,832	-	1,063,237	1,414,595	-
Other Postemployment Benefit Liability	<u>57,490,765</u>	<u>3,347,753</u>	<u>15,124,444</u>	<u>45,714,074</u>	<u>1,220,000</u>
Total Other Non-Current Liabilities	<u>65,190,566</u>	<u>3,470,532</u>	<u>17,449,950</u>	<u>51,211,148</u>	<u>1,422,000</u>
Total Long-Term Liabilities	<u>\$ 66,743,600</u>	<u>\$ 3,470,532</u>	<u>\$ 18,225,310</u>	<u>\$ 51,988,822</u>	<u>\$ 2,187,000</u>

The School District's liabilities for general obligation bonds, compensated absences, net pension liabilities and other postemployment benefit liabilities are satisfied by the General Fund.

Carle Place Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2024

Note 3 - Detailed Notes on All Funds (Continued)

General Obligation Bonds Payable

General obligation bonds payable at June 30, 2024 is comprised of the following individual issue:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding at June 30, 2024</u>
Refunding Bonds	2013	\$ 7,030,000	August, 2024	1.875 %	<u>\$ 765,000</u>

Interest expenditures of \$20,906 were recorded in the fund financial statements in the General Fund. Interest expense of \$25,543 was recorded in the district-wide financial statements.

Payments to Maturity

The annual requirements to amortize all outstanding bonded debt as of June 30, 2024 including interest payments of \$7,172 are as follows:

<u>Year Ending June 30,</u>	<u>General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2025	<u>\$ 765,000</u>	<u>\$ 7,172</u>

The above general obligation bonds are direct borrowings of the School District for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the School District.

Legal Debt Margin

The School District is subject to legal limitations on the amount of debt that it may issue. The School District's legal debt margin is 10% of the most recent full valuation of taxable real property.

Compensated Absences

Under the terms of existing collective bargaining agreements, the School District is required to compensate certain employees for accumulated sick leave. For these employees to receive reimbursement, they must be eligible for retirement, and must give notice pursuant to contract provisions. Clerical, custodial employees and administrators are granted vacation in varying amounts, based primarily on length of service and service position. The value of the compensated absences has been reflected in the district-wide financial statements.

Note 3 - Detailed Notes on All Funds (Continued)

Pension Plans

New York State and Local Retirement System and Teachers' Retirement System

The School District participates in the New York State and Local Employees' Retirement System ("ERS"). This is a cost-sharing, multiple-employer defined benefit pension plan. ERS provides retirement benefits as well as death and disability benefits. The net position of the ERS is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all assets and record changes in fiduciary net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the ERS. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the 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 School District also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The 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/retire/about_us/financial_statements_index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The School District also participates in the New York State Teachers' Retirement System ("TRS"). This is a cost-sharing, multiple-employer defined benefit pension plan. TRS provides retirement benefits as well as death and disability benefits. The TRS is governed by a ten member Board of Trustees, which sets policy and oversees operations consistent with its fiduciary obligations under applicable law. Obligations of employers and employees to contribute and benefits to employees are governed by the Education Law of the State of New York. Once a public employer elects to participate in the 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. The TRS issues a stand-alone financial report which may be found at www.nystrs.org or obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395.

ERS and TRS are noncontributory for employees who joined the systems before July 27, 1976. Employees who joined the systems after July 27, 1976 and before January 1, 2010 contribute 3% of their salary for the first ten years of membership. Employees who joined the systems after January 1, 2010 generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS's fiscal year ending March 31. Pursuant to Article 11 of the Education Law of the State of New York, actuarially determined employer contributions are established annually for the TRS by its Board of Trustees. The employer contribution rates for the ERS plan year ended March 31, 2024 and TRS plan year ended June 30, 2024 are as follows:

Carle Place Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2024

Note 3 - Detailed Notes on All Funds (Continued)

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	2 75I	18.1 %
	3 A15	14.9
	4 A15	14.9
	5 A15	12.9
	6 A15	9.5
TRS	1-6	9.76 %

At June 30, 2024, the School District reported the following for its proportionate share of the net pension liability for ERS and TRS:

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2024	June 30, 2023
Net pension liability	\$ 2,060,726	\$ 1,414,595
School Districts' proportion of the net pension liability	0.0139956 %	0.1236980 %
Change in proportion since the prior measurement date	(0.0005166) %	(0.005431) %

The net pension liability was measured as of March 31, 2024 for ERS and June 30, 2023 for TRS and the total pension liability used to calculate the net pension liability were determined by actuarial valuations as of those dates. The School District's proportion of the net pension liability for ERS was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. The School District's proportion of the net pension liability for TRS was based on the School District's contributions to the pension plan relative to the contributions of all participating members.

For the year ended June 30, 2024, the School District recognized its proportionate share of pension expense in the district-wide financial statements of \$5,186,961, (\$1,037,933 for ERS and \$4,149,028 for TRS). Pension expenditures for ERS of \$690,571 and \$38,565 were reported in the fund financial statements and were charged to the General and School Lunch funds, respectively. Pension expenditures for TRS of \$2,229,961 were recorded in the fund financial statements in the General Fund.

Carle Place Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2024

Note 3 - Detailed Notes on All Funds (Continued)

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

	ERS		TRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 663,759	\$ 56,191	\$ 3,430,017	\$ 8,477
Changes of assumptions	779,114	-	3,045,581	663,768
Net difference between projected and actual earnings on pension plan investments	-	1,006,653	723,113	-
Changes in proportion and differences between School District contributions and proportionate share of contributions	310,630	65,208	528,174	114,571
School District contributions subsequent to the measurement date	194,863	-	2,242,291	-
	<u>\$ 1,948,366</u>	<u>\$ 1,128,052</u>	<u>\$ 9,969,176</u>	<u>\$ 786,816</u>
	Total			
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 4,093,776	\$ 64,668		
Changes of assumptions	3,824,695	663,768		
Net difference between projected and actual earnings on pension plan investments	723,113	1,006,653		
Changes in proportion and differences between School District contributions and proportionate share of contributions	838,804	179,779		
School District contributions subsequent to the measurement date	2,437,154	-		
	<u>\$ 11,917,542</u>	<u>\$ 1,914,868</u>		

\$194,863 reported as deferred outflows of resources related to ERS resulting from the School District's accrued contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the plan's year ended March 31, 2024. The \$2,242,291 reported as deferred outflows of resources related to TRS will be recognized as a decrease of the net pension liability in the plan's year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and TRS will be recognized in pension expense as follows:

Year Ended	March 31,	June 30,
	ERS	TRS
2024	\$ -	\$ 665,525
2025	(275,556)	(649,005)
2026	463,197	5,761,528
2027	641,863	505,062
2028	(204,053)	414,439
Thereafter	-	242,520
	<u>\$ 625,451</u>	<u>\$ 6,940,069</u>

Note 3 - Detailed Notes on All Funds (Continued)

The total pension liability for the ERS and TRS measurement dates were determined by using actuarial valuation dates as noted below, with update procedures used to roll forward the total pension liabilities to those measurement dates. Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement Date	March 31, 2024	June 30, 2023
Actuarial valuation date	April 1, 2023	June 30, 2022
Investment rate of return	5.9% *	6.95% *
Salary scale	4.4%	1.95%-5.18%
Inflation rate	2.9%	2.4%
Cost of living adjustments	1.5%	1.3%

*Compounded annually, net of pension plan investment expenses, including inflation.

