

LAKE GEORGE  
CENTRAL SCHOOL DISTRICT  
  
FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
  
Year Ended June 30, 2024

LAKE GEORGE CENTRAL SCHOOL DISTRICT

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Education of the  
Lake George Central School District:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the fiduciary funds of the Lake George Central School District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Lake George Central School District's basic financial statements as listed in the table of contents.

### **Opinions**

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the fiduciary funds of the Lake George Central School District, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Lake George Central School

District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibility**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the basic 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 basic 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 Lake George Central School District's internal control. Accordingly, no such opinion is expressed.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Lake George Central School District's ability to continue as a going concern for a reasonable period of time.

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

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and the schedule of changes in the total OPEB liability, the District's proportionate share of the net pension asset/liability, and District contributions on pages M1-M11 and 48-52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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.

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Lake George Central School District's basic financial statements as a whole. The other supplementary information comprises the additional analysis and is not a required part of the financial statements, but is supplementary information required by the New York State Education Department. The other supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2024 on our consideration of the Lake George Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of this report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the 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 Lake George Central School District's internal control over financial reporting and compliance.

*Raymond G. Preusser, CPA, P.C.*

Claverack, New York  
September 17, 2024

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**Lake George Central School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2024**

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The following is a discussion and analysis of the School District's financial performance for the fiscal year ended June 30, 2024. This section is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the government-wide and fund-based financial statements. This section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section.

**FINANCIAL HIGHLIGHTS**

- Long-range financial planning for fiscal health requires planning for upgrades, repairs and maintenance of facilities. District voters approved the establishment of a capital reserve to provide funding for necessary capital work in the future, including the new transportation facility. This reserve has a maximum funding amount of \$2.5 million, and a maximum life of 10 years. For the year ended June 30, 2024, the balance in the reserve is \$18,233. The maximum funding amount for this reserve has been reached.
  
- The voters approved a proposition on May 17, 2022 authorizing the establishment of another capital reserve fund in the amount of \$10 million, with a maximum life of 10 years. District voters approved the establishment of a capital reserve to provide funding for necessary capital work in the future, including the new transportation facility. For the year ended June 30, 2024, the balance in the Capital Reserve 2 was \$2,511,864.
  
- As a result of the June 2021 unsatisfactory rating on the building condition summary and a thorough study, it was determined that building a new transportation facility was the most viable solution. During the 2022-23 year, the District successfully passed a voter referendum to 1) construction a new transportation facility, including infrastructure and site work improvements, acquire, original furnishings, equipment, machinery or apparatus required for the purpose for which such building is to be used, and pay incidental costs related thereto at a cost not to exceed \$13,500,000; (2) expend such sum for such purpose; (3) expend \$4,000,000 from the Capital Reserve Fund for such purpose; (4) levy the necessary tax therefore, to be levied and collected in annual installments in such years and in such amounts as may be determined by the Board of Education, taking into account state aid received, and (5) in anticipation of the collection of such tax, issue bonds and notes of the District at one time or from time to time in the principal amount not to exceed \$9,500,000 and levy a tax to pay the interest on said obligations when due.
  
- The District completed a capital outlay project in the amount of \$100,000. The job scope included replacing 3 HVAC uni-vents, including 2 ceiling units, to improve the indoor air quality at the Junior-Senior High School.

- The District has completed 93% the \$1.6 million HVAC project which improves the indoor air quality in both school buildings. The project is completely funded by Federal CRRSA and ESSER stimulus funds, in the amount of \$1.6 million. The remaining units will be completed in the Summer of 2024. The job scope includes replacing 37 HVAC uni-vents at the elementary school and 9 additional units at the Junior-Senior High School.
  
- Expenditures and year-end encumbrances in the General Fund totaled \$8,896,075, or 95% of budgeted items. Revenues, excluding appropriated fund balance and reserve transfers, totaled \$25,209,769, 104% of estimates.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

- The first two statements are *district-wide* financial statements that provide both *short-term* and *long-term* information about the School District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the School District, reporting the School District’s operations in *more detail* than the district-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the *short term* as well as what remains for future spending.
- *Fiduciary funds* statements provide information about the financial relationships in which the School District acts solely as a *trustee* or *agent* for the benefit of others.

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

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

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

	<b>Fund Financial Statements</b>		
	<b>District-Wide</b>	<b>Governmental Funds</b>	<b>Fiduciary Funds</b>
Scope	Entire District (except fiduciary funds)	The activities of the School District that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the School District administers resources on behalf of someone else, such as scholarship programs and

			student activities monies
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of fiduciary net position</li> <li>• Statement of changes in fiduciary net position</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

## **DISTRICT-WIDE STATEMENTS**

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

The two district-wide statements report the School District’s net position and how they have changed. Net position – the difference between the School District’s assets and liabilities – are one way to measure the School District’s financial health or *position*.

- Over time, increases or decreases in the School District’s net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the School District’s overall health, you need to consider additional nonfinancial factors such as changes in the School District’s property tax base and the condition of school buildings and other facilities.
  - The Town of Queensbury completed a revaluation process in 2018, bringing their equalization rate to 100% for the September 2018, 2019, 2020 and 2021 tax rolls. The Town of Queensbury equalization rate for 2022 was 90% and for 2023 was 85%. The Towns Lake George and Bolton completed a revaluation process in 2020, bringing their equalization rates to 100% for the September 2020 and 2021 tax roll and 90% for 2022. For 2023, the equalization rate for Lake George was 84% and for



Bolton was 75%. The equalization rate for Fort Ann was at 95% in 2021, 85% for 2022 and 75% for 2023. Apportionment of taxes to the municipalities within the District are determined in part by the equalization rate.

- The Building Condition Survey, an in-depth review of District facilities, was completed during the 2021-22 year. Utilizing this information, the District will update the Facilities Master Plan, and will fine-tune project and financing schedules for the foreseeable future. This plan is updated on an annual basis.
- The Strategic Plan, Facilities Plan and Long Range Financial Projection are utilized by District Officials to guide the development of the annual budget and capital projects.
- In the district-wide financial statements, District activities are reported as governmental activities. Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and State formula aid finance most of these activities.

## **FUND FINANCIAL STATEMENTS**

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

- Some funds are required by State law and by bond covenants.
- The School District establishes other funds to control and to manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants).

The District has two kinds of funds:

- **Governmental Funds:** Most of the School District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- **Fiduciary Funds:** The School District is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund and the student activities funds. The School 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 School District excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

**DISTRICT-WIDE FINANCIAL ANALYSIS**

**Lake George Central School District's Net Position  
June 30, 2024 and 2023**

	<u>Governmental Activities</u>		Variance Increase (Decrease)
	<u>2024</u>	<u>2023</u>	
Current Assets	\$ 10,760,441	\$ 9,705,711	\$ 1,054,730
Capital Assets	17,021,645	15,678,517	1,343,128
Net Pension Asset	-	-	-
Total Assets	<u>27,782,086</u>	<u>25,384,228</u>	<u>2,397,858</u>
Deferred Outflows of Resources	<u>7,619,674</u>	<u>8,758,593</u>	<u>(1,138,919)</u>
Total Assets and Outflows of Resources	<u>35,401,760</u>	<u>34,142,821</u>	<u>1,258,939</u>
Current Liabilities	2,230,961	2,196,237	34,724
Long-Term Liabilities	5,602,343	6,256,904	(654,561)
OPEB Obligation	66,447,646	65,835,937	611,709
Net Pension Liability	<u>1,477,034</u>	<u>2,332,395</u>	<u>(855,361)</u>
Total Liabilities	<u>75,757,984</u>	<u>76,621,473</u>	<u>(863,489)</u>
Deferred Inflows of Resources	<u>6,635,325</u>	<u>5,829,818</u>	<u>805,507</u>
Total Liabilities and Inflows of Resources	<u>82,393,309</u>	<u>82,451,291</u>	<u>(57,982)</u>
Net Position:			
Investment in capital assets, net of related debt	11,895,290	10,041,381	1,853,909
Restricted	4,117,714	6,128,986	(2,011,272)
Unrestricted (deficit)	<u>(63,004,553)</u>	<u>(64,478,837)</u>	<u>1,474,284</u>
Total Net Position	<u>\$ (46,991,549)</u>	<u>\$ (48,308,470)</u>	<u>\$ 1,316,921</u>

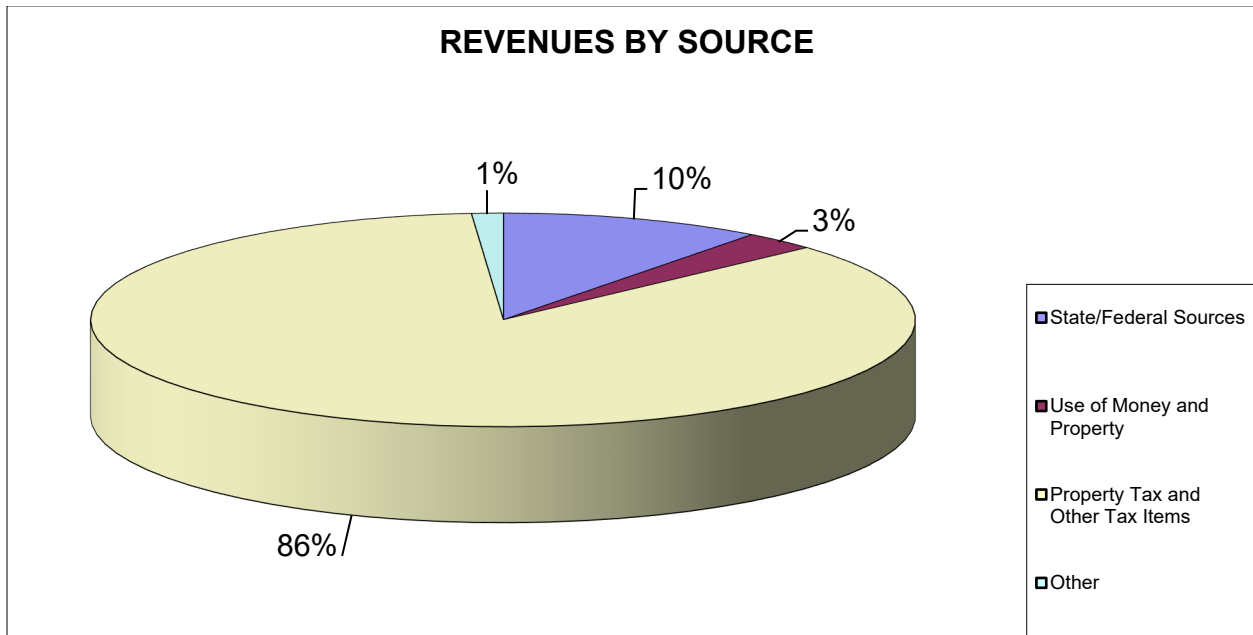
**Lake George Central School District's  
Changes in Net Position**

