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**MIDDLEBURGH CENTRAL SCHOOL DISTRICT**  
**Schedules of District Contributions**  
**For The Year Ended June 30, 2024**

**NYSERS Pension Plan**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 282,501	\$ 220,940	\$ 309,594	\$ 274,934	\$ 277,500	\$ 292,000	\$ 293,300	\$ 303,100	\$ 318,800	\$ 386,000
Contributions in relation to the contractually required contribution	<u>(282,501)</u>	<u>(220,940)</u>	<u>(309,594)</u>	<u>(274,934)</u>	<u>(277,500)</u>	<u>(292,000)</u>	<u>(293,300)</u>	<u>(303,100)</u>	<u>(318,800)</u>	<u>(386,000)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 2,144,813	\$ 1,918,206	\$ 2,339,154	\$ 2,027,125	\$ 1,904,600	\$ 1,906,500	\$ 1,989,200	\$ 2,018,000	\$ 1,870,500	\$ 1,954,500
Contributions as a percentage of covered-employee payroll	13.17%	11.52%	13.24%	13.56%	14.57%	15.32%	14.74%	15.02%	17.04%	19.75%

**NYSTRS Pension Plan**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 707,717	\$ 722,376	\$ 644,695	\$ 625,891	\$ 625,900	\$ 756,800	\$ 835,600	\$ 929,100	\$ 1,204,300	\$ 1,150,800
Contributions in relation to the contractually required contribution	<u>(707,717)</u>	<u>(722,376)</u>	<u>(644,695)</u>	<u>(625,891)</u>	<u>(625,900)</u>	<u>(756,800)</u>	<u>(835,600)</u>	<u>(929,100)</u>	<u>(1,204,300)</u>	<u>(1,150,800)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 7,140,073	\$ 7,106,674	\$ 7,583,553	\$ 7,011,533	\$ 7,064,300	\$ 6,909,200	\$ 6,301,600	\$ 7,006,700	\$ 6,869,900	\$ 7,081,700
Contributions as a percentage of covered-employee payroll	9.91%	10.16%	8.50%	8.93%	8.86%	10.95%	13.26%	13.26%	17.53%	16.25%











## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2024-001.

### District's Response to the Finding

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Mengel, Metzger, Barw & Co. LLP*

Latham, NY  
September 16, 2024



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the President and Members of the Board of Education of  
Middleburgh Central School District

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

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

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

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

## ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control Over Compliance**

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

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

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

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

*Mengel, Metzger, Barw & Co. LLP*

Latham, NY  
September 16, 2024

**Supplementary Information**  
**MIDDLEBURGH CENTRAL SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For The Year Ended June 30, 2024**

<u>Grantor / Pass - Through Agency</u> <u>Federal Award Cluster / Program</u>	<u>Federal Assistance Listing Number</u>	<u>Grantor Number</u>	<u>Pass through to Subrecipients</u>	<u>Total Federal Expenditures</u>
<b><u>U.S. Department of Education:</u></b>				
<b><u>Indirect Programs:</u></b>				
<b><u>Passed Through NYS Education Department -</u></b>				
<b><u>Special Education Cluster IDEA -</u></b>				
Special Education - Grants to States (IDEA, Part B)	84.027	0032-24-0841	-	\$ 255,482
Special Education - Preschool Grants (IDEA Preschool)	84.173	0033-24-0841	-	11,692
<b><i>Total Special Education Cluster IDEA</i></b>				<b><u>\$ 267,174</u></b>
<b><u>COVID-19 Education Stabilization Fund -</u></b>				
CRRSA - ESSER 2	84.425D	5891-21-2780	-	31,863
ARP - SLR Summer Enrichment	84.425U	5882-21-2780	-	37,977
ARP - SLR Comprehensive After School	84.425U	5883-21-2780	-	90,749
ARP - SLR Learning Loss	84.425U	5880-21-0960	-	317,987
<b><i>Total COVID-19 Education Stabilization fund</i></b>				<b><u>\$ 478,576</u></b>
Title IIA - Supporting Effective Instruction State Grant	84.367	0147-24-2780	-	\$ 18,327
Title IV	84.938C	0204-24-2780	-	13,100
Title V	84.358A	n/a	-	7,022
Title I - Grants to Local Educational Agencies	84.010	0021-24-2780	-	216,500
<b>Total U.S. Department of Education</b>				<b><u>\$ 1,000,699</u></b>
<b><u>U.S. Department of Agriculture:</u></b>				
<b><u>Indirect Programs:</u></b>				
<b><u>Passed Through NYS Education Department (Child Nutrition Services) -</u></b>				
<b><u>Child Nutrition Cluster -</u></b>				
National School Lunch Program	10.555	n/a	-	\$ 247,819
COVID-19 National School Lunch Program - Supply Chain Assistance	10.555	n/a	-	22,383
National School Lunch Program-Non-Cash Assistance (Commodities)	10.555	n/a	-	21,546
National School Snack Program	10.555	n/a	-	17,230
National School Breakfast Program	10.553	n/a	-	127,176
<b><i>Total Child Nutrition Cluster</i></b>				<b><u>\$ 436,154</u></b>
<b>Total U.S. Department of Agriculture</b>				<b><u>\$ 436,154</u></b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<b><u>\$ 1,436,853</u></b>