For ERS, annuitant mortality rates are based on the ERS's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021. For TRS, annuitant mortality rates are based on plan member 2021, with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021, applied on a generational basis. Active member mortality rates are based on plan member experience.

The actuarial assumptions used in the ERS valuation were based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020. The actuarial assumptions used in the TRS valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020.

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

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

Carle Place Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2024

Note 3 - Detailed Notes on All Funds (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation is summarized in the following table:

Asset Type	ERS March 31, 2024		TRS June 30, 2023	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32 %	4.00 %	33 %	6.8 %
International Equity	15	6.65	15	7.6
Private Equity	10	7.25	9	10.1
Real Estate	9	4.60	11	6.3
Domestic Fixed Income Securities	-	-	16	2.2
Global bonds	-	-	2	1.6
High Yield bonds	-	-	1	4.4
Global Equities	-	-	4	7.2
Private Debt	-	-	2	6.0
Real Estate Debt	-	-	6	3.2
Opportunistic/ARS Portfolio	3	5.25	-	-
Credit	4	5.40	-	-
Real Assets	3	5.79	-	-
Fixed Income	23	1.50	-	-
Cash	1	0.25	1	0.3
	<u>100 %</u>		<u>100 %</u>	

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

The discount rate used to calculate the total pension liability was 5.9% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 5.9% for ERS and 6.95% for TRS, as well as what the School District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.9% for ERS and 5.95% for TRS) or 1 percentage point higher (6.9% for ERS and 7.95% for TRS) than the current rate:

Carle Place Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2024

Note 3 - Detailed Notes on All Funds (Continued)

	1% Decrease (4.9%)	Current Discount rate (5.9%)	1% Increase (6.9%)
School District's proportionate share of the ERS net pension liability (asset)	<u>\$ 6,479,132</u>	<u>\$ 2,060,726</u>	<u>\$ (1,629,560)</u>
	1% Decrease (5.95%)	Current Discount rate (6.95%)	1% Increase (7.95%)
School District's proportionate share of the TRS net pension (asset)	<u>\$ 21,545,000</u>	<u>\$ 1,414,595</u>	<u>\$ (15,515,946)</u>

The components of the collective net pension liability as of the March 31, 2024 ERS measurement date and the June 30, 2023 TRS measurement date were as follows:

	ERS	TRS
Total pension liability	\$ 240,696,851,000	\$ 138,365,121,961
Fiduciary net position	<u>225,971,801,000</u>	<u>137,221,536,942</u>
Employers' net pension liability	<u>\$ 14,725,050,000</u>	<u>\$ 1,143,585,019</u>
Fiduciary net position as a percentage of total pension liability	<u>93.88%</u>	<u>99.17%</u>

Employer contributions to ERS are paid annually and cover the period through the end of ERS' fiscal year, which is March 31st. Accrued retirement contributions as of June 30, 2024 represent the projected employer contribution for the period April 1, 2024 through June 30, 2024 based on paid ERS wages multiplied by the employers' contribution rate, by tier. Employee contributions are remitted monthly.

Employer and employee contributions for the year ended June 30, 2024 are paid to TRS in the following fiscal year through a state aid intercept or, if state aid is insufficient, through a payment by the School District to TRS. Accrued retirement contributions as of June 30, 2024 represent employee and employer contributions for the fiscal year ended June 30, 2024 based on paid TRS wages multiplied by the employers' contribution rate plus employee contributions for the fiscal year as reported to TRS.

Accrued retirement contributions as of June 30, 2024 were \$194,863 to ERS and \$2,585,746 to TRS, inclusive of \$343,455 of employee contributions.

Voluntary Defined Contribution Plan

The School District can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the School District will

Note 3 - Detailed Notes on All Funds (Continued)

contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

Other Postemployment Benefit Liability (“OPEB”)

In addition to providing pension benefits, the School District provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the School District may vary according to length of service. The cost of providing postemployment health care benefits is shared between the School District and the retired employee as noted below. Substantially all of the School District's employees may become eligible for those benefits if they reach normal retirement age while working for the School District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *“Accounting and Financial Reporting for Postemployment Benefits Other than Pensions”*, so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

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

Inactive employees currently receiving benefit payments	140
Active employees	<u>222</u>
	<u>362</u>

The School District's total OPEB liability of \$45,714,074 was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2023.

The total OPEB liability in the July 1, 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	2.5%, average, including inflation
Discount rate	4.0%
Healthcare cost trend rates	6.75% for pre-65 and 4.75% for post-65 for 2024, decreasing per year to an ultimate rate of 4.5% for 2029 and later years
Retirees' share of benefit-related costs	Varies from 50% to 65% for 2024, depending on applicable retirement year and bargaining unit and coverage

The discount rate was set to the yield or index rate for 20 year tax exempt general obligation municipal bonds with an average rating of AA or higher.

Mortality rates were based on rates in accordance with the SOA RP-2014 Total Dataset Mortality improvements projected using SOA Scale MP-2021.

Carle Place Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2024

Note 3 - Detailed Notes on All Funds (Continued)

The School District's change in the total OPEB liability for the year ended June 30, 2024 is as follows:

Total OPEB Liability - Beginning of Year	\$ 57,490,765
Service cost	1,129,434
Interest	2,218,319
Changes of benefit terms	-
Differences between expected and actual experience	(10,819,783)
Changes in assumptions or other inputs	(3,083,083)
Benefit payments	<u>(1,221,578)</u>
Total OPEB Liability - End of Year	<u>\$ 45,714,074</u>

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.0%) or 1 percentage point higher (5.0%) than the current discount rate:

	1% Decrease (3.0%)	Current Discount Rate (4.0%)	1% Increase (5.0%)
Total OPEB Liability	<u>\$ 53,571,882</u>	<u>\$ 45,714,074</u>	<u>\$ 39,481,328</u>

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

	1% Decrease (5.75%, 8.25% decreasing to 3.50%)	Current Healthcare Cost Trend Rates (6.75%, 9.25% decreasing to 4.50%)	1% Increase (8.75%, 10.25% decreasing to 5.50%)
Total OPEB Liability	<u>\$ 38,891,443</u>	<u>\$ 45,714,074</u>	<u>\$ 54,387,441</u>

For the year ended June 30, 2024, the School District recognized OPEB expense of \$259,050 in the district-wide financial statements. At June 30, 2024, the School District reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 143,355	\$ 9,219,711
Differences between expected and actual experience		<u>8,858,647</u>
	<u>\$ 143,355</u>	<u>\$ 18,078,358</u>

Carle Place Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2024

Note 3 - Detailed Notes on All Funds (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2025	\$ (3,088,703)
2026	(3,733,957)
2027	(4,936,326)
2028	(5,888,429)
2029	(287,588)
Thereafter	-
	<u>\$ (17,935,003)</u>

F. Revenues and Expenditures**Interfund Transfers**

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without equivalent flows of assets in return. The interfund transfers reflected below have been reported as transfers.

Transfers Out	Transfers In			Total
	Capital Projects Fund	Special Aid Fund	Non-Major Governmental Funds	
General Fund	<u>\$ 880,600</u>	<u>\$ 245,080</u>	<u>\$ 1,637</u>	<u>\$ 1,127,317</u>

Transfers are used to 1) move amounts earmarked in the operating funds to fulfill commitments for Capital Projects, Special Aid and School Lunch funds expenditures.