**For the Years Ended June 30, 2024 and 2023**

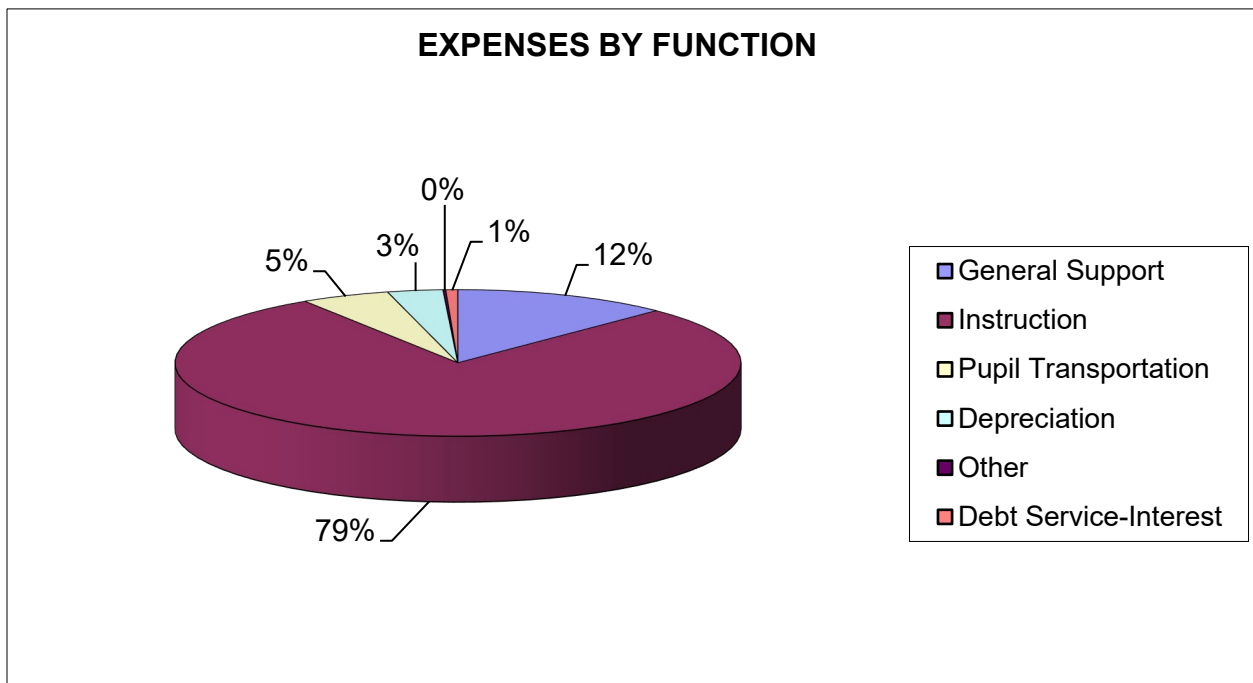
	Governmental Activities		Variance
	2024	2023	Increase (Decrease)
<b><u>Revenues:</u></b>			
Program Revenues:			
Charges for Services	\$ 177,128	\$ 274,242	\$ (97,114)
Operating Grants and Contributions	1,770,649	1,154,290	616,359
Total Program Revenues	\$ 1,947,777	\$ 1,428,532	\$ 519,245
General Revenues:			
Real Property Taxes	\$ 21,165,276	\$ 20,638,652	\$ 526,624
Other Tax Items	381,314	343,961	37,353
Use of Money and Property	727,241	496,777	230,464
Sale of Property and Compensation for Loss	62,161	78,633	(16,472)
Miscellaneous	248,355	223,597	24,758
State Sources	2,568,597	2,269,103	299,494
Federal Sources	27,221	39,925	(12,704)
Premium on Obligations	2,045	-	2,045
Total General Revenues	25,182,210	24,090,648	1,091,562
<b><u>Expenses (Net of Program Revenues):</u></b>			
Instruction	18,737,864	18,843,655	(105,791)
Support Services:			
General Support	2,954,704	3,421,753	(467,049)
Pupil Transportation	1,217,322	1,248,299	(30,977)
Debt Service-Interest	164,496	173,114	(8,618)
Depreciation	754,743	744,448	10,295
School Lunch	36,160	64,696	(28,536)
Total Expenses	23,865,289	24,495,965	(630,676)
Change in Net Position	\$ 1,316,921	\$ (405,317)	\$ 1,722,238

The following charts provide the percentage breakdowns of all revenues by source and all expenses by function for the entire District.

**District-wide Revenues by Source  
For the Year Ended June 30, 2024**



**District-wide Expenses by Function  
For the Year Ended June 30, 2024**



## **GOVERNMENTAL ACTIVITIES**

Revenue for the School District's governmental general fund activities totaled \$25,209,769 while total expenses were \$26,485,582. Accordingly, the overall fund balance decreased by \$1,275,813. The continuation of the School District's solid fiscal health is dependent upon:

- *Effective leadership by the Board of Education and Administration.* The Board of Education and Superintendent continue to work together to improve district operations and outcomes. Working closely with administration, the Superintendent and Board of Education, based on the outcomes from the strategic planning process, are focusing on k-12 curricular alignment, increasing transparency and improving communication systems, along with other goals of the Board and District.
- *Community support/approval of the School District's annual budget.* For the 2022-23 budget, the district held separate budget workshops and other informational sessions to communicate with the public about the budget. In addition, traditional newsletters and electronic communications were utilized to enhance community education regarding budget items. This process was successful, and a respectable voter turnout overwhelmingly approved the 2023-24 school budget community education was again the focus, and administrators and managers of the major areas presented information at several different public meetings. The webpage was again utilized to provide information in addition to the traditional budget meetings and newsletters. The budget passed with a substantial majority. In addition, the purchase of two new buses were overwhelmingly approved.
- *Continued state and federal aid.* For several years the reliability of state and federal aid has been questionable. For the past few years state and federal aid has become more reliable, and the elimination of the GEA take-back has provided some relief to taxpayers. State aid as a percent of revenue has remained the same at approximately 10%. Estimating state and federal aid continues to be challenging, especially in light of the ongoing pandemic and its economic effects on New York State. District Officials continue to use a conservative approach when estimating this revenue.
- *Strategic use of services from BOCES.* The District is a member of the 31 District WSHWE BOCES. Leadership from member districts, including Superintendents and Business Officials, meet on a regular basis. The meetings provide pertinent information to the districts, and are often the first place where a potential BOCES service is discussed. District attendance at these meetings ensures LGCS D utilizes BOCES services whenever analysis indicates that it is the best service provider for the best price. In addition to the savings realized through group purchasing, LGCS D received state aid on many services provided by BOCES.
- *Tax Levy Limit and CPI.* Since the inception of the tax levy limit in 2014, the District has not only stayed within the allowable levy limit requiring a simple majority vote for passage of the budget. The 2022-23 levy increase was 2.52%, and for 2023-2024 the increase was 2.30%.

**FUND FINANCIAL ANALYSIS (DISTRICT'S FUNDS)**

The District's governmental funds (as presented on the balance sheet) reported a combined Fund Balance of \$8.6 million, which is higher than last year's total. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2024 and 2023.

	<b><u>Fund Balance</u></b> <b><u>2024</u></b>	<b><u>Fund Balance</u></b> <b><u>2023</u></b>	<b><u>Variance</u></b> <b><u>Increase</u></b> <b><u>(Decrease)</u></b>
General	\$ 6,013,980	\$ 7,289,793	\$ (1,275,813)
School Lunch	9,184	15,044	(5,860)
Special Aid	-	-	-
Capital	2,026,317	(245,671)	2,271,988
Debt Service	557,141	523,956	33,185
Totals	<b><u>\$ 8,606,622</u></b>	<b><u>\$ 7,583,122</u></b>	<b><u>\$ 1,023,500</u></b>

***General Fund***

The tables that follow assist in illustrating the financial activities and balance of the general fund.

<b><u>Revenues:</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>Variance</u></b> <b><u>Increase</u></b> <b><u>(Decrease)</u></b>
Taxes and Other Tax Items	\$ 21,546,590	\$ 20,982,613	\$ 563,977
Use of Money and Property	696,510	472,011	224,499
State/Federal Sources	2,595,818	2,309,028	286,790
Other	370,851	373,382	(2,531)
Totals	<b><u>\$ 25,209,769</u></b>	<b><u>\$ 24,137,034</u></b>	<b><u>\$ 1,072,735</u></b>

<b><u>Expenses:</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>Variance</u></b> <b><u>Increase</u></b> <b><u>(Decrease)</u></b>
General Support	\$ 2,872,069	\$ 2,859,175	\$ 12,894
Instruction	11,730,061	12,008,681	(278,620)
Pupil Transportation	845,764	773,583	72,181
Employee Benefits	6,828,026	6,659,284	168,742
Other	4,209,662	1,120,424	3,089,238
Totals	<b><u>\$ 26,485,582</u></b>	<b><u>\$ 23,421,147</u></b>	<b><u>\$ 3,064,435</u></b>

## **GENERAL FUND BUDGET INFORMATION**

The District's budget is prepared in accordance with New York State law and is based on the modified accrual basis of accounting, utilizing cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

The difference between the general fund's original budget and the final amended budget was \$3,362,016. This amount represents carryover encumbrances from 2022-23 of \$216,815, unanticipated repairs using the Repair Reserve of \$69,351, voter approved transfer to Capital Fund using Capital Reserve for the Transportation Facility Project of \$3,067,000 and gifts and donations of \$8,850.

## **CAPITAL ASSETS**

The District's capital assets (net of accumulated depreciation) as of June 30, 2024 are as follows:

<u>Asset Description</u>	<u>Amount</u>
Land	\$ 875,000
Construction in Progress	7,657,844
Buildings and Improvements	6,961,897
Machinery and Equipment	746,460
Vehicles	<u>780,444</u>
Total	<u>\$17,021,645</u>

## **DEBT**

The District had total long term debt including serial bonds outstanding in the amount of \$4,735,000 as of June 30, 2024, a decrease over the previous year of \$655,000. The debt outstanding for the year ended June 30, 2024 is summarized as follows:

<u>Debt Description</u>	<u>Outstanding Balance</u>
Bonds	<u>\$ 4,735,000</u>

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 10% of the total full value of real property. At June 30, 2024, the District's general obligation debt was significantly lower than its total debt limit.

