

Cornwall Central School District

Audit Committee Presentation
Year ended June 30, 2025



EFPR Engagement Team



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Timing of Procedures



Audit Results

- We expect to issue an unmodified opinion on the following reports:
 - Basic Financial Statements
 - Federal Grant Compliance Audit (Single Audit)
 - Extraclassroom Activity Funds
- All records and information requested by EFPR Group were freely available for our inspection.
- The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards or Uniform Guidance.



Financial Results – District-Wide

- Total assets increased \$14,370,899 to a balance of \$96,511,690, mainly as a result of increase in cash and equivalents.
- Deferred outflows of resources increased \$1,585,201 to a balance of \$34,857,959, mainly as a result of a change in the actuarial assumptions related to the District's other postemployment benefits.
- Total liabilities increased \$14,941,502 to a balance of \$183,211,984, mainly as a result of a bond anticipation note issued during the year and actuarial assumptions related to the District's other postemployment benefits.
- Deferred inflows of resources decreased \$605,431 to a balance of \$30,015,916, mainly as a result of changes in the actuarial assumptions related to the District's other postemployment benefits.



Financial Results – District-Wide, Continued

- Net position decreased \$1,620,029 to a deficit balance of \$81,858,251. The change in each classification was seen in detail as follows:
 - Net investment in capital assets increased \$15,401,786 to a balance of \$29,234,931, mainly as a result of the capital asset additions and repayment on long-term debt.
 - Restricted increased \$8,191,631 to a balance of \$18,883,769, mainly because of the ERS net pension liability becoming an asset during the current year and the District funding the reserves.
 - Unrestricted net position decreased \$21,973,388 to a deficit balance of \$129,976,951, mainly as a result of the changes in actuarial assumptions related to pensions and OPEB.



Financial Results – District-Wide, Continued

- Program revenue increased \$698,890 to a balance of \$4,693,620, mainly as a result of proceeds from the Smart School Bonds Act.
- General revenue increased \$4,303,311 to a balance of \$90,163,661, mainly due to increases in real property taxes and state sources.
- Expenses decreased \$249,160 to a balance of \$93,237,252, mainly in the area of instructional expenses. The decrease in expenses is mainly due to changes in actuarial assumptions related to the District's other postemployment benefits and pension plans. These changes are discussed in more detail in notes 10 and 11 to the financial statements.



Financial Results – General Fund

- Total assets increased \$944,229 to a balance of \$26,927,770, mainly as a result of increases in cash and equivalents, offset in part by a decrease in due from other funds.
- Total liabilities decreased \$1,950,159 to a balance of \$5,965,266, mainly as a result of the decrease in accounts payable.
- The net change in the general fund's fund balance was an increase of \$2,870,983 to a balance of \$20,939,099.



Financial Results – General Fund, Continued

- The change in each fund balance classification was seen in detail as follows:
 - Nonspendable increased \$15,171 to a balance of \$968,373, consistent with the increase in prepaid expenditures.
 - Restricted increased \$3,053,743 to a balance of \$12,753,165, due to the District funding their reserves.
 - Assigned increased \$119,602 to a balance of \$3,924,663, mainly due to an increase in encumbrances.
 - Unassigned decreased \$317,533 to a balance of \$3,292,898.
- Revenue increased \$3,847,556 to a balance of \$89,084,912, mainly as a result of increase in property taxes and state sources.
- Expenditures increased \$3,419,642 to a balance of \$85,003,513, mainly as a result of increases in payroll and related employee benefits costs.



Report to the Board

- Significant accounting practices are described in note 1 to the financial statements.
- Accounting estimates were reasonable and supported.
- The financial statement disclosures are neutral, consistent and clear.
- We had no difficulties in performing our audit or disagreements with management over any accounting, reporting or auditing matter.



Report to the Board, Continued

- We will obtain a management representation letter.
- There were no significant changes to the planned audit strategy or significant risks initially identified and previously communicated to those charged with governance as part of our Audit Planning communications.
- There were no matters noted relevant to the audit, including, but not limited to: violations or possible violations of laws or regulations; risk of material misstatements, including fraud risks; or tips or complaints regarding the District's financial reporting that we were made aware of as a result of our inquiry of those charged with governance.



Report to the Board, Continued

- We are not aware of any consultations about accounting or auditing matters between management and other independent public accountants. Nor are we aware of opinions obtained by management from other independent public accountants on the application of generally accepted accounting principles.
- There were no disagreements with management about matters, whether or not satisfactorily resolved, that individually or in aggregate could be significant to the District's financial statements or to our auditors' report.
- There are no other matters that we consider significant to the oversight of the District's financial reporting process that have not been previously communicated.



Conclusion/Questions?