G. Net Position

The components of net position are detailed below:

Net Investment in Capital Assets - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted for Liability and Casualty Claims - the component of net position that has been established to set aside funds to be used for the payment of future claims made upon the School District in accordance with Section 6-n of the General Municipal Law of the State of New York.

Note 3 - Detailed Notes on All Funds (Continued)

Restricted for ERS Retirement Contributions - the component of net position that reports the amounts set aside to be used for ERS retirement costs in accordance with Section 6-r of the General Municipal Law of the State of New York.

Restricted for TRS Retirement Contributions - the component of net position that reports the amounts set aside to be used for TRS retirement costs in accordance with Section 6-r of the General Municipal Law of the State of New York.

Restricted for Repairs - the component of net position that reports the amounts set aside to be used to pay the costs of repairs to capital improvements and equipment in accordance with Section 6-d of the General Municipal Law of the State of New York.

Restricted for Capital Projects - the component of net position that reports the amounts restricted for capital projects, exclusive of unexpended bond proceeds and unrestricted interest earnings.

Restricted for Capital Improvements - the component of net position that reports the amounts restricted for capital project improvements as established by Section 3651 of the Education Law of the State of New York.

Restricted for Unemployment Insurance - the component of net position that has been established to set aside funds to be used for a specific purpose in accordance with Section 6-m of the General Municipal Law of the State of New York.

Restricted for Special Purposes - the component of net position that has been established to set aside funds to be used for extraclassroom activities and other purposes with constraints placed on their use by either external parties and/or statute.

Unrestricted - all other amounts that do not meet the definition of "restricted" or "net investment in capital assets".

Carle Place Union Free School District, New York

Notes to Financial Statements (Continued)

June 30, 2024

Note 3 - Detailed Notes on All Funds (Continued)

H. Fund Balances

	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable:				
Inventories	\$ -	\$ -	\$ 9,242	\$ 9,242
Prepaid expenditures	232,186	-	-	232,186
Total Nonspendable	232,186	-	9,242	241,428
Restricted:				
Liability and casualty claims	703,929	-	-	703,929
ERS retirement contributions	3,065,245	-	-	3,065,245
ERS retirement contributions - for subsequent year's expenditures	696,844	-	-	696,844
TRS retirement contributions	2,297,788	-	-	2,297,788
Employee benefit accrued liability	1,989,963	-	-	1,989,963
Repairs	778,116	-	-	778,116
Capital projects	-	3,486,025	-	3,486,025
Capital improvements	8,673,467	-	-	8,673,467
Unemployment insurance	117,322	-	-	117,322
Special purpose - extraclassroom activities	-	-	60,577	60,577
Special purpose -other	-	-	172,113	172,113
Total Restricted	18,322,674	3,486,025	232,690	22,041,389
Assigned:				
Purchases on order:				
General government support	77,810	-	-	77,810
Instruction	94,878	-	-	94,878
	183,903	-	-	183,903
School Lunch Fund	-	-	155,309	155,309
Total Assigned	183,903	-	155,309	339,212
Unassigned	2,287,441	-	-	2,287,441
Total Fund Balances	\$ 21,026,204	\$ 3,486,025	\$ 397,241	\$ 24,909,470

Certain elements of fund balance are described above. Those additional elements, which are not reflected in the Statement of Net Position but are reported in the governmental funds balance sheet are described below.

Inventories in the School Lunch fund have been classified as nonspendable to indicate that a portion of fund balance is not "available" for expenditure because the asset is in the form of commodities and the School District anticipates utilizing them in the normal course of operations.

Prepaid Expenditures has been provided to account for certain payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Note 3 - Detailed Notes on All Funds (Continued)

Employee Benefit Accrued Liability - The component of fund balance that has been restricted pursuant to Section 6-p of the General Municipal Law of the State of New York to provide funds for the payment of unused sick time and other forms of payment for accrued leave time granted upon termination or separation from service.

Purchases on order are assigned and represent the School District's intention to honor the contracts in process at year-end. The subsequent year's appropriation will be amended to provide authority to complete the transactions.

Assigned for School Lunch Fund represents the component of fund balance that reports the difference between assets and liabilities in the School Lunch Fund.

Unassigned fund balance in the General Fund represents amounts not classified as non-spendable, restricted, committed or assigned.

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The School District, in common with other school districts, receives numerous notices of claims for monetary damages arising from property damage or personal injury. Of all the claims currently pending, none are expected to have a material effect on the School District's financial position, if adversely settled.

B. Contingencies

The School District participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Uniform Guidance. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School District anticipates such amounts, if any, to be immaterial.

The School District is subject to audits of State aid by the New York State Education Department. The amount of aid previously paid to the School District which may be disallowed cannot be determined at this time, although the School District anticipates such amounts, if any, to be immaterial.

C. Risk Management

The School District is exposed to various risks of loss. The School District purchases various insurance coverages from independent third parties to reduce its exposure to loss. The School District maintains general liability insurance, liability coverage for school board members and an excess catastrophe liability policy. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

The School District and other school districts have formed a reciprocal insurance company (the "Company") to be owned by these districts. This Company operates under an agreement effective July 1, 1989. The purpose of the Company is to provide general liability, auto liability, all risk building and contents and auto physical damage coverage. In addition, as part of the reciprocal program, excess insurance, school board legal liability, equipment floaters, boilers and machinery and crime and bond coverages will be purchased from commercial carriers and be available to the subscriber districts. The Company retains a management company, which is responsible for the overall supervision and management of the reciprocal. The reciprocal is managed by a Board of Governors and an Attorney-in-fact, which is comprised of employees of the subscriber districts. The subscribers have elected those who sit on the board and each subscriber has a single vote. The Company is an "assessable" insurance company, in that, the subscribers are severally liable for any financial shortfall of the Company and can be assessed their proportionate share by the State Insurance Department if the funds of the Company are less than what is required to satisfy its liabilities. The subscriber districts are required to pay premiums as well as minimal capital contribution.

The School District participates in the Nassau County Cooperative Workers' Compensation Self-Insured Plan ("Plan") to insure workers' compensation claims. This is a public entity risk pool created under Article 5 of the Workers' Compensation Law, to provide for the efficient and economical evaluation, processing and administration of claims, manage risks and finance liability related to workers' compensation claims. The School District pays an annual assessment determined by the Plan's Board of Trustees. In the event that the plan has insufficient funds to meet its obligations, the Plan's Board of Trustees may issue supplemental assessments to the Plan's members. Plan members who withdraw or are terminated from the Plan's membership will assume responsibilities for all open and unpaid claims associated with them. The Plan's total discounted liability for unbilled and open claims at June 30, 2024 was \$22,664,923 with the discount rate of 1%. The Plan has assets of \$29,737,411 at June 30, 2024 to pay these liabilities.

Note 5 - Tax Abatements

The School District has two real property tax abatement agreements with the County of Nassau Industrial Development Agency ("IDA"), established by Article 18-A of General Municipal Law of New York State, under the authority of New York State General Municipal Law Section 922.

