

**Edgemont Union Free
School District, New York**

Financial Statements and
Supplementary Information

Year Ended June 30, 2025

Edgemont Union Free School District, New York

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Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the School District, as of June 30, 2025, and the respective changes in financial position 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.

Change in Accounting Policy

We draw attention to Note 2D in the notes to financial statements which disclose the effects of the School District's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 101, "*Compensated Absences*". Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our 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 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 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2025 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

September 26, 2025

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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 the Edgemont 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 Edgemont Union Free School District, New York ("School District") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated September 26, 2025.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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

September 26, 2025

Edgemont Union Free School District, New York

Management's Discussion and Analysis (MD&A)
June 30, 2025

Introduction

Our discussion and analysis of the financial performance of the Edgemont Union Free School District, New York ("School District") provides an overview of the School District's financial activities for the year ended June 30, 2025 (FY 2025). To enhance understanding of the School District's financial performance, it should be read in conjunction with the basic financial statements, which immediately follow this section.

The 2024-2025 financial statements reflect the School District's continued commitment to strong financial and operational management. The Board of Education and the administration believe that maintaining a fund balance at the statutory limit and funding reserves, when possible, contributes to this strong financial position.

Executive Summary

In FY 2025, the School District strengthened its reserves, managed expenditures below budget, and received continued strong support from the community on its planned budget. While long-term OPEB obligations drive a negative accounting net position, the District remains fiscally sound, with \$39.4 million in fund balances, inclusive of \$14.4 million in the Capital Fund, a stable tax base, and strong planning for future capital needs.

Financial Highlights

Key financial highlights for fiscal year 2025 are as follows:

- The total fund balance (nonspendable, restricted, assigned and unassigned) of the General Fund increased by \$2,561,662 to \$23,455,957, primarily due to stronger revenues and savings in salaries, benefits, and special education placements.
- New York State Law limits the amount of committed, assigned and unassigned fund balance, exclusive of encumbrances and amounts assigned for the subsequent year's budget, which can be retained by the General Fund to 4% of the ensuing year's budget. At the end of the current fiscal year, this amount for the General Fund was \$2,959,604 or 4% of the 2025-2026 school district budget.
- The Board of Education approved resolutions that permitted the School District to place 2024-2025 budget surpluses referenced above in its restricted fund balances in following distribution, resulting in reserves that are fully funded or at healthy levels.
 - Capital Reserve - \$770,296
 - Liability Reserve - \$500,000
 - Tax Certiorari Reserve - \$486,102
 - ERS Reserve - \$200,000
 - TRS Reserve - \$103,195
 - Employee Benefit Accrued Liability Reserve (EBALR) - \$3,588

- The 2025-2026 budget calls for the planned appropriation of \$1,456,338 of existing fund balance to offset the tax levy.
- As of the end of the 2024-2025 fiscal year, the School District's governmental fund financial statements report a combined ending fund balance of \$39,382,765.
- The fund balance in the Special Purpose Fund was \$241,729. This balance is the result of generous donations from the PTSA, the PTA, Edgemont Recreation, the Edgemont School Foundation, and members of the Edgemont community.
- On the district-wide financial statements, the liabilities and deferred inflows of resources of the School District exceeded the assets and deferred outflows of resources at the close of its most recent fiscal year by \$41,892,432 (deficit net position – a non-cash, actuarial liability). This is primarily the result of the School District's implementation of the provisions of the Governmental Accounting Standards Board ("GASB") Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("OPEB")*." This statement addresses accounting and financial reporting for OPEB by establishing standards for recognizing and measuring liabilities, deferred outflows/inflows of resources and expenses/expenditures. This statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to the periods of employee service. For the year ending June 30, 2025, the School District's OPEB liabilities of \$97,471,277 are reflected as a liability on the district-wide Statement of Net Position and, thus, negatively 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 3D in the notes to the financial statements.
- The district-wide financial statements for the year ended June 30, 2025 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 ERS and the 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 the municipalities and school districts in the plan. On June 30, 2025, the School District reported in its Statement of Net Position a liability of \$2,699,512 for its proportionate share of the ERS net pension liability and an asset of \$4,468,495 for its proportionate share of the TRS net pension asset. 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 3D in the notes to financial statements.
- The School District retired \$875,000 of previously issued bonded indebtedness and \$306,365 of energy performance contract debt. Additionally, the School District issued \$11,485,000 in new bonded indebtedness to support the ongoing 2024 Capital Bond projects.
- The School District reviewed the provisions of GASB Statement No. 101, "Compensated Absences" and its impact on the financial statements for the fiscal year ended June 30, 2025. As a result, the School District reported a cumulative effect of change in accounting principle to the July 1, 2024 net position of governmental activities of \$(1,229,997).

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 financial statements. This report also contains individual fund financial 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 the School District's assets, liabilities and deferred inflows/outflows of resources, with the difference 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.
- The *governmental* activities of the School District include instruction, pupil transportation, cost of food sales, interest, other and general administrative support.

The district-wide financial statements can be found on the 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 a comparison between *governmental funds* and *governmental activities*.

- The School District maintains six individual governmental funds: General Fund, Special Aid Fund, School Lunch Fund, Special Purpose Fund, Debt Service Fund and Capital Projects 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 Fund, Special Aid Fund and the Capital Projects Fund, which are considered to be major funds. Data for the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.
- The School District adopts an annual budget for its General Fund. A budgetary comparison statement has been provided within the basic financial statements for the General Fund (major fund) to demonstrate compliance with the respective budget.
- The *Fiduciary Funds* are used to account for assets held by the School District in an agency capacity on behalf of others. Fiduciary funds are not reflected in the district-wide financial statement because the resources of these funds are *not* available to support the School District's programs. 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 funds can be found in the basic financial statements section of this report.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to 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 obligations, the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

District-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the School District's financial position. For the Edgemont Union Free School District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$41,892,432 for the year ending June 30, 2025.

Net Position

	June 30,	
	2025	2024
Current Assets	\$ 49,309,516	\$ 29,808,683
Capital Assets, net	39,703,239	40,168,369
Total Assets	89,012,755	69,977,052
Deferred Outflows of Resources	18,056,204	22,123,983
Current Liabilities	5,603,481	4,800,766
Long-term Liabilities	120,084,714	116,435,251
Total Liabilities	125,688,195	121,236,017
Deferred Inflows of Resources	23,273,196	12,384,743
Net Position		
Net Investment in Capital Assets	32,762,348	32,721,462
Restricted		
Capital Projects	2,905,990	3,154,925
Future Capital Projects	4,728,278	4,276,242
Tax Certiorari	6,140,853	5,553,239
ERS Retirement Contributions	3,735,460	3,638,442
TRS Retirement Contributions	2,859,604	2,650,393
Property Loss and Liability	500,000	-
Special Purposes	241,729	301,697
Debt Service	1,244,987	558,010
Unrestricted	(97,011,681)	(94,374,135)
Total Net Position	\$ (41,892,432)	\$ (41,519,725)

By far the largest component of the School District's net position reflects its investment in capital assets, less any related outstanding debt used to acquire those assets. 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 \$22,356,901 of net position and are comprised of amounts restricted for specific purposes (i.e., payments of tax certiorari claims, debt service, etc.). There is a negative balance of unrestricted net position of \$97,011,681 primarily a result of the recognition of the OPEB liabilities. Overall, net position decreased by \$372,707 predominantly from the

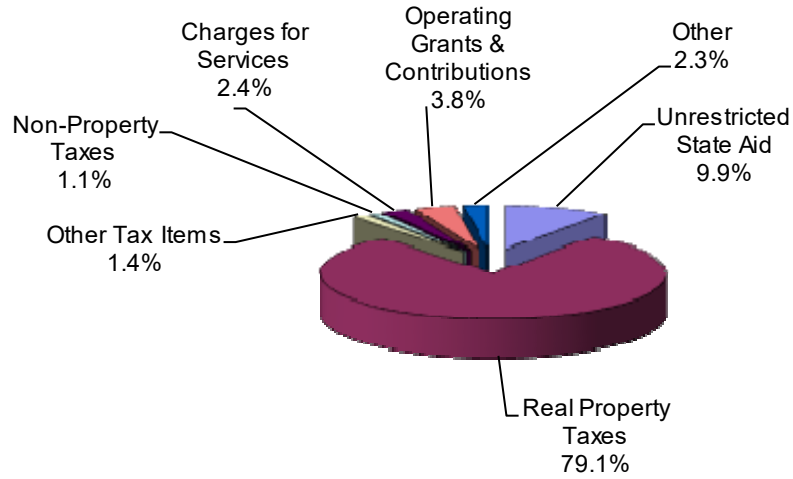
recording of an increase in the net pension liabilities caused by the change in the market performance of the pension trust funds and the adoption of GASB Statement No. 101. See Note 3D in the notes to financial statements for a more detailed discussion.