See notes to schedule of expenditures of federal awards.

**MIDDLEBURGH CENTRAL SCHOOL DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2024**

**1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of federal award programs administered by the Middleburgh Central School District (the District), which is described in Note 1 to the District's accompanying financial statements, using the modified accrual basis of accounting. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the District financial statements. Federal awards that are included in the Schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies.

The information presented in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This Schedule only presents a selected portion of the operations of the District.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system.

The federal expenditures are recognized under the Uniform Guidance.

**3. SCOPE OF AUDIT**

The Middleburgh Central School District is an independent municipal corporation. All federal grant operations of the District are included in the scope of the single audit.

**4. NON-CASH ASSISTANCE**

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. For the year ended June 30, 2024, the District received food commodities totaling \$21,546.

**5. INDIRECT COST RATE**

The Middleburgh Central School District did not elect to use the 10% de minimus cost rate.

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. The District's policy is not to charge federal award programs with indirect costs.



**MIDDLEBURGH CENTRAL SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2024**

**Financial Statements**

Type of auditor's report issued Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_yes    X no
- Significant deficiency(ies) identified? \_\_\_yes    X none reported

Noncompliance material to financial statements noted? X yes    \_\_\_no

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_yes    X no
- Significant deficiency(ies) identified? \_\_\_yes    X none reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_yes    X no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027 84.173	Special Education Cluster (IDEA)
10.553 10.555	Child Nutrition Cluster

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? \_\_\_yes    X no

**MIDDLEBURGH CENTRAL SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2024**

**Section II: Financial Statement Findings**

*Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards:*

Noncompliance Material to the Financial Statements

2024-001      Compliance with New York State Real Property Tax Law

*Statement of Condition:* The unassigned fund balance of the general fund exceeds 4% of the 2024/2025 general fund budget by \$993,971.

*Criteria:* NYS Real Property Tax Law 1318 limits the amount of unassigned fund balance a District can have to no more than 4% of the general fund budget for the ensuing fiscal year.

*Cause:* The cumulative effect of expenditures being significantly under budget.

*Effect of Condition:* The District was not in compliance with Real Property Tax Law.

*Context:* As part of audit procedures the compliance the NYS Real Property Tax Law 1318 limits is reviewed.

*Recommendation:* The District should develop a plan regarding how to address and use the excess in future years.

*Views of responsible officials and planned corrective actions:* The District reviews fund balance projections quarterly to ensure excess fund balance is considered when preparing the subsequent year's budget and in reviewing reserve balances. The District anticipates using a portion of fund balance to balance the budget and keep the tax levy increase minimal or at 0%.

**Section II: Financial Statement Findings**

*Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards:*

None noted.

**Section III: Federal Award Findings and Questioned Costs**

*Findings and questioned costs related to Federal awards which are required to be reported in accordance with 2 CFR 200.516(a):*

None noted.

**MIDDLEBURGH CENTRAL SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2024**

**Summary Schedule of Prior Audit Findings**

2023-001      Compliance with New York State Real Property Tax Law

*Condition:* Unassigned fund equity of the general fund exceeds 4% of the 23/24 general fund budget by \$2,724,609.

Current Status: This item is repeated as finding 2024-001.