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

Agreement	Taxable Assessed Value	Tax Rate	Tax Value	PILOT Received	Taxes Abated
AVR-Carle Place 2 Association LLC	\$ 84,607	\$547.121	\$ 462,903	\$ 252,388	\$ 210,515
AVR Carle Place Hotel 1 LLC	106,903	547.121	584,889	356,802	228,087
Alkier Steel/Steel Mineola LLC	11,541	547.121	63,143	45,596	17,547
DBD Realty	301,493	547.121	1,649,532	858,272	791,260
	<u>\$ 504,544</u>		<u>\$2,760,467</u>	<u>\$1,513,058</u>	<u>\$1,247,409</u>

(This page intentionally left blank)

Carle Place Union Free School District, New York

Notes to Financial Statements (Concluded)

June 30, 2024

Note 5 - Tax Abatements (Continued)

The School District also received PILOT payments of \$1,150,546 from the IDA related to the Long Island Power Authority. This PILOT is not considered a tax abatement as the purpose of this agreement was not to abate taxes.

Note 6 - Recently Issued GASB Pronouncements

GASB Statement No. 101, "*Compensated Absences*", provides guidance on the accounting and financial reporting for compensated absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

GASB Statement No. 102, "*Certain Risk Disclosures*", provides guidance on disclosures for risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

Under this Statement, a government is required to assess whether an event or events associated with a concentration or constraint that could cause substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for reporting periods beginning after June 15, 2024.

GASB Statement No. 103, "*Financial Reporting Model Improvements*", has been issued to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the School District believes will most impact its financial statements. The School District will evaluate the impact of this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

Carle Place Union Free School District, New York

Required Supplementary Information - Schedule of Changes in the School District's Total OPEB Liability and Related Ratios Last Ten Fiscal Years (1) (2)

	2024	2023	2022
Total OPEB Liability:			
Service cost	\$ 1,129,434	\$ 2,116,254	\$ 3,581,469
Interest	2,218,319	2,069,487	1,365,059
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(10,819,783)	-	(2,542,479)
Changes of assumptions or other inputs	(3,083,083)	(2,013,105)	(17,199,395) (5)
Benefit payments	(1,221,578)	(1,227,925)	(1,007,617)
Net Change in Total OPEB Liability	(11,776,691)	944,711	(15,802,963)
Total OPEB Liability – Beginning of Year	57,490,765	56,546,054	72,349,017
Total OPEB Liability – End of Year	<u>\$ 45,714,074</u>	<u>\$ 57,490,765</u>	<u>\$ 56,546,054</u>
School District's covered-employee payroll	<u>\$ 23,745,768</u>	<u>\$ 24,446,422</u>	<u>\$ 24,446,422</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>193%</u>	<u>235%</u>	<u>231%</u>
Discount Rate	<u>4.00%</u>	<u>3.90%</u>	<u>3.70%</u>

(1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

(2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.

(3) Restated for the implementation of the provisions of GASB Statement No. 75.

(4) Differences between expected and actual experience were attributable to a) increases above what was expected in the overall number of active employees b) a level of active employees terminating that is less than expected c) mortality experience more favorable than expected d) overall average claims costs higher than expected.

(5) Assumption changes include changes in claim costs, medical trend rates and the discount rate.

See independent auditors' report.

2021	2020	2019	2018
\$ 2,901,777	\$ 2,233,654	\$ 1,996,191	\$ 1,901,134
1,482,071	1,563,732	1,558,465	1,485,737
-	-	-	-
-	4,375,090 (4)	-	-
6,664,713	4,041,486	4,516,778	-
(904,995)	(902,973)	(935,345)	(898,984)
10,143,566	11,310,989	7,136,089	2,487,887
62,205,451	50,894,462	43,758,373	41,270,486 (3)
<u>\$ 72,349,017</u>	<u>\$ 62,205,451</u>	<u>\$ 50,894,462</u>	<u>\$ 43,758,373</u>
<u>\$ 24,345,176</u>	<u>\$ 24,345,176</u>	<u>\$ 28,490,465</u>	<u>\$ 23,755,003</u>
<u>297%</u>	<u>256%</u>	<u>179%</u>	<u>184%</u>
<u>1.90%</u>	<u>2.40%</u>	<u>3.10%</u>	<u>3.60%</u>

Carle Place Union Free School District, New York

Required Supplementary Information
New York State Teachers' Retirement System
Last Ten Fiscal Years (1)

Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset) (2)

	2024	2023 (3)	2022 (4)	2021 (3)
School District's proportion of the net pension liability (asset)	0.123698%	0.129128%	0.134789%	0.129224%
School District's proportionate share of the net pension liability (asset)	\$ 1,414,595	\$ 2,477,832	\$ (23,357,633)	\$ 3,570,808
School District's covered payroll	\$ 22,977,880	\$ 23,155,338	\$ 22,943,949	\$ 22,247,263
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	6.16%	10.70%	(101.80)%	16.05%
Plan fiduciary net position as a percentage of the total pension liability (asset)	98.17%	98.57%	113.25%	97.76%
Discount Rate	6.95%	6.95%	6.95%	7.10%

Schedule of Contributions

	2024	2023	2022	2021
Contractually required contribution	\$ 2,242,291	\$ 2,364,424	\$ 2,269,223	\$ 2,186,558
Contributions in relation to the contractually required contribution	(2,242,291)	(2,364,424)	(2,269,223)	(2,186,558)
Contribution excess	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 22,974,288	\$ 22,977,880	\$ 23,155,338	\$ 22,943,949
Contributions as a percentage of covered payroll	9.76%	10.29%	9.80%	9.53%

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".

(2) The amounts presented for each fiscal year were determined as of the June 30 measurement date of the prior fiscal year.

(3) Increase in the School District's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

(4) Decrease in the School District's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net pension due to investment gains.

See independent auditors' report.

2020	2019	2018	2017	2016	2015
<u>0.129091%</u>	<u>0.130117%</u>	<u>0.130579%</u>	<u>0.134643%</u>	<u>0.137100%</u>	<u>0.136985%</u>
<u>\$ (3,353,780)</u>	<u>\$ (2,352,865)</u>	<u>\$ (992,530)</u>	<u>\$ 1,442,087</u>	<u>\$ (14,240,314)</u>	<u>\$ (15,259,247)</u>
<u>\$ 21,673,197</u>	<u>\$ 21,517,540</u>	<u>\$ 20,932,937</u>	<u>\$ 20,896,448</u>	<u>\$ 20,762,717</u>	<u>\$ 21,075,232</u>
<u>(15.47)%</u>	<u>(10.93)%</u>	<u>(4.74)%</u>	<u>6.90%</u>	<u>(68.59)%</u>	<u>(72.40)%</u>
<u>102.17%</u>	<u>101.53%</u>	<u>100.66%</u>	<u>99.01%</u>	<u>110.46%</u>	<u>111.48%</u>
<u>7.10%</u>	<u>7.25%</u>	<u>7.25%</u>	<u>7.50%</u>	<u>8.00%</u>	<u>8.00%</u>
2020	2019	2018	2017	2016	2015
<u>\$ 1,971,108</u>	<u>\$ 2,301,694</u>	<u>\$ 2,108,719</u>	<u>\$ 2,453,340</u>	<u>\$ 2,770,869</u>	<u>\$ 3,639,704</u>
<u>(1,971,108)</u>	<u>(2,301,694)</u>	<u>(2,108,719)</u>	<u>(2,453,340)</u>	<u>(2,770,869)</u>	<u>(3,639,704)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 22,247,263</u>	<u>\$ 21,673,197</u>	<u>\$ 21,517,540</u>	<u>\$ 20,932,937</u>	<u>\$ 20,896,448</u>	<u>\$ 20,762,717</u>
<u>8.86%</u>	<u>10.62%</u>	<u>9.80%</u>	<u>11.72%</u>	<u>13.26%</u>	<u>17.53%</u>