## **FACTORS BEARING ON THE DISTRICT'S FUTURE**

At this time these financial statements were prepared and audited, the School District was aware of the following existing circumstances, which could significantly affect its financial position in the future:

Every year new Article 7 claims are filed by property owners looking to lower the assessed values of properties within the District. Each year that the claim goes unsettled the liability to the District increases. To mitigate financial damage from these claims, the District has a Tax Certiorari Reserve Fund. The Reserve is funded at \$158,171.

State aid and property taxes fund the vast majority of school expenditures. With the implementation of the tax levy limit, the District's ability to raise taxes has been limited. In addition, NYS has frozen Foundation Aid formulas for several years. Allowing the formulas to run without modification would have a negative impact on LGCSD revenues. Because of the variations year to year and future uncertainty in State Aid, and the limits placed on property tax increases, long term planning and forecasting are challenging, and must be regularly reviewed and revised.

## **CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT**

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

Business Administrator  
Lake George Central School District  
381 Canada Street  
Lake George, New York 12845



LAKE GEORGE CENTRAL SCHOOL DISTRICT

STATEMENT OF NET POSITION

June 30, 2024

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**ASSETS**

Unrestricted cash	\$	5,352,950	
Restricted cash		4,674,855	
Other receivables, net		8,941	
State and federal aid receivable		462,290	
Due from other governments		238,326	
Inventories		20,857	
Prepaid expenditures		2,222	
Capital assets, net		17,021,645	
Total Assets		17,021,645	\$ 27,782,086

**DEFERRED OUTFLOW OF RESOURCES**

Pensions	\$	4,694,462	
OPEB-GASB 75		2,925,212	
Total Deferred Outflows of Resources		2,925,212	\$ 7,619,674

**LIABILITIES**

**Current Liabilities:**

Accounts payable	\$	439,474	
Accrued liabilities		136,038	
Bond anticipation notes payable		597,933	
Due to fiduciary funds		44	
Due to other governments		518	
Due to teachers' retirement system		908,896	
Due to employees' retirement system		95,182	
Other liabilities		20,438	
Overpayments and collections		21,294	
Unearned revenue		11,144	
		670,000	

**Long-Term Liabilities:**

**Due and payable within one year**

Bonds payable		670,000	
		670,000	

**Due and payable after one year**

Bonds payable		4,065,000	
Compensated absences payable		867,343	
Other postemployment benefits payable		66,447,646	
Net pension liability- proportionate share		1,477,034	
		4,065,000	

Total Liabilities		75,757,984	\$ 75,757,984
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**DEFERRED INFLOWS OF RESOURCES**

Pensions		813,909	
OPEB-GASB 75		5,821,416	
		5,821,416	

Total Deferred Inflows of Resources		5,821,416	\$ 6,635,325
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**NET POSITION**

Net Investment in Capital Assets		11,895,290	
Restricted		4,117,714	
Unrestricted (deficit)		(63,004,553)	
		(46,991,549)	

<b>Total Net Position</b>		(46,991,549)	\$ (46,991,549)
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See auditor's report. See notes to financial statements.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION  
For Year Ended June 30, 2024

			Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Expenses Allocation	Charges for Services	Operating Grants	
<b>FUNCTIONS/PROGRAMS</b>					
General support	\$ 2,796,358	\$ 1,004,123	\$ -	\$ 847,138	\$ (2,953,343)
Instruction	12,303,094	7,070,105	60,335	573,639	(18,739,225)
Pupil transportation	799,747	454,572	-	36,997	(1,217,322)
Employee benefits	8,583,542	(8,583,542)	-	-	-
Debt service-interest	164,496	-	-	-	(164,496)
Depreciation	754,743	-	-	-	(754,743)
School lunch program	411,086	54,742	116,793	312,875	(36,160)
	<b>\$ 25,813,066</b>	<b>\$ -</b>	<b>\$ 177,128</b>	<b>\$ 1,770,649</b>	<b>(23,865,289)</b>
<b>GENERAL REVENUES</b>					
Real property taxes					21,165,276
Other tax items					381,314
Use of money and property					727,241
Sale of property and compensation for loss					62,161
Miscellaneous					248,355
State sources					2,568,597
Federal sources					27,221
Premium on obligations					2,045
					<b>25,182,210</b>
<b>Change in Net Position</b>					<b>1,316,921</b>
<b>Total Net Position - Beginning of year</b>					<b>(48,308,470)</b>
<b>Total Net Position - End of year</b>					<b>\$ (46,991,549)</b>

See auditor's report. See notes to financial statements.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION  
June 30, 2024

	----- Total Governmental Funds	Long-term Assets, Liabilities	Reclassifications and Eliminations	Statement of Net Position Totals
<b>ASSETS</b>				
Unrestricted cash	\$ 5,352,950	\$ -	\$ -	\$ 5,352,950
Restricted cash	4,674,855	-	-	4,674,855
Other receivables, net	8,941	-	-	8,941
Due from other funds	606,323	-	(606,323)	-
Due from other governments	238,326	-	-	238,326
State and federal aid receivable	462,290	-	-	462,290
Inventories	20,857	-	-	20,857
Prepaid expense	2,222	-	-	2,222
Capital assets, (net)	-	17,021,645	-	17,021,645
<b>Total Assets</b>	<b>\$ 11,366,764</b>	<b>\$ 17,021,645</b>	<b>\$ (606,323)</b>	<b>\$ 27,782,086</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pensions	\$ -	\$ 4,694,462	\$ -	\$ 4,694,462
OPEB-GASB 75	-	2,925,212	-	2,925,212
Total Deferred Outflows of Resources	<b>\$ -</b>	<b>\$ 7,619,674</b>	<b>\$ -</b>	<b>\$ 7,619,674</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 439,474	\$ -	\$ -	\$ 439,474
Accrued liabilities	58,896	77,142	-	136,038
Bond anticipation notes payable	597,933	-	-	597,933
Bonds payable	-	4,735,000	-	4,735,000
Due to other funds	606,367	-	(606,367)	-
Due to fiduciary funds	-	-	44	44
Due to other governments	518	-	-	518
Due to teachers' retirement system	908,896	-	-	908,896
Due to employees' retirement system	95,182	-	-	95,182
Other postemployment benefits payable	-	66,447,646	-	66,447,646
Compensated absences	-	867,343	-	867,343
Overpayments and collections	21,294	-	-	21,294
Unearned revenues	11,144	-	-	11,144
Net pension liability- proportionate share	-	1,477,034	-	1,477,034
Other liabilities	20,438	-	-	20,438
<b>Total Liabilities</b>	<b>\$ 2,760,142</b>	<b>\$ 73,604,165</b>	<b>\$ (606,323)</b>	<b>\$ 75,757,984</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pensions	\$ -	\$ 813,909	\$ -	\$ 813,909
OPEB-GASB 75	-	5,821,416	-	5,821,416
Total Deferred Inflows of Resources	<b>\$ -</b>	<b>\$ 6,635,325</b>	<b>\$ -</b>	<b>\$ 6,635,325</b>
<b>FUND BALANCE\NET POSITION</b>				
<b>Total Fund Balance\Net Position</b>	<b>\$ 8,606,622</b>	<b>\$ (55,598,171)</b>	<b>\$ -</b>	<b>\$ (46,991,549)</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance\Net Position</b>	<b>\$ 11,366,764</b>	<b>\$ 24,641,319</b>	<b>\$ (606,323)</b>	<b>\$ 35,401,760</b>

See auditor's report. See notes to financial statements.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
RECONCILIATION OF GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
For Year Ended June 30, 2024

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	Total Governmental Funds	Long-term Revenue, Expenses	Capital Related Items	Long-term Debt Transactions	Statement of Activities Totals
<b>REVENUES</b>					
Real property taxes	\$ 21,165,276	\$ -	\$ -	\$ -	\$ 21,165,276
Other tax items	381,314	-	-	-	381,314
Charges for services	60,335	-	-	-	60,335
Use of money and property	727,241	-	-	-	727,241
Sale of property and compensation for loss	62,161	-	-	-	62,161
Miscellaneous	248,655	-	-	-	248,655
State sources	2,867,982	-	-	-	2,867,982
Federal sources	1,498,185	-	-	-	1,498,185
Sales - school lunch	116,793	-	-	-	116,793
<b>Total Revenues</b>	<u>27,127,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,127,942</u>
<b>EXPENDITURES/EXPENSES</b>					
General support	3,719,207	-	(922,849)	-	2,796,358
Instruction	12,342,062	439	(39,407)	-	12,303,094
Pupil transportation	882,761	-	(83,014)	-	799,747
Employee benefits	6,882,768	1,700,774	-	-	8,583,542
Debt service- Principal	812,590	-	-	(812,590)	-
-Interest	161,001	3,495	-	-	164,496
Cost of sales	411,086	-	-	-	411,086
Depreciation	-	-	754,743	-	754,743
Capital outlay	1,052,602	-	(1,052,602)	-	-
<b>Total Expenditures</b>	<u>26,264,077</u>	<u>1,704,708</u>	<u>(1,343,129)</u>	<u>(812,590)</u>	<u>25,813,066</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>863,865</u>	<u>(1,704,708)</u>	<u>1,343,129</u>	<u>812,590</u>	<u>1,314,876</u>
<b>OTHER SOURCES AND USES</b>					
Bond anticipation notes redeemed	157,590	-	-	(157,590)	-
Premium on obligations	2,045	-	-	-	2,045
Operating transfers in	4,209,662	(4,209,662)	-	-	-
Operating transfers (out)	(4,209,662)	4,209,662	-	-	-
<b>Total Other Sources (Uses)</b>	<u>159,635</u>	<u>-</u>	<u>-</u>	<u>(157,590)</u>	<u>2,045</u>
<b>Net Change for the Year</b>	<u>\$ 1,023,500</u>	<u>\$ (1,704,708)</u>	<u>\$ 1,343,129</u>	<u>\$ 655,000</u>	<u>\$ 1,316,921</u>

See auditor's report. See notes to financial statements.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
BALANCE SHEET- GOVERNMENTAL FUNDS

