

**WANTAGH UNION FREE SCHOOL DISTRICT
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
WITH INDEPENDENT AUDITOR'S REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

WANTAGH UNION FREE SCHOOL DISTRICT

TABLE OF CONTENTS

I. INDEPENDENT AUDITOR’S REPORT, MANAGEMENT’S DISCUSSION AND ANALYSIS AND BASIC FINANCIAL STATEMENTS		
	Independent Auditor’s Report	<u>Page</u>
<u>Exhibit Number</u>		
1	Management’s Discussion and Analysis (Required Supplementary Information) (MD&A)	1-17
2	Statement of Net Position	18
3	Statement of Activities	19
4	Balance Sheet –Governmental Funds	20
5	Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	21
6	Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	22
7	Reconciliation of Governmental Fund Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	23
8	Statement of Net Position – Fiduciary Fund	24
9	Statement of Changes in Fiduciary Net Position – Fiduciary Fund	25
10	Notes to Financial Statements	26-60
II. REQUIRED SUPPLEMENTARY INFORMATION		
SS1	Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	61-62
SS2	Schedule of District’s Proportionate Share of the Net Pension Asset/(Liability)	63
SS3	Schedule of District’s Pension Contributions	64
SS4	Schedule of Changes in the District’s Total OPEB Liability and Related Ratios	65
III. OTHER SUPPLEMENTARY INFORMATION		
SS5	Schedule of Change from Adopted Budget to Final Budget – General Fund and Section 1318 Real Property Tax Limit	66
SS6	Schedule of Project Expenditures – Capital Projects Fund	67
SS7	Net Investment in Capital Assets	68
IV. INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>		

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Wantagh Union Free School District

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the fiduciary fund of the District, as of June 30, 2023, and the respective changes in financial position for the fiscal 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of District's proportionate share of the net pension asset/(liability), schedule of District's pension contributions, and schedule of changes in District's total other post-employment benefits liability and related ratios on pages 1 through 17 and 61 through 65, 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 District's basic financial statements. The other supplementary information as listed in the table of contents is 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 other supplementary financial information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

R. J. Abrams & Co., LLP

R.S. Abrams & Co., LLP
Islandia, New York
October 6, 2023

**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The follow is a discussion and analysis of the Wantagh Union Free School District's (the "District") financial performance for the fiscal year ended June 30, 2023. This section is a summary of the District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the District-Wide and Fund Financial Statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the District's financial statements, which immediately follow this section.

1. FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2023 are as follows:

- The District's total net deficit decreased by \$2,845,500, or 3.33%, to \$82,493,823 at June 30, 2023.
- The District's expenses for the year, as reflected in the District-Wide Financial Statements, totaled \$86,349,027. Expenses increased partially due to changes in the actuarially determined expenses related to pension and OPEB valuations. Of the expenses amount, \$3,797,269 was offset by program charges for services, operating grants and contributions, and capital grants. General revenues of \$85,397,258 amounted to 95.7% of total revenues.
- The general fund's total fund balance, as reflected in the Fund Financial Statements, decreased by \$1,067,715 to \$13,321,803. This was due to an excess of expenditures and other financing uses over revenues and other financing sources based on the modified accrual basis of accounting.
- New York State Law limits the amount of assigned and unassigned fund balance, excluding encumbrances and amounts designated for the subsequent year's budget, which can be retained by the general fund up to 4.00% of the ensuing year's budget. At the end of the current fiscal year, the District was within the statutory limit.
- On December 6, 2022, voters approved a bond authorization for a total estimated cost not to exceed \$53,500,000 to finance the construction and renovation of various District buildings and facilities. The District has not yet issued serial bonds, leaving unissued debt of \$53,500,000 at June 30, 2023.

2. OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – management's discussion and analysis (this section), the basic financial statements, required supplementary information, and other supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

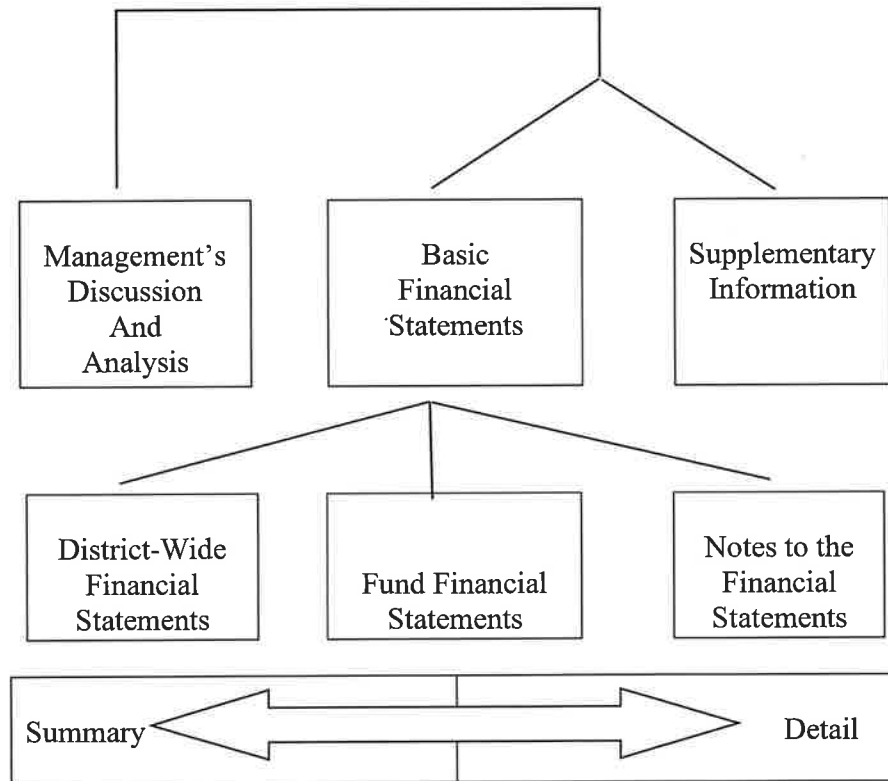
- The first two statements are *District-Wide Financial Statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *Fund Financial Statements* that focus on *individual parts* of the District, reporting the operations in *more detail* than the District-Wide Financial Statements.

**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

- The *Governmental Fund Statements* tell how basic services such as instruction and support functions were financed in the *short term* as well as what remains for future spending.
- *Fiduciary Fund Financial Statements* provide information about the financial relationships in which the District acts solely as a custodian for the benefit of others, such as real property taxes collected on behalf of other governments and disbursed to those governments.

The notes to the basic financial statements provide additional information about the basic financial statements and the balances reported. The basic financial statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. The following Table shows how the various parts of this annual report are arranged and related to one another.

Table A-1: Organization of the District's Annual Financial Report



The following Table summarizes the major features of the District's basic financial statements, including the portion of the District's activities that they cover and the types of information that they contain. The remainder of this overview section of Management's Discussion and Analysis highlights the structure and contents of each of the statements.

**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Major Features of the District-Wide Financial Statements and Fund Financial Statements

	District-Wide Financial Statements	Fund Financial Statements	
		Governmental	Fiduciary
Scope	Entire entity (except fiduciary funds)	The day-to-day operating activities of the District, such as special education and instruction	Instances in which the District administers resources on behalf of others, such as property taxes collected on behalf of another local government
Required financial statements	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances 	<ul style="list-style-type: none"> • Statement of Fiduciary Net Position • Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources measurement focus	Modified accrual and current financial resources measurement focus	Accrual accounting and economic resources focus
Type of asset/deferred outflows of resources/liability/deferred inflows of resources information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both financial and capital, short-term and long-term	Current assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due or available during the year or soon thereafter; no capital assets, intangible lease assets, or long-term liabilities included	All financial assets, deferred outflows of resources (if any), liabilities, and deferred inflows of resources (if any), short-term and long-term; these funds do not currently contain capital assets or intangible lease assets, although they can
Type of inflow and outflow information	All revenues and expenses during the year; regardless of when cash is received or paid	Revenues for which cash is received during the year or soon thereafter; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

A) District-Wide Financial Statements:

The District-Wide Financial Statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two District-Wide Financial Statements report the District's net position and how it has changed. Net position, the difference between the assets and deferred outflows of resources, and liabilities and deferred inflows of resources, is one way to measure the financial health or position of the District.

- Over time, increases and decreases in net position are an indicator of whether the financial position is improving or deteriorating, respectively.
- For assessment of the overall health of the District, additional non-financial factors such as changes in the District's property tax base and the condition of buildings and other facilities should be considered.

Net position of the governmental activities differ from the governmental fund balances because governmental fund level statements only report transactions using or providing current financial resources. Also, capital assets and intangible lease assets are reported as expenditures when financial resources (money) are expended to purchase, finance or build said assets. Likewise, the financial resources that may have been borrowed are considered revenue when they are received. The principal and interest payments are both considered expenditures when paid. Depreciation and amortization are not calculated as it does not provide or reduce current financial resources. Finally, capital assets, intangible lease assets, and long-term debt are accounted for in account groups and do not affect the fund balances.

District-Wide Financial Statements are reported utilizing an economic resources measurement focus and full accrual basis of accounting that involves the following steps to format the Statement of Net Position:

- Capitalize current outlays for capital assets and intangible lease assets;
- Report long-term debt as a liability;
- Depreciate capital assets, amortize intangible lease assets, and allocate the depreciation and amortization to the proper program/activities;
- Calculate revenue and expense using the economic resources measurement focus and the accrual basis of accounting; and
- Allocate net position balances as follows:
 - *Net investment in capital assets*;
 - *Restricted net position* are those with constraints placed on the use by external sources (creditors, grantors, contributors or laws or regulations of governments) or approved by law through constitutional provisions or enabling legislation; and
 - *Unrestricted net position* includes net amounts that do not meet any of the above restrictions.

**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

B) Fund Financial Statements:

The Fund Financial Statements provide more detailed information about the District's funds. Funds are accounting devices that the District uses to keep track of specific revenue sources and spending on particular programs. The funds have been established by the laws of the State of New York.

The District has two kind of funds:

- *Governmental funds:* Most of the basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the Governmental Fund Financial Statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the programs of the District. Because this information does not encompass the additional long-term focus of the District-Wide Financial Statements, additional information in a separate reconciliation schedule explains the relationship (or differences) between them. In summary, the Governmental Fund Financial Statements focus primarily on the sources, uses, and balances of current financial resources and often has a budgetary orientation. Included are the general fund, special aid fund, school lunch fund, miscellaneous special revenue fund, debt service fund, and capital projects fund. Required statements are the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances.
- *Fiduciary fund:* The District is the custodian or *fiduciary* for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-Wide Financial Statements because it cannot use these assets to finance its operations. This fund reports real property taxes collected on behalf of other governments and disbursed to those governments.

3. FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

A. Net Position:

The District's net deficit decreased by \$2,845,500 in the fiscal year ended June 30, 2023 as detailed in the Table that follows.

**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Condensed Statement of Net Position-Governmental Activities

	2023	2022	Increase (Decrease)	Total Percentage Change
Current assets	\$ 24,260,939	\$ 22,084,457	\$ 2,176,482	9.86%
Non-current assets	48,856,683	48,950,837	(94,154)	(0.19%)
Net pension assets-proportionate share	-	37,274,590	(37,274,590)	100.00%
Total Assets	<u>73,117,622</u>	<u>108,309,884</u>	<u>(35,192,262)</u>	<u>(32.49%)</u>
Deferred outflows of resources	52,805,384	49,819,489	2,985,895	5.99%
Total Assets and Deferred Outflows of Resources	<u>125,923,006</u>	<u>158,129,373</u>	<u>(32,206,367)</u>	<u>(20.37%)</u>
Current liabilities	7,192,451	5,729,914	1,462,537	25.52%
Long-term liabilities	141,982,099	134,715,340	7,266,759	5.39%
Total Liabilities	<u>149,174,550</u>	<u>140,445,254</u>	<u>8,729,296</u>	<u>6.22%</u>
Deferred inflows of resources	59,242,279	103,023,442	(43,781,163)	(42.50%)
Total Liabilities and Deferred Inflows of Resources	<u>208,416,829</u>	<u>243,468,696</u>	<u>(35,051,867)</u>	<u>(14.40%)</u>
Net Position				
Net investment in capital assets	40,944,826	38,306,393	2,638,433	6.89%
Restricted	12,814,795	10,935,925	1,878,870	17.18%
Unrestricted (deficit)	(136,253,444)	(134,581,641)	(1,671,803)	(1.24%)
Total Net Position (Deficit)	<u>\$ (82,493,823)</u>	<u>\$ (85,339,323)</u>	<u>\$ 2,845,500</u>	<u>3.33%</u>

Current assets increased by \$2,176,482 from the prior year primarily due to increases in the District's cash and cash equivalents and receivables.

Non-current assets (capital assets net of accumulated depreciation and intangible lease assets net of accumulated amortization) decreased by \$94,154, primarily due to the current year depreciation and amortization expense exceeding current year additions.

Net pension assets – proportionate share provided by the teachers' retirement system and employees' retirement system decreased by \$35,669,724 and \$1,604,866, respectively, as a result of the actuarial valuations provided by the State. These balances are recorded as long-term liabilities at June 30, 2023 as a result of the actuarial valuations provided by the State.

Deferred outflows of resources increased by \$2,985,895, as compared to the prior year. The changes in deferred outflows represent deferred amounts on refundings, amortization of pension related items and the District's contribution subsequent to the measurement date, and deferred outflows related to total other post-employment benefits obligation (OPEB) as discussed in Notes 11, 12, and 14, respectively.

Current liabilities increased by \$1,462,537. This was primarily due to increases in accrued liabilities, due to other governments, due to teachers' retirement system, and due to employees' retirement system.

Long-term liabilities increased by \$7,266,759 primarily as a result of increases in the actuarial valuations for the net pension liabilities and the total other post-employment benefits obligation as well as an increase in the lease liability.

**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The decrease of \$43,781,163 in deferred inflows of resources represent the amortization of pension related items as discussed in Note 12 and deferred inflows related to total other post-employment benefits obligation as discussed in Note 14.

The net investment in capital assets relates to the investment in capital assets (at cost) and intangible lease assets (at the present value of future lease payments remaining on the lease term) such as land, construction in progress, buildings and improvements, site improvements, machinery and equipment, and vehicles, net of accumulated depreciation, accumulated amortization, and related debt. This number increased from the prior year by \$2,638,433.