Changes in Net Position

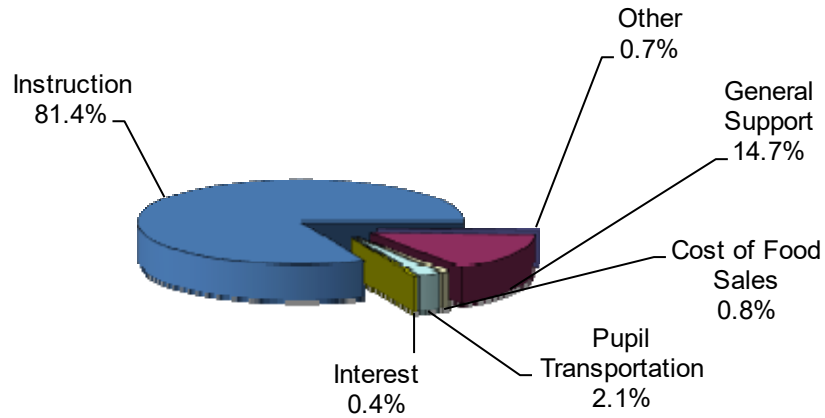
	<u>2025</u>	<u>2024</u>
REVENUES		
Program Revenues		
Charges for Services	\$ 1,827,967	\$ 1,516,182
Operating Grants and Contributions	2,867,367	2,232,566
Capital Grants and Contributions	371,879	110,869
Total Program Revenues	<u>5,067,213</u>	<u>3,859,617</u>
General Revenues		
Real Property Taxes	60,086,161	57,657,580
Other Tax Items	1,047,227	1,153,640
Non-Property Taxes	829,260	861,282
Unrestricted Use of Money and Property	1,018,255	815,096
Sale of Property and Compensation for Loss	23,490	
Unrestricted State Aid	7,517,675	8,122,796
Miscellaneous	350,950	547,518
Total General Revenues	<u>70,873,018</u>	<u>69,157,912</u>
Total Revenues	<u>75,940,231</u>	<u>73,017,529</u>
PROGRAM EXPENSES		
General Support	11,008,315	10,364,958
Instruction	61,013,018	60,406,808
Pupil Transportation	1,540,175	1,191,291
Cost of Food Sales	578,408	567,818
Other	656,972	677,328
Interest	286,053	194,554
Total Expenses	<u>75,082,941</u>	<u>73,402,757</u>
Change in Net Position	<u>857,290</u>	<u>(385,228)</u>
NET POSITION		
Beginning	(41,519,725)	(41,134,497)
Cumulative Effect of Change in Accounting Principle	(1,229,997)	-
Beginning, as Restated	<u>(42,749,722)</u>	<u>(41,134,497)</u>
Ending	<u>\$ (41,892,432)</u>	<u>\$ (41,519,725)</u>

As indicated on the following graphs, unrestricted state aid provided only 9.9% of total revenue in 2024-2025. Real property taxes (excluding the STAR program reimbursement) are the School District's main source of revenue (79.1%). Instruction costs account for 81.3% of the School District's expenses.

Sources of Revenue for Fiscal Year 2025 Governmental Activities



Expenses for Fiscal year 2025 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.

As of the end of the current fiscal year, the School District's governmental funds reported combined fund balances of \$39,382,765, an increase of \$14,368,446 from the prior year.

Of this amount, \$26,136 is in non-spendable form representing prepaid expenditures, while \$34,028,817 is restricted for various purposes (\$6,140,653 for tax certiorari obligations, \$6,595,064 for retirement system obligations (both ERS and TRS), \$1,244,987 for debt service purposes, \$221,040 for EBALR, \$241,729 for special purposes, \$4,728,278 for future capital projects, \$14,356,866 for capital projects and \$500,000 for future liability claims). Another \$2,368,030 of the total fund balance is assigned to fund purchases on order (\$854,345), school lunch fund purposes (\$57,347), and to be applied to the 2025-2026 budget to offset the tax obligation (\$1,456,338). The remainder of the total fund balance of \$2,959,782 represents the unassigned fund balance. This amount is in the General Fund and is available for use at the School District's discretion.

The General Fund is the primary operating fund of the School District. Revenues were \$2,206,900 greater than the amount contained in the final budget. Revenues received in excess of the budget include, but are not limited to:

- Interest Earnings (Δ \$978,922)
- Miscellaneous Revenues, including a death benefit bequeathed to the District (Δ \$226,804)
- Tuition Received (Δ \$426,155)
- State Aid (Δ \$414,340)
- Rental of Properties (Δ \$108,690)

Expenditures and other financing uses were \$2,085,162 less than the final budget. The savings occurred due to non-realized expenses when compared to the budget in the following areas due to operational efficiencies, personnel management, and unrealized personnel and student placement contingencies:

- Salaries (Δ - \$346,256)
- Programs – Students with Disabilities (Δ - \$529,934)
- Employee Benefits (Δ - \$345,342)

Capital Assets

On June 30, 2025, the School District had \$39,703,239 net of accumulated depreciation invested in a broad range of capital assets, including land, construction-in-progress, buildings and improvements, and machinery and equipment. The change in capital assets, net of accumulated depreciation, is reflected below.

Class	June 30,	
	2025	2024
Land	\$ 447,447	\$ 447,447
Construction-in-Progress	2,550,747	2,207,446
Buildings and Improvements	36,229,291	37,130,486
Machinery and Equipment	475,754	382,990
Total Capital Assets, net of accumulated depreciation	\$ 39,703,239	\$ 40,168,369

The change in capital assets during the current fiscal year is the result of the ongoing costs associated with various district-wide improvement projects.

More detailed information about the School District's capital assets is presented in Note 3B in the notes to financial statements.

Long-Term Debt

On June 30, 2025, the School District had \$119,443,489 in general obligation and other long-term debt outstanding as follows:

	2025	2024
Bonds Payable, net	\$ 17,851,225	\$ 6,600,000
Energy Performance Contract Payable	540,542	846,907
Compensated Absences	1,522,158	213,298
Net Pension Liability	2,699,512	3,967,094
Other Post Employment Benefit Obligations	97,471,277	104,807,951
Total	\$ 120,084,714	\$ 116,435,250

The School District's other postemployment benefit obligation was recorded in accordance with the provisions of GASB Statement No. 75. This liability will continue to grow as the School District is permitted at this time by New York State only to fund its pay-as-you-go obligations for health insurance.

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

Future Considerations

The Edgemont School District is committed to providing an excellent education in a fiscally responsible way by collaborating with the community. This is accomplished through both strategic and tactical planning. Reserves and stable tax rates create capacity for strategic curriculum and capital investments.

In the 2024-2025 school year, the District updated its District Goals, which the financial operations of the District are to support. These goals are:

1. The District will provide a rigorous, expansive and accessible curriculum by integrating innovative instructional practices and technologies in order to optimize a dynamic student-centered learning experience.
2. The District will be a cornerstone of collaboration with all stakeholders, including students, to enhance educational outcomes and augment student support systems. We will cultivate strong community partnerships that reflect the District's diversity, uphold shared values and beliefs, and create a cohesive network dedicated to advancing student success and well-being.
3. The District supports the holistic development of each student. By focusing on the educational, social emotional, and character-building qualities outlined in the Profile of an Edgemont Graduate, we empower students to pursue any aspiration with confidence, resilience, and purpose.

The School District consistently receives community support in the annual school budget elections with an average proportion of affirmative votes of 81% over the last fifteen years. Additionally, on October 7, 2025, the community passed a new \$62,071,470 expenditure plan to support capital improvements district wide. Additional considerations for further capital work, including addressing access roads and parking lots are being contemplated at the community and Board level which may result in future bond referenda.

The Board and administration are committed to managing the stability of the tax-rate increases over time. As a district, we endeavor to maintain an unassigned fund balance no less than statutory limit of 4% while ensuring substantial reserves exist to address unanticipated needs/expenditures and to manage future budgetary increases.

The challenge of providing a fiscally responsible budget will continue to require effective and efficient management of School District resources. Business office staff members continue to monitor the fiscal health of the school district through analyses of monthly financial reports and the utilization of various audits in addition to thinking creatively about how to meet the needs of the students more effectively and efficiently. The Edgemont Union Free School District is committed to educational excellence, collaboration, and fiscal discipline.

Requests for Information

This financial report is designed to provide a general overview of 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:

Edgemont Union Free School District
Attn: Bryan A. Paul
Assistant Superintendent for Administration & Business
300 White Oak Lane
Scarsdale, New York 10583

Edgemont Union Free School District, New York

Statement of Net Position
June 30, 2025

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 17,473,192
Investments	25,272,697
Receivables	
Accounts	68,164
State and Federal aid	1,260,828
Due from other governments	740,004
Prepaid expenses	26,136
Net pension asset - TRS	4,468,495
Capital assets	
Not being depreciated	2,998,194
Being depreciated, net	36,705,045
Total Assets	<u>89,012,755</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	12,505,853
OPEB related	5,550,351
Total Deferred Outflows of Resources	<u>18,056,204</u>
LIABILITIES	
Accounts payable	1,344,544
Accrued liabilities	419,914
Due to other governments	209
Unearned revenues	2,894
Due to retirement systems	3,690,695
Accrued interest payable	145,225
Non-current liabilities	
Due within one year	5,173,931
Due in more than one year	114,910,783
Total Liabilities	<u>125,688,195</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related	5,575,153
OPEB related	17,698,043
Total Deferred Inflows of Resources	<u>23,273,196</u>
NET POSITION	
Net investment in capital assets	32,762,348
Restricted	
Capital projects	2,905,990
Future capital projects	4,728,278
Tax certiorari	6,140,853
ERS retirement contributions	3,735,460
TRS retirement contributions	2,859,604
Property loss and liability	500,000
Special purposes	241,729
Debt service	1,244,987
Unrestricted	(97,011,681)
Total Net Position	<u>\$ (41,892,432)</u>

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

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Edgemont Union Free School District, New York

Statement of Activities

For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General support	\$ 11,008,315	\$ 258,690	\$ 307,916	\$ -	\$ (10,441,709)
Instruction	61,013,018	1,022,951	1,894,063	350,000	(57,746,004)
Pupil transportation	1,540,175	-	-	-	(1,540,175)
Cost of food sales	578,408	546,326	4,536	-	(27,546)
Other	656,972	-	660,852	-	3,880
Interest	286,053	-	-	21,879	(264,174)
Total Governmental Activities	75,082,941	1,827,967	2,867,367	371,879	(70,015,728)
General revenues					
Real property taxes					60,086,161
Other tax items					
School tax relief reimbursement					1,047,227
Non-property taxes					
Non-property tax distribution from County					829,260
Unrestricted use of money and property					1,018,255
Sale of property and compensation for loss					23,490
Unrestricted State aid					7,517,675
Miscellaneous					350,950
Total General Revenues					70,873,018
Change in Net Position					857,290
NET POSITION					
Beginning, as reported					(41,519,725)
Cumulative Effect of Change in Accounting Principle					(1,229,997)
Beginning, as restated					(42,749,722)
Ending					\$ (41,892,432)

