

## PRELIMINARY OFFICIAL STATEMENT

### NEW ISSUE

### BOND ANTICIPATION NOTES

*In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). In the further opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes. See "TAX MATTERS" herein.*

*The Notes will NOT be designated "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.*



# \$3,000,000

## CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT WAYNE AND SENECA COUNTIES, NEW YORK

### GENERAL OBLIGATIONS

### **\$3,000,000 Bond Anticipation Notes, 2026** (the "Notes")

**Dated: February 24, 2026**

**Due: July 24, 2026**

The Notes are general obligations of the Clyde-Savannah Central School District, Wayne and Seneca Counties, New York (the "School District" or "District"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Notes are not subject to redemption prior to maturity.

At the option of the purchaser, the Notes will be issued in (i) registered certificated form registered in the name of the successful bidder(s) or (ii) registered book-entry-only form registered to Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York ("DTC"). The District will act as Paying Agent for the Notes.

If the Notes are issued as registered in the name of the purchaser, a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on the Notes will be payable in Federal Funds at maturity at such bank(s) or trust company(ies) located and authorized to do business in the State of New York as may be selected by the successful bidder(s).

If the Notes are issued in book-entry-only form, such notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of \$5,000 or integral multiples thereof. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on said Notes will be paid in Federal Funds by the School District to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The District will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. (See "BOOK-ENTRY-ONLY SYSTEM" herein).

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the approving legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, of New York City. It is anticipated that the Notes will be available for delivery through the facilities of DTC in Jersey City, New Jersey, or at such place as may be agreed upon with the purchaser(s) on or about February 24, 2026.

**ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via [www.fiscaladvisorsauction.com](http://www.fiscaladvisorsauction.com), on February 10, 2026 by no later than 11:00 A.M. Prevailing Time. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale for the Notes.**

January 27, 2026

THE DISTRICT DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER(S), AS MORE FULLY DESCRIBED IN THE RESPECTIVE NOTICE OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. THE DISTRICT WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN MATERIAL EVENTS AS DEFINED IN THE RULE. SEE "APPENDIX C – MATERIAL EVENT NOTICES" HEREIN.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**WAYNE AND SENECA COUNTIES, NEW YORK**

**SCHOOL DISTRICT OFFICIALS**  
**2025-2026 BOARD OF EDUCATION**



JENNIFER SULLIVAN  
President

MELANIE GEIL  
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MICHAEL C. HAYDEN  
Superintendent of Schools

DOREEN PATCHEN  
District Clerk

SUSAN GRAY  
Assistant Superintendent for Business & Operations



FISCAL ADVISORS & MARKETING, INC.  
Municipal Advisor



ORRICK, HERRINGTON & SUTCLIFFE LLP  
Bond Counsel

No person has been authorized by Clyde-Savannah Central School District to give any information or to make any representations not contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Notes in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates, and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Clyde-Savannah Central School District.

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PREPARED WITH THE ASSISTANCE OF



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**OFFICIAL STATEMENT  
OF THE  
CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
WAYNE AND SENECA COUNTIES, NEW YORK  
RELATING TO  
\$3,000,000 Bond Anticipation Notes, 2026**

This Official Statement, which includes the cover page, has been prepared by the Clyde-Savannah Central School District, Wayne and Seneca Counties, New York (the "School District" or "District", "Counties", and "State", respectively) in connection with the sale by the District of \$3,000,000 principal amount of Bond Anticipation Notes, 2026 (the "Notes").

The factors affecting the School District's financial condition and the Notes are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the School District tax base, revenues, and expenditures, this Official Statement should be read in its entirety, and no one factor should be considered more or less important than any other by reason of its relative position in this Official Statement.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the School District contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof, and all references to the Notes and the proceedings of the School District relating thereto are qualified in their entirety by reference to the definitive forms of the Notes and such proceedings.

**NATURE OF OBLIGATION**

Each Note when duly issued and paid for will constitute a contract between the District and the holder thereof.

Holders of any series of notes or bonds of the District may bring an action or commence a proceeding in accordance with the civil practice law and rules to enforce the rights of the holders of such series of notes or bonds.

The Notes will be general obligations of the District and will contain a pledge of the faith and credit of the District for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the District has power and statutory authorization to levy ad valorem taxes on all real property within the District subject to such taxation by the District, without limitation as to rate or amount.

Although the State Legislature is restricted by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay "interest on or principal of indebtedness theretofore contracted" prior to the effective date of any such legislation, the New York State Legislature may from time to time impose additional limitations or requirements on the ability to increase a real property tax levy or on the methodology, exclusions or other restrictions of various aspects of real property taxation (as well as on the ability to issue new indebtedness). On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the "Tax Levy Limitation Law" or "Chapter 97"). The Tax Levy Limitation Law applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities and school districts to levy certain year-to-year increases in real property taxes.

Under the Constitution of the State, the District is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the District's power to increase its annual tax levy, with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See "TAX INFORMATION - Tax Levy Limitation Law" herein.

The Constitutionally-mandated general obligation pledge of municipalities and school districts in New York State has been interpreted by the Court of Appeals, the State's highest court, in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), as follows:

"A pledge of the City's faith and credit is both a commitment to pay and a commitment of the City's revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City's "faith and credit" is secured by a promise both to pay and to use in good faith the City's general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, "faith" and "credit" are used and they are not tautological. That is what the words say and this is what the courts have held they mean... So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the City's power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted... While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded".

In addition, the Court of Appeals in the *Flushing National Bank* (1976) case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of political subdivisions in New York State.