The restricted net position at June 30, 2023, relates to the District's reserve funds established for specific purposes. Restricted net position increased by \$1,878,870 as a result of District contributions exceeding usage of the reserves.

The unrestricted net deficit increased by \$1,671,803 as a result of the activities shown below.

**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

B. Changes in Net Position:

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

Change in Net Position from Operating Results

	Fiscal Year 2023	Fiscal Year 2022	Increase (Decrease)	Percentage Change
Program Revenues				
Charges for services	\$1,207,390	\$901,261	\$306,129	33.97%
Operating grants and contributions	2,571,206	5,493,765	(2,922,559)	-53.20%
Capital grants	18,673	-	18,673	0.00%
General Revenues				
Real property taxes and other tax items	64,739,737	63,541,211	1,198,526	1.89%
Use of money and property	700,712	171,073	529,639	309.60%
Sale of property and compensation for loss	17,801	110,306	(92,505)	-83.86%
Miscellaneous	478,812	365,983	112,829	30.83%
State and federal sources	19,460,196	18,357,091	1,103,105	6.01%
Total Revenues	<u>\$89,194,527</u>	<u>\$88,940,690</u>	<u>\$253,837</u>	<u>0.29%</u>
Expenses				
General support	\$14,399,472	\$12,715,354	\$1,684,118	13.24%
Instruction	66,493,276	57,531,045	8,962,231	15.58%
Pupil transportation	3,905,058	3,689,316	215,742	5.85%
Debt service - interest	303,364	306,276	(2,912)	-0.95%
Food service program	1,247,857	1,584,092	(336,235)	-21.23%
Total Expenses	<u>\$86,349,027</u>	<u>\$75,826,083</u>	<u>\$10,522,944</u>	<u>13.88%</u>
Total Change in Net Position	<u>\$2,845,500</u>	<u>\$13,114,607</u>	<u>(\$10,269,107)</u>	<u>-78.30%</u>

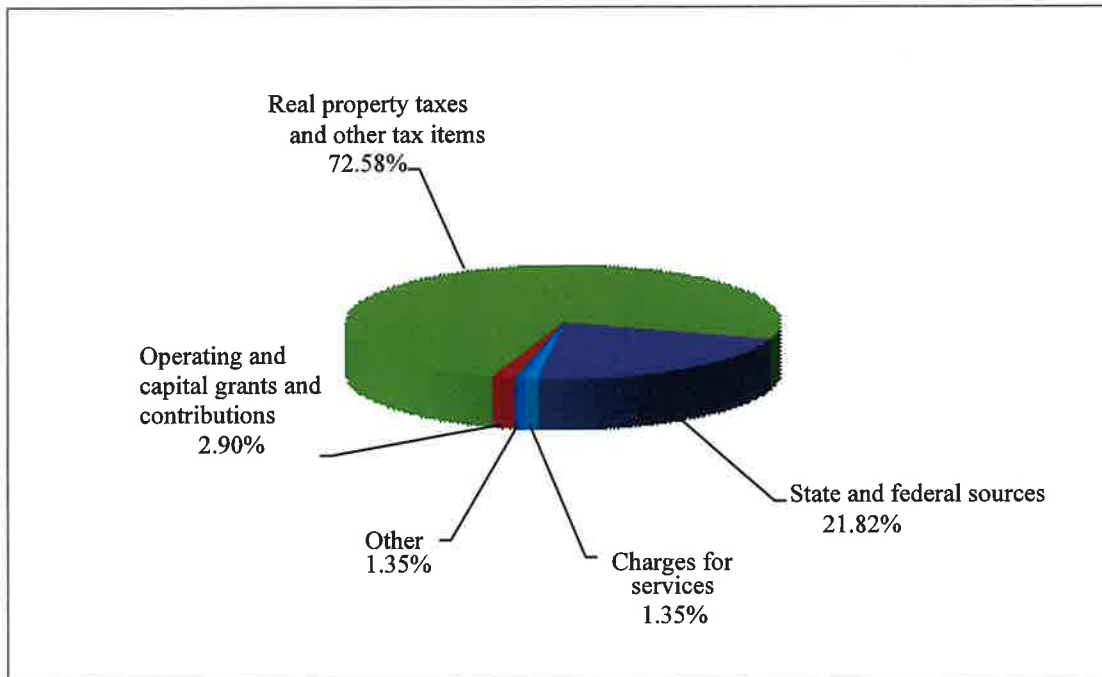
The District's revenues increased by \$253,837, or 0.29%. The major factors that contributed to the increase were primarily related to increases in charges for services, real property taxes and other tax items, use of money and property, and state and federal sources, partially offset by decreases in operating grants and contributions.

The District's expenses for the year increased by \$10,522,944, or 13.88%. This was primarily attributable to increases in general support and instruction due to changes in the actuarially determined expenses related to pension and OPEB valuations.

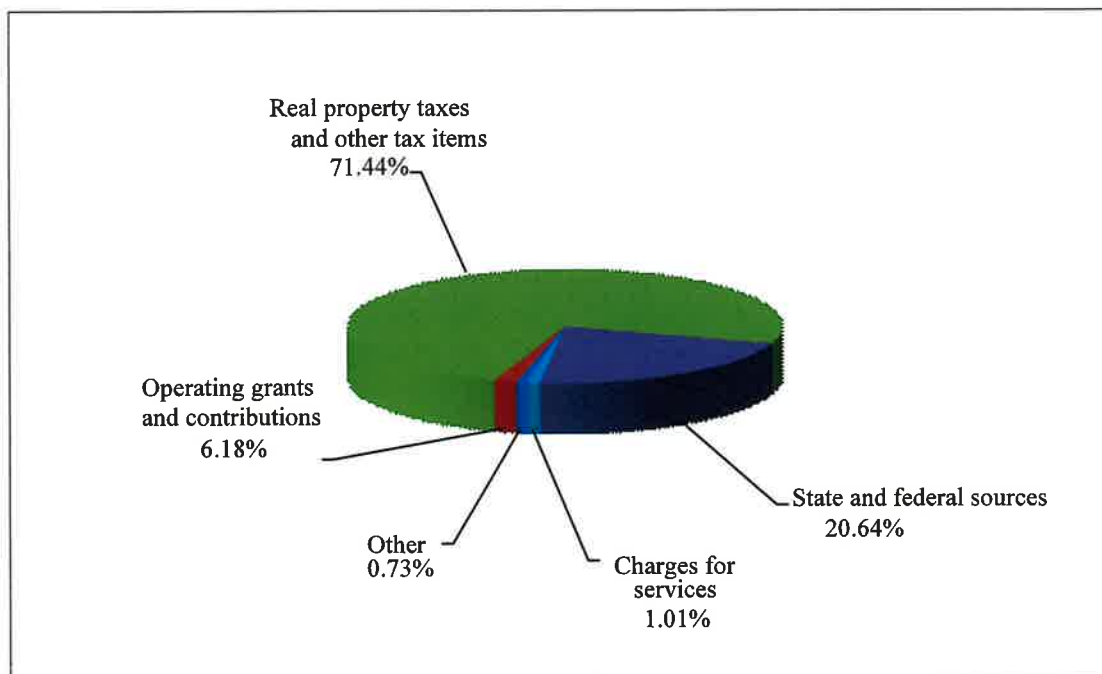
**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

For the Fiscal Year Ended June 30, 2023



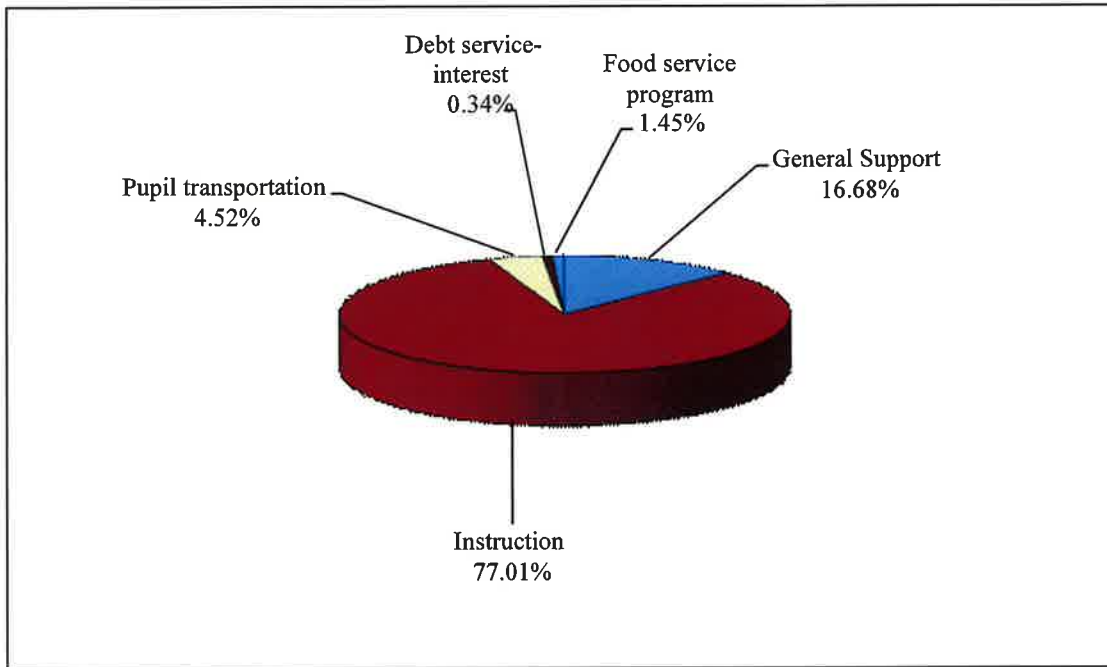
For the Fiscal Year Ended June 30, 2022



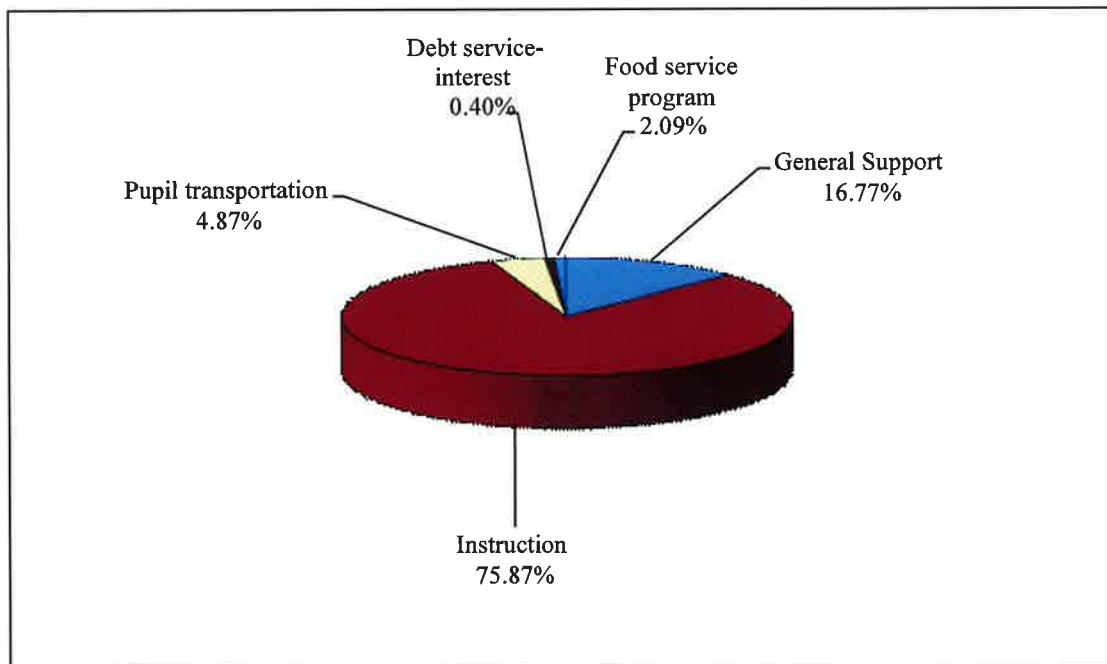
**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

For the Fiscal Year Ended June 30, 2023



For the Fiscal Year Ended June 30, 2022



WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

4. FINANCIAL ANALYSIS OF THE DISTRICT'S FUND BALANCES

Variations between years for the Fund Financial Statements are not the same as variations between years for the District-Wide Financial Statements. The District's governmental funds are presented on the **current financial resources measurement focus** and the **modified accrual basis of accounting**. Based on this presentation, governmental funds do not include long-term debt liabilities for the funds' projects and capital assets purchased or intangible lease assets financed by the District. Governmental funds will include the proceeds received from the issuance of debt, the current payments for capital assets and intangible lease assets, and the current payments for debt.

As of June 30, 2023, the District's combined governmental funds reported a total fund balance of \$17,063,431. See the following Table for more information.