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

Edgemont Union Free School District, New York

Balance Sheet
 Governmental Funds
 June 30, 2025

	General	Special Aid	Capital Projects
ASSETS			
Cash and equivalents	\$ 376,182	\$ 410,718	\$ 15,760,036
Investments	25,272,697	-	-
Receivables			
Accounts	68,164	-	-
State and Federal aid	760,113	500,715	-
Due from other governments	717,050	22,954	-
Due from other funds	1,314,187	-	-
Prepaid expenditures	257	-	-
	<u>28,508,650</u>	<u>934,387</u>	<u>15,760,036</u>
Total Assets	<u>\$ 28,508,650</u>	<u>\$ 934,387</u>	<u>\$ 15,760,036</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 1,011,288	\$ -	\$ 311,127
Accrued liabilities	347,816	3,537	68,561
Due to other funds	-	930,850	1,023,482
Due to other governments	-	-	-
Unearned revenues	2,894	-	-
Due to retirement systems	3,690,695	-	-
	<u>5,052,693</u>	<u>934,387</u>	<u>1,403,170</u>
Total Liabilities	<u>5,052,693</u>	<u>934,387</u>	<u>1,403,170</u>
Fund balances			
Nonspendable	257	-	-
Restricted	18,185,235	-	14,356,866
Assigned	2,310,683	-	-
Unassigned	2,959,782	-	-
	<u>23,455,957</u>	<u>-</u>	<u>14,356,866</u>
Total Fund Balances	<u>23,455,957</u>	<u>-</u>	<u>14,356,866</u>
	<u>\$ 28,508,650</u>	<u>\$ 934,387</u>	<u>\$ 15,760,036</u>
Total Liabilities and Fund Balances	<u>\$ 28,508,650</u>	<u>\$ 934,387</u>	<u>\$ 15,760,036</u>

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

Non-Major Governmental	Total Governmental Funds
\$ 926,256	\$ 17,473,192
-	25,272,697
-	68,164
-	1,260,828
-	740,004
675,397	1,989,584
25,879	26,136
<u>\$ 1,627,532</u>	<u>\$ 46,830,605</u>

\$ 22,129	\$ 1,344,544
-	419,914
35,252	1,989,584
209	209
-	2,894
-	3,690,695
<u>57,590</u>	<u>7,447,840</u>

25,879	26,136
1,486,716	34,028,817
57,347	2,368,030
-	2,959,782
<u>1,569,942</u>	<u>39,382,765</u>
<u>\$ 1,627,532</u>	<u>\$ 46,830,605</u>

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Edgemont Union Free School District, New York

Reconciliation of Governmental Funds Balance Sheet to the District-Wide Statement of Net Position June 30, 2025

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

Fund Balances - Total Governmental Funds	<u>\$ 39,382,765</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	2,998,194
Capital assets - depreciable	65,884,437
Accumulated depreciation	<u>(29,179,392)</u>
	<u>39,703,239</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	12,505,853
Deferred outflows - OPEB related	5,550,351
Deferred inflows - pension related	(5,575,153)
Deferred inflows - OPEB related	<u>(17,698,043)</u>
	<u>(5,216,992)</u>
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	
Net pension assets - TRS	<u>4,468,495</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	(145,225)
General obligation bonds payable	(17,210,000)
Energy performance contract payable	(540,542)
Compensated absences	(1,522,158)
Net pension liability - ERS	(2,699,512)
Total OPEB Liability	<u>(97,471,277)</u>
	<u>(119,588,714)</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.	
Premium on general obligation bonds	<u>(641,225)</u>
Net Position of Governmental Activities	<u><u>\$ (41,892,432)</u></u>

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

Edgemont Union Free School District, New York

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year Ended June 30, 2025

	General	Special Aid	Capital Projects
REVENUES			
Real property taxes	\$ 60,086,161	\$ -	\$ -
Other tax items	1,047,227	-	-
Non-property taxes	829,260	-	-
Charges for services	1,022,951	-	-
Use of money and property	1,975,112	-	-
Sale of property and comp for loss	23,490	-	-
State aid	7,734,102	160,165	-
Federal aid	-	475,946	-
Food sales	-	-	-
Miscellaneous	956,315	45,909	350,000
Total Revenues	<u>73,674,618</u>	<u>682,020</u>	<u>350,000</u>
EXPENDITURES			
Current			
General support	8,979,162	-	-
Instruction	39,762,691	768,556	-
Pupil transportation	1,529,426	-	-
Employee benefits	16,878,282	-	-
Cost of food sales	-	-	-
Other	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	3,223,059
Total Expenditures	<u>67,149,561</u>	<u>768,556</u>	<u>3,223,059</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>6,525,057</u>	<u>(86,536)</u>	<u>(2,873,059)</u>
OTHER FINANCING SOURCES (USES)			
General obligation bonds issued	-	-	11,485,000
Issuance premium	-	-	-
Transfers in	63,848	86,536	2,590,000
Transfers out	(4,027,243)	-	-
Total Other Financing Sources (Uses)	<u>(3,963,395)</u>	<u>86,536</u>	<u>14,075,000</u>
Net Change in Fund Balances	2,561,662	-	11,201,941
FUND BALANCES (DEFICITS)			
Beginning of Year	<u>20,894,295</u>	<u>-</u>	<u>3,154,925</u>
End of Year	<u>\$ 23,455,957</u>	<u>\$ -</u>	<u>\$ 14,356,866</u>

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

Non-Major Governmental	Total Governmental Funds
\$ -	\$ 60,086,161
-	1,047,227
-	829,260
-	1,022,951
23,107	1,998,219
-	23,490
-	7,894,267
1,757	477,703
546,326	546,326
662,403	2,014,627
1,233,593	75,940,231
-	8,979,162
-	40,531,247
-	1,529,426
-	16,878,282
571,267	571,267
656,972	656,972
1,181,365	1,181,365
169,341	169,341
-	3,223,059
2,578,945	73,720,121
(1,345,352)	2,220,110
-	11,485,000
663,336	663,336
1,350,707	4,091,091
(63,848)	(4,091,091)
1,950,195	12,148,336
604,843	14,368,446
965,099	25,014,319
\$ 1,569,942	\$ 39,382,765

Edgemont 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, 2025

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 14,368,446</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	1,240,815
Depreciation expense	<u>(1,705,945)</u>
	<u>(465,130)</u>
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt 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.	
General obligation bonds issued	(11,485,000)
Principal paid on general obligation bonds	875,000
Issuance premium	(663,336)
Principal paid on energy performance contract	<u>306,365</u>
	<u>(10,966,971)</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.	
Compensated absences	(78,863)
Changes in pension liabilities and related deferred outflows and inflows of resources	726,527
Changes in OPEB liabilities and related deferred outflows and inflows of resources	(2,610,007)
Accrued interest	(138,823)
Amortization of premium	<u>22,111</u>
	<u>(2,079,055)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 857,290</u></u>

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

Edgemont Union Free School District, New York

Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 60,086,162	\$ 60,086,162	\$ 60,086,161	\$ (1)
Other tax items	1,047,227	1,047,227	1,047,227	-
Non-property taxes	860,030	860,030	829,260	(30,770)
Charges for services	552,582	552,582	1,022,951	470,369
Use of money and property	887,500	887,500	1,975,112	1,087,612
Sale of property and comp for loss	-	23,490	23,490	-
State aid	7,319,762	7,319,762	7,734,102	414,340
Miscellaneous	118,333	729,511	956,315	226,804
Total Revenues	70,871,596	71,506,264	73,674,618	2,168,354
EXPENDITURES				
Current				
General support	8,971,759	10,182,718	8,979,162	1,203,556
Instruction	41,375,282	41,060,883	39,762,691	1,298,192
Pupil transportation	1,231,956	1,557,862	1,529,426	28,436
Employee benefits	17,731,032	17,223,624	16,878,282	345,342
Total Expenditures	69,310,029	70,025,087	67,149,561	2,875,526
Excess of Revenues Over Expenditures	1,561,567	1,481,177	6,525,057	5,043,880
OTHER FINANCING SOURCES (USES)				
Transfers in	-	25,302	63,848	38,546
Transfers out	(3,490,708)	(4,091,224)	(4,027,243)	63,981
Total Other Financing Uses	(3,490,708)	(4,065,922)	(3,963,395)	102,527
Net Change in Fund Balance	(1,929,141)	(2,584,745)	2,561,662	5,146,407
FUND BALANCE				
Beginning of Year	1,929,141	2,584,745	20,894,295	18,309,550
End of Year	\$ -	\$ -	\$ 23,455,957	\$ 23,455,957

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

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Note 1 - Summary of Significant Accounting Policies

The Edgemont Union Free School District, New York ("School District"), as presently constituted, was established in 1912 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 general 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 Southern Westchester 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 district's 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 statement can be requested from Southern Westchester BOCES, 17 Berkley Drive, Rye Brook, New York 10573.

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 primary government 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.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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. Major individual governmental funds are reported as 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 explains 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 fund of the School District and is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

The following represents the School District's non-major governmental funds:

School Lunch Fund - The School Lunch Fund is used to record the operations of the breakfast and lunch 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.

Debt Service Fund - The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest, and for financial resources that are being accumulated for principal and interest maturing in future years.

- b. Fiduciary Fund (Not Included in District-Wide Financial Statements) - 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*, as is the Fiduciary Fund. 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 from Federal and State grants are recognized as revenues 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

Note 1 - Summary of Significant Accounting Policies (Continued)

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, net pension liabilities and other postemployment benefit 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.

The School District participates in the Cooperative Liquid Assets Securities System ("CLASS"), a cooperative investment pool, established pursuant to Articles 3A and 5G of the General Municipal Law of the State of New York. CLASS has designated Public Trust

Note 1 - Summary of Significant Accounting Policies (Continued)

Advisors, LLC as its registered investment advisor. Public Trust Advisors, LLC is registered with the Securities and Exchange Commission (“SEC”), and is subject to all of the rules and regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of CLASS.

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations of the State of New York and repurchase agreements. These investments are reported at fair value. The balance at June 30, 2025 was \$25,272,697. CLASS issues separately available audited financial statements with a year end of June 30th.

The School District’s position in the pool is equal to the value of the pool shares. The maximum maturity for any specific investment in the portfolio is 397 days.

Additional information concerning the cooperative is presented in the annual report of CLASS, which may be obtained from Public Trust Advisors, LLC, 717 17th Street, Suite 1850, Denver, CO 80202.