June 30, 2024

	General	Special Aid	School Lunch	Debt Service	Capital Projects	Total Governmental Funds
<b>ASSETS</b>						
Unrestricted cash	\$ 2,459,809	\$ 183,544	\$ 55,935	\$ -	\$ 2,653,662	\$ 5,352,950
Restricted cash	4,117,714	-	-	557,141	-	4,674,855
Other receivables, net	1,587	-	7,354	-	-	8,941
Due from other funds	600,871	5,452	-	-	-	606,323
State and federal aid receivable	120,805	319,337	22,148	-	-	462,290
Due from other governments	238,326	-	-	-	-	238,326
Prepaid expense	2,222	-	-	-	-	2,222
Inventories	-	-	20,857	-	-	20,857
<b>Total Assets</b>	<u>\$ 7,541,334</u>	<u>\$ 508,333</u>	<u>\$ 106,294</u>	<u>\$ 557,141</u>	<u>\$ 2,653,662</u>	<u>\$ 11,366,764</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 422,604	\$ 8,380	\$ 8,225	\$ -	\$ 265	\$ 439,474
Accrued liabilities	58,896	-	-	-	-	58,896
Bond anticipation notes payable	-	-	-	-	597,933	597,933
Due to other funds	44	499,953	77,223	-	29,147	606,367
Due to other governments	-	-	518	-	-	518
Due to teachers' retirement system	908,896	-	-	-	-	908,896
Due to employees' retirement system	95,182	-	-	-	-	95,182
Unearned revenues	-	-	11,144	-	-	11,144
Overpayments and collections	21,294	-	-	-	-	21,294
Other liabilities	20,438	-	-	-	-	20,438
<b>Total Liabilities</b>	<u>1,527,354</u>	<u>508,333</u>	<u>97,110</u>	<u>-</u>	<u>627,345</u>	<u>2,760,142</u>
<b>FUND BALANCES</b>						
Non-spendable	2,222	-	20,857	-	-	23,079
Restricted	4,117,714	-	-	557,141	876,352	5,551,207
Assigned	877,570	-	-	-	-	877,570
Unassigned (Deficit)	1,016,474	-	(11,673)	-	1,149,965	2,154,766
<b>Total Fund Balances</b>	<u>6,013,980</u>	<u>-</u>	<u>9,184</u>	<u>557,141</u>	<u>2,026,317</u>	<u>8,606,622</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 7,541,334</u>	<u>\$ 508,333</u>	<u>\$ 106,294</u>	<u>\$ 557,141</u>	<u>\$ 2,653,662</u>	<u>\$ 11,366,764</u>

See auditor's report. See notes to financial statements.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-  
GOVERNMENTAL FUNDS  
For Year Ended June 30, 2024

	General	----- Special Aid	School Lunch	Debt Service	Capital Projects	Total Governmental Funds
<b>REVENUES</b>						
Real property taxes	\$ 21,165,276	\$ -	\$ -	\$ -	\$ -	\$ 21,165,276
Other tax items	381,314	-	-	-	-	381,314
Charges for services	60,335	-	-	-	-	60,335
Use of money and property	696,510	-	-	30,731	-	727,241
Sale of property and compensation for loss	62,161	-	-	-	-	62,161
Miscellaneous	248,355	-	300	-	-	248,655
State sources	2,568,597	166,825	132,560	-	-	2,867,982
Federal sources	27,221	1,290,649	180,315	-	-	1,498,185
Sales	-	-	116,793	-	-	116,793
<b>Total Revenues</b>	<b>25,209,769</b>	<b>1,457,474</b>	<b>429,968</b>	<b>30,731</b>	<b>-</b>	<b>27,127,942</b>
<b>EXPENDITURES</b>						
General support	2,872,069	847,138	-	-	-	3,719,207
Instruction	11,730,061	612,001	-	-	-	12,342,062
Pupil transportation	845,764	36,997	-	-	-	882,761
Employee benefits	6,828,026	-	54,742	-	-	6,882,768
Debt service						
Principal	-	-	-	812,590	-	812,590
Interest	-	-	-	161,001	-	161,001
Cost of sales	-	-	411,086	-	-	411,086
Capital outlay	-	-	-	-	1,052,602	1,052,602
<b>Total Expenditures</b>	<b>22,275,920</b>	<b>1,496,136</b>	<b>465,828</b>	<b>973,591</b>	<b>1,052,602</b>	<b>26,264,077</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>2,933,849</b>	<b>(38,662)</b>	<b>(35,860)</b>	<b>(942,860)</b>	<b>(1,052,602)</b>	<b>863,865</b>
<b>OTHER SOURCES AND USES</b>						
Bond anticipation notes redeemed	-	-	-	-	157,590	157,590
Premium on obligations	-	-	-	2,045	-	2,045
Operating transfers in	-	38,662	30,000	974,000	3,167,000	4,209,662
Operating transfers (out)	(4,209,662)	-	-	-	-	(4,209,662)
<b>Total Other Sources (Uses)</b>	<b>(4,209,662)</b>	<b>38,662</b>	<b>30,000</b>	<b>976,045</b>	<b>3,324,590</b>	<b>159,635</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)</b>	<b>(1,275,813)</b>	<b>-</b>	<b>(5,860)</b>	<b>33,185</b>	<b>2,271,988</b>	<b>1,023,500</b>
<b>Fund Balance (Deficit)- Beginning of year</b>	<b>7,289,793</b>	<b>-</b>	<b>15,044</b>	<b>523,956</b>	<b>(245,671)</b>	<b>7,583,122</b>
<b>Fund Balance - End of year</b>	<b>\$ 6,013,980</b>	<b>\$ -</b>	<b>\$ 9,184</b>	<b>\$ 557,141</b>	<b>\$ 2,026,317</b>	<b>\$ 8,606,622</b>

See auditor's report. See notes to financial statements.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
June 30, 2024

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	Custodial Funds
<b>ASSETS</b>	
Cash	\$ 93,818
Due from governmental funds	44
<b>Total Assets</b>	<b>\$ 93,862</b>
 <b>LIABILITIES</b>	
Other liabilities	\$ -
Due to governmental funds	-
<b>Total Liabilities</b>	-
 <b>NET POSITION</b>	
Reserved for scholarships	\$ -
Individuals, Organizations and Other governments	93,862
<b>Total Net Position</b>	<b>\$ 93,862</b>

See auditor's report. See notes to financial statements.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
For Year Ended June 30, 2024

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	Custodial Funds
<b>ADDITIONS</b>	
Gifts and donations	\$ 31,684
Interest	-
Unclassified	61,188
<b>Total Additions</b>	92,872
 <b>DEDUCTIONS</b>	
Scholarships and awards	-
Other custodial activities	73,411
<b>Total Deductions</b>	73,411
<b>Net Increase (Decrease) in Fiduciary Net Position</b>	19,461
<b>Net Position - Beginning of year</b>	74,401
<b>Net Position - End of year</b>	\$ 93,862

See auditor's report. See notes to financial statements.



# LAKE GEORGE CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### I. **Summary of Significant Accounting Policies**

The financial statements of the Lake George Central School District have been prepared in conformity with generally accepted accounting principles (GAAP). Those principles are as prescribed by the Governmental Accounting Standards Board (GASB) which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

#### A. **Reporting Entity**

The Lake George Central School District is governed by the laws of New York State. The District is an independent entity governed by an elected Board of Education consisting of 7 members. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for and controls all activities related to public school education within the District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

The reporting entity of the District is based upon criteria set forth by GASB Statement 14, The Financial Reporting Entity, as amended by GASB Statement 39, Component Units. 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 School District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities included in the School District's reporting entity:

##### The Extraclassroom Activity Funds

The Extraclassroom Activity Funds of the Lake George Central School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and the designation of student management. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds are included in these financial statements. The District accounts for assets held as an agent for various student organizations in a custodial fund.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**I. Summary of Significant Accounting Policies (Continued)**

**B. Joint Venture**

The Lake George Central School District is one of 31 component school districts in the Washington-Saratoga-Warren-Hamilton-Essex Counties Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that share planning, services, and programs which provide educational and support activities.

BOCES are organized under Section 1950 of the Education Law. A BOCES Board is considered a corporate body. All BOCES property is held by the BOCES Board as a corporation (Section 1950(6)). In addition, BOCES Boards are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under Section 119-n(a) of the General Municipal Law.

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

There is no authority or process by which a school district can terminate its status as a BOCES component. In addition, component school districts pay tuition or a service fee for programs in which their students participate. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of Section 1950 of the Education Law.

During the year ended June 30, 2024, the Lake George Central School District was billed \$1,803,069 for BOCES administrative and program costs. The District's share of BOCES Aid amounted to \$529,590. Financial statements for BOCES Aid are available from the BOCES administrative office.

**C. Basis of Presentation**

**1. Districtwide Statements**

The Districtwide 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,

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**I. Summary of Significant Accounting Policies (Continued)**

**C. Basis of Presentation (Continued)**

**1. Districtwide Statements (Continued)**

State Aid, intergovernmental revenues, and other exchange and nonexchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The Statement of Net Position presents the financial position of the District at fiscal year-end. The Statement of Activities presents a comparison between program expenses and revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. 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. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas.

**2. Fund Financial Statements**

The fund financial statements provide information about the District's funds, including fiduciary funds. 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 funds:

**a. Major Governmental Funds**

- (1) General Fund** - This is the District's primary operating fund. It accounts for all financial transactions that are not required to be accounted for in another fund.
- (2) Special Aid Fund** – These funds account for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes and other activities whose funds are restricted as to use. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**I. Summary of Significant Accounting Policies (Continued)**

**C. Basis of Presentation (Continued)**

**2. Fund Financial Statements (Continued)**

**a. Major Governmental Funds (Continued)**

- (3) School Lunch Fund** – Used to account for transactions of the District’s lunch and breakfast programs.
- (4) Debt Service Fund** – This fund accounts for the accumulation of resources and the payment of principal and interest on long-term obligations for governmental activities.
- (5) Capital Projects Fund** – This fund is used to account for the financial resources used for acquisition, construction, or major repair of capital facilities.

**b. Fiduciary Funds**

Fiduciary activities are those in which the District acts as trustee or agent for resources that belong to others. These activities are not included in the districtwide financial statements, because their resources do not belong to the District, and are not available to be used. There are two classes of fiduciary funds:

- (1) Private Purpose Trust Funds** – These funds are used to account for trust arrangements in which principal and income benefits annual third party awards and scholarships for students. Established criteria govern the use of the funds and members of the District or representatives of the donors may serve on committees to determine who benefits.
- (2) Custodial Funds** – These funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the District as agent for various student groups or extraclassroom activity funds.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**I. Summary of Significant Accounting Policies (Continued)**

**D. Measurement Focus and Basis of Accounting**

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

The districtwide 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. Revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

The fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 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 general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**E. Cash and Investments**

The District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. 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. Certain cash balances are restricted by various legal and contractual obligations, such as legal reserves and debt agreements.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**I. Summary of Significant Accounting Policies (Continued)**

**F. Property Taxes**

Real property taxes are levied annually by the Board of Education no later than September 1 and become a lien on August 8. Taxes are collected during the period September 1 to November 4.