A summary of the change in fund balance for all the funds is as follows:

**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Fiscal Year 2023	Fiscal Year 2022	Increase (Decrease)	Total Percentage Change
General Fund				
Restricted				
Workers' compensation	\$ 495,000	\$ 592,000	\$ (97,000)	(16.39%)
Unemployment insurance	300,000	402,000	(102,000)	(25.37%)
Retirement contributions				
Employees' retirement system	2,000,000	2,000,000	-	0.00%
Teachers' retirement system	2,095,000	1,397,000	698,000	49.96%
Employee benefit accrued liability	2,900,000	3,050,000	(150,000)	(4.92%)
Capital	1,277,347	2,661,771	(1,384,424)	(52.01%)
Repair	102,372	75,000	27,372	36.50%
Total Restricted	<u>9,169,719</u>	<u>10,177,771</u>	<u>(1,008,052)</u>	<u>(9.90%)</u>
Assigned				
Unappropriated encumbrances	572,183	812,483	(240,300)	(29.58%)
Total Assigned	<u>572,183</u>	<u>812,483</u>	<u>(240,300)</u>	<u>(29.58%)</u>
Unassigned	3,579,901	3,399,264	180,637	5.31%
Total General Fund	<u>13,321,803</u>	<u>14,389,518</u>	<u>(1,067,715)</u>	<u>(7.42%)</u>
School Lunch Fund				
Nonspendable	1,997	5,423	(3,426)	(63.18%)
Assigned - unappropriated	52,165	96,551	(44,386)	(45.97%)
Total School Lunch Fund	<u>54,162</u>	<u>101,974</u>	<u>(47,812)</u>	<u>(46.89%)</u>
Miscellaneous Special Revenue Fund				
Restricted for scholarships and donations	58	1,080	(1,022)	(94.63%)
Assigned - extraclassroom activities	210,358	186,374	23,984	12.87%
Total Miscellaneous Special Revenue Fund	<u>210,416</u>	<u>187,454</u>	<u>22,962</u>	<u>12.25%</u>
Debt Service Fund				
Restricted	54,141	164,141	(110,000)	(67.02%)
Total Debt Service Fund	<u>54,141</u>	<u>164,141</u>	<u>(110,000)</u>	<u>(67.02%)</u>
Capital Projects Fund				
Restricted				
Capital	3,590,877	593,011	2,997,866	505.53%
Assigned - unappropriated	-	958,983	(958,983)	(100.00%)
Unassigned	(167,968)	-	(167,968)	N/A
Total Capital Projects Fund	<u>3,422,909</u>	<u>1,551,994</u>	<u>1,870,915</u>	<u>120.55%</u>
Total Fund Balances - All Funds	<u>\$ 17,063,431</u>	<u>\$ 16,395,081</u>	<u>\$ 668,350</u>	<u>4.08%</u>

**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

A) General Fund

The fund balance in the general fund decreased by \$1,067,715 as a result of expenditures and other financing uses of \$87,185,392 exceeding revenues and other financing sources of \$86,117,677. Revenues and other financing sources increased \$841,706, or 0.99% compared to the prior year, mostly due to increases in real property taxes, use of money and property, miscellaneous, state sources, and federal sources, partially offset by decreases in STAR and other real property tax items, charges for services, and sale of property and compensation for loss. Expenditures and other financing uses increased by \$6,924,459, or 8.63% compared to the prior year primarily due to increases in general support, instruction, pupil transportation, employee benefits, debt service – interest, and operating transfers out, partially offset by a decreases in debt service - principal.

B) School Lunch Fund

The fund balance in the school lunch fund decreased by \$47,812. This decrease is primarily due to the decrease in state and federal sources as a result of the discontinuation of the free meals programs that had been offered in the previous year in response to the COVID-19 pandemic, partially offset by the operating transfer in from the general fund and increases in meal sales revenue.

C) Miscellaneous Special Revenue Fund:

The fund balance in the miscellaneous special revenue fund increased by \$22,962. This increase is due to current year revenues exceeding expenditures for extraclassroom activities, partially offset by current year expenditures exceeding revenues for scholarships and donations.

D) Debt Service Fund

The fund balance in the debt service fund decreased by \$110,000, which represents transfers from the debt service fund to the general fund for debt service payments.

E) Capital Projects Fund

The fund balance in the capital projects fund increased by \$1,870,915, which is primarily due to other financing sources (transfer from general fund and lease proceeds) exceeding capital outlays and other financing uses (return of unneeded funding to the general fund for closed capital projects).

5. GENERAL FUND BUDGETARY HIGHLIGHTS**A. 2022-2023 Budget:**

The District's general fund voter approved budget for the year ended June 30, 2023 was \$84,981,612. This amount was increased by prior year encumbrances of \$812,483, appropriation of capital reserve of \$3,036,000, appropriation of employee benefit accrued liability reserve of \$375,000, appropriation of workers' compensation reserve of \$125,000, appropriation of unemployment insurance reserve of \$113,852, and budget revisions for donations received of \$11,538, resulting in a final budget of \$89,455,485. The majority of the funding was real property taxes and other tax items totaling \$64,730,202.

**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

The general fund's unassigned fund balance is the component of total fund balance that is the residual of prior years' excess revenues over expenditures, net of uses of and transfers to reserves and designations to fund the subsequent year's budget. It is this balance that is commonly referred to as the "fund balance". The change in this balance demonstrated through a comparison of the actual revenues and expenditures for the year compared to budget follows:

Opening, unassigned fund balance	\$ 3,399,264
Revenues and other financing sources over budget	1,499,527
Expenditures and other financing uses and encumbrances under budget	1,697,910
Interest allocated to reserves	(297,571)
Transfers to reserves	<u>(2,719,229)</u>
Closing, unassigned fund balance	<u>\$ 3,579,901</u>

Opening, Unassigned Fund Balance

The \$3,399,264 shown in the Table is the portion of the District's June 30, 2022 fund balance that was retained as unassigned.

Revenues and Other Financing Sources Over Budget

The 2022-2023 final budget for revenues and other financing sources was \$84,618,150. The actual revenues and other financing sources received for the year were \$86,117,677. The actual revenues and other financing sources over budget was \$1,499,527. This variance contributes to the change to the unassigned portion of the fund balance in the general fund and was primarily related to amounts over budget for use of money and property, miscellaneous, and other financing sources.

Expenditures and Other Financing Uses and Encumbrances Under Budget

The 2022-2023 final budget for expenditures was \$89,455,485. The actual expenditures and other financing uses were \$87,185,392. The final budget was under expended by \$1,697,910. This under expenditure contributes to the change to the unassigned portion of the fund balance in the general fund.

Interest Allocated to Reserves

Interest of \$297,571 was allocated to reserves as follows: \$16,026 to the workers' compensation reserve, \$11,852 to the unemployment insurance reserve, \$56,547 to the retirement contribution reserve - employees' retirement system, \$41,187 to the teachers' retirement system, \$91,112 to employee benefit accrued liability reserve, \$78,475 to the capital reserve, and \$2,372 to the repair reserve.

**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Transfer to Reserves

The District funded \$11,973 to the workers' compensation reserve, \$318,454 to the retirement contribution reserve - employees' retirement system, \$656,813 to the teachers' retirement system, \$133,888 to employee benefit accrued liability reserve, \$1,573,101 to the capital reserve, and \$25,000 to the repair reserve.

Closing, Unassigned Fund Balance

Based upon the summary of changes shown in the above Table, the District will begin the 2023-2024 fiscal year with an unassigned fund balance of \$3,579,901. This is an increase of \$180,637 from the unassigned balance from the prior year and represents 4.00% of the District's 2023-2024 operating budget.

6. CAPITAL ASSETS, INTANGIBLE LEASE ASSETS, AND DEBT ADMINISTRATION

A. Capital Assets and Intangible Lease Assets:

At June 30, 2023, the District had invested in a broad range of capital assets and intangible lease assets, including land, buildings and improvements, site improvements, machinery and equipment, and vehicles. The net decrease in capital assets is due to depreciation expense exceeding capital additions recorded for the fiscal year ended June 30, 2023. The net increase in intangible lease assets is due to current year additions exceeding amortization expense. A summary of the District's capital assets, net of accumulated depreciation, and intangible lease assets, net of accumulated amortization, at June 30, 2023 and 2022, is as follows:

Capital Assets

Category	2023	2022	Net Increase/ (Decrease)	Percentage Change
Land	\$ 3,484,000	\$ 3,484,000	\$ -	0.00%
Construction in progress	706,207	149,872	556,335	371.21%
Buildings and improvements	112,371,727	112,071,262	300,465	0.27%
Site improvements	1,271,722	1,188,383	83,339	7.01%
Machinery and equipment	2,940,080	1,934,298	1,005,782	52.00%
Vehicles	479,901	479,901	-	0.00%
Subtotal	<u>121,253,637</u>	<u>119,307,716</u>	<u>1,945,921</u>	1.63%
Less: accumulated depreciation	<u>73,721,350</u>	<u>71,498,321</u>	<u>2,223,029</u>	3.11%
Total net capital assets	<u>\$47,532,287</u>	<u>\$47,809,395</u>	<u>(\$277,108)</u>	-0.58%
Net intangible lease assets	<u>\$1,324,396</u>	<u>\$1,141,442</u>	<u>\$182,954</u>	16.03%

Depreciation expense was \$2,223,029 and amortization expense was \$614,663 for fiscal year ended June 30, 2023. See Note 8 to the financial statements for additional detail.

**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

B. Long-Term Debt:

At June 30, 2023, the District had total long-term debt, including bonds payable net of unamortized premium, lease liability, and energy performance contract debt payable of \$7,978,817. The decrease in bonds payable represents principal payments and amortization expense offset by deferred premiums earned. The increase in lease liability represents new leases entered into during the fiscal year, partially offset by principal payments. The decrease in the energy performance contract debt payable represents principal payments. More detailed information about the District’s long-term debt is presented in Note 11 to the financial statements.

A summary of outstanding debt at June 30, 2023 and 2022 is as follows:

	2023	2022	Increase (Decrease)
Bonds payable (net of unamortized premium)	\$ 1,157,413	\$ 3,552,486	\$ (2,395,073)
Lease liability	1,264,576	1,043,944	220,632
Energy performance contract debt payable	5,556,828	6,181,934	(625,106)
Total	<u>\$ 7,978,817</u>	<u>\$ 10,778,364</u>	<u>\$ (2,799,547)</u>

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

- A) The District designated voter approved budget for 2023-2024 is \$89,497,546. This is an increase of \$4,515,934, or 5.31%, from the previous year’s budget. The increase was primarily due to increases in expenditures for special education and occupational education, employee benefits, and interfund transfers.
- B) Future budgets may be negatively affected by certain trends impacting school districts. These factors include rising health care premiums, increased costs associated with meeting the requirements for instructional services, and the property tax cap, which will continue to impact the District’s ability to fund its current cost of services.

**WANTAGH UNION FREE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

8. CONTACTING THE DISTRICT

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

Anthony Cedrone, CPA
Assistant Superintendent for Business
Wantagh Union Free School District
3301 Beltagh Avenue
Wantagh, New York 11793

WANTAGH UNION FREE SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS	
Current assets	
Cash and cash equivalents	
Unrestricted	\$ 8,170,635
Restricted	12,814,795
Receivables	
Accounts receivable	17,793
Taxes receivable	1,082,806
State and federal aid	2,015,400
Due from other governments	157,513
Inventory	1,997
Capital assets	
Capital assets not being depreciated	4,190,207
Capital assets being depreciated, net of accumulated depreciation	43,342,080
Intangible lease assets, net of accumulated amortization	1,324,396
TOTAL ASSETS	<u>73,117,622</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts on refundings	66,960
Pensions	23,690,316
Other post-employment benefits obligation	29,048,108
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>52,805,384</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>125,923,006</u>
LIABILITIES	
Payables	
Accounts payable	224,045
Accrued liabilities	1,012,986
Due to other governments	1,153,932
Due to teachers' retirement system	4,067,677
Due to employees' retirement system	260,126
Compensated absences payable	250,590
Student deposits	49,226
Accrued interest payable	13,616
Unearned credits	
Collections in advance	160,253
Long-term liabilities	
Due and payable within one year	
Bonds payable (inclusive of unamortized premiums)	1,157,413
Lease liability	597,967
Energy performance contract payable	639,724
Compensated absences payable	230,000
Due and payable after one year	
Lease liability	666,609
Energy performance contract payable	4,917,104
Workers' compensation claims payable	168,082
Compensated absences payable	2,651,493
Net pension liability - proportionate share - teachers' retirement system	3,735,439
Net pension liability - proportionate share - employees' retirement system	3,904,504
Total other post-employment benefits obligation	123,313,764
TOTAL LIABILITIES	<u>149,174,550</u>
DEFERRED INFLOWS OF RESOURCES	
Pensions	1,954,341
Other post-employment benefits obligation	57,287,938
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>59,242,279</u>
NET POSITION	
Net investment in capital assets	<u>40,944,826</u>
Restricted	
Workers' compensation	495,000
Unemployment	300,000
Retirement contribution	4,095,000
Employee benefit accrued liability	2,900,000
Capital	4,868,224
Repair	102,372
Scholarships and donations	58
Debt service - principal and interest	54,141
	<u>12,814,795</u>
Unrestricted (deficit)	<u>(136,253,444)</u>
TOTAL NET POSITION (DEFICIT)	<u>(\$82,493,823)</u>

**WANTAGH UNION FREE SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

FUNCTIONS / PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants	
General support	\$ 14,399,472	\$ -	\$ -	\$ -	\$ (14,399,472)
Instruction	66,493,276	532,823	2,256,511	18,673	(63,685,269)
Pupil transportation	3,905,058				(3,905,058)
Debt service-interest	303,364				(303,364)
Food service program	1,247,857	674,567	314,695		(258,595)
TOTAL FUNCTIONS AND PROGRAMS	\$ 86,349,027	\$ 1,207,390	\$ 2,571,206	\$ 18,673	(82,551,758)
GENERAL REVENUES					
Real property taxes					58,835,545
Other tax items - including STAR reimbursement					5,904,192
Use of money and property					700,712
Sale of property and compensation for loss					17,801
Miscellaneous					478,812
State sources					19,393,971
Federal sources					66,225
TOTAL GENERAL REVENUES					85,397,258
CHANGE IN NET POSITION					2,845,500
TOTAL NET POSITION (DEFICIT) - BEGINNING OF YEAR					(85,339,323)
TOTAL NET POSITION (DEFICIT) - END OF YEAR					\$ (82,493,823)

**WANTAGH UNION FREE SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2023**

	General	Special Aid	School Lunch	Miscellaneous Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
ASSETS							
Cash and cash equivalents							
Unrestricted	\$ 6,790,525	\$ 40,434	\$ 1,129,318	\$ 210,358	\$ -	\$ -	\$ 8,170,635
Restricted	11,796,237			58	54,141	964,359	12,814,795
Receivables							
Accounts receivable	17,793						17,793
Taxes receivable	1,082,806						1,082,806
State and federal aid	1,331,362	650,803	14,562			18,673	2,015,400
Due from other governments	9,383	148,130					157,513
Due from other funds	2,173,905		204,310			3,036,000	5,414,215
Inventory			1,997				1,997
TOTAL ASSETS	\$ 23,202,011	\$ 839,367	\$ 1,350,187	\$ 210,416	\$ 54,141	\$ 4,019,032	\$ 29,675,154
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Payables							
Accounts payable	\$ 34,189	\$ 14,058	\$ 175,798	\$ -	\$ -	\$ -	\$ 224,045
Accrued liabilities	1,012,986						1,012,986
Due to other governments	1,152,510		1,422				1,153,932
Due to other funds	3,036,000	825,309	975,456			577,450	5,414,215
Due to teachers' retirement system	4,067,677						4,067,677
Due to employees' retirement system	260,126						260,126
Compensated absences payable	250,590						250,590
Student deposits	49,226						49,226
Unearned credits							
Collections in advance	16,904		143,349				160,253
TOTAL LIABILITIES	9,880,208	839,367	1,296,025	-	-	577,450	12,593,050
DEFERRED INFLOWS OF RESOURCES							
New York State aid						18,673	18,673
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	18,673	18,673
FUND BALANCES							
Nonspendable: Inventory			1,997				1,997
Restricted							
Workers' compensation	495,000						495,000
Unemployment insurance	300,000						300,000
Retirement contribution							
Employees' retirement system	2,000,000						2,000,000
Teacher's retirement system	2,095,000						2,095,000
Employee benefit accrued liability	2,900,000						2,900,000
Capital	1,277,347					3,590,877	4,868,224
Repair	102,372						102,372
Debt service-principal and interest					54,141		54,141
Scholarships and donations				58			58
Assigned							
Unappropriated fund balance	572,183		52,165	210,358			834,706
Unassigned	3,579,901					(167,968)	3,411,933
TOTAL FUND BALANCES	13,321,803	-	54,162	210,416	54,141	3,422,909	17,063,431
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 23,202,011	\$ 839,367	\$ 1,350,187	\$ 210,416	\$ 54,141	\$ 4,019,032	\$ 29,675,154

**WANTAGH UNION FREE SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO STATEMENT OF NET POSITION
JUNE 30, 2023**

Total Governmental Fund Balances \$ 17,063,431

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

The cost of building and acquiring capital assets (land, buildings, equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the Balance Sheet. However, the Statement of Net Position includes those capital assets incl among the assets of the District as a whole, and their original costs are expensed annually over their useful lives.