CLASS is rated AAAM by Standard and Poor’s Rating Service. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. CLASS invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

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, 2025.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 levied and payable in two installments, September and January. The Town of Greenburgh, New York ("Town") is responsible for the billing and collection of the taxes. The Town 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, 2025, 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 district-wide and fund financial statements. Prepaid expenses/expenditures consist of certain debt service and miscellaneous costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and will benefit such periods. Reported amounts 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 - There are no inventory values presented in the balance sheets of the respective funds of the School District. Purchases of inventoriable items are recorded as expenditures at the time of purchase and year-end balances are not material.

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 \$5,000 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.

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

<u>Class</u>	<u>Life in Years</u>
Buildings and Improvements	20-50
Machinery and Equipment	10-20

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 revenue received in advance and/or 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 \$2,894 for miscellaneous amounts received in advance in the General 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 outflows of resources and deferred inflows of resources in relation to the School District's 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 3D.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Compensated Absences - The liability for compensated absences represents the sick time ("leave"/"leave days") and salary related payments which have been earned for services previously rendered by employees in accordance with the School District's various collective bargaining agreements, accumulates, is allowed to be carried over to subsequent year(s) and is deemed more likely than not (by management) to be used for time off or otherwise paid/settled in the future. The liability is calculated based on each employees' rate of pay and the number of unused leave days accumulated as of year-end, management's assumption that the likelihood of future use (either by use during employment or settlement/payment upon separation from service) is probable, and the salary related payments are directly and incrementally associated with payments for the leave. The School District utilizes historical data of past usage patterns to estimate the expected usage and payment of compensated absences. The liability for compensated absences is reflected in the district-wide financial statements as current and long-term liabilities. In the fund financial statements, only the compensated absences liability that has matured through employee resignation or retirement and is expected to be payable from expendable available financial resources is reported. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 101, "*Compensated Absences*".

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*".

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 - Net position represents the difference between assets, deferred outflows of resources, 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 and regulations of governments. Restricted net position for the School District includes, restricted for capital projects, future capital projects, tax certiorari, ERS retirement contributions, TRS retirement contributions, property loss and liability, special purposes and debt service.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 government-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:

Non-spendable 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 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 the 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 Board of Education 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 by delegated authority to 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 funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 amount in 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 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 September 26, 2025.

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.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- 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 General fund.
- g) The General Fund budget 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, Debt Service 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, 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. Individual budget amendments were not material in relation to the original appropriations which were amended, except for amendments to accept a donation in the amount of \$611,179 and appropriation from restricted fund balance in the amount of \$655,604.

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 of fund balance to 4% of the ensuing year's budget.

Note 2 - Stewardship, Compliance and Accountability (Continued)

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. Cumulative Effect of Change in Accounting Principle

The School District implemented the provisions of GASB Statement No. 101, “*Compensated Absences*”, for the year ended June 30, 2025. In addition to the value of unused leave time owed to employees upon separation from employment, the School District now also recognizes as part of the compensated absences liability an estimated amount of unused leave earned as of year-end that will be used by employees as time off in future years. As a result, the School District has reported a cumulative effect of change in accounting principle to the July 1, 2024 net position of governmental activities of \$(1,229,997).

E. New Accounting Pronouncement

GASB Statement No. 102, “*Certain Risk Disclosures*”, provides guidance on disclosure 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 GASB Statement No. 102 are effective for the School District’s fiscal year ended June 30, 2025. Management has determined that no events 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.

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2025

Note 3 - Detailed Notes on All Funds

A. Interfund Receivable/Payables

The composition of due from/to other funds at June 30, 2025 were as follows:

Fund	Due From	Due To
General	\$ 1,314,187	\$ -
Special Aid	-	930,850
Capital Projects	-	1,023,482
Non-Major Governmental	675,397	35,252
	<u>\$ 1,989,584</u>	<u>\$ 1,989,584</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.

B. Capital Assets

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

Class	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Capital assets, not being depreciated:				
Land	\$ 447,447	\$ -	\$ -	\$ 447,447
Construction-in-progress	2,207,446	3,223,059	2,879,758	2,550,747
Total Capital Assets, not being depreciated	<u>\$ 2,654,893</u>	<u>\$ 3,223,059</u>	<u>\$ 2,879,758</u>	<u>\$ 2,998,194</u>
Capital assets, being depreciated:				
Buildings and Improvements	\$ 63,903,614	\$ 759,000	\$ -	\$ 64,662,614
Machinery and Equipment	1,083,309	138,514	-	1,221,823
Total Capital Assets, being depreciated	<u>64,986,923</u>	<u>897,514</u>	<u>-</u>	<u>65,884,437</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	26,773,128	1,660,195	-	28,433,323
Machinery and Equipment	700,319	45,750	-	746,069
Total Accumulated Depreciation	<u>27,473,447</u>	<u>1,705,945</u>	<u>-</u>	<u>29,179,392</u>
Total Capital Assets, being Depreciated, net	<u>\$ 37,513,476</u>	<u>\$ (808,431)</u>	<u>\$ -</u>	<u>\$ 36,705,045</u>
Capital Assets, net	<u>\$ 40,168,369</u>	<u>\$ 2,414,628</u>	<u>\$ 2,879,758</u>	<u>\$ 39,703,239</u>

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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

General Support	\$ 15,362
Instruction	1,675,254
Pupil Transportation	8,188
Cost of Sales	<u>7,141</u>
Total Depreciation Expense	<u>\$ 1,705,945</u>

C. Accrued Liabilities

Accrued liabilities at June 30, 2025 were as follows:

	Fund			Total
	General	Special Aid	Capital Projects	
Payroll and Employee Benefits	\$ 347,816	\$ 3,537	\$ -	\$ 351,353
Other	-	-	68,561	68,561
	<u>\$ 347,816</u>	<u>\$ 3,537</u>	<u>\$ 68,561</u>	<u>\$ 419,914</u>

D. Long-Term Liabilities

The following table summarizes changes in the School District's long-term liabilities for the year ended June 30, 2025:

	Balance as Reported July 1, 2024	Cumulative Effect of Change in Accounting Principle*	Balance as Restated July 1, 2024	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2025	Due Within One-Year
General Obligation Bonds Payable Plus - Unamortized Premium on Bonds	\$ 6,600,000	\$ -	\$ 6,600,000	\$ 11,485,000	\$ 875,000	\$ 17,210,000	\$ 1,450,000
	-	-	-	663,336	22,111	641,225	-
	<u>6,600,000</u>	<u>-</u>	<u>6,600,000</u>	<u>12,148,336</u>	<u>897,111</u>	<u>17,851,225</u>	<u>1,450,000</u>
Energy Performance Contract Payable	846,907	-	846,907	-	306,365	540,542	301,931
Other Non-current Liabilities:							
Compensated Absences	213,298	1,229,997	1,443,295	78,863	-	1,522,158 **	152,000
Net Pension Liability - ERS	2,252,932	-	2,252,932	446,580	-	2,699,512	-
Net Pension Liability - TRS	1,714,163	-	1,714,163	-	1,714,163	-	-
Other Postemployment Benefit Liability	104,807,951	-	104,807,951	-	7,336,674	97,471,277	3,270,000
Total Other Non-current Liabilities	<u>108,988,344</u>	<u>1,229,997</u>	<u>110,218,341</u>	<u>525,443</u>	<u>9,050,837</u>	<u>101,692,947</u>	<u>3,422,000</u>
Total Long-Term Liabilities	<u>\$ 116,435,251</u>	<u>\$ 1,229,997</u>	<u>\$ 117,665,248</u>	<u>\$ 12,673,779</u>	<u>\$ 10,254,313</u>	<u>\$ 120,084,714</u>	<u>\$ 5,173,931</u>

*See Note 2D.

**The change in the compensated absences liability is presented as a net change.

Each governmental fund's liability for compensated absences, net pension liability and other postemployment benefit liability is liquidated by the General Fund. The School District's indebtedness for general obligation bonds and energy performance contract debt is satisfied by the Debt Service Fund, which is primarily funded by the General Fund.

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

General Obligation Bonds Payable

General obligation bonds payable at June 30, 2025 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rate	Amount Outstanding at June 30, 2025
District-wide Improvements	2016	\$ 10,000,000	December, 2030	2.0 - 3.0 %	\$ 4,525,000
District-wide Improvements	2017	2,800,000	June, 2031	2.0	1,200,000
District-wide Improvements	2025	11,485,000	September, 2039	4.0 - 5.0	11,485,000
					<u>\$ 17,210,000</u>

Interest expenditures of \$149,313 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$266,025 was recorded in the district-wide financial statements.

Energy Performance Contract Payable

The School District, in December 2011, entered into a \$3,408,453 contractual agreement to install energy savings equipment and/or to upgrade existing facilities to enhance performance. The agreement provides for remaining annual payments ranging from \$238,611 to \$301,931 payable in monthly installments, including interest at 2.84%, through March 2027. The contract further provides that the savings in energy costs resulting from this modernization will equal or exceed the payment terms. Interest expenditures/expenses of \$20,028 were recorded in the fund financial statements in the Debt Service Fund and in the district-wide financial statements. The balance due at June 30, 2025 was \$540,542.

Payments to Maturity

The annual requirements to amortize all outstanding bonded and energy performance contract debt as of June 30, 2025 including interest payments of \$4,450,548 are as follows:

Year Ending June 30,	General Obligations Bonds		Energy Performance Contract		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 1,450,000	\$ 614,172	\$ 301,930	\$ 11,473	\$ 1,751,930	\$ 625,645
2027	1,490,000	573,669	238,612	2,833	1,728,612	576,502
2028	1,545,000	523,981	-	-	1,545,000	523,981
2029	1,590,000	471,350	-	-	1,590,000	471,350
2030	1,645,000	413,900	-	-	1,645,000	413,900
2031-2035	4,825,000	1,357,700	-	-	4,825,000	1,357,700
2036-2040	4,665,000	481,500	-	-	4,665,000	481,500
	<u>\$ 17,210,000</u>	<u>\$ 4,436,272</u>	<u>\$ 540,542</u>	<u>\$ 14,306</u>	<u>\$ 17,750,542</u>	<u>\$ 4,450,578</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.

