Bonadio & Co., LLP
Accounting, Consulting & More

REQUIRED COMMUNICATIONS

November 3, 2025

To the Board of Education
Voorheesville Central School District:

Dear Board Members:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Voorheesville Central School District (School District) for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the School District are described in the notes to the financial statements. During 2025, the School District adopted GASB 101 – *Compensated Absences.*

We noted no transactions entered into by the School District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the School District's financial statements were:

> Management's estimate of depreciation expense is based on the assignment of useful lives for each asset acquired or constructed by the School District.
>
> Management's estimate of other post-employment benefits (OPEB) liability is based on various assumptions utilized by an actuary as applied to the School District's census information.
>
> Management's estimate of compensated absences is based on the accrued time at the end of the year per employee in accordance with the existing collective bargaining agreements in place at the time.

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Management's estimates related to the net pension asset, deferred outflows, net pension liability, and related deferred inflows/outflows are based on actuarial assumptions utilized by an actuary applied to the pension plans' census information.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of the School District's short term and long-term debt in the footnotes to the financial statements describes all of the debt the School District has outstanding at year end including the amounts that are due in the next fiscal year.

The disclosure of the School District's pension plans in the footnotes of the financial statements describes the plans and the related pension asset or liability along with the deferred inflows/outflows of resources.

The disclosure of the School District's OPEB liability in the footnotes to the financial statements describes the overall outstanding unfunded actuarial accrued liability and the outstanding net OPEB obligation at year end.

The disclosure of the School District's contingencies describes the School District's possible litigation and other contingencies.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The corrected material misstatements are shown as Attachment A.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated the date of this letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the School District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the School District's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, budgetary comparison information, schedule of contributions - pension plans, schedule of proportionate share of the net pension liability (asset) and schedule of changes in total OPEB liability and related ratios which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on schedule of change from original budget to revised budget – General Fund, schedule of section 1318 real property tax law limit calculation – General Fund, schedule of project expenditures – Capital Projects Fund, and schedule of net investment in capital assets, which accompany the financial statements but are not RSI. Such 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.

Restriction on Use

This information is intended solely for the use of the Board of Education and management of Voorheesville Central School District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Bonadio & Co., LLP

Bonadio & Co., LLP

Voorheesville Central School District

Attachment A - Material Audit Adjustments
6/30/2025

Material Audit Adjustments

Government Wide

		DR	CR
GASB 87 - To record current year payment			
	Lease Liability	19,555	
	Lease Liability	217,161	
	Debt Service Principal		19,555
	Debt Service Principal		217,161
		$ 236,716	$ 236,716
GASB 87 - To record disposals of assets			
	Right to Use Amort	30,107	
	Amortization Expense	30,107	
	Right to Use Asset		30,107
	Amortization Expense		30,107
		$ 60,214	$ 60,214
GASB 87 - To record current year amortization of right to use			
	Amortization Expense	18,878	
	Amortization Expense	219,933	
	Accumulated Amortization		18,878
	Accumulated Amortization		219,933
		$ 238,811	$ 238,811
GASB 87 - To dispose of asset			
	Right to Use Asset	30,107	
	Right to Use Asset		30,107
	Amortization Expense	30,107	
	Amortization Expense		30,107
		$ 60,214	$ 60,214

General Fund:

		DR	CR
To reverse JE #455 move money from NYCLASS to Capital Project JE #472			
A 230E	Reserve - Capital Reserve 2017	163,067	
A 909	Fund Balance, Unreserved	163,067	
A 631	Due to Other Governments		163,067
A 879	Capital Reserve 2017		163,067
		$ 326,134	$ 326,134
JE #482 to correct JE #284 interest hitting fund balance directly causing fund balance not to roll			
A 909	Fund Balance, Unreserved	590,408	
A 2401	Interest & Earnings		590,408
		$ 590,408	$ 590,408

To correct interfund for over transferring relating to the 2018 capital reserves between A and H funds JE #485

A 391	Due from Other Funds	1,070,217	
A 9950.900	Interfund TSF Capital Fund		1,070,217
		$ 1,070,217	$ 1,070,217

To record the Due to Due from and Interfund Transfers relating to the movement of money from NYCLASS to capital JE #486

A 879	Capital Reserve 2017	163,067	
A 9950.900	Interfund TSF Capital Fund	163,067	
A 630	Due to Other Funds		163,067
A 909	Fund Balance, Unreserved		163,067
		$ 326,134	$ 326,134

JE #500 to transfer project #6001 VES Storage Building from A fund to H fund

A 9950.900	Interfund TSF Capital Fund	214,000	
A 630	Due to Other Funds		214,000
		$ 214,000	$ 214,000

JE #509 to move reserve interest to reserve accounts

A 909	Fund Balance, Unreserved	3,828	
A 909	Fund Balance, Unreserved	273,564	
A 827	Retirement Contribution RSV 2018 ERS		273,564
A 828	Retirement Contribution RSV TRS		3,828
		$ 277,392	$ 277,392

GASB 87 - To record current year payment

A 9788.6	Lease Principal	$ 19,555	
A 9788.6	Lease Principal	217,161	
A 9788.7	Lease Interest	665	
A 9788.7	Lease Interest	27,522	
A 1680.491	Central Data Processing BOCES		20,220
A 2630.491	Computer BOCES Services/Equipment		244,683
		$ 264,903	$ 264,903

To adjust appropriated fund balance to agree to the 2025-2026 fund balance allocation per budget for 2025-2026

A 910	Appropriated Fund Balance	1,611,089	
A 909	Fund Balance, Unreserved		1,611,089
		$ 1,611,089	$ 1,611,089