Original cost of capital assets	\$ 121,253,637	
Accumulated depreciation	<u>(73,721,350)</u>	47,532,287

The present value cost of leasing intangible assets financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the balance sheet. However, the Statement of Net Position includes those intangible leased assets among the assets of the District as a whole, and their original present value costs are amortized annually over the shorter of their useful lives or the length of the lease agreements.

Original present value cost of intangible lease assets	\$ 2,543,446	
Accumulated amortization	<u>(1,219,050)</u>	1,324,396

Deferred outflows of resources - The Statement of Net Position recognizes expenditures incurred under the full accrual method. Governmental funds recognize expenditures under the modified accrual method. Deferred outflows that will be recognized as expenditures in future periods amounted to:

Deferred amounts on refundings	66,960	
Deferred outflows related to pensions	23,690,316	
Deferred outflows related to other post-employment benefits	<u>29,048,108</u>	52,805,384

Deferred inflows of resources - The Statement of Net Position recognizes revenues and expenditures under the full accrual method. Governmental funds recognize revenue and expenditures under the modified accrual method. These amounts will be amortized in future years.

Deferred inflows related to pensions	(1,954,341)	
Deferred inflows related to other post-employment benefits	<u>(57,287,938)</u>	(59,242,279)

Deferred inflows of resources - The Statement of Net Position recognized revenues received under the full accrual method. Governmental funds recognize revenues under the modified accrual method.

18,673

Payables that are associated with long-term liabilities that are not payable in the current period are not reported as liabilities in the funds. Additional payables relating to long-term liabilities at year end consisted of accrued interest payable of:

(13,616)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consisted of:

Bonds payable (inclusive of unamortized premiums)	(1,157,413)	
Lease liability	(1,264,576)	
Energy performance contract payable	(5,556,828)	
Workers' compensation claims payable	(168,082)	
Compensated absences payable	(2,881,493)	
Net pension liability - proportionate share - teachers' retirement system	(3,735,439)	
Net pension liability - proportionate share - employees' retirement system	(3,904,504)	
Total other post-employment benefits obligation	<u>(123,313,764)</u>	(141,982,099)

Total Net Position (Deficit)

\$ (82,493,823)

WANTAGH UNION FREE SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General	Special Aid	School Lunch	Miscellaneous Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
REVENUES							
Real property taxes	\$ 58,835,545	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,835,545
STAR and other real property tax items	5,904,192						5,904,192
Charges for services	66,240			466,583			532,823
Use of money and property	694,138		6,574				700,712
Sale of property and compensation for loss	17,801						17,801
Miscellaneous	478,734			78			478,812
State sources	19,393,971	689,982	9,502				20,093,455
Federal sources	66,225	1,566,529	245,453				1,878,207
Surplus food			59,740				59,740
Sales			674,567				674,567
TOTAL REVENUES	85,456,846	2,256,511	995,836	466,661	-	-	89,175,854
EXPENDITURES							
General support	9,847,690			443,699			10,291,389
Instruction	46,481,392	2,248,758					48,730,150
Pupil transportation	3,693,322	129,035					3,822,357
Employee benefits	19,840,621	3,978					19,844,599
Debt service - principal	3,517,091						3,517,091
Debt service - interest	343,399						343,399
Cost of sales			1,247,857				1,247,857
Capital outlay						1,508,279	1,508,279
TOTAL EXPENDITURES	83,723,515	2,381,771	1,247,857	443,699	-	1,508,279	89,305,121
EXCESS (DEFICIENCY)							
OF REVENUES OVER EXPENDITURES	1,733,331	(125,260)	(252,021)	22,962	-	(1,508,279)	(129,267)
OTHER FINANCING SOURCES (USES)							
Operating transfers in	660,831	221,667	204,209			3,036,000	4,122,707
Operating transfers (out)	(3,461,877)	(96,407)			(110,000)	(454,423)	(4,122,707)
Leases						797,617	797,617
TOTAL OTHER FINANCING SOURCES (USES)	(2,801,046)	125,260	204,209	-	(110,000)	3,379,194	797,617
NET CHANGE IN FUND BALANCES	(1,067,715)	-	(47,812)	22,962	(110,000)	1,870,915	668,350
FUND BALANCES - BEGINNING OF YEAR	14,389,518	-	101,974	187,454	164,141	1,551,994	16,395,081
FUND BALANCES - END OF YEAR	\$ 13,321,803	\$ -	\$ 54,162	\$ 210,416	\$ 54,141	\$ 3,422,909	\$ 17,063,431

**WANTAGH UNION FREE SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Net Change in Fund Balances		\$668,350
Amounts reported for governmental activities in the Statement of Activities are different because:		
Long-Term Revenue and Expense Differences		
In the Statement of Activities, certain operating expenses, including compensated absences (vacation and sick days), are measured by the amounts earned or incurred during the year. In the governmental funds, expenditures for these items are measured by the amount of financial resources used. Compensated absences changed by		247,957
Workers' compensation claims payable in the Statement of Activities differs from the amounts reported in the governmental funds because the expense is recorded as an expenditure in the funds when it is due. In the Statement of Activities, the payable is recognized as it accrues regardless of when it is due. Accrued workers' compensation claims payable changed by		46,456
Changes in the proportionate share of net pension asset/liability, and total other post-employment benefits obligation and related deferred inflows and outflows reported in the Statement of Activities do not provide for or require use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds.		
Teachers' retirement system	(1,206,028)	
Employees' retirement system	(721,370)	
Other post-employment benefits obligation	<u>1,126,107</u>	(801,291)
Unearned revenue - The Statement of Net Position recognized revenues received under the full accrual method. Governmental funds recognize revenue under the modified accrual method.		18,673
Capital Related Differences		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are capitalized and shown in the Statement of Net Position and allocated over their useful lives as annual depreciation expense in the Statement of Activities.		
Capital outlays	\$1,945,921	
Depreciation expense	<u>(2,223,029)</u>	(277,108)
Capital outlays to lease capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are capitalized and shown in the Statement of Net Position and allocated over their useful lives as annual amortization expense in the Statement of Activities.		
Intangible lease capital outlays	\$797,617	
Amortization expense	<u>(614,663)</u>	182,954
Long-Term Debt Differences		
Proceeds from leases are recorded as revenue in the governmental funds, but not in the Statement of Activities.		(797,617)
Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.		2,315,000
Repayment of lease liability principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.		576,985
Repayment of energy performance contract payable is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.		625,106
Governmental funds may report premiums, discounts, and similar items on the refunded bonds as revenues or expenditures. These amounts are deferred and amortized in the Statement of Activities. Amortization for the fiscal year was		
Amortization on bond premiums	80,073	
Amortization on deferred amounts on refundings	<u>(66,960)</u>	13,113
Interest on long-term debt in the Statement of Activities differs from the amounts reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statements of Activities, interest expense is recognized as the interest accrues regardless of when it is due. Accrued interest year over year changed by		<u>26,922</u>
Change in Net Position		<u>\$ 2,845,500</u>

**WANTAGH UNION FREE SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUND
JUNE 30, 2023**

	Custodial
ASSETS	
Accounts receivable	\$ -
TOTAL ASSETS	\$ -
 LIABILITIES	
Other liabilities	\$ -
TOTAL LIABILITIES	-
 NET POSITION	
Restricted	-
TOTAL NET POSITION	-
 TOTAL LIABILITIES AND NET POSITION	\$ -

**WANTAGH UNION FREE SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Custodial
ADDITIONS	
Library real property taxes received	\$ 2,770,950
TOTAL ADDITIONS	2,770,950
DEDUCTIONS	
Library real property taxes disbursed	2,770,950
TOTAL DEDUCTIONS	2,770,950
CHANGE IN NET POSITION	-
NET POSITION - BEGINNING OF YEAR	-
NET POSITION - END OF YEAR	\$ -

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Wantagh Union Free School District (the “District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. Those principals are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Certain significant accounting principles and policies utilized by the District are described below:

A) Reporting Entity:

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

The reporting entity of the District is based upon criteria set forth by GASB Statement No.14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-An Amendment of GASB Statements No. 14 and No. 34*. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the District. The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District’s reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, there are no other entities that would be included in the District’s reporting entity.

B) Joint Venture:

The District is a component district in the Nassau County Board of Cooperative Educational Services, (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs which provide educational and support activities. There is no authority or process by which a school district can terminate its status as a BOCES component.

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

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

C) Basis of Presentation:

District-Wide Financial Statements

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

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

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

School Lunch Fund: This fund is used to account for the activities of the District's food service operations. The food service operations are supported by federal and state grants and charges participants for its services.

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Miscellaneous Special Revenue Fund: This fund is used to account for assets held by the District in accordance with grantor or contributor stipulations, including scholarships and donations. Other activities included in this fund are extra classroom activities.

Debt Service Fund: This fund accounts for the accumulation of resources that are restricted to expenditure for principal and interest on long-term general obligation debt of governmental activities. Debt service funds should be used to report resources if legally mandated.

Capital Projects Fund: This fund is used to account for the financial resources used for acquisition, construction, or major repair of capital facilities.

The District reports the following fiduciary fund:

Fiduciary Fund: This fund is used to account for fiduciary activities. Fiduciary activities are those in which the District acts as trustee or custodian for resources that belong to others. These activities are not included in the District-Wide Financial Statements because their resources do not belong to the District and are not available to be used. The District's fiduciary fund includes the custodial fund, which is used to account for real property taxes collected on behalf of other governments and disbursed to other governments. This fund is custodial in nature.

D) Measurement Focus and Basis of Accounting:

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

The Fund Financial Statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 180 days after the end of the fiscal year, except for real property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on bonds payable, lease liability, and energy performance contract payable, workers' compensation, claims, compensated absences, net pension costs, other post-employment benefits, and claims and judgments, if applicable, which are recognized as expenditures to the extent they have matured. Capital asset and intangible lease asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions of leases with terms greater than one year are reported as other financing sources.

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

E) Real Property Taxes:

Calendar

Real property taxes are levied annually by the Board no later than August 15 and become a lien on October 1 and April 1. The District tax levy is collected by the Town of Hempstead during the period October 1 through November 10, and April 1 through May 10 without penalty and are remitted to the District from December through June.

Enforcement

Uncollected real property taxes are subsequently enforced by the County of Nassau (the "County"). The County pays an amount representing uncollected real property taxes transmitted to the County for enforcement to the District no later than the following July 1.

F) Restricted Resources:

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

G) Interfund Transactions:

The operations of the District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The District typically loans resources between funds for the purpose of providing cash flows. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditures and revenues to provide financing or other services.

In the District-Wide Financial Statements, eliminations have been made for all interfund receivables and payables between the funds.

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

Refer to Note 9 for a detailed disclosure by individual fund for interfund receivables, payables, expenditures, and revenue activity.

H) Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

computation of useful lives of capital assets and intangible lease assets, lease liability, workers' compensation claims payable, compensated absences payable, pension asset/liability, total other post-employment benefits obligation, and potential contingent liabilities.

D) Cash and Cash Equivalents:

The District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. Certain cash balances are restricted by various legal and contractual obligations, such as legal reserves and debt agreements.

J) Receivables:

Receivables are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

K) Inventory:

Inventory of food in the school lunch fund is recorded at cost on a first-in, first-out basis, or in the case of surplus food donated by the U.S. Department of Agriculture, at the Government's stated value, which approximates market value. Inventory is accounted for on the consumption method. Under the consumption method, a current asset for inventory is recorded as the time of receipt and/or purchase and an expense/expenditure is reported in the year the goods are consumed.

Purchases of inventoriable items in other funds are recorded as expenses/expenditures at the time of purchase and are considered immaterial in amount.

A portion of fund balance has been classified as nonspendable to indicate that inventory does not constitute available spendable resources.

L) Capital Assets:

Capital assets are reflected in the District-Wide Financial Statements. Capital assets are reported at actual cost, when the information is available, or estimated historical cost based on professional third-party information. Donated assets are reported at acquisition value at the time received.

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

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings and improvements	\$ 50,000	Straight Line	20-50 Years
Site improvements	\$ 25,000	Straight Line	20 Years
Vehicles, machinery, and equipment	\$ 5,000	Straight Line	5-20 Years

The District evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. The District's policy is to record an impairment loss in the period when the District determines that the carrying amount of the asset will not be recoverable. At June 30, 2023, the District has not recorded any such impairment losses.