Note 3 - Detailed Notes on All Funds (Continued)

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

Pursuant to collective bargaining agreements, certain employees may accumulate sick leave. Clerical and custodial employees, upon separation of service or retirement, will be compensated for accumulated sick leave, based upon the terms of their respective agreement. Vacation time must be taken in the year subsequent to the year earned. The value of the compensated absences has been reflected in the district-wide financial statements.

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.

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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, 2025 and TRS plans year ended June 30, 2025 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A15	17.9%
	4 A15	17.9
	5 A15	15.4
	6 A15	11.4
TRS	1-6	10.11%

At June 30, 2025, the School District reported the following for its proportionate share of the net pension liability (asset) for ERS and TRS:

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2025	June 30, 2024
Net pension liability (asset)	\$ 2,699,512	\$ (4,468,495)
School Districts' proportion of the net pension liability (asset)	0.0157445 %	0.149768 %
Change in proportion since the prior measurement date	0.0004435 %	(0.000126) %

The net pension liability was measured as of March 31, 2025 for ERS and June 30, 2024 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, 2025, the School District recognized pension expense in the district-wide financial statements of \$3,228,436 (\$791,565 for ERS and \$2,436,871 for TRS). Pension expenditures of \$962,029 for ERS and \$2,992,934 for TRS were recorded in the fund financial statements and were charged to the General Fund.

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

At June 30, 2025, the School District reported 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	\$ 670,037	\$ 31,606	\$ 4,811,749	\$ -
Changes of assumptions	113,212	-	2,673,066	449,635
Net difference between projected and actual earnings on pension plan investments	211,796	-	-	4,964,879
Changes in proportion and differences between School District contributions and proportionate share of contributions	400,073	1,307	297,547	127,726
School District contributions subsequent to the measurement date	329,646	-	2,998,727	-
	<u>\$ 1,724,764</u>	<u>\$ 32,913</u>	<u>\$ 10,781,089</u>	<u>\$ 5,542,240</u>
	Total			
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 5,481,786	\$ 31,606		
Changes of assumptions	2,786,278	449,635		
Net difference between projected and actual earnings on pension plan investments	211,796	4,964,879		
Changes in proportion and differences between School District contributions and proportionate share of contributions	697,620	129,033		
School District contributions subsequent to the measurement date	3,328,373	-		
	<u>\$ 12,505,853</u>	<u>\$ 5,575,153</u>		

\$329,646 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, 2026. The \$2,998,727 reported as deferred outflows of resources related to TRS will be recognized as an increase of the net pension asset in the plan's year ended June 30, 2025. 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
2025	\$ -	\$ (2,299,442)
2026	634,263	5,513,501
2027	805,630	(837,811)
2028	(147,391)	(954,883)
2029	69,703	593,565
Thereafter	-	225,192
	<u>\$ 1,362,205</u>	<u>\$ 2,240,122</u>

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2025

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:

	<u>ERS</u>	<u>TRS</u>
Measurement Date	March 31, 2025	June 30, 2024
Actuarial valuation date	April 1, 2024	June 30, 2023
Investment rate of return	5.9% *	6.95% *
Salary scale	4.3%	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 experience, 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 completed April 1, 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.

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2025

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, 2025		TRS June 30, 2024	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	25 %	3.54 %	33 %	6.6 %
International Equity	14	6.57	15	7.4
Private Equity	15	7.25	9	10.0
Real Estate	12	4.95	11	6.3
Domestic Fixed Income Securities	-	-	16	2.6
Global Bonds	-	-	2	2.5
High Yield Bonds	-	-	1	4.8
Global Equities	-	-	4	6.9
Private Debt	-	-	2	5.9
Real Estate Debt	-	-	6	3.9
Opportunistic/ARS Portfolio	3	5.25	-	-
Credit	4	5.40	-	-
Real Assets	4	5.55	-	-
Fixed Income	22	2.00	-	-
Cash	1	0.25	1	0.5
	<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 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:

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
June 30, 2025

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)	\$ 7,812,728	\$ 2,699,512	\$ (1,570,026)
	1% Decrease (5.95%)	Current Discount Rate (6.95%)	1% Increase (7.95%)
School District's proportionate share of the TRS net pension liability (asset)	\$ 20,640,237	\$ (4,468,495)	\$ (25,585,613)

The components of the collective net pension liability as of the March 31, 2025 ERS measurement date and the June 30, 2024 TRS measurement date were as follows:

	ERS	TRS
Total pension liability	\$ 247,600,239,000	\$ 142,837,826,465
Fiduciary net position	230,454,512,000	145,821,434,780
Employers' net pension liability	\$ 17,145,727,000	\$ (2,983,608,315)
Fiduciary net position as a percentage of total pension liability	93.08%	102.09%

Employer contributions to ERS are paid annually and cover the period through the end of ERS's fiscal year, which is March 31st. Accrued retirement contributions as of June 30, 2025 represent the projected employer contribution for the period April 1, 2025 through June 30, 2025 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, 2025 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, 2025 represent employee and employer contributions for the fiscal year ended June 30, 2025 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, 2025 were \$329,646 to ERS and \$3,361,049 to TRS (including employee contributions of \$362,322).

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 contribute 8%. Employer contributions vest after 366 days of service. Current contributions of \$24,189 were charged to the General Fund.

Note 3 - Detailed Notes on All Funds (Continued)

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

Inactive employees currently receiving benefit payments	193
Active employees	<u>273</u>
	<u><u>466</u></u>

The School District’s total OPEB liability of \$97,471,277 was measured as of June 30, 2025 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	3.0%, average, including inflation
Discount rate	4.09%
Healthcare cost trend rates	7.0% for 2025, decreasing 0.25% per year to an ultimate rate of 4.5% for 2035 and later years
Retirees' share of benefit-related costs	Varies depending on applicable retirement year and bargaining unit

The discount rate was based on an average of two 20-year bond indices (e.g., S&P Municipal Bond 20 Year High Grade Rate Index, Fidelity GA AA 20 Years) as of June 30, 2025.

Mortality rates were based on the Society of Actuaries Pub-2010 Public Retirement Plans Healthy Male and Female Total Dataset Headcount – weighted mortality tables for both pre and post retirement, projected with mortality improvements using the most current Society of Actuaries Mortality Improvement Scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation were based on the most recent decrement tables for turnover, disability and retirement for ERS and TRS. ERS and TRS tables were based on a version released in 2022 and 2023.

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

The School District's change in the total OPEB liability for the year ended June 30, 2025 is as follows:

Total OPEB Liability - Beginning of Year	\$ 104,807,951
Service cost	2,296,252
Interest	4,911,045
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(11,274,483)
Benefit payments	<u>(3,269,488)</u>
 Total OPEB Liability - End of Year	 <u><u>\$ 97,471,277</u></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 (3.76%) or 1 percentage point higher (5.76%) than the current discount rate:

	1% Decrease (3.76%)	Current Discount Rate (4.76%)	1% Increase (5.76%)
Total OPEB Liability	<u>\$ 114,781,251</u>	<u>\$ 97,471,277</u>	<u>\$ 83,938,482</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 (6.0% decreasing to 3.5%) or 1 percentage point higher (8.0% decreasing to 5.5%) than the current healthcare cost trend rates:

	1% Decrease (6.0% decreasing to 3.5%)	Current Healthcare Cost Trend Rates (7.0% decreasing to 4.5%)	1% Increase (8.0% decreasing to 5.5%)
Total OPEB Liability	<u>\$ 81,750,847</u>	<u>\$ 97,471,277</u>	<u>\$ 118,186,163</u>

For the year ended June 30, 2025, the School District recognized OPEB expense of \$5,879,495 in the district-wide financial statements. At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions or other inputs	\$ 5,550,351	\$ 17,698,043
Differences between expected and actual experience	<u>-</u>	<u>-</u>
	<u><u>\$ 5,550,351</u></u>	<u><u>\$ 17,698,043</u></u>

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

Amount reports as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2026	\$ (820,778)
2027	(2,623,074)
2028	(2,623,074)
2029	(2,623,072)
2030	(1,263,746)
Thereafter	<u>(2,193,948)</u>
	<u>\$ (12,147,692)</u>

E. 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
	General Fund	Special Aid	Capital Projects	Non-Major Governmental	
General Fund	\$ -	\$ 86,536	\$ 2,590,000	\$ 1,350,707	\$ 4,027,243
Non-Major Governmental	63,848	-	-	-	63,848
	<u>\$ 63,848</u>	<u>\$ 86,536</u>	<u>\$ 2,590,000</u>	<u>\$ 1,350,707</u>	<u>\$ 4,091,091</u>

Transfers are used to 1) move funds from the operating funds to the Debt Service Fund as debt service principal and interest payments become due, 2) move amounts earmarked in the operating funds to fulfill commitments for Special Aid and Capital Projects funds expenditures and 3) move the Special Purpose fund to be spent in the General Fund.

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

Note 3 - Detailed Notes on All Funds (Continued)

Restricted for Future Capital Projects - The component of net position that has been established in accordance with Education Law of the State of New York to set aside funds to be used for future capital projects.

Restricted for Tax Certiorari - the component of net position that has been established in accordance with the Education Law of the State of New York to provide funding for court ordered tax refunds which are currently in process.

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 Property Loss and Liability - the component of net position that reports the amounts set aside to be used for property loss and liability claims in accordance with Education Law.

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 Debt Service - the component of net position that reports the difference between assets and liabilities of the Debt Service Fund with constraints placed on their use by Local Finance Law.

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".