Uncollected real property taxes are subsequently enforced by the County of Warren. An amount representing uncollected real property taxes is transmitted to the County for enforcement and is paid by the County to the District no later than the forthcoming April 1.

**G. Restricted Resources**

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

**H. Interfund Transactions**

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

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

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

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

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**I. Summary of Significant Accounting Policies (Continued)**

**I. Estimates**

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

**J. Receivables**

Accounts 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 an allowance would not be material.

**K. Inventories and Prepaid Items**

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

Prepaid items represent payments made by the District for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the district-wide and fund financial statements. These items are reported as assets on the Statement of Net Position or balance sheet using the consumption method. Under the consumption method, a current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

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

**L. Other Assets/Restricted Assets**

Certain proceeds from serial bonds and bond anticipation notes, as well as resources set aside for their repayment are classified as restricted assets in the districtwide financial statements and their use is limited by applicable bond covenants.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**I. Summary of Significant Accounting Policies (Continued)**

**L. Other Assets/Restricted Assets (Continued)**

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

**M. Capital Assets**

Capital assets are reflected in the districtwide financial statements. Capital assets are reported at historical cost or estimated historical costs, based on appraisals conducted by independent third-party professionals. Donated assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Capital assets, except land, are depreciated on a straight-line basis over their estimated useful lives. Capitalization thresholds and estimated useful lives of capital assets reported in the districtwide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Estimated Useful Life</u>
Site Improvements	\$ 5,000	20
Buildings and Improvements	\$ 5,000	50
Furniture and Equipment	\$ 5,000	5-10
Vehicles	\$ 5,000	5-10

**N. Compensated Absences**

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

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

District employees are granted vacation in varying amounts, based primarily on length of service and service position. Some earned benefits may be forfeited if not taken within varying time periods.



LAKE GEORGE CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**I. Summary of Significant Accounting Policies (Continued)**

**N. Compensated Absences (Continued)**

Consistent with GASB Statement 16, Accounting for Compensated Absences, the liability has been calculated using the vested method and an accrual for that liability is included in the Districtwide Financial Statements. The compensated absences liability is calculated based on the pay rates in effect at year end. In the fund statements only the amount of matured liabilities is accrued within the General Fund based upon expendable and available resources. These amounts are expensed on a pay-as-you-go basis.

**O. Accrued Liabilities and Long-Term Obligations**

Payables, accrued liabilities and long-term obligations are reported in the districtwide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources.

Claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund's financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

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

**P. Deferred Outflows of Resources**

Deferred outflows of resources, in the Statement of Net Position, represents a consumption of net position that applies to a future reporting period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has three items that qualify for reporting in this category. The first item represents the effect of the net change in the District's proportion of the collective net pension asset or liability and the difference during the measurement period between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The second item is the District's contributions to the pension systems (TRS and ERS Systems) and OPEB subsequent to the measurement date. The third item relates to OPEB reporting in the districtwide Statement of Net Position. This represents the effect of the net change in the actual and expected experience.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**I. Summary of Significant Accounting Policies (Continued)**

**Q. Deferred Inflows of Resources**

Deferred inflows of resources represent 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 two items that qualify for reporting in this category. The first item is related to pensions reported in the Districtwide Statement of Net Position. This represents the effect of net change in the District's proportion of the collective net pension liability and difference during the measurement periods between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense, and the net difference between projected and actual earnings on pension plan investments. The second item is related to OPEB reported in the districtwide Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs.

**R. Unearned Revenue**

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

**S. Other Benefits**

Eligible District employees participate in the New York State Teachers' Retirement System or the New York State and Local 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 457.

In addition to providing pension benefits, the District provides postemployment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provision of various employment contracts in effect at the time of retirement.

Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the District and the retired employee. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**I. Summary of Significant Accounting Policies (Continued)**

**T. Short-Term Debt**

The School District may issue Revenue and Tax Anticipation Notes in anticipation of 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 revenue anticipation and tax anticipation notes represent a liability that will be extinguished by the use of expendable, available resources of the fund.

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

The School District may issue Bond Anticipation Notes in anticipation of proceeds from the subsequent sale of bonds. These bonds are recorded as a current liability of the fund that will actually receive the proceeds from the issuance of bonds. State law requires that bond anticipation notes issued for capital purposes be converted to long-term financing within five years after the original issue date.

**U. Equity Classifications**

**1. Districtwide Statements**

In the districtwide statements there are three classes of net position:

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

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

**Unrestricted net position** – reports all other net position that do not meet the definition of the above two classifications and are deemed to be available for general use by the District.

LAKE GEORGE CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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I. **Summary of Significant Accounting Policies (Continued)**

U. **Equity Classifications (Continued)**

2. **Fund Statements**

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

**Non-spendable** – includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Non-spendable fund balance includes the inventory recorded in the School Lunch Fund of \$20,857.

**Restricted** – includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. All encumbrances of funds other than the General Fund are classified as restricted fund balance. The School District has established the following restricted fund balances:

1. **Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and commitments of expenditures are recorded for budgetary control purposes in order to reserve applicable appropriations, is employed as a control in preventing over-expenditure of established appropriations. Open encumbrances are reported as restricted fund balance in all funds other than the General Fund, since they do not constitute expenditures or liabilities and will be honored through budget appropriations in the subsequent year.

2. **Unemployment Insurance**

This reserve is 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 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. This reserve is accounted for in the General Fund.

LAKE GEORGE CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**I. Summary of Significant Accounting Policies (Continued)**

**U. Equity Classifications (Continued)**

2. Fund Statements (Continued)

3. Employee Benefit Accrued Liability

This reserve is used to set aside funds 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.

4. Tax Certiorari

This reserve is used to accumulate funds to pay judgments and claims anticipated from tax certiorari proceedings. Any excess monies must be returned to the General Fund on or before the first day of the fourth fiscal year after the deposit of the monies. This reserve is accounted for in the General Fund.

5. Employee Retirement Contributions

This reserve is used for future employee's retirement and teacher's retirement obligations. 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.

6. Insurance

This reserve is used to pay liability, casualty and other types of losses, except losses incurred for which the following types of insurance may be purchased; life, accident, health, annuities, fidelity and surety, credit, title residual value and mortgage guarantee. In addition, this reserve may not be used for any purpose for which a special reserve may be established pursuant to law (for example, for unemployment compensation insurance). This reserve may be established by Board action, and funded by budgetary appropriations, or such other funds as may be legally appropriated. There is no limit on the amount that may be accumulated in the Insurance Reserve, however, the annual contribution to this reserve may not exceed the greater of \$33,000 or 5% of the budget. Settled or compromised claims up to \$25,000 may be paid from the reserve without judicial approval. This reserve is accounted for in the General Fund.

LAKE GEORGE CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**I. Summary of Significant Accounting Policies (Continued)**

**U. Equity Classifications (Continued)**

2. Fund Statements (Continued)

7. Repair

This reserve is used to pay the cost of repairs to capital improvements or equipment, which repairs are of a type not recurring annually. The Board of Education without voter approval may establish a repair reserve fund by a majority vote of its members. Voter approval is required to fund this reserve. 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.

8. Capital

This reserve is used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve requires authorization by a majority of the voters establishing the purpose of the reserve; the ultimate amount, its probable term and 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.

9. Workers' Compensation

This reserve is used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law, and for payment of expenses of administering this self-insurance program. The reserve may be established by Board action, and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. The reserve is accounted for in the General Fund.

10. Property Loss

This reserve is used to cover property loss and liability claims. The reserve may be established by Board actions and is funded by budgetary appropriations. The reserve is accounted for in the General Fund.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**I. Summary of Significant Accounting Policies (Continued)**

**U. Equity Classifications (Continued)**

**2. Fund Statements (Continued)**

Restricted fund balance includes the following:

General Fund:

Repair	\$ 282,580
Employee Benefit Accrued Liability	662,649
Property Loss	27,324
Insurance	3,795
Capital	2,530,099
Unemployment Insurance	11,894
Employee Retirement Contributions	261,205
Teacher's Retirement Contributions	157,847
Workers' Compensation	22,150
Tax Certiorari	158,171
Capital Fund	876,352
Debt Service Fund	557,141
Total restricted funds	\$ 5,551,207

**Committed** – Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the School District’s highest level of decision making, the Board of Education. The School District has no committed fund balances as of June 30, 2024.

**Assigned** – Includes amounts that are constrained by the School District’s intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances of the General Fund are classified as **Assigned Fund Balance** in the General Fund. Encumbrances reported in the General Fund amounted to \$410,493 and the assigned fund balance amounted to \$467,077.

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

LAKE GEORGE CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**I. Summary of Significant Accounting Policies (Continued)**

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

Order of Use of Fund Balance:

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

**U. New Accounting Standards**

The District has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. On June 30, 2024, the District implemented the following new standards issued by GASB:

GASB has issued Statement 99, Omnibus 2022, effective for the year ending June 30, 2024.

GASB has issued Statement 100, Accounting Changes and Error Corrections, effective after the year ending June 30, 2024.

**V. Future Changes in Accounting Standards**

GASB has issued Statement 101, Compensated Absences, effective for the year ending June 30, 2025.

GASB has issued Statement 102, Certain Risk Disclosures, effective for the year ending June 30, 2025.

GASB has issued Statement 103, Financial Reporting Model Improvements, effective for the year ending June 30, 2026.

The school district will evaluate the impact that these pronouncements may have on its financial statements and will implement them as applicable and when material.



LAKE GEORGE CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**II. Explanation of Certain Differences between Governmental Fund Statements and Districtwide Statements**

Due to differences in the measurement focus and basis of accounting used in the governmental fund statements and the districtwide 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 focus of the Statement of Activities, compared with the current financial resources focus of the governmental funds.

1. 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.

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

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

a. Long-term revenue differences:

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

b. 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 as reported on the Statement of Activities, and the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the Statement of Activities.

LAKE GEORGE CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**II. Explanation of Certain Differences between Governmental Fund Statements and Districtwide Statements (Continued)**

2. Statement of Revenues, Expenditures, and Changes in Fund Balance vs. Statement of Activities (Continued):

c. Long-term debt transaction differences:

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

d. Pension differences:

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

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

Original cost of capital assets	\$32,819,572
Accumulated depreciation	<u>15,797,927</u>
Capital assets, net	<u>\$17,021,645</u>

Long-term liabilities are reported in the Statement of Net Position, but not in the governmental funds, because they are not due and payable in the current period. Balances at year end were:

Bond and notes payable	<u>\$ 5,332,933</u>
Compensated absences	<u>\$ 867,343</u>
OPEB obligations	<u>\$66,447,646</u>
Net pension liability-proportionate share	<u>\$ 1,477,034</u>

LAKE GEORGE CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**II. Explanation of Certain Differences between Governmental Fund Statements and Districtwide Statements (Continued)**

2. Statement of Revenues, Expenditures, and Changes in Fund Balance vs. Statement of Activities (Continued):

When the purchase or construction of capital assets is financed through governmental funds, the resources expended for those assets are reported as expenditures in the years they are incurred. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Depreciation of \$754,743 was less than capital expenditures of \$2,097,871 in the current year.