M) Intangible Lease Assets:

Intangible lease assets are reported at the present value of future lease payments remaining during the lease term. The discount rate utilized is either the interest rate implicit within the lease agreement, or if not readily determinable, the District's estimated incremental borrowing rate. These intangible lease assets are amortized over the shorter of the lease term or the useful life of the underlying asset.

Capitalization thresholds (the dollar value above which intangible lease asset acquisitions are added to the intangible lease asset accounts), amortization methods, and estimated useful lives of intangible lease assets reported in the District-Wide Financial Statements follow the same thresholds as noted above for capital assets.

N) Deferred Outflows and Inflows of Resources:

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has the following items that qualify for reporting in this category. First is the unamortized amount of deferred amounts from the refunding of bonds that is being amortized as a component of interest expense on a straight-line basis over the life of the debt, detailed further in Note 11. The other amounts are related to pensions and total other post-employment benefits obligation reported in the District-Wide Statement of Net Position, and are detailed further in Notes 12 and 14, respectively.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has the following items that qualify for reporting in this category. The amounts are related to pensions and total other post-employment benefits obligation reported in the District-Wide Statement of Net Position, and are detailed further in Notes 12 and 14, respectively.

In addition to liabilities, the Governmental Funds Balance Sheet will sometimes report deferred inflows of resources when potential revenues do not meet the availability criterion for recognition in the current period. These amounts are recorded as deferred inflows of resources. In subsequent

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

periods, when the availability criterion is met, deferred inflows of resources are classified as revenues. The District-Wide Financial Statements, however, report these deferred inflows of resources as revenues in accordance with the accrual basis of accounting and economic resources measurement focus. At June 30, 2023, the District reported unavailable revenues related to a Dormitory Authority of the State of New York (DASNY) funded special legislative grant for \$18,673. This amount was recorded as deferred inflows of resources in the capital projects fund.

O) Short-Term Debt:

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

The District may issue bond anticipation notes (BAN), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date, seven years if originally issued during calendar year 2015 through, and including, 2021. The notes, or renewal thereof, may not extend more than two years beyond the original date of issue, unless a portion is redeemed within two years and within each twelve-month period thereafter.

The District has issued and redeemed TANs totaling \$3,300,000 in the fiscal year ended June 30, 2023. See Note 10 for further detail.

P) Collections in Advance:

Collections in advance arise when the District receives resources before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when the recognition criteria are met, or when the District has legal claim to the resources, the liability for collections in advance is removed and revenues are recorded.

Collections in advance consist of amounts received in advance for summer programs of \$16,904 in the general fund and amounts received in advance for meals that have not yet been purchased of \$32,298 as well as grant advances of \$111,051 in the school lunch fund.

Q) Employee Benefits – Compensated Absences:

Compensated absences consist of unpaid accumulated sick leave and vacation time.

Sick leave eligibility and accumulation is specified in collective bargaining agreements and in individual employment contracts. Upon retirement, resignation, or death, employees may be eligible to contractually receive a payment based on unused accumulated sick leave. Certain collectively bargained agreements require these termination payments to be paid in the form of non-elective contributions into the employee's 403(b) plan.

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Vacation eligibility and accumulation is specified in collective bargaining agreements and in individual employment contracts. Some earned benefits may be forfeited if not taken within varying time periods.

Consistent with GASB Statement No. 16, *Accounting for Compensated Absences*, the liability has been calculated using the vesting method and an accrual for that liability is included in the District-Wide Financial Statements. The compensated absences liability is calculated based on the terms of the collective bargaining agreements and individual employment contracts in effect at year-end.

In the Fund Financial Statements, only the amount of matured liabilities is accrued within the general fund based upon expendable and available financial resources. These amounts are expensed on a pay-as-you go basis. The liability is reported only for payments due for unused compensated absences for those employees who have obligated themselves to separate from service with the District by June 30.

R) Other Benefits:

Eligible District employees participate in the New York State Teachers' Retirement System and the New York State Employees' Retirement System.

District employees may choose to participate in the District's elective deferred compensation plans established under Internal Revenue Code Sections 403(b) and Section 457.

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits for retired employees and their survivors in accordance with the provisions of various employment contracts in effect at the time of retirement. Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure in the governmental funds as the liabilities for premiums mature (come due for payments). In the District-Wide Financial Statements, the cost of post-employment health insurance coverage is recognized on the accrual basis of accounting in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

S) Long-Term Debt:

The District borrows money in order to acquire land or equipment, construct buildings, or make improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government. The repayment of principal and interest will be in the general fund.

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

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

In the District-Wide Financial Statements, premiums received on long-term debt issuances are netted with bonds payable and amortized over the life of the bonds.

T) Equity Classifications:

District-Wide Financial Statements:

In the District-Wide Financial Statements, there are three classes of net position:

Net investment in capital assets – consists of net capital assets (cost less accumulated depreciation) and intangible lease assets (present value of future lease payments remaining on the lease term less accumulated amortization) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets (net of unspent proceeds), including the deferred inflows of resources, and gain on defeasance on debt refunding.

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

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

Fund Financial Statements:

There are five classifications of fund balance as detailed below; however, in the Fund Financial Statements, there are four classifications of fund balance presented:

Non-spendable fund balance - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. At June 30, 2023, the District has \$1,997 in nonspendable fund balance for inventory recorded in the school lunch fund.

Restricted fund balance - Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

The District has classified the following reserves as restricted:

Workers' compensation reserve - This reserve is used to accumulate funds for the purpose of paying for compensation benefits and other expenditures authorized under Article 2 of the New York State Workers' Compensation Law, and for payment of expenditures of administering this self-insurance program. Within 60 days after the end of any fiscal year, excess reserve amounts may be either transferred to another reserve or applied to the appropriations of the next succeeding fiscal year's budget. The reserve is accounted for in the general fund.

Unemployment insurance reserve - According to General Municipal Law §6-m, must be used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the employer has elected to use the benefit reimbursement method. The reserve may be

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. If the District elects to convert to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the general fund.

Retirement contribution reserve - According to General Municipal Law §6-r, must be used for financing retirement contributions to the New York State and Local Employees' Retirement System. In addition, a subfund of this reserve may also be created to allow for financing retirement contributions to the New York State Teachers' Retirement System. The reserve must be accounted for separate and apart from all other funds, and a detailed report of the operation and condition of the fund must be provided to the Board. The reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Effective April 1, 2019, a board may adopt a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During the fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law §6-r. These reserves are accounted for in the general fund.

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

Capital reserve - According to Education Law §3651, this reserve must be used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of the reserve, the ultimate amount, its probable term, and the source of the funds. Expenditures may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. This reserve is accounted for in the general fund and capital projects fund. Restricted for capital in the capital projects fund also includes the fund balance for projects that are funded by Smart Schools Bonds.

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

Restricted for debt service - Used to account for the accumulation of resources that are restricted to pay debt service. The fund includes all unexpended balances proceeds of borrowing for capital projects as

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

well as interest and earnings from investment in proceeds of borrowing premiums. These restricted funds are accounted for in the debt service fund.

Restricted for scholarships and donations – Amounts restricted for scholarships are used to account for monies donated for scholarship purposes, net of earnings and awards, as well as other miscellaneous donations. These restricted funds are accounted for in the miscellaneous special revenue fund.

Unrestricted Resources:

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District has provided otherwise in its commitment or assignment actions.

Committed fund balance - Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority (i.e., the Board). The District has no committed fund balances as of June 30, 2023.

Assigned fund balance - Includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. This intent can be expressed by the Board or through the Board delegating this responsibility to the District management through Board policies. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance. All encumbrances not classified as restricted or committed are classified as assigned fund balances. The amount appropriated for the subsequent year's budget of the general fund is classified as assigned fund balance in the general fund, if applicable.

Unassigned fund balance - Includes the residual fund balance for the general fund and includes residual fund balance deficits of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts. Assignments of fund balance cannot cause a negative fund balance.

NYS Real Property Tax Law §1318 limits the amount of unexpended surplus funds a District can retain to no more than 4% of the District's budget for the general fund for the ensuing fiscal year. Nonspendable and restricted fund balance of the general fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances included in assigned fund balance are also excluded from the 4% limitation. The District's unassigned fund balance in the general fund at June 30, 2023 is within the legal limits.

The capital projects fund has a deficit unassigned balance of \$167,968. The deficit is the result of the District not yet obtaining permanent financing on capital improvement projects. The deficit unassigned balance should be eliminated once permanent financing is obtained by the District.

Fund Balance Classification

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

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

Order of Use of Fund Balance

In circumstances where an expenditure is incurred for the purpose for which amounts are available in multiple fund balance classifications, (that is restricted, assigned, or unassigned), the Board will assess the current financial condition of the District and then determine the order of application of expenditures to which the fund balance classification will be charged.

NOTE 2 - EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENTS AND THE DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used in the Fund Financial Statements and the District-Wide Financial Statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic resource measurement focus of the Statement of Activities, compared with the current financial resource measurement focus of the governmental funds.

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

Total fund balances of the District's governmental funds differ from net position of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets.

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

Differences between the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Statement of Activities fall into one of three broad categories. The amounts shown below represent:

Long-term revenue and expense differences:

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

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Capital related differences:

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

Long-term debt differences:

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

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A) Budgets:

The District administration prepares a proposed budget for approval by the Board for the following governmental funds for which legal budgets are adopted.

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

Appropriations are adopted at the program line-item level. Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and amendments approved the Board as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. Supplemental appropriations that occurred during the fiscal year are shown on Supplemental Schedule #5 - Schedule of Change from Adopted Budget to Final Budget – General Fund, where applicable.

Budgets are adopted annually on a basis consistent with GAAP. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year.

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

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

B) Encumbrances:

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

NOTE 4 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

A) Cash and Cash Equivalents:

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

Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and districts.

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either:

- A) Uncollateralized;
- B) Collateralized by securities held by the pledging financial institution; or
- C) Collateralized by securities held by the pledging financial institution's trust department or agent but not in the District's name.

All of the District's aggregate bank balances were covered by depository insurance or collateralized with securities held by the pledging financial institution in the District's name at year end.

B) Restricted Cash and Cash Equivalents:

Restricted cash and equivalents represent cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash and cash equivalents at June 30, 2023 included \$12,814,795 within the governmental funds for general reserves and amounts restricted for scholarships and donations, debt service, and capital projects.

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

C) Investments:

The District does not typically purchase investments for a long enough duration to cause it to believe that it is exposed to any material interest rate risk. The District also does not typically purchase investments denominated in a foreign currency, and is not exposed to foreign currency risk.

D) Investment Pool:

The District participates in a multi-municipal cooperative investment pool agreement pursuant to New York State General Municipal Law Article 5-G, §119-O, whereby it holds a portion of the investments in cooperation with other participants. The investments are highly liquid and are considered to be cash equivalents. At June 30, 2023, the District held \$14,980,545 in investments consisting of various investments in securities issued by the United States and its agencies.

Total investments of the cooperative at June 30, 2023 are \$7,403,046,276, which consisted of \$2,530,081,947 in repurchase agreements and \$4,872,964,329 in U.S. Treasury Securities at various interest rates with various due dates. Total collateralized bank deposits of the cooperative at June 30, 2023 are \$1,068,621,853.

Fund	Bank Balance	Carrying Amount
General Fund	\$ 14,980,545	\$ 14,980,545
	\$ 14,980,545	\$ 14,980,545

The above amounts represent the cost of the investment pool shares, and are considered to approximate market value. The investment pool is categorically exempt from the New York State collateral requirements. CLASS is rated AAAM by S&P Global ratings. Additional information concerning the cooperative is presented in the annual report of the New York Cooperative Liquid Assets Securities System (NYCLASS), which may be obtained from their website www.newyorkclass.org or by contacting their registered investment advisor, Public Trust Advisors, LLC at 717 17th Street, Suite 1850, Denver, CO 80202.

NOTE 5 - PARTICIPATION IN BOCES

During the fiscal year the District was billed \$5,780,302 for BOCES administrative and program costs. The District's share of BOCES aid amounted to \$1,815,739. Financial statements for the BOCES are available from the BOCES administrative offices at 71 Clinton Road, P.O. Box CS9195, Garden City, New York 11530-9195.

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 6 - STATE AND FEDERAL AID RECEIVABLE

State and federal aid receivable at June 30, 2023 consisted of the following:

General Fund	
BOCES aid	\$ 820,000
Excess cost aid	511,362
Total General Fund	<u>\$ 1,331,362</u>
Special Aid Fund	
Federal grants	\$ 455,370
State grants	195,433
Total Special Aid Fund	<u>\$ 650,803</u>
School Lunch Fund	
Federal reimbursements	\$ 12,862
State reimbursements	1,700
Total Special Aid Fund	<u>\$ 14,562</u>
Capital Projects Fund	
DASNY grant projects	\$ 18,673
Total Capital Projects Fund	<u>\$ 18,673</u>
Total	<u>\$ 2,015,400</u>

The capital projects fund receivable amount includes \$18,673 of unavailable revenues, which are recorded as deferred inflows of resources on the balance sheet at June 30, 2023.

District management has deemed these amounts to be fully collectible.

NOTE 7 - DUE FROM OTHER GOVERNMENTS

Due from other governments in the general fund at June 30, 2023 consisted of \$9,383 of credits due from BOCES. Due from other governments in the special aid fund at June 30, 2023 consisted of the Nassau County grants amounting to \$148,130 for a softball field at the High School, playgrounds at the elementary schools, and a COVID-19 related grant. District management has deemed these amounts to be fully collectible.