Edgemont Union Free School District, New York

Notes to Financial Statements (Continued)
 June 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

G. Fund Balances

	General Fund	Capital Projects Fund	Non-Major Governmental	Total
Nonspendable -				
Prepaid expenditures	\$ 257	\$ -	\$ 25,879	\$ 26,136
Restricted:				
Tax certiorari	6,140,853	-	-	6,140,853
Employee benefit accrued liability	221,040	-	-	221,040
ERS retirement contributions	3,735,460	-	-	3,735,460
TRS retirement contributions	2,859,604	-	-	2,859,604
Debt service	-	-	1,244,987	1,244,987
Capital projects	-	14,356,866	-	14,356,866
Future capital projects	4,728,278	-	-	4,728,278
Property loss and liability	500,000	-	-	500,000
Special purposes - extraclassroom activities	-	-	81,141	81,141
Special purposes - other	-	-	160,588	160,588
Total Restricted	<u>18,185,235</u>	<u>14,356,866</u>	<u>1,486,716</u>	<u>34,028,817</u>
Assigned:				
Purchases on order:				
General government support	658,794	-	-	658,794
Instruction	193,596	-	-	193,596
Transportation	1,955	-	-	1,955
	<u>854,345</u>	<u>-</u>	<u>-</u>	<u>854,345</u>
Subsequent year's expenditures from -				
General Fund	1,456,338	-	-	1,456,338
School Lunch Fund	-	-	57,347	57,347
Total Assigned	<u>2,310,683</u>	<u>-</u>	<u>57,347</u>	<u>2,368,030</u>
Unassigned	<u>2,959,782</u>	<u>-</u>	<u>-</u>	<u>2,959,782</u>
Total Fund Balances	<u>\$ 23,455,957</u>	<u>\$ 14,356,866</u>	<u>\$ 1,569,942</u>	<u>\$ 39,382,765</u>

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.

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.

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.

Note 3 - Detailed Notes on All Funds (Continued)

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.

Subsequent year's expenditures represent that at June 30, 2025, the Board of Education has utilized the above amounts to be appropriated for the ensuing year's budget.

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 nonspendable, restricted or assigned.

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

There are currently pending certiorari proceedings, the results of which could require the payment of future tax refunds by the School District if existing assessment rolls are modified based on the outcome of the litigation proceedings. However, the amount of these possible refunds cannot be determined at the present time. Any payments resulting from adverse decisions will be funded in the year the payment is made.

In common with other school districts, the School District from time to time receives notices of claim and is party to litigation. In the opinion of the Attorney for the District, apart from matters provided for by applicable insurance coverage, there are no claims or actions pending which, if determined against the School District, would have an adverse material effect on the financial condition of the School District.

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 purchases various insurance coverages to reduce its exposure to loss. The School District maintains general liability insurance and liability coverage for school board members with policy limits of \$1 million per occurrence and \$3 million in the aggregate. The School District also maintains an umbrella policy with coverage of \$15 million. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

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Note 4 - Summary Disclosure of Significant Contingencies (Continued)

The School District and neighboring school districts in Southern Westchester County, participate in the Southern Westchester Schools Cooperative Self-Insurance Plan for Workers' Compensation.

The purpose of the Plan is to provide efficient and economical evaluation, processing, administration, defense and payment of claims against plan members for workers' compensation and to provide for risk management to reduce future liability for workers' compensation and employers' liability payments. The Plan is managed and governed by a Board of Trustees comprised of a representative from each district. Billings are based upon participants' experience rating. The School District has transferred all related risk to the Plan.

The School District and neighboring school districts in Southern Westchester County participate in the State-Wide Schools Cooperative Health Plan. This Plan operates under an agreement, as amended, dated December 12, 1985. The purposes of the Plan are to effect cost savings in members' expenses for health coverage; to provide for centralized administration, funding and disbursements for health coverage; and to provide for such risk management services as may be appropriate to reduce future expense and liability for health coverage. The governance of the Plan shall be in all respects in the hands of the Board of Trustees. The Board of Trustees shall consist of seven trustees elected by the general membership of the Plan. No action may be taken by the Board of Trustees except by a vote of a majority of the total number of trustees. Billings to participants are based upon coverage provided to each participants' employees. The School District has transferred all related risk to the Plan.

Note 5 - Recently Issued GASB Pronouncements

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.

GASB Statement No. 104, "*Disclosure of Certain Capital Assets*", requires certain types of capital assets to be disclosed separately in the capital assets note disclosures. Governments must separately present lease assets, right-to-use assets from public-private or public-public partnerships, subscription assets and all other intangible assets by major class. For capital assets held for sale—assets a government has decided to sell with completion of the sale probable within one year of the financial statement date—governments must disclose the historical cost, accumulated depreciation (or amortization), and the carrying amount of any pledged debt related to those assets. This Statement affects only presentation and disclosure of capital assets, not recognition or measurement requirements. 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.

Edgemont 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)

	2025	2024	2023
Total OPEB Liability:			
Service cost	\$ 2,296,252	\$ 2,738,734	\$ 2,365,976
Interest	4,911,045	3,876,741	3,818,020
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions or other inputs	(11,274,483)	4,997,407	(3,832,924)
Benefit payments	(3,269,488)	(3,181,553)	(2,849,890)
Net Change in Total OPEB Liability	(7,336,674)	8,431,329	(498,818)
Total OPEB Liability – Beginning of Year	104,807,951	96,376,622	96,875,440
Total OPEB Liability – End of Year	<u>\$ 97,471,277</u>	<u>\$ 104,807,951</u>	<u>\$ 96,376,622</u>
School District's covered-employee payroll	<u>\$ 32,435,635</u>	<u>\$ 32,435,635</u>	<u>\$ 30,099,145</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>300.51%</u>	<u>323.13%</u>	<u>320.20%</u>
Discount Rate	<u>4.76%</u>	<u>4.09%</u>	<u>4.00%</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.

See independent auditors' report.

	2022	2021	2020	2019	2018
\$	2,469,762	\$ 1,422,963	\$ 1,275,847	\$ 1,500,787	\$ 1,401,520
	3,875,434	1,944,877	2,315,088	3,121,746	3,051,391
	-	-	-	-	-
	-	-	-	-	-
	(10,874,590)	10,813,786	(3,042,171)	3,948,093	-
	(2,783,633)	(1,750,556)	(1,750,760)	(1,711,779)	(1,644,794)
	(7,313,027)	12,431,070	(1,201,996)	6,858,847	2,808,117
	104,188,467	91,757,397	92,959,393	86,100,546	83,292,429 (3)
\$	<u>96,875,440</u>	<u>\$ 104,188,467</u>	<u>\$ 91,757,397</u>	<u>\$ 92,959,393</u>	<u>\$ 86,100,546</u>
\$	<u>30,099,145</u>	<u>\$ 29,367,623</u>	<u>\$ 29,367,623</u>	<u>\$ 27,779,455</u>	<u>\$ 27,779,455</u>
	<u>321.85%</u>	<u>354.77%</u>	<u>312.44%</u>	<u>334.63%</u>	<u>309.94%</u>
	<u>3.77%</u>	<u>2.09%</u>	<u>2.44%</u>	<u>3.50%</u>	<u>3.50%</u>

Edgemont 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) (1)

	2025	2024	2023 (2)	2022 (3)
School District's proportion of the net pension liability (asset)	0.149768%	0.149894%	0.152668%	0.158198%
School District's proportionate share of the net pension liability (asset)	\$ (4,468,495)	\$ 1,714,163	\$ 2,929,532	\$ (27,414,125)
School District's covered payroll	\$ 28,668,994	\$ 27,639,776	\$ 27,173,204	\$ 26,851,202
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(15.59%)	6.20%	10.78%	(102.10)%
Plan fiduciary net position as a percentage of the total pension liability	102.09%	99.17%	98.57%	113.20%
Discount Rate	6.95%	6.95%	6.95%	6.95%

Schedule of Contributions

	2025	2024	2023	2022
Contractually required contribution	\$ 2,998,727	\$ 2,798,094	\$ 2,844,133	\$ 2,662,974
Contributions in relation to the contractually required contribution	(2,998,727)	(2,798,094)	(2,844,133)	(2,662,974)
Contribution excess	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 29,660,999	\$ 28,668,994	\$ 27,639,776	\$ 27,173,204
Contributions as a percentage of covered payroll	10.11%	9.76%	10.29%	9.80%

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

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

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

See independent auditors' report.

<u>2021 (2)</u>	<u>2020</u>	<u>2019</u>	<u>2018 (3)</u>	<u>2017 (2)</u>	<u>2016</u>
<u>0.154676%</u>	<u>0.153046%</u>	<u>0.148822%</u>	<u>0.148091%</u>	<u>0.146981%</u>	<u>0.145276%</u>
<u>\$ 4,274,111</u>	<u>\$ (3,976,135)</u>	<u>\$ (2,691,101)</u>	<u>\$ (1,125,640)</u>	<u>\$ 1,574,226</u>	<u>\$ (15,089,534)</u>
<u>\$ 26,346,502</u>	<u>\$ 25,711,638</u>	<u>\$ 24,230,778</u>	<u>\$ 23,662,766</u>	<u>\$ 22,913,418</u>	<u>\$ 21,822,407</u>
<u>16.22%</u>	<u>(15.46)%</u>	<u>(11.11)%</u>	<u>(4.76)%</u>	<u>6.87%</u>	<u>(69.15)%</u>
<u>97.76%</u>	<u>102.17%</u>	<u>101.53%</u>	<u>100.66%</u>	<u>99.01%</u>	<u>110.46%</u>
<u>7.10%</u>	<u>7.10%</u>	<u>7.25%</u>	<u>7.25%</u>	<u>7.50%</u>	<u>8.00%</u>

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>\$ 2,558,920</u>	<u>\$ 2,334,477</u>	<u>\$ 2,730,576</u>	<u>\$ 2,374,616</u>	<u>\$ 2,773,276</u>	<u>\$ 3,038,328</u>
<u>(2,558,920)</u>	<u>(2,334,477)</u>	<u>(2,730,576)</u>	<u>(2,374,616)</u>	<u>(2,773,276)</u>	<u>(3,038,328)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 26,851,202</u>	<u>\$ 26,346,502</u>	<u>\$ 25,711,638</u>	<u>\$ 24,230,778</u>	<u>\$ 23,662,766</u>	<u>\$ 22,913,418</u>
<u>9.53%</u>	<u>8.86%</u>	<u>10.62%</u>	<u>9.80%</u>	<u>11.72%</u>	<u>13.26%</u>

Edgemont Union Free School District, New York

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

Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset) (1)

	2025	2024 (3)	2023 (2)	2022 (3)
School District's proportion of the net pension liability (asset)	0.0157445%	0.0153010%	0.0153238%	0.0151084%
School District's proportionate share of the net pension liability (asset)	\$ 2,699,512	\$ 2,252,932	\$ 3,286,033	\$ (1,235,053)
School District's covered payroll	\$ 7,795,826	\$ 6,983,860	\$ 5,967,330	\$ 5,794,342
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	34.63%	32.26%	55.07%	(21.31)%
Plan fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%
Discount Rate	5.9%	5.9%	5.9%	5.9%

Schedule of Contributions

	2025	2024	2023	2022
Contractually required contribution	\$ 915,146	\$ 764,931	\$ 666,589	\$ 930,118
Contributions in relation to the contractually required contribution	(915,146)	(764,931)	(666,589)	(930,118)
Contribution excess	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 7,942,701	\$ 6,967,053	\$ 6,361,119	\$ 5,802,936
Contributions as a percentage of covered payroll	11.52%	10.98%	10.48%	16.03%

(1) The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.
 (2) 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.
 (3) Decrease in the School District's proportionate of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

See independent auditors' report.