Carle Place Union Free School District, New York

Required Supplementary Information
New York State and Local Employees' Retirement System
Last Ten Fiscal Years (1)

Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset) (2)

	2024 (4)	2023 (3)	2022 (4)	2021 (3)
School District's proportion of the net pension liability (asset)	<u>0.0139956%</u>	<u>0.0145122%</u>	<u>0.0138556%</u>	<u>0.0145272%</u>
School District's proportionate share of the net pension liability (asset)	<u>\$ 2,060,726</u>	<u>\$ 3,111,995</u>	<u>\$ (1,132,634)</u>	<u>\$ 14,465</u>
School District's covered payroll	<u>\$ 5,853,012</u>	<u>\$ 5,534,935</u>	<u>\$ 5,255,882</u>	<u>\$ 5,230,624</u>
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	<u>35.21%</u>	<u>56.22%</u>	<u>-21.55%</u>	<u>0.28%</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	<u>93.88%</u>	<u>90.78%</u>	<u>103.65%</u>	<u>99.95%</u>
Discount Rate	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>

Schedule of Contributions

	2023	2023	2022	2021
Contractually required contribution				
Contributions in relation to the contractually required contribution	<u>\$ 687,656</u>	<u>\$ 590,531</u>	<u>\$ 817,275</u>	<u>\$ 744,353</u>
Contribution excess	<u>(687,656)</u>	<u>(590,531)</u>	<u>(817,275)</u>	<u>(744,353)</u>
School District's covered payroll	<u>\$ 6,697,007</u>	<u>\$ 5,327,605</u>	<u>\$ 5,287,927</u>	<u>\$ 5,274,889</u>
Contributions as a percentage of covered payroll	<u>10.27%</u>	<u>11.08%</u>	<u>15.46%</u>	<u>14.11%</u>

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".

(2) The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

(3) Increase in the School District's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

(4) Decrease in the School District's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

See independent auditors' report.

2020	2019	2018	2017	2016	2015
<u>0.0143941%</u>	<u>0.0147047%</u>	<u>0.0161608%</u>	<u>0.0156527%</u>	<u>0.0158927%</u>	<u>0.0164989%</u>
<u>\$ 3,811,638</u>	<u>\$ 1,041,873</u>	<u>\$ 521,582</u>	<u>\$ 1,470,762</u>	<u>\$ 2,550,823</u>	<u>\$ 557,373</u>
<u>\$ 5,286,331</u>	<u>\$ 4,908,614</u>	<u>\$ 5,154,133</u>	<u>\$ 5,434,994</u>	<u>\$ 5,028,323</u>	<u>\$ 4,859,338</u>
<u>72.10%</u>	<u>21.23%</u>	<u>10.12%</u>	<u>27.06%</u>	<u>50.73%</u>	<u>11.47%</u>
<u>86.39%</u>	<u>96.27%</u>	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>	<u>97.90%</u>
<u>6.80%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.50%</u>

2020	2019	2018	2017	2016	2015
<u>\$ 746,933</u>	<u>\$ 750,076</u>	<u>\$ 791,216</u>	<u>\$ 757,534</u>	<u>\$ 846,604</u>	<u>\$ 923,059</u>
<u>(746,933)</u>	<u>(750,076)</u>	<u>(791,216)</u>	<u>(757,534)</u>	<u>(846,604)</u>	<u>(923,059)</u>
<u>\$ 5,381,026</u>	<u>\$ 5,210,170</u>	<u>\$ 4,879,656</u>	<u>\$ 4,724,863</u>	<u>\$ 4,978,075</u>	<u>\$ 4,880,784</u>
<u>13.88%</u>	<u>14.40%</u>	<u>16.21%</u>	<u>16.03%</u>	<u>17.01%</u>	<u>18.91%</u>

(This page intentionally left blank)

Carle Place Union Free School District, New York

General Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
REVENUES					
Real property taxes	\$ 45,822,518	\$ 43,910,385	\$ 43,910,385	\$	\$ -
Other tax items	2,580,810	4,492,943	4,601,142		108,199
Charges for services	97,000	97,000	2,038,975		1,941,975
Use of money and property	91,620	91,620	918,281		826,661
Sale of property and compensation for loss	-	22,284	27,618		5,334
State aid	6,072,718	6,072,718	5,936,220		(136,498)
Federal aid	10,000	10,000	15,214		5,214
Miscellaneous	51,497	69,807	190,050		120,243
Total Revenues	54,726,163	54,766,757	57,637,885		2,871,128
EXPENDITURES					
Current					
General support					
Board of education	268,099	313,472	296,275	7,126	10,071
Central administration	347,150	356,329	346,091	-	10,238
Finance	785,427	788,860	769,538	-	19,322
Staff	326,281	263,100	212,795	3,542	46,763
Central services	4,678,390	4,909,767	4,257,792	67,142	584,833
Special items	518,496	563,525	561,337	-	2,188
Total General Support	6,923,843	7,195,053	6,443,828	77,810	673,415
Instruction					
Instruction, administration and improvement	2,692,346	2,934,458	2,831,741	6,098	96,619
Teaching - Regular school	15,089,659	15,299,096	14,657,640	3,628	637,828
Programs for students with disabilities	8,570,681	8,120,011	7,307,307	59,861	752,843
Occupational education	410,298	354,114	354,114	-	-
Instructional media	2,074,651	2,299,701	2,240,614	2,799	56,288
Pupil services	2,933,536	3,060,956	2,953,772	22,492	84,692
Total Instruction	31,771,171	32,068,336	30,345,188	94,878	1,628,270
Pupil transportation	2,468,809	2,538,538	2,430,046	11,215	97,277
Community services	37,550	37,550	33,851	-	3,699
Employee benefits	12,720,959	12,304,205	11,844,015	-	460,190
Debt service					
Principal	750,000	750,000	750,000	-	-
Interest	155,906	129,825	20,906	-	108,919
Total Expenditures	54,828,238	55,023,507	51,867,834	183,903	2,971,770
Excess (Deficiency) of Revenues Over Expenditures	(102,075)	(256,750)	5,770,051	(183,903)	5,842,898
OTHER FINANCING USES					
Transfers out	(160,000)	(1,177,317)	(1,127,317)	-	50,000
Net Change in Fund Balance	(262,075)	(1,434,067)	4,642,734	\$ (183,903)	\$ 5,892,898
FUND BALANCE					
Beginning of Year	262,075	1,434,067	16,383,470		
End of Year	\$ -	\$ -	\$ 21,026,204		

See independent auditors' report.