NOTE 8 - CAPITAL ASSETS AND INTANGIBLE LEASE ASSETS

A) Capital Assets

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

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Beginning Balance	Additions	Retirements and Reclassifications	Ending Balance
Governmental activities:				
Capital assets that are not depreciated:				
Land	\$ 3,484,000	\$ -	\$ -	\$ 3,484,000
Construction in progress	149,872	706,207	(149,872)	706,207
Total capital assets not to be depreciated	<u>3,633,872</u>	<u>706,207</u>	<u>(149,872)</u>	<u>4,190,207</u>
Capital assets being depreciated				
Buildings and improvements	112,071,262	150,593	149,872	112,371,727
Site improvements	1,188,383	83,339	-	1,271,722
Machinery and equipment	1,934,298	1,005,782	-	2,940,080
Vehicles	479,901	-	-	479,901
Total	<u>115,673,844</u>	<u>1,239,714</u>	<u>149,872</u>	<u>117,063,430</u>
Accumulated depreciation				
Buildings and improvements	69,219,866	1,964,309	-	71,184,175
Site improvements	877,269	38,311	-	915,580
Machinery and equipment	982,293	194,433	-	1,176,726
Vehicles	418,893	25,976	-	444,869
Total	<u>71,498,321</u>	<u>2,223,029</u>	<u>-</u>	<u>73,721,350</u>
Net capital assets being depreciated	<u>44,175,523</u>	<u>(983,315)</u>	<u>149,872</u>	<u>43,342,080</u>
Net capital assets	<u>\$ 47,809,395</u>	<u>\$ (277,108)</u>	<u>\$ -</u>	<u>\$ 47,532,287</u>

Depreciation expense was charged to governmental functions as follows:

General support	\$ 74,452
Instruction	2,130,459
Transportation	18,118
	<u>\$ 2,223,029</u>

B) Intangible Lease Assets

The following schedule summarizes the District's intangible lease asset activity for the fiscal year ended June 30, 2023:

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Beginning Balance	Additions	Retirements/ Reclassifications	Ending Balance
Governmental activities				
Intangible lease assets				
Machinery and equipment	\$ 1,745,829	\$ 797,617	\$ -	\$ 2,543,446
Total intangible lease assets being amortized	<u>1,745,829</u>	<u>797,617</u>	<u>-</u>	<u>2,543,446</u>
Less accumulated amortization:				
Machinery and equipment	604,387	614,663	-	1,219,050
Total accumulated amortization	<u>604,387</u>	<u>614,663</u>	<u>-</u>	<u>1,219,050</u>
Total intangible lease assets, net	<u>\$ 1,141,442</u>	<u>\$ 182,954</u>	<u>\$ -</u>	<u>\$ 1,324,396</u>

Amortization expense of \$614,663 was charged to the governmental functions as instruction.

NOTE 9 - INTERFUND TRANSACTIONS – GOVERNMENTAL FUNDS

Interfund balances and activities for the year ended June 30, 2023, were as follows:

	Interfund		Interfund	
	Receivable	Payable	Revenues	Expenditures
General fund	\$ 2,173,905	\$ 3,036,000	\$ 660,831	\$ 3,461,877
Special aid fund	-	825,309	221,667	96,407
School lunch fund	204,310	975,456	204,209	-
Miscellaneous special revenue fund	-	-	-	-
Debt service fund	-	-	-	110,000
Capital projects fund	3,036,000	577,450	3,036,000	454,423
Totals	<u>\$ 5,414,215</u>	<u>\$ 5,414,215</u>	<u>\$ 4,122,707</u>	<u>\$ 4,122,707</u>

The District transferred \$221,667 from the general fund to the special aid fund to cover the District's portion of the summer program for students with disabilities and state supported Section 4201 schools.

The District transferred \$204,209 from the general fund to the school lunch fund to subsidize the loss in the food service operations and to cover negative student account balances.

The District transferred \$3,036,000 from the general fund to the capital projects fund to cover the costs of various capital improvements.

The District transferred \$96,407 from the special aid fund to the general fund to cover the costs of grant eligible expenditures incurred in the general fund in prior year.

The District transferred \$110,000 from the debt service fund to the general fund to subsidize the costs of debt service – principal and debt service – interest payments.

The District transferred \$454,423 from the capital projects fund to the general fund to return unused funds previously provided by general fund relating to closed projects.

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues.

All interfund payables are expected to be repaid within one year.

NOTE 10 - SHORT-TERM DEBT

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

	Maturity	Interest Rate	Balance June 30, 2022	Issued	Redeemed	Balance June 30, 2023
TAN	6/22/23	4.00%	\$ -	\$ 3,300,000	\$ 3,300,000	\$ -
Total			<u>\$ -</u>	<u>\$ 3,300,000</u>	<u>\$ 3,300,000</u>	<u>\$ -</u>

The TAN was issued for the purpose of providing cash flow to the general fund in anticipation of revenues from real property taxes.

Interest on short-term debt for the fiscal year amounted to \$89,049.

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 11 - LONG-TERM LIABILITIES

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

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Amounts Due Within One Year
Long-term debt:					
Bonds payable	\$ 3,455,000	\$ -	\$ 2,315,000	\$ 1,140,000	\$ 1,140,000
Add: premium on obligation	97,486	-	80,073	17,413	17,413
	<u>3,552,486</u>		<u>2,395,073</u>	<u>1,157,413</u>	<u>1,157,413</u>
Other long-term liabilities:					
Lease liability	1,043,944	797,617	576,985	1,264,576	597,967
Energy performance contract payable	6,181,934	-	625,106	5,556,828	639,724
Workers' compensation claims payable	214,538	102,750	149,206	168,082	
Compensated absences payable	3,129,450	-	247,957	2,881,493	230,000
Net pension liability-proportionate share-TRS	-	3,735,439	-	3,735,439	
Net pension liability-proportionate share-ERS	-	3,904,504	-	3,904,504	
Total other post-employment benefits obligation	<u>120,592,988</u>	<u>19,695,896</u>	<u>16,975,120</u>	<u>123,313,764</u>	
Total long-term liabilities	<u>\$ 134,715,340</u>	<u>\$ 28,236,206</u>	<u>\$ 20,969,447</u>	<u>\$ 141,982,099</u>	<u>\$ 2,625,104</u>

The general fund has typically been used to liquidate long-term liabilities such as bonds payable, lease liability, energy performance contract payable, workers' compensation claims payable, compensated absences payable, net pension liabilities, and other post-employment benefits obligation.

A) Bonds Payable

Bonds payable, which were issued for capital construction, are comprised of the following:

Description	Issue Date	Final Maturity	Interest Rate	Outstanding at June 30, 2023
Serial bonds	7/21/2015	11/15/2023	2.00%	\$ 1,140,000
				<u>\$ 1,140,000</u>

The following is a summary of debt service requirements for bonds payable:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 1,140,000	\$ 11,400	\$ 1,151,400
	<u>\$ 1,140,000</u>	<u>\$ 11,400</u>	<u>\$ 1,151,400</u>

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Upon default of the payment of principal and interest on the serial bond holders of the District, the bond holders have the right to litigate and the New York State Comptroller is required, under the conditions and to the extent prescribed by Section 99-b of the New York State Finance Law, to withhold state aid and assistance of the District and apply the amount so withheld to the payment of the defaulted principal or interest with respect to the serial bonds.

Unissued Debt

On December 6, 2022, voters approved a bond authorization for a total estimated cost not to exceed \$53,500,000 to finance the construction and renovation of various District buildings and facilities. The District has not yet issued serial bonds, leaving unissued debt of \$53,500,000 at June 30, 2023.

B) Lease Liability

The District recognizes a lease liability obligation and an intangible lease asset for agreements whereby the District obtains the right to the present service capacity of an underlying asset and the right to determine the nature and manner of an underlying asset's use for a period of one year or greater. The District has entered into such lease agreements for various copiers and other equipment items with interest rates ranging from 1.00% to 4.50%.

Principal and interest expense paid on the District's lease liability amounted to \$576,985 and \$60,364 respectively, for the fiscal year ended June 30, 2023.

The following is a summary of the principal and interest requirements to maturity for the District's leases:

Fiscal Year Ended

June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 597,967	\$ 33,831	\$ 631,798
2025	362,402	19,383	381,785
2026	245,742	8,395	254,137
2027	58,465	1,435	59,900
	<u>\$ 1,264,576</u>	<u>\$ 63,044</u>	<u>\$ 1,327,620</u>

C) Energy Performance Contract Payable

Energy performance contract payable, which were issued for capital construction, is comprised of the following:

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Description	Issue Date	Final Maturity	Interest Rate	Outstanding at June 30, 2023
Energy performance contract payable	5/24/2016	5/24/2031	2.32%	\$ 5,556,828

The following is a summary of debt service outstanding and requirements for the energy performance contract payable:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 639,724	\$ 125,494	\$ 765,218
2025	654,683	110,535	765,218
2026	669,993	95,225	765,218
2027	685,660	79,558	765,218
2028	701,693	63,525	765,218
2029-2031	2,205,075	90,579	2,295,654
	<u>\$ 5,556,828</u>	<u>\$ 564,916</u>	<u>\$ 6,121,744</u>

D) Long-Term Interest

Interest on long-term debt, lease liability energy performance contract payable for the year was composed of:

Interest paid	\$ 254,350
Plus interest accrued in the current year	13,616
Plus amortization of deferred amounts from bond refunding	66,960
Less interest accrued in the prior year	(40,538)
Less amortization of bond refunding premium	<u>(80,073)</u>
Total long-term debt and lease liability interest expense	<u>\$ 214,315</u>

E) Bond Refunding

In the District-Wide Financial Statements, the District is amortizing deferred amounts on refunding and a refunding bond premium as a component of interest expense on a straight-line basis as follows:

Fiscal Year Ended June 30,	Deferred Amounts	Deferred Premium on Refunding	Total
2024	\$ 66,960	\$ (17,413)	\$ 49,547
Total	<u>\$ 66,960</u>	<u>\$ (17,413)</u>	<u>\$ 49,547</u>

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 12 - PENSION PLANS

A) Plan Description and Benefits Provided:

i) Teachers' Retirement System

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

ii) Employees' Retirement System

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

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

B) Funding Policies:

The Systems are noncontributory, except as follows:

1. New York State Teachers' Retirement System:
 - a. Employees who joined the system after July 27, 1976, and before January 1, 2010
 - i. Employees contribute 3% of their salary, except those employees in the system more than ten years are no longer required to contribute.
 - b. Employees who joined the system on or after January 1, 2010 before April 1, 2012
 - i. Employees contribute 3.5% of their salary throughout active membership.
 - c. Employees who joined the system on or after April 1, 2012
 - i. Employees contribute between 3% and 6% dependent upon their salary throughout active membership.

2. New York State Employees' Retirement System
 - a. Employees who joined the system after July 27, 1976, but before January 1, 2010
 - i. Employees contribute 3% of their salary, except those employees in the system more than ten years are no longer required to contribute.
 - b. Employees who joined the system on or after January 1, 2010 before April 1, 2012
 - i. Employees contribute 3% of their salary throughout active membership.
 - c. Employees who joined the system on or after April 1, 2012
 - i. Employees contribute between 3% and 6% dependent upon their salary throughout active membership.

For ERS, the Comptroller annually certifies the rates expressed as proportions of members' payroll annually, which are used in computing the contributions required to be made by employers to the pension accumulation fund, for the ERS' fiscal year ended March 31. The District's contribution rates for ERS' fiscal year ended March 31, 2023 for covered payroll was 15.9% for Tier 2, 13.0% for Tier 3 and 4, 11.1% for Tier 5, and 8.2% for Tier 6.

Pursuant to Article 11 of the Education Law, the New York State Teachers' Retirement Board establishes rates annually for TRS. The District's contribution rate for the TRS' fiscal year ended June 30, 2023 for covered payroll was 10.29%.

The District contributions made to the Systems were equal to 100% of the contributions required for each year. The required contributions for the current year and two preceding years based on covered payroll for the District's year end were:

	ERS	TRS
2023	\$ 842,227	\$ 3,742,147
2022	\$ 987,525	\$ 3,379,599
2021	\$ 1,062,062	\$ 3,328,534

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

C) Pension Assets and Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions:

At June 30, 2023, the District reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for each of the Systems. The net pension asset/(liability) was measured as of March 31, 2023 for ERS and June 30, 2022 for TRS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The District's proportion of the net pension asset/(liability) was based on a projection of the District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS Systems in reports provided to the District.

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2023	June 30, 2022
Net pension asset/(liability)	\$ (3,904,504)	\$ (3,735,439)
District's portion of the Plan's total net pension asset/(liability)	0.0182079%	0.194667%
Change in proportion since the prior measurement date	-0.00142%	-0.01117%

For the fiscal year ended June 30, 2023, the District recognized pension expense of \$1,555,775 for ERS and pension expense of \$4,946,536 for TRS. At June 30, 2023 the District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>
Differences between expected and actual experience	\$ 415,860	\$ 3,914,268	\$ 109,653	\$ 74,852
Net difference between projected and actual earnings on pension plan investments	-	4,826,542	22,939	-
Change of assumptions	1,896,279	7,246,121	20,957	1,504,741
Changes in proportion and differences between the District's contributions and proportionate share of contributions	459,604	929,369	96,425	124,774
District's contributions subsequent to the measurement date	260,126	3,742,147		
	<u>\$ 3,031,869</u>	<u>\$ 20,658,447</u>	<u>\$ 249,974</u>	<u>\$ 1,704,367</u>

District contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/(liability) in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>ERS</u>	<u>TRS</u>	
Fiscal Year ended:			
2023	\$ -	\$ 2,989,454	
2024	664,682	1,643,005	
2025	(100,124)	(443,116)	
2026	874,111	9,582,762	
2027	1,083,101	1,320,127	
Thereafter	-	119,701	
	\$ 2,521,770	\$ 15,211,933	

Actuarial Assumptions

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

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2023	June 30, 2022
Actuarial valuation date	April 1, 2022	June 30, 2021
Investment rate of return (net of pension plan investment expense, including inflation)	5.90%	6.95%
Salary increases	4.40%	1.95% - 5.18%
Cost of Living Adjustments	1.5% annually	1.3% annually
Decrements	April 1, 2015 - March 31, 2020	July 1, 2015 - June 30, 2020
Inflation	System's Experience 2.90%	System's Experience 2.40%

For ERS, annuitant mortality rates are based on April 1, 2015 – March 31, 2020, System’s experience with adjustments for mortality improvements based on Society of Actuaries’ Scale MP-2021. For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021, applied on a generational basis. Active member mortality rates are based on plan member experience.

For ERS, the actuarial assumptions used in the April 1, 2022, valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020. For TRS, the actuarial assumptions used in the June 30, 2021, valuation are based on the results of an actuarial experience study for the period July 1, 2015 – 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 expense and inflation) are developed for each major asset class. These ranges

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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 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.