2021 (3)	2020 (2)	2019	2018	2017	2016
<u>0.0145706%</u>	<u>0.0153341%</u>	<u>0.0170137%</u>	<u>0.0163977%</u>	<u>0.0160599%</u>	<u>0.0166573%</u>
<u>\$ 14,509</u>	<u>\$ 4,060,546</u>	<u>\$ 1,205,474</u>	<u>\$ 529,226</u>	<u>\$ 1,509,028</u>	<u>\$ 2,673,536</u>
<u>\$ 5,683,652</u>	<u>\$ 5,715,999</u>	<u>\$ 5,627,506</u>	<u>\$ 5,584,936</u>	<u>\$ 5,383,807</u>	<u>\$ 5,103,772</u>
<u>0.26%</u>	<u>71.04%</u>	<u>21.42%</u>	<u>9.48%</u>	<u>28.03%</u>	<u>52.38%</u>
<u>99.95%</u>	<u>86.39%</u>	<u>96.27%</u>	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>
<u>5.9%</u>	<u>6.8%</u>	<u>7.0%</u>	<u>7.0%</u>	<u>7.0%</u>	<u>7.0%</u>

2021	2020	2019	2018	2017	2016
<u>\$ 837,010</u>	<u>\$ 822,505</u>	<u>\$ 827,184</u>	<u>\$ 813,490</u>	<u>\$ 804,070</u>	<u>\$ 857,136</u>
<u>(837,010)</u>	<u>(822,505)</u>	<u>(827,184)</u>	<u>(813,490)</u>	<u>(804,070)</u>	<u>(857,136)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 5,707,542</u>	<u>\$ 5,752,675</u>	<u>\$ 5,606,754</u>	<u>\$ 5,631,406</u>	<u>\$ 5,085,715</u>	<u>\$ 5,139,096</u>
<u>14.66%</u>	<u>14.30%</u>	<u>14.75%</u>	<u>14.45%</u>	<u>15.81%</u>	<u>16.68%</u>

Edgemont Union Free School District, New York

General Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
REVENUES					
Real property taxes	\$ 60,086,162	\$ 60,086,162	\$ 60,086,161	\$	\$ (1)
Other tax items	1,047,227	1,047,227	1,047,227		-
Non-property taxes	860,030	860,030	829,260		(30,770)
Charges for services	552,582	552,582	1,022,951		470,369
Use of money and property	887,500	887,500	1,975,112		1,087,612
Sale of property and comp for loss	-	23,490	23,490		-
State aid	7,319,762	7,319,762	7,734,102		414,340
Miscellaneous	118,333	729,511	956,315		226,804
Total Revenues	70,871,596	71,506,264	73,674,618		2,168,354
EXPENDITURES					
Current					
General support					
Board of education	76,226	88,935	85,430	-	3,505
Central administration	454,942	458,755	436,320	1,708	20,727
Finance	1,230,480	1,219,992	1,111,827	72,827	35,338
Staff	575,914	555,538	482,820	-	72,718
Central services	5,955,110	7,017,710	6,025,314	584,259	408,137
Special items	679,087	841,788	837,451	-	4,337
Total General Support	8,971,759	10,182,718	8,979,162	658,794	544,762
Instruction					
Instruction, administration and improvement	2,890,498	2,829,394	2,695,756	33,224	100,414
Teaching - Regular school	20,478,662	20,283,623	19,971,523	30,109	281,991
Programs for students with disabilities	11,183,659	10,840,654	10,305,697	5,023	529,934
Instructional media	2,486,114	2,673,539	2,619,418	7,984	46,137
Pupil services	4,336,349	4,433,673	4,170,297	117,256	146,120
Total Instruction	41,375,282	41,060,883	39,762,691	193,596	1,104,596
Pupil transportation	1,231,956	1,557,862	1,529,426	1,955	26,481
Employee benefits	17,731,032	17,223,624	16,878,282	-	345,342
Total Expenditures	69,310,029	70,025,087	67,149,561	854,345	2,021,181
Excess (Deficiency) of Revenues Over Expenditures	1,561,567	1,481,177	6,525,057	(854,345)	4,189,535
OTHER FINANCING SOURCES (USES)					
Transfers in	-	25,302	63,848	-	38,546
Transfers out	(3,490,708)	(4,091,224)	(4,027,243)	-	63,981
Total Other Financing Uses	(3,490,708)	(4,065,922)	(3,963,395)	-	102,527
Net Change in Fund Balance	(1,929,141)	(2,584,745)	2,561,662	\$ (854,345)	\$ 4,292,062
FUND BALANCE					
Beginning of Year	1,929,141	2,584,745	20,894,295		
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,455,957</u>		

See independent auditors' report.

Edgemont Union Free School District, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REAL PROPERTY TAXES	\$ 60,086,162	\$ 60,086,162	\$ 60,086,161	\$ (1)
OTHER TAX ITEMS				
School tax relief reimbursement	1,047,227	1,047,227	1,047,227	-
NON-PROPERTY TAXES				
Non-property tax distribution from County	860,030	860,030	829,260	(30,770)
CHARGES FOR SERVICES				
Day school tuition from individuals	308,492	308,492	400,231	91,739
Day school tuition - Other districts	174,090	174,090	508,506	334,416
Other services for other districts and other governments	70,000	70,000	114,214	44,214
	552,582	552,582	1,022,951	470,369
USE OF MONEY AND PROPERTY				
Earnings on investments	737,500	737,500	1,716,422	978,922
Rental of real property - Individuals	150,000	150,000	258,690	108,690
	887,500	887,500	1,975,112	1,087,612
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Insurance recoveries	-	23,490	23,490	-
STATE AID				
Basic formula	4,438,675	4,438,675	4,753,577	314,902
Lottery aid	1,744,628	1,744,628	1,727,763	(16,865)
BOCES aid	970,206	970,206	1,036,335	66,129
Textbook aid	110,966	110,966	111,258	292
Computer software aid	43,662	43,662	43,569	(93)
Library loan program	11,625	11,625	11,600	(25)
Other state aid	-	-	50,000	50,000
	7,319,762	7,319,762	7,734,102	414,340
MISCELLANEOUS				
Refund for BOCES aided services	25,000	25,000	141,992	116,992
Refund of prior year's expenditures	30,000	30,000	200,521	170,521
Gifts and donations	38,333	648,911	605,365	(43,546)
Other	25,000	25,600	8,437	(17,163)
	118,333	729,511	956,315	226,804
TOTAL REVENUES	70,871,596	71,506,264	73,674,618	2,168,354
OTHER FINANCING SOURCES				
Transfers in				
Special Purpose Fund	-	25,302	63,848	38,546
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 70,871,596	\$ 71,531,566	\$ 73,738,466	\$ 2,206,900

See independent auditors' report.

Edgemont Union Free School District, New York

General Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget
 Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget
GENERAL SUPPORT					
BOARD OF EDUCATION					
Board of education	\$ 47,695	\$ 54,436	\$ 54,266	\$ -	\$ 170
District meeting	28,531	34,499	31,164	-	3,335
Total Board of Education	76,226	88,935	85,430	-	3,505
CENTRAL ADMINISTRATION					
Chief school administrator	454,942	458,755	436,320	1,708	20,727
FINANCE					
Business administration	1,030,384	1,000,320	963,800	8,127	28,393
Auditing	143,396	143,396	72,120	64,700	6,576
Fiscal agent fees	56,700	76,276	75,907	-	369
Total Finance	1,230,480	1,219,992	1,111,827	72,827	35,338
STAFF					
Legal	220,658	238,658	212,065	-	26,593
Personnel	277,305	235,629	200,400	-	35,229
Records management officer	-	2,700	1,000	-	1,700
Public information and services	77,951	78,551	69,355	-	9,196
Total Staff	575,914	555,538	482,820	-	72,718
CENTRAL SERVICES					
Operation and maintenance of plant	5,610,277	6,654,640	5,678,942	584,259	391,439
Security of plant	215,676	233,913	233,302	-	611
Central printing and mailing	129,157	129,157	113,070	-	16,087
Total Central Services	5,955,110	7,017,710	6,025,314	584,259	408,137
SPECIAL ITEMS					
Unallocated insurance	257,271	262,271	257,934	-	4,337
Assessments on school property	53,338	55,434	55,434	-	-
Refunds of real property taxes	-	155,605	155,605	-	-
Administrative charge - BOCES	368,478	368,478	368,478	-	-
Total Special Items	679,087	841,788	837,451	-	4,337
Total General Support	8,971,759	10,182,718	8,979,162	658,794	544,762
INSTRUCTION					
INSTRUCTION, ADMINISTRATION AND IMPROVEMENT					
Curriculum development and supervision	920,526	884,345	824,011	33,215	27,119
Supervision - Regular school	1,936,272	1,911,349	1,859,122	9	52,218
In-service training and instruction	33,700	33,700	12,623	-	21,077
Total Instruction, Administration and Improvement	2,890,498	2,829,394	2,695,756	33,224	100,414
TEACHING - REGULAR SCHOOL	20,478,662	20,283,623	19,971,523	30,109	281,991
PROGRAMS FOR STUDENTS WITH DISABILITIES	11,183,659	10,840,654	10,305,697	5,023	529,934