Carle Place Union Free School District, New York

General Fund

Schedule of Revenues Compared to Budget

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
REAL PROPERTY TAXES	<u>\$ 45,822,518</u>	<u>\$ 43,910,385</u>	<u>\$ 43,910,385</u>	<u>\$ -</u>
OTHER TAX ITEMS				
Payments in lieu of taxes	2,580,310	2,580,310	2,663,604	83,294
School tax relief reimbursement	-	1,912,133	1,912,133	-
Interest and penalties on real property taxes	<u>500</u>	<u>500</u>	<u>25,405</u>	<u>24,905</u>
	<u>2,580,810</u>	<u>4,492,943</u>	<u>4,601,142</u>	<u>108,199</u>
CHARGES FOR SERVICES				
Day school tuition	75,000	75,000	1,936,302	1,861,302
Continuing education tuition	<u>22,000</u>	<u>22,000</u>	<u>102,673</u>	<u>80,673</u>
	<u>97,000</u>	<u>97,000</u>	<u>2,038,975</u>	<u>1,941,975</u>
USE OF MONEY AND PROPERTY				
Earnings on investments	91,620	91,620	917,231	825,611
Rental of real property	<u>-</u>	<u>-</u>	<u>1,050</u>	<u>1,050</u>
	<u>91,620</u>	<u>91,620</u>	<u>918,281</u>	<u>826,661</u>
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sale of equipment	-	-	5,334	5,334
Insurance recoveries	<u>-</u>	<u>22,284</u>	<u>22,284</u>	<u>-</u>
	<u>-</u>	<u>22,284</u>	<u>27,618</u>	<u>5,334</u>

STATE AID

Basic formula	5,154,759	5,154,759	5,056,617	(98,142)
BOCES	810,563	810,563	728,424	(82,139)
Textbooks	107,396	107,396	59,166	(48,230)
Library aid	-	-	8,012	8,012
Legislative grant	-	-	1,000	1,000
Tuition - other	-	-	83,001	83,001
	<u>6,072,718</u>	<u>6,072,718</u>	<u>5,936,220</u>	<u>(136,498)</u>

FEDERAL AID

Medical assistance	<u>10,000</u>	<u>10,000</u>	<u>15,214</u>	<u>5,214</u>
--------------------	---------------	---------------	---------------	--------------

MISCELLANEOUS

Refund of prior year's expenditures	8,497	8,497	50,028	41,531
Refund of prior year's expenditures - BOCES	25,000	25,000	100,579	75,579
Other	<u>18,000</u>	<u>36,310</u>	<u>39,443</u>	<u>3,133</u>
	<u>51,497</u>	<u>69,807</u>	<u>190,050</u>	<u>120,243</u>

TOTAL REVENUES

<u>\$ 54,726,163</u>	<u>\$ 54,766,757</u>	<u>\$ 57,637,885</u>	<u>\$ 2,871,128</u>
----------------------	----------------------	----------------------	---------------------

See independent auditors' report.

Carle Place Union Free School District, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbr- ances</u>	<u>Variance with Final Budget</u>
GENERAL SUPPORT					
<i>BOARD OF EDUCATION</i>					
Board of education	\$ 241,475	\$ 260,522	\$ 243,985	\$ 7,126	\$ 9,411
District clerk	10,924	30,000	30,000	-	-
District meeting	15,700	22,950	22,290	-	660
	<u>268,099</u>	<u>313,472</u>	<u>296,275</u>	<u>7,126</u>	<u>10,071</u>
<i>CENTRAL ADMINISTRATION</i>					
Chief school administrator	<u>347,150</u>	<u>356,329</u>	<u>346,091</u>	<u>-</u>	<u>10,238</u>
<i>FINANCE</i>					
Business administration	522,470	588,170	568,848	-	19,322
Accounting and auditing	130,745	130,745	130,745	-	-
Treasurer	125,000	62,500	62,500	-	-
Purchasing	7,212	7,445	7,445	-	-
	<u>785,427</u>	<u>788,860</u>	<u>769,538</u>	<u>-</u>	<u>19,322</u>
<i>STAFF</i>					
Legal	53,958	53,610	45,017	3,542	5,051
Personnel	106,089	23,243	13,751	-	9,492
Records management officer	53,254	53,254	27,554	-	25,700
Public information and services	112,980	132,993	126,473	-	6,520
	<u>326,281</u>	<u>263,100</u>	<u>212,795</u>	<u>3,542</u>	<u>46,763</u>

CENTRAL SERVICES

Operation and maintenance of plant	<u>4,678,390</u>	<u>4,909,767</u>	<u>4,257,792</u>	<u>67,142</u>	<u>584,833</u>
------------------------------------	------------------	------------------	------------------	---------------	----------------

SPECIAL ITEMS

Unallocated insurance	317,897	350,625	348,437	-	2,188
-----------------------	---------	---------	---------	---	-------

Administrative charge - BOCES	<u>200,599</u>	<u>212,900</u>	<u>212,900</u>	<u>-</u>	<u>-</u>
-------------------------------	----------------	----------------	----------------	----------	----------

Total Special Items	<u>518,496</u>	<u>563,525</u>	<u>561,337</u>	<u>-</u>	<u>2,188</u>
---------------------	----------------	----------------	----------------	----------	--------------

Total General Support	<u>6,923,843</u>	<u>7,195,053</u>	<u>6,443,828</u>	<u>77,810</u>	<u>673,415</u>
-----------------------	------------------	------------------	------------------	---------------	----------------

INSTRUCTION**INSTRUCTION, ADMINISTRATION
AND IMPROVEMENT**

Curriculum development and supervision	311,920	317,238	316,498	-	740
--	---------	---------	---------	---	-----

Supervision - Regular school	2,106,016	2,338,438	2,237,285	6,098	95,055
------------------------------	-----------	-----------	-----------	-------	--------

Supervision - Special schools	<u>274,410</u>	<u>278,782</u>	<u>277,958</u>	<u>-</u>	<u>824</u>
-------------------------------	----------------	----------------	----------------	----------	------------

Total Instruction, Administration and Improvement	<u>2,692,346</u>	<u>2,934,458</u>	<u>2,831,741</u>	<u>6,098</u>	<u>96,619</u>
--	------------------	------------------	------------------	--------------	---------------

TEACHING - REGULAR SCHOOL	<u>15,089,659</u>	<u>15,299,096</u>	<u>14,657,640</u>	<u>3,628</u>	<u>637,828</u>
----------------------------------	-------------------	-------------------	-------------------	--------------	----------------

**PROGRAMS FOR STUDENTS
WITH DISABILITIES**

	<u>8,570,681</u>	<u>8,120,011</u>	<u>7,307,307</u>	<u>59,861</u>	<u>752,843</u>
--	------------------	------------------	------------------	---------------	----------------

OCCUPATIONAL EDUCATION

	<u>410,298</u>	<u>354,114</u>	<u>354,114</u>	<u>-</u>	<u>-</u>
--	----------------	----------------	----------------	----------	----------

INSTRUCTIONAL MEDIA

School library and audiovisual	769,629	784,368	760,371	2,159	21,838
--------------------------------	---------	---------	---------	-------	--------

Computer assisted instruction	<u>1,305,022</u>	<u>1,515,333</u>	<u>1,480,243</u>	<u>640</u>	<u>34,450</u>
-------------------------------	------------------	------------------	------------------	------------	---------------

Total Instructional Media	<u>2,074,651</u>	<u>2,299,701</u>	<u>2,240,614</u>	<u>2,799</u>	<u>56,288</u>
---------------------------	------------------	------------------	------------------	--------------	---------------

(Continued)