Repayment of bond principal of \$655,000 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.

Interest on long-term debt and short-term debt in the Statement of Activities differs from the amount 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 Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The interest reported in the Statement of Activities decreased by \$3,495.

**III. Cash and Investments**

**A. Deposits**

The Lake George Central School District's investment policies are governed by State statutes. The Lake George Central School District's monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit 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 school 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 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are as follows:

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

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**III. Cash and Investments (Continued)**

**A. Deposits (Continued)**

Deposits and investments at year end were entirely covered by Federal Deposit Insurance or by collateral held by the School District’s custodial bank in the School District’s name.

**B. Investment Pool**

The School District participates in two multi-municipal cooperation investment pool agreements pursuant to New York State General Municipal Law Article 5-G, Section 119-0, whereby it holds a portion of the investments in cooperation with other participants. On June 30, 2024, the School District held \$9,694,135 in investments consisting of various investments in securities issued by the United States and its agencies. The investments are highly liquid and considered to be cash equivalents. The investment pool is categorically exempt from the New York State collateralization requirements.

**IV. Interfund Transaction**

Interfund balances on June 30, 2024, are as follows:

	Interfund		Interfund	
	Receivable	Payable	Revenues	Expenditures
General Fund	\$ 600,871	\$ 44	\$ -	\$ 4,209,662
Special Aid Fund	5,452	499,953	38,662	-
School Lunch Fund	-	77,223	30,000	-
Capital Fund	-	29,147	3,167,000	-
Debt Service Fund	-	-	974,000	-
Total governmental activities	<u>606,323</u>	<u>606,367</u>	<u>\$ 4,209,662</u>	<u>\$ 4,209,662</u>
Custodial Fund	<u>44</u>	<u>-</u>		
Totals	<u>\$ 606,367</u>	<u>\$ 606,367</u>		

The District typically transfers from the General Fund to the Special Aid Fund to pay its’ share of the Summer Handicapped Program.

Interfund receivables and payables, other than between governmental activities and fiduciary funds, are eliminated on the Statement of Net Position.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**V. Capital Assets**

A summary of changes in general fixed assets follows:

	Balance 7/1/2023	Additions	Deletions	Balance 6/30/2024
<u>Capital assets-not depreciated:</u>				
Land	\$ 875,000	\$ -	\$ -	\$ 875,000
Construction in progress	6,058,834	1,599,010	-	7,657,844
Total capital assets-not depreciated:	6,933,834	1,599,010	-	8,532,844
 <u>Other capital assets:</u>				
Buildings and improvements	17,691,174	-	-	17,691,174
Machinery and equipment	4,196,437	113,757	-	4,310,194
Vehicles	1,900,256	385,104	-	2,285,360
Total other capital assets:	23,787,867	498,861	-	24,286,728
 <u>Less accumulated depreciation:</u>				
Buildings and improvements	10,294,855	434,422	-	10,729,277
Machinery and equipment	3,472,721	91,013	-	3,563,734
Vehicles	1,275,608	229,308	-	1,504,916
Total accumulated depreciation	15,043,184	754,743	-	15,797,927
Other capital assets, net	8,744,683	(255,882)	-	8,488,801
Total	\$ 15,678,517	\$ 1,343,128	\$ -	\$ 17,021,645

Depreciation expense for the period was shown as unallocated in the Statement of Activities.

LAKE GEORGE CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**VI. Pension Plans**

1. General Information

New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems).

2. Plan Descriptions and Benefits Provided

**Teachers' Retirement System (TRS)**

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

**Employees' Retirement System (ERS)**

The District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (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](http://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.

LAKE GEORGE CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**VI. Pension Plans (Continued)**

Funding Policies:

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute 3.0 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier 6 vary based on a sliding salary scale. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education law.

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

Contributions

	ERS	TRS
2024	\$275,106	\$945,584
2023	\$248,630	\$906,135
2022	\$328,554	\$912,446

**3. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

On June 30, 2024, 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, 2024, for ERS and June 30, 2023, 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>
Actuarial valuation date	1-Apr-24	30-Jun-23
Net pension liability/(asset)	\$951,352	\$525,682
District's portion of the Plan's total net pension liability/asset	.0064612%	.045968%
Change in proportion since the prior measurement date	(.0000379%)	(.002952%)

LAKE GEORGE CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**VI. Pension Plans (Continued)**

For the year ended June 30, 2024, the District's recognized pension expense of \$433,660 for ERS and \$1,554,018 for TRS. On June 30, 2024, the District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resource</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	\$306,430	\$1,274,639	\$25,941	\$3,150
Changes of assumptions	359,685	1,131,777		246,665
Net difference between projected and actual earnings on pension plan investments	0	268,718	464,730	0
Changes in proportion and differences between the District's contributions and proportionate share of contributions	67,619	355,710	20,655	52,768
District's contributions subsequent to the measurement date	95,182	834,702	0	0
<b>Total</b>	<b>\$828,916</b>	<b>\$3,865,546</b>	<b>\$511,326</b>	<b>\$302,583</b>

District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the 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:

	<u>ERS</u>	<u>TRS</u>
Year ended:		
2024	\$ -	\$ 276,068
2025	(\$159,920)	(208,428)
2026	\$194,555	2,170,774
2027	\$286,601	218,193
2028	(\$98,829)	176,182
2029	\$ -	-
Thereafter	\$ -	95,474



LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**VI. Pension Plans (Continued)**

4. Actuarial Assumptions

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

Significant actuarial assumptions used in the valuations were as follows:

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2024	June 30, 2023
Actuarial valuation date	April 1, 2023	June 30, 2022
Interest rate	5.9%	6.95%
Salary scale	4.40%	1.95%-5.18%
Decrement tables	April 1, 2015 - March 31, 2020 System's Experience	July 1, 2015 - June 30, 2020 System's Experience
Inflation rate	2.9%	2.40%
COLA's	1.5%	1.30%

For ERS, annuitant mortality rates are based on April 1, 2015 – March 31, 2020, System’s experience with adjustments for mortality improvements based on MP-2020. For TRS, annuitant mortality rates are based on July 1, 2015 – June 30, 2020, System’s experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021.

For 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.

LAKE GEORGE CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**VI. Pension Plans (Continued)**

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

Measurement date	<u>ERS</u> March 31, 2024	<u>TRS</u> June 30, 2023
<u>Asset Type</u>	<u>%</u>	<u>%</u>
Domestic Equities	4.00%	6.80%
International Equities	6.65%	7.60%
Global equities	0.00%	7.20%
Private Equity	7.25%	10.10%
Real Estate Equity	4.60%	6.30%
Domestic fixed income securities	1.50%	2.20%
Global bonds	0.00%	1.60%
Private debt	0.00%	6.00%
Absolute return strategies	5.25%	0.00%
Real estate debt	0.00%	3.20%
Cash Equivalents	25.00%	0.30%
High yield fixed income securities	0.00%	4.40%
Real assets	5.79%	0.00%

5. Discount Rate

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

LAKE GEORGE CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**VI. Pension Plans (Continued)**

6. Sensitivity of the Proportionate Share of 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 (4.9% or ERS and 5.95% for TRS) or 1-percentage point higher (6.9% for ERS and 7.95% for TRS) than the current rate :

ERS	1% Decrease <u>(4.90%)</u>	Current Assumption <u>(5.90%)</u>	1% Increase <u>(6.90%)</u>
Employer's proportionate share Of the net pension (asset) liability	\$2,991,147	\$951,352	(\$752,301)
TRS	1% Decrease <u>(5.95%)</u>	Current Assumption <u>(6.95%)</u>	1% Increase <u>(7.95%)</u>
Employer's proportionate share Of the net pension (asset) liability	\$8,006,400	\$525,682	(\$5,765,926)

7. Pension Plan Fiduciary Net Position

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

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2024	June 30, 2023
Employers' total pension liability	\$ 240,696,851	\$ 138,365,121,961
Plan Fiduciary Net Position	225,972,801	137,221,536,942
Employers' net pension liability/(asset)	14,724,050	1,143,585,019
Plan fiduciary net position as a percentage of total pension (asset)/liability	93.8800%	99.2000%

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**VI. Pension Plans (Continued)**

8. Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System’s fiscal year which ends on March 31<sup>st</sup>. Accrued retirement contributions as of June 30, 2024, represent the projected employer contribution for the period of April 1, 2024, through June 30, 2024, based on paid ERS wages multiplied by the employer’s contribution rate, by tier. Accrued retirement contributions as of June 30, 2024, amounted to \$95,182.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2024, are paid to the System in September, October and November 2024 through a state aid intercept. Accrued retirement contributions as of June 30, 2024, represent employee and employer contributions for the fiscal year ended June 30, 2024, based on paid TRS wages multiplied by the employer’s contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2024, amounted to \$908,896.