(Continued)

Edgemont Union Free School District, New York

General Fund

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

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
INSTRUCTIONAL MEDIA					
School library and audiovisual	\$ 684,402	\$ 676,646	\$ 648,958	\$ 306	\$ 27,382
Computer assisted instruction	1,801,712	1,996,893	1,970,460	7,678	18,755
Total Instructional Media	<u>2,486,114</u>	<u>2,673,539</u>	<u>2,619,418</u>	<u>7,984</u>	<u>46,137</u>
PUPIL SERVICES					
Attendance - Regular school	86,301	86,301	84,569	-	1,732
Guidance - Regular school	1,115,943	1,115,553	1,090,081	-	25,472
Health services - Regular school	544,188	543,294	520,825	-	22,469
Psychological services - Regular school	943,613	959,627	954,600	-	5,027
Co-curricular activities - Regular school	409,159	458,437	420,821	-	37,616
Interscholastic athletics - Regular school	1,237,145	1,270,461	1,099,401	117,256	53,804
Total Pupil Services	<u>4,336,349</u>	<u>4,433,673</u>	<u>4,170,297</u>	<u>117,256</u>	<u>146,120</u>
Total Instruction	<u>41,375,282</u>	<u>41,060,883</u>	<u>39,762,691</u>	<u>193,596</u>	<u>1,104,596</u>
PUPIL TRANSPORTATION					
District transportation services	124,868	180,674	174,880	-	5,794
Contract transportation	1,083,519	1,360,619	1,343,925	1,955	14,739
Transportation from BOCES	23,569	16,569	10,621	-	5,948
Total Pupil Transportation	<u>1,231,956</u>	<u>1,557,862</u>	<u>1,529,426</u>	<u>1,955</u>	<u>26,481</u>
EMPLOYEE BENEFITS					
State retirement	978,165	978,165	962,029	-	16,136
Teachers' retirement	3,161,268	3,161,268	3,017,123	-	144,145
Social security	2,908,473	2,908,473	2,822,455	-	86,018
Life insurance	12,826	12,826	11,769	-	1,057
Hospital, medical and dental insurance	9,592,236	9,119,074	9,085,883	-	33,191
Workers' compensation benefits	251,133	241,133	208,689	-	32,444
Unemployment benefits	40,750	20,750	10,750	-	10,000
Disability insurance	5,246	5,246	2,911	-	2,335
Union welfare benefits	780,935	776,689	756,673	-	20,016
Total Employee Benefits	<u>17,731,032</u>	<u>17,223,624</u>	<u>16,878,282</u>	<u>-</u>	<u>345,342</u>
TOTAL EXPENDITURES	<u>69,310,029</u>	<u>70,025,087</u>	<u>67,149,561</u>	<u>854,345</u>	<u>2,021,181</u>
OTHER FINANCING USES					
Transfers out					
Special Aid Fund	50,000	135,000	86,536	-	48,464
Capital Projects Fund	2,090,000	2,590,000	2,590,000	-	-
Debt Service Fund	1,350,708	1,366,224	1,350,707	-	15,517
TOTAL OTHER FINANCING USES	<u>3,490,708</u>	<u>4,091,224</u>	<u>4,027,243</u>	<u>-</u>	<u>63,981</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 72,800,737</u>	<u>\$ 74,116,311</u>	<u>\$ 71,176,804</u>	<u>\$ 854,345</u>	<u>\$ 2,085,162</u>

See independent auditors' report.

Edgemont Union Free School District, New York

Capital Projects Fund
Project Length Schedule
Inception of Project Through June 30, 2025

Project	Authorization	Expenditures and Transfers to Date		
		Prior Year	Current Year	Total
2021 Bond Project	\$ 3,800,000	\$ 2,812,607	\$ -	\$ 2,812,607
SP Window Replacement	1,000,000	-	759,000	759,000
Greenville Tennis Court Project	303,600	15,878	218,003	233,881
Greenville Library Window Replacement	1,840,000	70,825	901,921	972,746
EHS Paving Project - Phase 1	375,000	-	34,054	34,054
EHS Auditorium Renovation Project	1,200,000	-	480,885	480,885
Greenville APR Project	1,365,000	-	-	-
2024 District Wide Improvements	62,071,470	-	829,196	829,196
	<u>\$ 71,955,070</u>	<u>\$ 2,899,310</u>	<u>\$ 3,223,059</u>	<u>\$ 6,122,369</u>

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Unexpended Balance	Methods of Financing			Total	Fund Balance at June 30, 2025
	Transfers In	Miscellaneous	Proceeds from Obligations		
\$ 987,393	\$ 264,361	\$ -	\$ 2,646,274	\$ 2,910,635	\$ 98,028
241,000	1,000,000	-	-	1,000,000	241,000
69,719	303,600	-	-	303,600	69,719
867,254	1,840,000	-	-	1,840,000	867,254
340,946	375,000	-	-	375,000	340,946
719,115	850,000	350,000	-	1,200,000	719,115
1,365,000	1,365,000	-	-	1,365,000	1,365,000
61,242,274	-	-	11,485,000	11,485,000	10,655,804
<u>\$ 65,832,701</u>	<u>\$ 5,997,961</u>	<u>\$ 350,000</u>	<u>\$ 14,131,274</u>	<u>\$ 20,479,235</u>	<u>\$ 14,356,866</u>

Edgemont Union Free School District, New York

Combining Balance Sheet
 Non-Major Governmental Funds
 June 30, 2025

	School Lunch	Special Purpose	Debt Service	Totals
ASSETS				
Cash and equivalents	\$ 89,058	\$ 241,729	\$ 595,469	\$ 926,256
Receivables				
Due from other funds	-	-	675,397	675,397
Prepaid expenditures	-	-	25,879	25,879
Total Assets	<u>\$ 89,058</u>	<u>\$ 241,729</u>	<u>\$ 1,296,745</u>	<u>\$ 1,627,532</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 22,129	\$ -	\$ -	\$ 22,129
Due to other governments	209	-	-	209
Due to other funds	9,373	-	25,879	35,252
Total Liabilities	<u>31,711</u>	<u>-</u>	<u>25,879</u>	<u>57,590</u>
Fund balances				
Nonspendable	-	-	25,879	25,879
Restricted	-	241,729	1,244,987	1,486,716
Assigned	57,347	-	-	57,347
Total Fund Balances	<u>57,347</u>	<u>241,729</u>	<u>1,270,866</u>	<u>1,569,942</u>
Total Liabilities and Fund Balances	<u>\$ 89,058</u>	<u>\$ 241,729</u>	<u>\$ 1,296,745</u>	<u>\$ 1,627,532</u>

See independent auditors' report.

Edgemont Union Free School District, New York

Combining Statement of Revenues, Expenditures and
 Changes in Fund Balances
 Non-Major Governmental Funds
 Year Ended June 30, 2025

	School Lunch	Special Purpose	Debt Service	Totals
REVENUES				
Use of money and property	\$ 479	\$ 749	\$ 21,879	\$ 23,107
Federal aid	1,757	-	-	1,757
Food sales	546,326	-	-	546,326
Miscellaneous	2,300	660,103	-	662,403
	<u>550,862</u>	<u>660,852</u>	<u>21,879</u>	<u>1,233,593</u>
EXPENDITURES				
Current				
Cost of food sales	571,267	-	-	571,267
Other	-	656,972	-	656,972
Debt service				
Principal	-	-	1,181,365	1,181,365
Interest	-	-	169,341	169,341
	<u>571,267</u>	<u>656,972</u>	<u>1,350,706</u>	<u>2,578,945</u>
Excess (Deficiency) of Revenues Over Expenditures	(20,405)	3,880	(1,328,827)	(1,345,352)
OTHER FINANCING SOURCES (USES)				
Issuance premium	-	-	663,336	663,336
Transfers in	-	-	1,350,707	1,350,707
Transfers out	-	(63,848)	-	(63,848)
	<u>-</u>	<u>(63,848)</u>	<u>2,014,043</u>	<u>1,950,195</u>
Net Change in Fund Balances	(20,405)	(59,968)	685,216	604,843
FUND BALANCES				
Beginning of Year	<u>77,752</u>	<u>301,697</u>	<u>585,650</u>	<u>965,099</u>
End of Year	<u>\$ 57,347</u>	<u>\$ 241,729</u>	<u>\$ 1,270,866</u>	<u>\$ 1,569,942</u>

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Edgemont Union Free School District, New York

General Fund

Analysis of Change from Adopted Budget to Final Budget

Year Ended June 30, 2025

Adopted Budget		\$ 72,118,709
Additions -		
Encumbrances		<u>682,028</u>
Original Budget		72,800,737
Additions - Budget revisions		<u>1,315,574</u>
Final Budget		<u><u>\$ 74,116,311</u></u>

General Fund

Section 1318 of Real Property Tax Law Limit Calculation

2025-26 Expenditure Budget		<u>\$ 73,994,549</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		
Unrestricted fund balance		
Assigned fund balance	\$ 2,310,683	
Unassigned fund balance	<u>2,959,782</u>	
Total Unrestricted Fund Balance		<u>5,270,465</u>
Less		
Appropriated for subsequent year's budget	1,456,338	
Encumbrances	<u>854,345</u>	
Total Adjustments		<u>2,310,683</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		<u><u>\$ 2,959,782</u></u>
Actual Percentage		<u><u>4.00%</u></u>

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Edgemont Union Free School District, New York

Schedule of Net Investment in Capital Assets
Year Ended June 30, 2025

Capital Assets, net		\$ 39,703,239
Less		
General obligation bonds payable	\$ (17,210,000)	
Unamortized premium on bonds	(641,225)	
Energy performance contract payable	(540,542)	
Capital accounts payable	<u>(109,984)</u>	(18,501,751)
Plus		
Unexpended debt proceeds		<u>11,560,860</u>
Net Investment in Capital Assets		<u><u>\$ 32,762,348</u></u>

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