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

<u>Measurement Date</u>	<u>ERS</u>		<u>TRS</u>	
	March 31, 2023		June 30, 2022	
<u>Asset type</u>	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>
Domestic equity	32%	4.30%	33%	6.5%
International equity	15%	6.85%	16%	7.2%
Global equity			4%	6.9%
Private equity	10%	7.50%	8%	9.9%
Real estate	9%	4.60%	11%	6.2%
Opportunistic/ absolute return strategy	3%	5.38%		
Real assets	3%	5.84%		
Credit	4%	5.43%		
Cash	1%	0.00%		
Fixed income	23%	1.50%	16%	1.1%
Global bonds			2%	0.6%
High-yield bonds			1%	3.3%
Private debt			2%	5.3%
Real estate debt			6%	2.4%
Cash equivalents			1%	-0.3%
	100%		100%	

The expected real rate of return is net of the long-term inflation assumptions of 2.50% for ERS and 2.40% for TRS.

Discount Rate

The discount rate used to calculate the total pension asset/(liability) was 5.90% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes 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. Based upon the assumptions, the Systems' fiduciary net

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset/(liability).

Sensitivity of the Proportionate Share of the Net Pension Asset/(Liability) to the Discount Rate Assumption

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

ERS	1% Decrease (4.90%)	Current Assumption (5.90%)	1% Increase (6.90%)
District's proportionate share of the net pension asset/(liability)	\$ (9,435,511)	\$ (3,904,504)	\$ 717,296
TRS	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
District's proportionate share of the net pension asset/(liability)	\$ (34,442,503)	\$ (3,735,439)	\$ 22,089,000

Pension Plan Fiduciary Net Position

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

	(Dollars in Thousands)	
	ERS March 31, 2023	TRS June 30, 2022
Employers' total pension liability	\$ (232,627,259)	\$ (133,883,474)
Plan fiduciary net position	211,183,223	131,964,582
Employers' net pension asset/(liability)	\$ (21,444,036)	\$ (1,918,892)
Ratio of plan fiduciary net position to the Employers' total pension liability	90.78%	98.57%

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31. Accrued retirement contributions as of June 30, 2023 represent the projected employer contribution for the period of April 1, 2023 through June 30, 2023 based on paid ERS wages multiplied

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2023 amounted to \$260,126.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2023 are paid to the System in September, October, and November 2023 through a state aid intercept, with a balance to be paid by the District, if necessary. Accrued retirement contributions as of June 30, 2023 represent employee and employer contributions for the fiscal year ended June 30, 2023 based on paid TRS wages multiplied by the employer's contribution rate, and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2023 amounted to \$4,067,677.

NOTE 13 – PENSION PLANS – OTHER:

A) Tax Sheltered Annuities:

The District has adopted a 403(b)-plan covering all eligible employees. Employees may defer up to 100% of their compensation subject to Internal Revenue Code elective deferral limitations. The District may also make non-elective contributions of certain termination payments based on collectively bargained agreements. Contributions and related expenditures made by the District and the employees for the fiscal year ended June 30, 2023, totaled \$253,994 and \$2,361,736 respectively.

B) Deferred Compensation Plan:

The District has established a deferred compensation plan in accordance with Internal Revenue Code §457 for eligible employees. The District makes no contributions into this Plan. The amount deferred by eligible employees for the year ended June 30, 2023 totaled \$294,478.

NOTE 14 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A) Plan descriptions:

The District's OPEB Plan (the "Plan") defined as a single employer defined benefit plan, primarily provides post-employment health insurance coverage to retired employees and their eligible dependents in accordance with the provisions of various employment contracts. Benefits are provided through the New York State Health Insurance Program (NYSHIP) and through Health Insurance Providers (HIP). Benefits provided are administered by Empire BlueCross BlueShield, United Healthcare, GHI/Value Options, and Empire BlueCross BlueShield/Caremark. Article 37 of the Statutes of the State assigns the authority to establish and amend benefit provisions to the District. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

B) Benefits provided:

The Plan provides medical, dental, and Medicare Part B benefits for retired employees and their eligible dependents. Benefit terms provide for the District to contribute between 50% and 80% of premiums for individual coverage, 0% and 80% for family coverage, and 0% of the premiums for surviving spouses, depending on the coverage selected and date of retirement. The District also reimburses the employee

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

and dependent spouse for the full cost of Medicare Part B. The District recognizes the cost of the Plan annually as expenditures in the Fund Financial Statements as payments are accrued. For fiscal year 2023, the District contributed \$3,706,686 to the Plan, including \$3,706,686 for current premiums and \$0 to prefund benefits. Currently, there are no provisions in the law to permit the District to fund OPEB by any other means than the “pay as you go” method.

C) Employees covered by benefit terms:

At July 1, 2022, the following employees were covered by the benefit terms:

Inactive employees, spouses, or beneficiaries currently receiving benefit payments	435
Active employees	414
	849
	849

D) Total OPEB liability:

The District’s total OPEB liability of \$123,313,764 was measured as of June 30, 2023, and was determined by an actuarial valuation as of July 1, 2022.

E) Actuarial assumptions and other inputs:

The total OPEB liability in the July 1, 2022 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, including inflation	2.40%
Discount rate	3.65%
Healthcare cost trend rates	6.40% decreasing to 3.80% over 50 years for pre-65 5.80% decreasing to 3.80% over 50 years for post-65
Retirees' share of benefit-related costs	20% to 50% of projected health insurance premiums for individuals, 20% to 65% of premiums for family coverage, and 100% of surviving spouse coverage

The discount rate was based on a yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality rates were based on PubT-2010 Headcount-Weighted Mortality Table for Teaching Positions and PubG-2010 Headcount-Weighted Mortality Table for Non-Teaching positions, both generationally projected using the MP-2021 Ultimate Scale, with employee rates before commencement and healthy annuitant rates after benefit commencement. The assumption includes a margin for future improvements in longevity.

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The actuarial assumptions used in the July 1, 2022 valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable. The Plan does not have credible data on which to perform an experience study. As a result, a full actuarial experience study is not applicable.

F) Changes in the total OPEB liability:

Balance at June 30, 2022		\$ 120,592,988
Service cost		4,101,046
Interest		4,349,131
Differences between expected and actual experience		
Changes of demographic gains or losses		(13,268,434)
Changes of assumptions or other inputs		11,245,719
Benefit payments		(3,706,686)
Net changes		<u>2,720,776</u>
Balance at June 30, 2023		<u>\$ 123,313,764</u>

There were no significant plan changes since the last valuation.

Changes in assumptions or other inputs include the change in discount rate from 3.54% to 3.65%.

G) Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1- percentage point lower (2.65%) or 1- percentage point higher (4.65%) than the current discount rate:

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB liability	<u>\$ 143,859,272</u>	<u>\$ 123,313,764</u>	<u>\$ 106,790,592</u>

H) Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates:

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	<u>\$ 103,869,260</u>	<u>\$ 123,313,764</u>	<u>\$ 148,343,596</u>

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

I) OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB:

For the fiscal year ended June 30, 2023, the District recognized OPEB expense of \$2,580,579. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,549,208	\$ (28,253,426)
Changes of assumptions or other inputs	<u>27,498,900</u>	<u>(29,034,512)</u>
	<u>\$ 29,048,108</u>	<u>\$ (57,287,938)</u>

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

Fiscal Year ended June 30:	
2024	\$ (5,869,598)
2025	(5,869,598)
2026	(5,148,950)
2027	(6,966,191)
2028	(4,121,660)
Thereafter	<u>(263,833)</u>
	<u>\$ (28,239,830)</u>

NOTE 15 – RESTRICTED FUND BALANCE – APPROPRIATED RESERVES

The District expects to appropriate \$375,000 from the retirement contribution reserve for employees' retirement system. These amounts are reported in the June 30, 2023 restricted fund balances to fund the budget and reduce taxes for the year ending June 30, 2024.

NOTE 16 – RESTRICTED FOR CAPITAL RESERVE

The following is a summary of the District's restricted capital reserve activity since inception:

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Capital Reserve</u>	
Date Created	May 19, 2018	
Number of Years to Fund	10	
Maximum Funding	\$7,500,000 (plus interest)	
General Fund		
Funding Provided	\$	5,634,695
Interest Earnings		78,652
Use of Reserve		(4,436,000)
Total General Fund		<u>1,277,347</u>
Capital Fund		
Funding Provided		4,436,000
Use of Reserve		(853,136)
Total Capital Projects Fund		<u>3,582,864</u>
Balance as of June 30, 2023	\$	<u>4,860,211</u>

NOTE 17 - RISK MANAGEMENT

A) General:

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

B) Public Entity Risk Pool:

The District participates in New York Schools Insurance Reciprocal (NYSIR), a non-risk-retained public entity risk pool, for its property and liability insurance coverage. The pool is operated for the benefit of individual governmental units located within the pool's geographic area, and is considered a self-sustaining risk pool that will provide coverage for its members. The pool obtains independent coverage for insured events in excess of certain defined limits, and the District has essentially transferred all related risk to the pool.

The District participates in the Nassau County Schools Cooperative Workers Compensation Self-Insured Plan (the Workers' Compensation Plan), a risk-sharing pool, to insure workers' compensation claims. This is a public entity risk pool created under Article 5 of the Workers' Compensation Law to administer claims, finance liability and manage risks related to workers' compensation claims. The District pays an annual assessment determined by the Plan's Board of Trustees. In the event that the Plan has insufficient funds to meet its obligations, the Plan's Board of Trustees may issue supplemental assessments to the Plan's members. Plan members who withdraw or are terminated from the Plan's membership will assume responsibilities for all open and unpaid claims associated with them.

**WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The Plan's total discounted liability for unbilled and opened claims at a 2.00% discount rate at June 30, 2023, is \$18,561,667. Of this total discounted liability, \$342,648 is associated with the District. The Plan has plan assets of \$27,116,789 at June 30, 2023 to pay these liabilities.

The Plan has issued financial statements for the year ended June 30, 2023. Copies of these statements can be obtained from the District's administrative office.

C) Self-insured plan:

The District has established a self-insured plan for risks associated with workers' compensation claims. Liabilities of the plan are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for reported claims which were incurred on or before year-end, but not paid. Liabilities do not include an amount for reported claims which were incurred on or before year-end, but not reported (IBNR). Had an actuarial valuation been performed, the liability amount may have significantly changed. Claims activity is summarized below:

	<u>2023</u>	<u>2022</u>
Unpaid claims at beginning of year	\$ 214,538	\$ 290,048
Incurred claims and claim adjustment expenses	102,750	25,066
Unpaid claims at year end	<u>(149,206)</u>	<u>(100,576)</u>
	<u>\$ 168,082</u>	<u>\$ 214,538</u>

NOTE 18 - COMMITMENTS AND CONTINGENCIES

A) Encumbrances:

All encumbrances are classified as assigned or restricted fund balance. At June 30, 2023, the District had encumbered the following amounts:

General fund	
General support	\$ 159,766
Instructional	381,062
Pupil transportation	1,337
Employee benefits	30,018
Total general fund	<u>\$ 572,183</u>
Special aid fund	
Instructional	<u>\$ 3,039</u>
School lunch fund	
Food service program	<u>\$ 74,887</u>
Capital projects fund	
Capital projects	<u>\$ 5,417,383</u>

WANTAGH UNION FREE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

B) Grants:

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

C) Litigation:

As of June 30, 2023, we are unaware of any pending or threatened litigation or unasserted claims or assessments against the District which require disclosure.

NOTE 19 - TAX ABATEMENTS

The Nassau County Industrial Development Agency enters into various property tax abatement programs for the purpose of economic development. The District's property tax revenue was reduced by \$427,848 for these programs. The District received Payment in Lieu of Tax (PILOT) payments totaling \$157,578 related to these programs.

The District also received PILOT payments totaling \$933,141 relating to the Long Island Power Authority. These PILOT are not considered tax abatements as the purpose of this agreement was not to abate taxes.

NOTE 20- SUBSEQUENT EVENTS

Events that occur after the Statement of Net Position date, but before the financial statements were available to be issued, must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position date require disclosure in the accompanying notes. Management evaluated the activity of the District through the date of this report and concluded that there were no events which took place that would have a material impact on its financial statements.

SUPPLEMENTARY INFORMATION

**WANTAGH UNION FREE SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Final Budget Variance with Budgetary Actual</u>
REVENUES				
Local Sources				
Real property taxes	\$ 58,591,702	\$ 58,835,545	\$ 58,835,545	\$ -
Other real property tax items	6,138,500	5,894,657	5,904,192	9,535
Charges for services	146,910	146,910	66,240	(80,670)
Use of money and property	151,000	151,000	694,138	543,138
Sale of property and compensation for loss	-	-	17,801	17,801
Miscellaneous	198,500	210,038	478,734	268,696
State Sources	19,250,000	19,250,000	19,393,971	143,971
Federal Sources	20,000	20,000	66,225	46,225
Other Financing Sources				
Transfers from other funds	110,000	110,000	660,831	550,831
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 84,606,612	\$ 84,618,150	\$ 86,117,677	\$ 1,499,527
Appropriated reserves	1,187,483	4,837,335		
TOTAL REVENUES, OTHER FINANCING SOURCES, AND APPROPRIATED FUND BALANCE	\$ 85,794,095	\$ 89,455,485		