**VII. Short-Term Debt Obligations**

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

	<u>Maturity</u>	<u>Interest Rate</u>	<u>Balance 7/1/2023</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance 6/30/24</u>
BAN	2024	3.17%	\$453,431	\$ -	\$ 453,431	\$ -
BAN	2025	4.50%	-	597,933	-	597,933
			<u>\$453,431</u>	<u>\$ 597,933</u>	<u>\$453,431</u>	<u>\$ 597,933</u>

LAKE GEORGE CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**VII. Short-Term Debt Obligations (Continued)**

Interest on short-term debt for the year was composed of:

Interest paid	\$14,374
Less interest accrued in the prior year	(13,512)
Plus, interest accrued in the current year	<u>25,714</u>
Total expense	<u>\$26,576</u>

**VIII. Long-Term Debt Obligations**

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

**1. Long-Term Debt Interest**

Interest paid	\$146,628
Less interest accrued in the prior year	(60,136)
Plus, interest accrued in the current year	<u>51,428</u>
Total expense	<u>\$137,920</u>

**2. Changes**

	Balance 7/1/2023	Additions	Deletions	Balance 6/30/2024	Due Within One Year
Serial Bonds	\$ 5,390,000	\$ -	\$ 655,000	\$ 4,735,000	<u>\$ 670,000</u>
Compensated					
Absences	866,904	439	-	867,343	
OPEB Obligations	65,835,937	611,709	-	66,447,646	
Net Pension Liability-					
Proportionate Share	2,332,395	-	855,361	1,477,034	
Totals	<u>\$ 74,425,236</u>	<u>\$ 612,148</u>	<u>\$ 1,510,361</u>	<u>\$ 73,527,023</u>	

Additions and deletions to compensated absences are shown net since it is impractical to determine these amounts separately.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**VIII. Long-Term Debt Obligations (Continued)**

**3. Maturity**

a. The following is a summary of the debt issued:

Purpose	Issue Date	Final Maturity	Interest Rate	Outstanding 6/30/2024
Serial Bonds:				
Construction	2020	2035	2-4%	\$ 2,915,000
Construction	2016	2031	1.5-2.5%	1,170,000
Construction	2010	2025	3.34%	650,000
Total				<u>\$ 4,735,000</u>

b. The following is a summary of maturing principal debt service requirements:

Serial Bonds:	Year	Principal	Interest	Total
	2025	\$ 670,000	\$ 124,319	\$ 794,319
	2026	705,000	100,831	805,831
	2027	380,000	82,850	462,850
	2028	390,000	70,750	460,750
	2029	405,000	58,250	463,250
	2030 and thereafter	2,185,000	146,788	2,331,788
Total		<u>\$ 4,735,000</u>	<u>\$ 583,788</u>	<u>\$ 5,318,788</u>

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**IX. Postemployment (Health Insurance) Benefits**

**A. General Information about the OPEB Plan**

*Plan Description-* The District’s defined benefit OPEB plan, provides OPEB for all permanent full-time general and public safety employees of the District. The plan is a single employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in Paragraph 4 of Statement 75.

*Benefits Provided-* The District provides healthcare benefits for retirees and their dependents. The benefit terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the District offices and are available upon request.

*Employees Covered by Benefit Terms-* On June 30, 2024, the following employees were covered by the benefit terms:

Inactive members or beneficiaries currently receiving benefit payments	179
Inactive members entitled to but not yet receiving benefit payments	-
Active plan members	<u>120</u>
Total membership	299

**B. Total OPEB Liability**

The District’s total OPEB liability of \$66,447,646 was measured as of July 1, 2023, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs-* The total OPEB liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**IX. Postemployment (Health Insurance) Benefits (Continued)**

**B. Total OPEB Liability (Continued)**

Inflation	2.60%
Salary Increases	3.0%, average, including inflation
Discount Rate	3.65%
Healthcare Cost Trend Rates	6.2% for 2024, decreasing to an ultimate rate of 5% for 2030 and beyond

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index.

Mortality rates were based on the RP-2014 Mortality Table with mortality projected to the current year using Scale MP-2020 to account for mortality improvement.

The actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the period April 1, 2010-March 31, 2015.

**C. Changes in the Total OPEB Liability**

Balance at June 30, 2023	<u>\$ 65,835,937</u>
<u>Changes for the Year</u>	
Service cost	1,457,680
Interest	2,317,041
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(939,756)
Benefit payments	(2,223,257)
Net Changes	<u>611,709</u>
Balance on June 30, 2024	<u>\$ 66,447,646</u>



LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**IX. Postemployment (Health Insurance) Benefits (Continued)**

**C. Changes in the Total OPEB Liability (Continued)**

Changes of assumptions and other inputs reflect no change in the discount rate from 3.54% in 2023 to 3.65% in 2024.

*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:

	(2.65%) <u>1% Decrease</u>	Current Discount Rate (3.65%)	(4.65%) <u>1% Increase</u>
Total OPEB Liability	<u>\$75,968,888</u>	<u>\$66,447,646</u>	<u>\$57,825,035</u>

*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:

	<u>1% Decrease</u>	Healthcare Cost Trend Rates	<u>1% Increase</u>
Total OPEB Liability	<u>\$56,165,742</u>	<u>\$66,447,646</u>	<u>\$79,895,081</u>

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**IX. Postemployment (Health Insurance) Benefits (Continued)**

**D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2024, the District recognized an OPEB expense of \$826,323. On June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$2,490,048	\$ -
Differences between expected and actual experience	435,164	-
Changes of assumptions or other inputs	<u>-</u>	<u>(5,821,416)</u>
Total	<u>\$2,925,212</u>	<u>(\$5,821,416)</u>

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

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2024	(\$ 458,349)
2025	(458,349)
2026	(2,307,207)
2027	(2,432,745)
2028	(187,951)

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**X. Commitments and Contingencies**

**A. Risk Financing and Related Insurance**

1. General Information

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

2. Health Insurance

The School District participates in the Washington, Saratoga, Warren, Hamilton and Essex Insurance Consortium, which is a trust formed under New York State Insurance Law. The Consortium's purpose is to provide health insurance coverage at a lower rate for member educational institutions due to a larger participation pool.

3. Grants

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

4. Litigation

There are currently pending tax certiorari proceedings, the results of which could require the payments of future tax refunds by the School District if existing assessment rolls are modified based on the outcome of the litigation proceedings. However, the amount of these possible refunds cannot be determined at the present time. The School District has established a tax certiorari reserve to cover a portion of the potential refund exposure and the District has legal authority to borrow funds to repay school taxes when needed.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**XI. Other Disclosures**

**A. Summary of Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position**

Total governmental fund balance	\$ 8,606,622
Capital assets (net)	17,021,645
Deferred outflows of resources	7,619,674
Bonds payable	(4,735,000)
Accrued interest payable	(77,142)
Deferred inflows of resources	(6,635,325)
Net pension liability- proportionate share	(1,477,034)
Compensated absences	(867,343)
OPEB obligations	<u>(66,447,646)</u>
Total net position	<u><u>\$ (46,991,549)</u></u>

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**XI. Other Disclosures (Continued)**

**B. Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities**

Net changes in fund balance – total governmental funds	\$1,023,500
Capital outlays are expenditures in governmental funds, but are capitalized in the Statement of Net Position	2,097,872
Depreciation is not recorded as an expenditure in the governmental funds, but is recorded in the Statement of Activities	(754,743)
Repayments of Long-term Debt are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the Statement of Net Position	812,590
Interest is recognized as an expense in governmental funds when paid. For governmental activities, interest expense is recognized as it accrues. The increase in accrued interest during 2023/24 results in more expense.	(3,495)
Proceeds from debt are recognized as revenue in the Governmental Funds, but not in the Statement of Activities	(157,590)
(Increases) Decreases in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore, are not reported as revenues or expenditures in the governmental funds:	
Teachers’ Retirement System	(728,906)
Employees’ Retirement System	(145,545)
Certain expenses in the Statement of Activities do not require the expenditure of current resources and are, therefore, not reported as expenditures in the governmental funds:	
OPEB obligations	(826,323)
Compensated absences	<u>(439)</u>
Change in Net Position – Governmental Activities	<u>\$1,316,921</u>

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**XII. Stewardship, Compliance and Accountability**

**A. Budgetary Procedures and Budgetary Accounting**

1. Budgets

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

Appropriations are adopted at the program line-item level.

Appropriations established by adoption of the budget constitute a limitation on expenditures (and encumbrances), that may be incurred. Appropriations lapse at the fiscal year end unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (When permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted.

The General Fund budget was increased to reflect carryover encumbrances in the amount of \$216,815, gifts and donations of \$8,850, unanticipated repairs using the Repair Reserve of \$69,351 and a transfer to Capital Fund using Capital Reserve of \$3,067,000.

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.

Special Aid Fund and School Lunch Fund have not been included because they do not have legally authorized budgets.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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**XII. Stewardship, Compliance and Accountability (Continued)**

**A. Budgetary Procedures and Budgetary Accounting (Continued)**

2. Encumbrances

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

**XIII. Subsequent Events**

On July 18, 2024, the District renewed a Bond Anticipation Note in the amount of \$548,756 to be used for the purchase of buses.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
SCHEDULE OF REVENUES COMPARED TO BUDGET- GENERAL FUND  
For Year Ended June 30, 2024

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	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Local Sources				
Real property taxes	\$ 21,453,000	\$ 21,165,276	\$ 21,165,276	\$ -
Other tax items	89,311	377,035	381,314	4,279
Charges for services	50,000	50,000	60,335	10,335
Use of money and property	60,000	60,000	696,510	636,510
Sale of property and compensation for loss	6,000	6,000	62,161	56,161
Miscellaneous	140,000	148,850	248,355	99,505
<b>Total Local Sources</b>	<u>21,798,311</u>	<u>21,807,161</u>	<u>22,613,951</u>	<u>806,790</u>
State sources	2,377,612	2,377,612	2,568,597	190,985
Federal sources	10,000	10,000	27,221	17,221
<b>Total Revenues</b>	<u>24,185,923</u>	<u>24,194,773</u>	<u>25,209,769</u>	<u>\$ 1,014,996</u>
<b>Appropriated Reserves</b>	150,000	3,503,166		
<b>Appropriated Fund Balance</b>	<u>472,769</u>	<u>472,769</u>		
<b>Total Revenues, Appropriated Fund Balance and Reserves</b>	<u>\$ 24,808,692</u>	<u>\$ 28,170,708</u>		

See paragraph on required supplementary information included in auditor's report.