Carle Place Union Free School District, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
INSTRUCTION (Continued)					
<i>PUPIL SERVICES</i>					
Guidance - Regular school	\$ 864,534	\$ 903,153	\$ 860,703	\$ 28	\$ 42,422
Health services - Regular school	393,239	401,328	359,961	22,000	19,367
Psychological services - Regular school	540,393	554,665	545,424	-	9,241
Social work services - Regular school	132,008	133,853	132,903	-	950
Co-curricular activities - Regular school	217,395	209,824	208,032	-	1,792
Interscholastic athletics - Regular school	785,967	858,133	846,749	464	10,920
Total Pupil Services	2,933,536	3,060,956	2,953,772	22,492	84,692
Total Instruction	31,771,171	32,068,336	30,345,188	94,878	1,628,270
PUPIL TRANSPORTATION					
District transportation services	89,068	88,089	70,277	11,215	6,597
Contract and public carrier transportation	2,379,741	2,450,449	2,359,769	-	90,680
Total Pupil Transportation	2,468,809	2,538,538	2,430,046	11,215	97,277
COMMUNITY SERVICES					
Community recreation	37,550	37,550	33,851	-	3,699
EMPLOYEE BENEFITS					
State retirement	690,571	690,571	690,571	-	-
Teachers' retirement	2,328,779	2,328,779	2,229,961	-	98,818
Social security	2,323,016	2,323,016	2,180,070	-	142,946
Hospital, medical and dental insurance	6,685,946	6,269,192	6,109,464	-	159,728
Workers' compensation benefits	255,000	255,000	229,897	-	25,103
Union welfare benefits	386,081	386,081	374,373	-	11,708
Other employee benefits	51,566	51,566	29,679	-	21,887
Total Employee Benefits	12,720,959	12,304,205	11,844,015	-	460,190

DEBT SERVICE

Principal

Serial bonds	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>-</u>	<u>-</u>
--------------	----------------	----------------	----------------	----------	----------

Interest

Serial bonds	20,906	20,906	20,906	-	-
Tax anticipation note	<u>135,000</u>	<u>108,919</u>	<u>-</u>	<u>-</u>	<u>108,919</u>
	<u>155,906</u>	<u>129,825</u>	<u>20,906</u>	<u>-</u>	<u>108,919</u>

Total Debt Service	<u>905,906</u>	<u>879,825</u>	<u>770,906</u>	<u>-</u>	<u>108,919</u>
--------------------	----------------	----------------	----------------	----------	----------------

TOTAL EXPENDITURES	<u>54,828,238</u>	<u>55,023,507</u>	<u>51,867,834</u>	<u>183,903</u>	<u>2,971,770</u>
---------------------------	-------------------	-------------------	-------------------	----------------	------------------

OTHER FINANCING USES

Transfers out

Capital Projects Fund	-	880,600	880,600	-	-
Special Aid Fund	110,000	245,080	245,080	-	-
School Lunch Fund	<u>50,000</u>	<u>51,637</u>	<u>1,637</u>	<u>-</u>	<u>50,000</u>

TOTAL OTHER FINANCING USES	<u>160,000</u>	<u>1,177,317</u>	<u>1,127,317</u>	<u>-</u>	<u>50,000</u>
-----------------------------------	----------------	------------------	------------------	----------	---------------

TOTAL EXPENDITURES AND OTHER FINANCING USES	<u><u>\$ 54,988,238</u></u>	<u><u>\$ 56,200,824</u></u>	<u><u>\$ 52,995,151</u></u>	<u><u>\$ 183,903</u></u>	<u><u>\$ 3,021,770</u></u>
--	-----------------------------	-----------------------------	-----------------------------	--------------------------	----------------------------

See independent auditors' report.

Carle Place Union Free School District, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project Through June 30, 2024

PROJECT	Authorization	Expenditures and Transfers to Date		
		Prior Years	Current Year	Total
High School Synthetic Turf Fields	\$ 3,028,158	\$ 3,008,269	\$ -	\$ 3,008,269
Approved Smart Bond Projects	424,129	412,771	-	412,771
High School Multi-Purpose Room Addition	1,647,844	1,620,086	-	1,620,086
Cherry Lane Electrical Upgrades	59,702	42,956	-	42,956
High School Electrical Upgrades	470,844	413,806	-	413,806
High School Track Resurfacing	650,841	645,410	-	645,410
High School Interior Door Replacements	117,767	-	-	-
Cherry Lane Crawl Space Abatement	547,404	521,872	-	521,872
District-Wide Abatements	284,688	147,765	-	147,765
District-Wide Radio System	75,000	68,189	-	68,189
Rushmore Classroom Abatements Phase No.3	2,618,633	2,524,602	-	2,524,602
Rushmore Classroom Abatements Phase No.5	1,403,828	1,346,394	-	1,346,394
Rushmore Classroom Abatements Phase No.6	2,015,475	1,824,053	2,367	1,826,420
District-Wide Security HVAC	104,249	95,743	-	95,743
District-Wide Security Improvements	926,045	847,606	2,010	849,616
District-Wide Security HVAC	103,845	43,970	-	43,970
High School Electric Switchgear Relocation	438,311	431,571	-	431,571
Generator Fuel Oil Tank Alarm Controls	39,670	34,216	-	34,216
Separation of Interior Sewer Main/New Sewer	172,157	108,793	-	108,793
Cherry Lane Façade Phase 1 - Structural Columns	480,000	348,685	-	348,685
Cherry Lane Façade Phase 2	1,663,173	1,495,465	-	1,495,465
Cherry Lane Façade Phase 3	2,293,170	2,049,790	91,169	2,140,959
Rushmore Roof Overlay	483,858	451,025	13,500	464,525
Middle and High School Masonry and Softball Field	222,807	222,807	-	222,807
Rushmore Classroom Abatements-Phase 7	1,705,762	32,839	1,466,256	1,499,095
CL Gym Roof/Ceiling/Lighting Replacement	345,978	27,041	413,957	440,998
MSHS Unit Ventilator Replacement Phase I	1,202,638	-	-	-
HS Auditorium HVAC	136,400	-	-	-
MSHS Fire Alarm Upgrades Phase 1	140,200	-	-	-
RU Partial Roofing Replacement - Gym/Library	464,000	-	4,100	4,100
HSHS Exterior Restrooms	140,000	-	-	-
	<u>\$ 24,406,576</u>	<u>\$ 18,765,724</u>	<u>\$ 1,993,359</u>	<u>\$ 20,759,083</u>

See independent auditors' report.

Unexpended Balance	Methods of Financing		Total	Fund Balance (Deficit) at June 30, 2024
	Transfers in	State and Federal Aid		
\$ 19,889	\$ 3,028,158	\$ -	\$ 3,028,158	\$ 19,889
11,358	-	374,275	374,275	(38,496)
27,758	1,647,844	-	1,647,844	27,758
16,746	59,702	-	59,702	16,746
57,038	470,844	-	470,844	57,038
5,431	650,834	-	650,834	5,424
117,767	117,767	-	117,767	117,767
25,532	547,404	-	547,404	25,532
136,923	284,688	-	284,688	136,923
6,811	75,000	-	75,000	6,811
94,031	2,618,633	-	2,618,633	94,031
57,434	1,403,828	-	1,403,828	57,434
189,055	2,015,475	-	2,015,475	189,055
8,506	104,249	-	104,249	8,506
76,429	926,045	-	926,045	76,429
59,875	103,845	-	103,845	59,875
6,740	438,311	-	438,311	6,740
-	39,670	-	39,670	5,454
63,364	172,157	-	172,157	63,364
131,315	368,393	-	368,393	19,708
167,708	1,663,173	-	1,663,173	167,708
152,211	2,293,170	-	2,293,170	152,211
19,333	483,858	-	483,858	19,333
-	222,807	-	222,807	-
206,667	1,705,762	-	1,705,762	206,667
(95,020)	345,978	-	345,978	(95,020)
1,202,638	1,202,638	-	1,202,638	1,202,638
136,400	136,400	-	136,400	136,400
140,200	140,200	-	140,200	140,200
459,900	464,000	-	464,000	459,900
140,000	140,000	-	140,000	140,000
<u>\$ 3,642,039</u>	<u>\$ 23,870,833</u>	<u>\$ 374,275</u>	<u>\$ 24,245,108</u>	<u>\$ 3,486,025</u>