Note to Required Supplementary Information

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

**WANTAGH UNION FREE SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Year-End Encumbrances</u>	<u>Final Budget Variance with Budgetary Actual and Encumbrances</u>
EXPENDITURES					
General Support					
Board of education	\$ 158,004	\$ 145,462	\$ 123,890	\$ -	\$ 21,572
Central administration	380,053	391,333	390,614	-	719
Finance	1,085,404	1,077,399	1,046,141	28,961	2,297
Staff	357,907	542,777	524,051	-	18,726
Central services	7,349,283	7,119,755	6,803,746	130,805	185,204
Special items	970,351	965,351	959,248	-	6,103
Total general support	<u>10,301,002</u>	<u>10,242,077</u>	<u>9,847,690</u>	<u>159,766</u>	<u>234,621</u>
Instruction					
Instruction, admin., and improvement	4,125,144	4,374,369	4,319,207	88	55,074
Teaching - regular school	26,006,775	24,809,904	24,656,670	43,693	109,541
Programs for children with handicap conditions	9,148,336	10,027,864	9,334,769	245,258	447,837
Occupational education	550,642	537,191	537,191	-	-
Teaching special schools	125,100	312,202	272,048	16,618	23,536
Instructional media	2,646,818	2,697,182	2,651,589	7,240	38,353
Pupil services	4,767,533	4,921,324	4,709,918	68,165	143,241
Total instruction	<u>47,370,348</u>	<u>47,680,036</u>	<u>46,481,392</u>	<u>381,062</u>	<u>817,582</u>
Pupil transportation	<u>4,324,114</u>	<u>3,848,462</u>	<u>3,693,322</u>	<u>1,337</u>	<u>153,803</u>
Employee benefits	<u>20,164,537</u>	<u>20,331,591</u>	<u>19,840,621</u>	<u>30,018</u>	<u>460,952</u>
Debt service - principal	2,940,107	3,517,092	3,517,091	-	1
Debt service - interest	348,987	349,350	343,399	-	5,951
Total debt service	<u>3,289,094</u>	<u>3,866,442</u>	<u>3,860,490</u>	<u>-</u>	<u>5,952</u>
TOTAL EXPENDITURES	85,449,095	85,968,608	83,723,515	572,183	1,672,910
Other Financing Uses					
Transfers to other funds	<u>345,000</u>	<u>3,486,877</u>	<u>3,461,877</u>	<u>-</u>	<u>25,000</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 85,794,095	\$ 89,455,485	87,185,392	\$ 572,183	\$ 1,697,910
Net change in fund balances			(1,067,715)		
Fund balances - beginning of year			<u>14,389,518</u>		
Fund balances - end of year			<u>\$ 13,321,803</u>		

Note to Required Supplementary Information

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

**WANTAGH UNION FREE SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET/(LIABILITY)
FOR THE LAST EIGHT FISCAL YEARS ENDED JUNE 30, ***

	ERS Pension Plan								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension asset/(liability)	0.0182079%	0.0196324%	0.0189361%	0.0197184%	0.0194964%	0.0211987%	0.024218%	0.024139%	0.022974%
District's proportionate share of the net pension asset/(liability)	\$ (3,904,504)	\$ 1,604,866	\$ (18,855)	\$ (5,221,555)	\$ (1,381,378)	\$ (684,177)	\$ (2,275,550)	\$ (3,874,309)	\$ (76,119)
District's covered payroll	\$ 7,393,009	\$ 6,907,109	\$ 6,966,587	\$ 7,134,027	\$ 7,076,976	\$ 6,797,871	\$ 7,036,845	\$ 7,078,444	\$ 5,968,689
District's proportionate share of the net pension asset/(liability) as a percentage of its covered payroll	52.81%	23.23%	0.27%	73.19%	19.52%	10.06%	32.34%	54.73%	1.28%
Plan fiduciary net position as a percentage of total pension liability	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%
	TRS Pension Plan								
District's proportion of the net pension asset/(liability)	0.194667%	0.205838%	0.205813%	0.202140%	0.210327%	0.213371%	0.214846%	0.215159%	0.216106%
District's proportionate share of the net pension asset/(liability)	\$ (3,735,439)	\$ 35,669,724	\$ (5,687,179)	\$ 5,251,612	\$ 3,803,273	\$ 1,621,830	\$ (2,301,094)	\$ 22,348,134	\$ 24,072,842
District's covered payroll	\$ 34,704,331	\$ 34,926,905	\$ 34,933,036	\$ 33,988,812	\$ 34,259,964	\$ 34,103,227	\$ 33,152,956	\$ 32,304,615	\$ 31,922,196
District's proportionate share of the net pension asset/(liability) as a percentage of its covered payroll	10.76%	102.13%	16.28%	15.45%	11.10%	4.76%	6.94%	69.18%	75.41%
Plan fiduciary net position as a percentage of total pension liability	98.57%	113.25%	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%	111.48%

* The amounts presented for each fiscal year were determined as of the measurement date of the plans.

Employees' Retirement System
The discount rate remained at 5.90% as reflected in 2023 and 2022 above.

Teachers' Retirement System
The discount rate remained at 6.95% as reflected in 2023 and 2022 above.

**WANTAGH UNION FREE SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PENSION CONTRIBUTIONS
FOR THE LAST TEN FISCAL YEARS ENDED JUNE 30,**

ERS Pension Plan

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 842,227	\$ 987,525	\$ 1,062,062	\$ 980,668	\$ 994,236	\$ 1,031,576	\$ 1,007,553	\$ 1,297,426	\$ 1,118,958	\$ 1,132,435
Contributions in relation to the contractually required contribution	842,227	987,525	1,062,062	980,668	994,236	1,031,576	1,007,553	1,297,426	1,118,958	1,132,435
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 7,644,272	\$ 6,706,322	\$ 7,084,777	\$ 7,093,462	\$ 7,087,143	\$ 7,068,953	\$ 7,005,938	\$ 6,613,670	\$ 5,968,689	\$ 5,745,207
Contributions as a percentage of covered payroll	11.02%	14.73%	14.99%	13.82%	14.03%	14.59%	14.38%	19.62%	18.75%	19.71%

TRS Pension Plan

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 3,742,147	\$ 3,379,599	\$ 3,328,534	\$ 3,095,067	\$ 3,582,553	\$ 3,357,477	\$ 3,962,795	\$ 4,396,082	\$ 5,662,999	\$ 5,187,357
Contributions in relation to the contractually required contribution	3,742,147	3,379,599	3,328,534	3,095,067	3,582,553	3,357,477	3,962,795	4,396,082	5,662,999	5,187,357
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 36,775,227	\$ 34,704,331	\$ 34,926,905	\$ 34,933,036	\$ 33,988,812	\$ 34,259,964	\$ 34,103,227	\$ 33,152,956	\$ 32,304,615	\$ 31,922,196
Contributions as a percentage of covered payroll	10.18%	9.74%	9.53%	8.86%	10.54%	9.80%	11.62%	13.26%	17.53%	16.25%

**WANTAGH UNION FREE SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY
AND RELATED RATIOS
FOR THE FISCAL YEAR ENDED JUNE 30,**

TOTAL OPEB LIABILITY	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service cost	4,101,046	\$ 6,092,622	\$ 5,383,798	\$ 4,480,232	\$ 5,928,445	\$ 5,895,967
Interest	4,349,131	3,232,790	3,509,274	4,455,110	4,231,558	4,031,910
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(13,268,434)	-	(28,608,038)	-	4,917,053	(187,364)
Changes of assumptions or other inputs	11,245,719	(30,595,489)	13,230,197	25,037,818	(24,032,890)	-
Benefit payments	<u>(3,706,686)</u>	<u>(3,402,865)</u>	<u>(3,294,359)</u>	<u>(3,443,814)</u>	<u>(3,279,675)</u>	<u>(2,958,793)</u>
NET CHANGE IN TOTAL OPEB LIABILITY	2,720,776	(24,672,942)	(9,779,128)	30,529,346	(12,235,509)	6,781,720
TOTAL OPEB LIABILITY - BEGINNING	<u>120,592,988</u>	<u>145,265,930</u>	<u>155,045,058</u>	<u>124,515,712</u>	<u>136,751,221</u>	<u>129,969,501</u>
TOTAL OPEB LIABILITY - ENDING	<u>\$ 123,313,764</u>	<u>\$ 120,592,988</u>	<u>\$ 145,265,930</u>	<u>\$ 155,045,058</u>	<u>\$ 124,515,712</u>	<u>\$ 136,751,221</u>
COVERED-EMPLOYEE PAYROLL	\$ 36,944,611	\$ 39,458,368	\$ 39,458,368	\$ 37,921,843	\$ 37,921,843	\$ 42,403,978
TOTAL OPEB LIABILITY AS A PERCENTAGE OF COVERED-EMPLOYEE PAYROLL	333.78%	305.62%	368.15%	408.85%	328.35%	322.50%

NOTES TO SCHEDULE:

Trust Assets

There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Changes of Assumptions

Changes of assumptions or other inputs reflect the effects of changes in the discount rate each period.

The following are the discount rates used in each period:

2023	3.65%
2022	3.54%
2021	2.16%
2020	2.21%
2019	3.50%
2018	3.00%

**WANTAGH UNION FREE SCHOOL DISTRICT
OTHER SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET -GENERAL FUND
AND SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted Budget		\$ 84,981,612
Add: Prior year's encumbrances		812,483
Original Budget		85,794,095
Add: Budget revisions		
Appropriation of capital reserve		3,036,000
Appropriation of employee benefit accrued liability reserve		375,000
Appropriation of workers' compensation reserve		125,000
Appropriation of unemployment insurance reserve		113,852
Donations		11,538
Final Budget		\$ 89,455,485

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2023-24 voter approved expenditure budget		\$89,497,546
Maximum allowed (4% of 2023-2024 budget)		\$3,579,902
General fund fund balance subject to Section 1318 of Real Property Tax Law		
Unrestricted fund balance:		
Assigned fund balance	\$ 572,183	
Unassigned fund balance	3,579,901	
Total unrestricted fund balance		4,152,084
Less:		
Encumbrances included in assigned fund balance	572,183	
Total adjustments		572,183
General fund fund balance subject to Section 1318 of Real Property Tax Law		\$ 3,579,901
Actual percentage		4.00%

**WANTAGH UNION FREE SCHOOL DISTRICT
OTHER SUPPLEMENTARY INFORMATION
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Project Title	Original Authorization	Revised Authorization	Prior Years	Expenditures		Transfers	Total	Unexpended Balance	Proceeds of Obligations	Methods of Financing			Total	Fund Balance June 30, 2023
				Current Year	Year					Federal and State Aid	Other Financing Sources - Leases	Local Sources		
Available Appropriations 2018-19	\$ 600,000	\$ 310,000	\$ -	\$ -	\$ 310,000	\$ 310,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 310,104	\$ 104
HS Gym Renovation (Capital Reserve)	600,000	600,000	15,002	38,134	-	53,136	546,864	-	-	-	-	-	600,000	546,864
Mandalay Emergency Gym Repair	500,000	500,000	-	252,674	-	252,674	247,326	-	-	-	-	-	500,000	247,326
HS Library Unitent Replacement (18-19 appropriation)	-	290,000	141,121	4,455	144,423	289,999	1	-	-	-	-	-	290,000	1
Smart Schools. Security and Technology	9,645	1,340,358	1,323,926	-	-	1,323,926	16,432	-	1,331,939	-	-	627,099	1,331,939	8,013
21-22 Lease Agreements	627,099	627,099	627,099	-	-	627,099	-	-	-	-	-	797,617	627,099	-
22-23 Lease Agreements	797,617	797,617	-	797,617	-	797,617	-	-	-	-	-	797,617	797,617	-
Forest Lake Exterior Doors	210,000	210,000	-	-	-	-	210,000	-	-	-	-	-	210,000	210,000
Mandalay Exterior Doors	190,000	190,000	-	-	-	-	190,000	-	-	-	-	-	190,000	190,000
Wantagh Elem Exterior Doors	100,000	100,000	-	-	-	-	100,000	-	-	-	-	-	100,000	100,000
WMS Exterior Doors	70,520	70,520	-	-	-	-	70,520	-	-	-	-	-	70,520	70,520
WHS Exterior Doors	70,490	70,490	-	-	-	-	70,490	-	-	-	-	-	70,490	70,490
Forest Lake Bathroom Renovations	528,800	528,800	-	5,209	-	5,209	523,591	-	-	-	-	-	523,591	(5,209)
Mandalay Bathroom Renovations	528,800	528,800	-	5,003	-	5,003	523,797	-	-	-	-	-	523,797	(5,003)
Wantagh Elem partial roof replacement	645,000	645,000	-	-	-	-	645,000	-	-	-	-	-	645,000	645,000
WMS Ceiling Renovation	384,000	384,000	-	1,805	-	1,805	382,195	-	-	-	-	-	382,195	(1,805)
Wantagh Elem Bathroom Renovations	275,000	275,000	-	-	-	-	275,000	-	-	-	-	-	275,000	275,000
WMS Science Room renovation	247,500	247,500	-	9,601	-	9,601	237,899	-	-	-	-	-	237,899	(9,601)
WMS Bathroom renovation	561,440	561,440	-	3,542	-	3,542	557,898	-	-	-	-	-	557,898	(3,542)
WHS Athletic scoreboard replacement	100,000	100,000	-	-	-	-	100,000	-	-	-	-	-	100,000	100,000
HS Gym Renovation (Additional)	394,990	394,990	-	-	-	-	394,990	-	-	-	-	-	394,990	394,990
WHS Partial roof replacement	980,000	980,000	-	-	-	-	980,000	-	-	-	-	-	980,000	980,000
WHS Science Room renovation	247,500	247,500	-	9,072	-	9,072	238,428	-	-	-	-	-	238,428	(9,072)
WHS Bathroom renovation	761,440	761,440	-	5,347	-	5,347	756,093	-	-	-	-	-	756,093	(5,347)
Window/HVAC/Electrical upgrades DW	39,500,000	39,500,000	-	340,952	-	340,952	39,159,048	-	-	-	-	-	39,159,048	(340,952)
Cafeteria/Kitchen/Library Renovations	11,235,520	11,235,520	-	34,868	-	34,868	11,200,652	-	-	-	-	-	11,200,652	(34,868)
DW	60,165,361	61,496,074	2,107,148	1,508,279	454,423	4,069,850	57,426,224	-	-	1,331,939	1,424,716	4,736,104	7,492,759	3,422,909
Totals														

* The deficits in these projects will be eliminated once permanent financing is obtained.

**WANTAGH UNION FREE SCHOOL DISTRICT
OTHER SUPPLEMENTARY INFORMATION
NET INVESTMENT IN CAPITAL ASSETS
JUNE 30, 2023**

Capital assets, net		\$ 47,532,287
Intangible lease assets, net		1,324,396
Add:		
Deferred amounts on refundings		66,960
Deduct:		
Short-term portion of bonds payable (inclusive of unamortized premiums)	(1,157,413)	
Short-term portion of lease liability	(597,967)	
Short-term portion of energy performance contract	(639,724)	
Long-term portion of lease liability	(666,609)	
Long-term portion of energy performance contract	<u>(4,917,104)</u>	<u>(7,978,817)</u>
 Net investment in capital assets		 <u><u>\$ 40,944,826</u></u>