LAKE GEORGE CENTRAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES, OTHER USES AND ENCUMBRANCES COMPARED TO BUDGET-  
GENERAL FUND  
For Year Ended June 30, 2024

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	Original Budget	Final Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
<b>EXPENDITURES</b>					
General Support					
Board of education	\$ 52,545	\$ 53,379	\$ 51,090	\$ 51	\$ 2,238
Central administration	239,607	238,964	238,368	596	-
Finance	411,855	410,923	389,255	9,180	12,488
Staff	186,560	189,985	152,949	390	36,646
Central services	1,905,766	2,007,637	1,797,497	37,718	172,422
Special items	267,350	257,350	242,910	-	14,440
<b>Total General Support</b>	<b>3,063,683</b>	<b>3,158,238</b>	<b>2,872,069</b>	<b>47,935</b>	<b>238,234</b>
Instructional					
Instruction, administration and improvement	597,197	614,789	545,461	10,088	59,240
Teaching - regular school	6,039,511	5,883,075	5,677,232	18,751	187,092
Programs for children with handicapping conditions	2,114,290	2,325,296	2,164,910	18,012	142,374
Teaching - special school	25,000	24,500	3,980	-	20,520
Occupational education	625,545	594,919	509,647	-	85,272
Instructional media	1,507,031	1,780,887	1,457,347	296,931	26,609
Pupil services	1,417,035	1,434,245	1,371,484	10,366	52,395
<b>Total Instructional</b>	<b>12,325,609</b>	<b>12,657,711</b>	<b>11,730,061</b>	<b>354,148</b>	<b>573,502</b>
Pupil transportation	886,047	911,764	845,764	5,610	60,390
Employee benefits	7,399,353	7,233,333	6,828,026	2,800	402,507
<b>Total Expenditures</b>	<b>23,674,692</b>	<b>23,961,046</b>	<b>22,275,920</b>	<b>410,493</b>	<b>1,274,633</b>
<b>OTHER FINANCING USES</b>					
Operating transfers out	1,134,000	4,209,662	4,209,662	-	-
<b>Total Expenditures and Other Uses</b>	<b>\$ 24,808,692</b>	<b>\$ 28,170,708</b>	<b>26,485,582</b>	<b>\$ 410,493</b>	<b>\$ 1,274,633</b>
<b>Net change in fund balance</b>			(1,275,813)		
<b>Fund balance- Beginning</b>			7,289,793		
<b>Fund balance- Ending</b>			<b>\$ 6,013,980</b>		

See paragraph on required supplementary information included in auditor's report.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY  
For Year Ended June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Total OPEB Liability</b>					
Service Cost at end of year	\$ 1,457,680	\$ 1,960,279	\$ 1,866,932	\$ 1,599,199	\$ 1,523,047
Interest	2,317,041	1,629,374	1,618,010	2,178,951	2,246,066
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	-	1,248,251	-	(1,568,932)	-
Changes of assumptions or other inputs	(939,756)	(12,472,222)	627,693	10,813,216	2,534,232
Benefit payments	(2,223,257)	(1,967,128)	(1,909,833)	(2,133,274)	(2,468,558)
<b>Net change in Total OPEB Liability</b>	611,709	(9,601,447)	2,202,802	10,889,160	3,834,787
<b>Total OPEB Liability- beginning</b>	65,835,937	75,437,384	73,234,582	62,345,422	58,510,635
<b>Total OPEB Liability- ending</b>	<u>\$ 66,447,646</u>	<u>\$ 65,835,937</u>	<u>\$ 75,437,384</u>	<u>\$ 73,234,582</u>	<u>\$ 62,345,422</u>
<b>Covered-employee payroll</b>	N/A	N/A	N/A	N/A	N/A
<b>Total OPEB Liability as a percentage of covered-employee payroll</b>	N/A	N/A	N/A	N/A	N/A

See paragraph on required supplementary information included in auditor's report

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET/LIABILITY  
June 30, 2024  
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	<i>Teachers' Retirement System</i>					
	2024	2023	2022	2021	2020	2019
District 's proportion of the net pension asset/liability	.045968%	.048920%	.053609%	.051241%	.051078%	.051813%
District's proportionate share of the net pension (asset)/liability	\$ 525,682	\$ 938,719	\$ (9,289,865)	\$ 1,415,926	\$ (1,327,006)	\$ (936,910)
District's covered-employee payroll	\$ 8,550,707	\$ 8,282,356	\$ 8,726,520	\$ 9,085,561	\$ 8,697,731	\$ 8,528,079
District's proportionate share of the net pension asset/liability as a percentage of its covered-employee payroll	6.14%	11.33%	106.56%	15.58%	15.26%	10.99%
Plan fiduciary net position as a percentage of the total pension liability	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%
	<i>Employees' Retirement System</i>					
	2024	2023	2022	2021	2020	2019
District 's proportion of the net pension liability	.0064612%	.0064991%	.0063460%	.0066703%	.0069094%	.0070473%
District's proportionate share of the net pension liability/(asset)	\$ 951,352	\$ 1,393,676	\$ (518,760)	\$ 6,642	\$ 1,829,651	\$ 499,322
District's covered-employee payroll	\$ 2,377,789	\$ 2,246,847	\$ 2,156,317	\$ 2,250,413	\$ 2,245,865	\$ 2,228,314
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	40.00%	62.03%	24.06%	0.30%	81.47%	22.40%
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%

See paragraph on required supplementary information included in auditor's report.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
June 30, 2024  
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	<u>Teachers' Retirement System</u>					
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 834,702	\$ 882,925	\$ 855,199	\$ 865,854	\$ 770,619	\$ 905,682
Contributions in relation to the contractually required contribution	<u>834,702</u>	<u>882,925</u>	<u>855,199</u>	<u>865,854</u>	<u>770,619</u>	<u>905,682</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	<u>\$ 8,550,707</u>	<u>\$ 8,282,356</u>	<u>\$ 8,726,520</u>	<u>\$ 9,085,561</u>	<u>\$ 8,697,731</u>	<u>\$ 8,528,079</u>
Contributions as a percentage of covered employee payroll	9.76%	10.66%	9.80%	9.53%	8.86%	10.6%

	<u>Employees' Retirement System</u>					
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 275,106	\$ 248,630	\$ 328,554	\$ 308,930	\$ 314,621	\$ 286,621
Contributions in relation to the contractually required contribution	<u>275,106</u>	<u>248,630</u>	<u>328,554</u>	<u>308,930</u>	<u>314,621</u>	<u>286,621</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	<u>\$ 2,377,789</u>	<u>\$ 2,246,847</u>	<u>\$ 2,156,317</u>	<u>\$ 2,250,413</u>	<u>\$ 2,245,865</u>	<u>\$ 2,228,314</u>
Contributions as a percentage of covered employee payroll	11.6%	11.1%	15.2%	13.7%	14.0%	12.9%

See paragraph on required supplementary information included in auditor's report.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
SCHEDULE OF CHANGE FROM ORIGINAL BUDGET TO FINAL BUDGET AND  
THE REAL PROPERTY TAX LIMIT  
For Year Ended June 30, 2024

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**CHANGE FROM ORIGINAL BUDGET TO FINAL BUDGET**

<b>Original Budget</b>	\$ 24,808,692
<b>Additions:</b>	
Prior year's encumbrances	216,815
Repair reserve	69,351
Capital Reserve for Capital Project	3,067,000
Gifts and donations	8,850
	<u>3,362,016</u>
<b>Final Budget</b>	<u>\$ 28,170,708</u>

**SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION**

2024-25 Voter-approved Expenditure Budget	\$ 25,467,399
Maximum allowed (4% of 2024-2025 Budget)	<u>\$ 1,018,696</u>

General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law\*:

Unrestricted fund balance:	
Committed fund balance	\$ -
Assigned fund balance	877,570
Unassigned fund balance	1,016,474
Total unrestricted fund balance	<u>\$ 1,894,044</u>

Less:	
Appropriated fund balance	467,077
Encumbrances included in committed and assigned fund balance	410,493
Total adjustments	<u>\$ 877,570</u>

General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u>\$ 1,016,474</u>
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Actual percentage	3.99%
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\* Per Office of the State Comptroller's "Fund Balance Reporting and Governmental Fund Type Definitions", Updated April 2011 (originally Issued November 2010), the portion of General Fund Fund Balance subject to Section 1318 of the Real Property Tax Law is: unrestricted fund balance (i.e., the total of the committed, assigned and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
SCHEDULE OF PROJECT EXPENDITURES- CAPITAL PROJECTS FUND  
For Year Ended June 30, 2024

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PROJECT TITLE	Original Budget	Revised Budget	Expenditures			Unexpended Balance	Methods of Financing			Fund Balance June 30, 2024	
			Prior Years	Current Year	Total		Proceeds of Obligations	State Sources	Local Sources		Total
Districtwide renovations-2015	\$ 2,821,776	\$ 2,821,776	\$ 2,780,493	\$ -	\$ 2,780,493	\$ 41,283	\$ 2,305,000	\$ -	\$ 516,842	\$ 2,821,842	\$ 41,349
Buses-16/17	224,958	224,958	224,674	-	224,674	284	-	-	224,957	224,957	283
Buses-17/18	168,577	168,577	123,487	-	123,487	45,090	-	-	123,486	123,486	(1)
Buses-18/19	108,205	108,205	108,205	-	108,205	-	-	-	108,205	108,205	-
Buses-19/20	222,297	222,297	222,014	-	222,014	283	-	-	177,838	177,838	(44,176)
Buses-20/21	231,452	231,452	231,452	-	231,452	-	-	-	138,870	138,870	(92,582)
Buses-21/22	110,000	110,000	109,594	-	109,594	406	-	-	44,000	44,000	(65,594)
Buses-22/23	116,000	116,000	115,506	-	115,506	494	-	-	23,200	23,200	(92,306)
Buses-23/24	302,092	302,092	-	302,090	302,090	2	-	-	-	-	(302,090)
Smart Schools	229,532	229,532	197,294	33,014	230,308	(776)	-	197,294	-	197,294	(33,014)
Capital Outlay-23/24	100,000	100,000	-	100,000	100,000	-	-	-	100,000	100,000	-
Transportation Facility-2022	13,500,000	13,500,000	-	617,498	617,498	12,882,502	-	-	3,067,000	3,067,000	2,449,502
Districtwide renovations-2018	5,272,191	5,272,191	4,905,054	-	4,905,054	367,137	3,415,000	-	1,655,000	5,070,000	164,946
	<u>\$ 23,407,080</u>	<u>\$ 23,407,080</u>	<u>\$ 9,017,773</u>	<u>\$ 1,052,602</u>	<u>\$ 10,070,375</u>	<u>\$13,336,705</u>	<u>\$ 5,720,000</u>	<u>\$ 197,294</u>	<u>\$ 6,179,398</u>	<u>\$ 12,096,692</u>	<u>\$ 2,026,317</u>

See paragraph on required supplementary information included in auditor's report.

LAKE GEORGE CENTRAL SCHOOL DISTRICT  
 SCHEDULE OF INVESTMENT IN CAPITAL ASSETS, NET OF RELATED DEBT  
 FOR THE YEAR ENDED JUNE 30, 2024

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Capital assets, net		\$ 17,021,645
Deduct:		
Bond anticipation notes payable	\$ 597,933	
Short-term portion of bonds payable	670,000	
Long-term portion of bonds payable	4,065,000	
less: unspent bond proceeds	(206,578)	5,126,355
Net investment in capital assets		\$ 11,895,290

See paragraph on required supplementary information included in auditor's report.

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## 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 *GOVERNMENT AUDITING STANDARDS*

To the Board of Education of the  
Lake George Central School District:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the fiduciary funds of the Lake George Central School District as of and for the year ended June 30, 2024, and the related notes to the financial statements which collectively comprise the District's basic financial statements and have issued our report thereon dated September 17, 2024.

### **Internal Control Over Financial Reporting**

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

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

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



## Compliance and Other Matters

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

## Purpose of This Report

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

*Raymond G. Preusser, CPA, P.C.*

Claverack, New York  
September 17, 2024