Carle Place Union Free School District, New York

Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

	School Lunch	Special Purpose	Total Non-Major Governmental Funds
ASSETS			
Cash and equivalents	\$ 31,650	\$ 232,695	\$ 264,345
Receivables			
Due from other funds	234,746	-	234,746
Inventories	9,242	-	9,242
Total Assets	<u>\$ 275,638</u>	<u>\$ 232,695</u>	<u>\$ 508,333</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 387	\$ -	\$ 387
Accrued liabilities	2,717	5	2,722
Due to other funds	62,917	-	62,917
Unearned revenues	45,066	-	45,066
Total Liabilities	<u>111,087</u>	<u>5</u>	<u>111,092</u>
Fund balances			
Nonspendable	9,242	-	9,242
Restricted	-	232,690	232,690
Assigned	155,309	-	155,309
Total Fund Balances	<u>164,551</u>	<u>232,690</u>	<u>397,241</u>
Total Liabilities and Fund Balances	<u>\$ 275,638</u>	<u>\$ 232,695</u>	<u>\$ 508,333</u>

See independent auditors' report.

Carle Place Union Free School District, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended June 30, 2024

	School Lunch	Special Purpose	Total Non-Major Governmental Funds
REVENUES			
Use of money and property	\$ 2,377	\$ -	\$ 2,377
State aid	4,625	-	4,625
Federal aid	175,292	-	175,292
Food sales	321,651	-	321,651
Miscellaneous	2,259	127,772	130,031
Total Revenues	506,204	127,772	633,976
EXPENDITURES			
Current			
Cost of food sales	516,147	-	516,147
Other	-	150,654	150,654
Total Expenditures	516,147	150,654	666,801
Deficiency of Revenues Over Expenditures	(9,943)	(22,882)	(32,825)
OTHER FINANCING SOURCES			
Transfers in	1,637	-	1,637
Net Change in Fund Balances	(8,306)	(22,882)	(31,188)
FUND BALANCES			
Beginning of Year	172,857	255,572	428,429
End of Year	\$ 164,551	\$ 232,690	\$ 397,241

See independent auditors' report.

Carle Place Union Free School District, New York

General Fund

Analysis of Change from Adopted Budget to Final Budget

Year Ended June 30, 2024

Adopted Budget	\$ 54,726,163
Additions	
Encumbrances	<u>262,075</u>
Original Budget	54,988,238
Budget Amendments	<u>1,212,586</u>
Final Budget	<u><u>\$ 56,200,824</u></u>

General Fund

Section 1318 of Real Property Tax Law Limit Calculation

2024-25 Expenditure Budget	<u>\$ 57,186,018</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	
Unrestricted fund balance	
Assigned fund balance	\$ 183,903
Unassigned fund balance	<u>2,287,441</u>
Total Unrestricted Fund Balance	2,471,344
Less	
Encumbrances	<u>183,903</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 2,287,441</u></u>
Actual Percentage	<u><u>4.00%</u></u>

See independent auditors' report.

Carle Place Union Free School District, New York

Schedule of Net Investment in Capital Assets
Year Ended June 30, 2024

Capital Assets, net	<u>\$ 35,291,611</u>
Add	
Unamortized portion of loss on refunding bonds	17,461
Less	
Bonds payable	(765,000)
Unamortized portion of premium on refunding bonds	<u>(12,674)</u>
	<u>(777,674)</u>
Net Investment in Capital Assets	<u><u>\$ 34,531,398</u></u>

See independent auditors' report.

(This page intentionally left blank)

**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**

Independent Auditors' Report

**The Board of Education of
Carle Place Union Free School District, New York**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Carle Place Union Free School District, New York ("School District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 2, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

October 2, 2024

**Report on Compliance For Each Major Federal Program and Report
on Internal Control Over Compliance Required by
the Uniform Guidance**

Independent Auditors' Report

**The Board of Education of the
Carle Place Union Free School District, New York**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

October 2, 2024

Carle Place Union Free School District, New York

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Provided to Sub- Recipients</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>				
Indirect Programs - Passed through New York State Department of Education				
<i>Child Nutrition Cluster</i>				
National School Lunch Program - Commodities	10.555	N/A	\$ -	\$ 39,140
National School Lunch Program - Cash	10.555	N/A	-	140,017
Total U.S. Department of Agriculture			-	179,157
<u>U.S. Department of Education</u>				
Indirect Programs - Passed through New York State Department of Education				
Title I Grants to Local Educational Agencies	84.010	0021-23-1665	-	17,831
Title I Grants to Local Educational Agencies	84.010	0021-24-1665	-	103,697
			-	121,528
<i>Special Education Cluster (IDEA)</i>				
Special Education - Grants to States	84.027	032-24-0456	-	323,600
Special Education - Preschool Grants	84.173	033-24-0456	-	14,475
Total Special Education Cluster			-	338,075
Title III, Part A, LEP, Immigration	84.365	0149-23-1665	-	6,658
Title III, Part A, LEP, Immigration	84.365	0293-23-1665	-	1,320
English Language Acquisition State Grants	84.365	0293-24-1665	-	1,168
			-	9,146
Supporting Effective Instruction State Grants	84.367	0147-23-1665	-	21,850
Supporting Effective Instruction State Grants	84.367	0147-24-1665	-	16,529
			-	38,379
Title IV grants to Local Educational Agencies	84.424	0204-23-1665		6,393
Title IV grants to Local Educational Agencies	84.424	0204-24-1665		8,946
			-	15,339
Elementary and Secondary School Emergency Relief (ESSER) Fund (CRRSA)	84.425D	5891-21-1665	-	119,541
American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	5880-21-1665	-	258,107
			-	377,648
Total U.S. Department of Education			-	900,115
Total Expenditures of Federal Awards			\$ -	\$ 1,079,272

N/A - Information not available.

The accompanying notes are an integral part of this schedule.

Carle Place Union Free School District, New York

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards ("Schedule") includes the federal award activity of the Carle Place Union Free School District, New York ("School District") under programs of the federal government for the year ended June 30, 2024. Federal awards received directly from the Federal agencies as well as Federal awards passed through other government agencies are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the School District.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

Note 3 - Indirect Cost Rate

The School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Carle Place Union Free School District, New York

Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

____ Yes X No
____ Yes X None reported

Noncompliance material to financial statements noted?

____ Yes X No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

____ Yes X No
____ Yes X None reported

Type of auditors' report issued on compliance for major federal programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

____ Yes X No

Identification of major federal programs:

Assistance

Listing Number(s)

Name of Federal Program or Cluster

84.425D

Elementary and Secondary School Emergency Relief (ESSER) Fund (CRRSA)

84.425U

American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER)

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

 X Yes ____ No

Carle Place Union Free School District, New York

Schedule of Findings and Questioned Costs (Concluded)
Year Ended June 30, 2024

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None