JE #511 to under prior year reserve interest

A 815	Unemployment Ins. Reserve	4,643	
A 827	Retirement Contribution RSV 2018 ERS	142,595	
A 863	Reserve for Insurance	32,900	
A 879	Capital Reserve 2017	68,801	
A 880	Capital Reserve 2018	279,100	
A 883	Reserve for Repairs 2018	36,781	
A 909	Fund Balance, Unreserved		4,643
A 909	Fund Balance, Unreserved		32,900
A 909	Fund Balance, Unreserved		36,781
A 909	Fund Balance, Unreserved		68,801
A 909	Fund Balance, Unreserved		142,595
A 909	Fund Balance, Unreserved		279,100
		$ 564,820	$ 564,820

Federal Fund:

JE #476 to correct coding from JE #363

F 631	Due to Other Governments	22,862	
F 630A	Due to General Fund		22,862
		$ 22,862	$ 22,862

JE #498 to correct part of JE #75 for summer transportation that was a duplicate expense entry

F 391	Due From Other Funds	23,059	
F 5510.160-00-0199	Summer Transportation Salary 2024-2025		23,059
		$ 23,059	$ 23,059

JE # 504 to record the revenue reduction of the expenditures that were removed from summer payroll expense JE #498 and 20% 80% split adjustment

F 3289.199	Summer 2024 Revenue	18,447	
F 5031.199	Interfund Transfer Summer 2024	4,612	
F 410	State & Federal Aid Receivable		18,447
F 630A	Due to General Fund		4,612
		$ 23,059	$ 23,059

JE # 505 to record summer school indirect salaries and benefits

F 2253.150-01-0199	Summer Hi Cost 24-25 Instructional Salary	18,405	
F 2253.160-01-0199	Summer Hi Cost 24-25 Non Instructional Salary	7,795	
F 2253.800-01-0199	Summer HC Benefits 2024-25	5,343	
F 630A	Due to General Fund		31,543
		$ 31,543	$ 31,543

JE # 508 to adjust Summer 2024 after JE # 505

F 391	Due from Other Funds	6,309	
F 410	State & Federal Aid Receivable	25,234	
F 3289.199	Summer 2024 Revenue		25,234
F 5031.199	Interfund Transfer Summer 2024		6,309
		$ 31,543	$ 31,543

School Lunch Fund:

To reverse part of JE # 443 SLF inventory adjustment

C 2860.410-01	Food-Elem. School	5,596	
C 2860.410-02	Food-High School	5,596	
C 2860.412	Surplus Food	4,669	
C 2860.501-01	Supplies-Elem. School	2,042	
C 2860.501-01	Supplies-Elem. School	2,042	
C 445	Inventory of Materials and Supplies	4,085	
C 446	Inventory of Surplus and Food	15,862	
C 909	Fund Balance, Unreserved	19,946	
C 2860.410-01	Food-Elem. School		7,638
C 2860.410-02	Food-High School		7,638
C 2860.412	Surplus Food		4,670
C 446	Inventory of Surplus and Food		19,946
C 806	Not in spendable form		19,946
		$ 59,838	$ 59,838

Capital Project Fund:

To reverse JE # 455 move money from NYCLASS to Capital JE # 472 that had a credit balance account for Due from Other Funds

H 391	Due from Other Funds	163,067	
H 200P	Cash in Checking Pioneer		163,067
		$ 163,067	$ 163,067

To correct JE # 247 coding error JE #480

H 5789.102.7	Other Debt - 2025 100K Project 1027	100,000	
H 5031.102.7	Interfund Transfer / 2025 100K Project 1027		100,000
		$ 100,000	$ 100,000

To correct interfund for over transferring relating to the 2018 capital reserve between A and H funds - JE # 485

H 5031.500.1	Interfund Transfer / 2023 Transportation Project	1,070,217	
H 630	Due to Other Funds		1,070,217
		$ 1,070,217	$ 1,070,217

To record the Due to Due from and Interfund Transfers relating to the movement of money from NYCLASS to capital JE # 486

H 391	Due from Other Funds	163,067	
H 5031.500.1	Interfund Transfer / 2023 Transportation Project		163,067
		$ 163,067	$ 163,067

To move premium from BAN to Debt Service Fund from Capital Project Fund. Per client, premium is not being used for project costs

H 2770.500.1	Other Misc. Revenue Transportation 2024	88,379	
H 630	Due to Other Funds		88,379
		$ 88,379	$ 88,379

JE # 493 for Due to Due from posting moving NYCLASS interest from Capital Project Fund to Debt Service Fund that is not being used for capital projects

H 2401	Interest	156,677	
H 630	Due to Other Funds		156,677
		$ 156,677	$ 156,677

JE # 500 to transfer project #6001 VES Storage Building from A fund to H fund

H 391	Due from Other Funds	214,000	
H 5031.101.9	Interfund TSF-Pool Filter		214,000
		$ 214,000	$ 214,000

JE # 514 to adjust I/F Capital transfer correction to actual due to overage of capital project fund transfer

H 5031.500.1	Interfund Transfer / 2023 Transportation Project	109,313	
H 630	Due to Other Funds		109,313
		$ 109,313	$ 109,313

Debt Service Fund:

To move premium from BAN to Debt Service Fund from Capital Project Fund. Per client, premium is not being used for project costs

V 391	Due from Other Funds	88,379	
V 2710	Premium		88,379
		$ 88,379	$ 88,379

NYCLASS interest from Capital Project Fund to Debt Service Fund that is not being used for Capital Projects

V 391	Due from Other Funds	156,677	
V 2401	Interest & Earnings		156,677
		$ 156,677	$ 156,677