The pledge has generally been understood as a promise to levy property taxes without limitation as to rate or amount to the extent necessary to cover debt service due to language in Article VIII Section 10 of the Constitution, which provides an exclusion for debt service from Constitutional limitations on the amount of a real property tax levy, ensuring the availability of the levy of property tax revenues to pay debt service. As the *Flushing National Bank* (1976) Court noted, the term "faith and credit" in its context is "not qualified in any way". Indeed, in *Flushing National Bank v. Municipal Assistance Corp.*, 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In *Quirk v. Municipal Assistance Corp.*, 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, "with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the city of those revenues to meet its obligations." According to the Court in *Quirk*, the State Constitution "requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness."

In addition, the Constitution of the State requires that every county, city, town, village, and school district in the State provide annually by appropriation for the payment of all interest and principal on its serial bonds and certain other obligations, and that, if at any time the respective appropriating authorities shall fail to make such appropriation, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. In the event that an appropriating authority were to make an appropriation for debt service and then decline to expend it for that purpose, this provision would not apply. However, the Constitution of the State does also provide that the fiscal officer of any county, city, town, village, or school district may be required to set apart and apply such first revenues at the suit of any holder of any such obligations.

In *Quirk v. Municipal Assistance Corp.*, the Court of Appeals described this as a "first lien" on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in New York State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy to pay debt service on such obligations, but that such pledge may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues.

While the courts in New York State have historically been protective of the rights of holders of general obligation debt of political subdivisions, it is not possible to predict what a future court might hold.

## THE NOTES

### Description of the Notes

The Notes are general obligations of the District, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes as required by the Constitution and laws of the State of New York (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the District is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Notes are dated February 24, 2026 and mature, without option of prior redemption, on July 24, 2026. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in registered form at the option of the Purchaser(s) either (i) registered in the name of the purchaser, or (ii) registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”) which will act as the securities depository for the Notes. See “BOOK-ENTRY-ONLY SYSTEM” herein.

### **No Optional Redemption**

The Notes are not subject to redemption prior to maturity.

### **Purpose of Issue**

On December 12, 2023, the qualified voters of the District approved a proposition authorizing the reconstruction of and construction of improvements to various District buildings at a maximum cost of \$25,600,000 with such cost being funded with \$5,000,000 Capital Reserve Fund monies, and the balance of such cost, not in excess of \$20,600,000, through the issuance of the District’s serial bonds. The Notes are being issued pursuant to a bond resolution duly adopted by the Board of Education on July 9, 2025 authorizing the issuance of \$20,600,000 of bonds to finance the capital project.

The proceeds of the Notes will provide \$3,000,000 in new monies for the aforementioned purpose.

### **BOOK-ENTRY-ONLY SYSTEM**

If the Notes are issued in registered book-entry form, the Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Note. In such case, the Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for each note bearing the same rate of interest and CUSIP number and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Principal and interest payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the District. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

THE DISTRICT CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE NOTES; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE NOTES; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE DISTRICT WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST ON THE NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE NOTES.

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE DISTRICT MAKES NO REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

**Certificated Notes**

If the book-entry form is initially chosen by the purchaser(s) of the Notes, DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law, or the District may terminate its participation in the system of book-entry-only system transfers through DTC at any time. In the event that such book-entry-only system is utilized by a purchaser(s) of the Notes upon issuance and later discontinued, the following provisions will apply:

The Notes will be issued in registered form in denominations of \$5,000 or integral multiples thereof. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the District. The Notes will remain not subject to redemption prior to their stated final maturity date.

**THE SCHOOL DISTRICT**

**General Information**

The District is located in the Finger Lakes region of New York. It is equidistant from the cities of Rochester (to the west) and Syracuse (to the east). The District includes the Towns of Butler, Galen, Rose Savannah and Lyons in Wayne County and the Towns of Tyre and Junius in Seneca County (the “Towns”).

The District is agricultural and residential in nature. Non-farming residents in the area find employment in professions, business concerns and industries in the local villages and towns as well as the Cities of Auburn, Syracuse and Rochester. Within the District’s boundaries are portions of the Erie Canal System and the Montezuma Wildlife Reserve.

Transportation needs of the area are served by various highways including New York State #90 (N.Y.S. Thruway) and a network of local and county roads. The Thruway provides convenient access to Syracuse and Rochester. The District is also served by bus lines, the Syracuse International Airport and the Rochester International Airport.

Source: District officials.

**Population**

The current estimated population of the District is 5,303.

Source: U.S. Census Bureau, 2019-2023 American Community Survey.

**Larger Employers**

The larger employers located within the area include:

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Advanced Atomization Technologies	Manufacturing	375
Thomas Electronics, Inc.	Manufacturing	98
DiSanto Jet Gas	Propane Distributor	88
Pearl Industries	Manufacturing	48
DNT	Distributors	42

Source: District officials.



## Selected Wealth and Income Indicators

Per capita income statistics are not available for the District as such. The smallest areas for which such statistics are available, which include the District, are the Towns and Counties listed below. The figures set below with respect to such Towns, Counties and State of New York are included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the Towns or the Counties or the State are necessarily representative of the District, or vice versa.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2006-2010</u>	<u>2016-2020</u>	<u>2019-2023</u>	<u>2016-2010</u>	<u>2016-2020</u>	<u>2019-2023</u>
Towns of:						
Butler	\$ 16,471	\$ 23,960	\$ 28,008	\$ 50,750	\$ 61,696	\$ 86,023
Galen	18,285	23,013	29,467	50,662	60,844	74,318
Lyons	19,220	23,213	29,159	48,255	70,260	84,724
Rose	24,134	26,978	30,984	56,371	69,120	87,550
Savannah	19,018	22,143	30,299	44,773	61,625	70,417
Junius	18,278	23,685	33,056	53,365	69,167	101,250
Tyre	22,139	31,872	35,426	53,000	71,058	75,375
Counties of:						
Wayne	24,092	32,513	37,916	60,324	76,002	94,964
Seneca	21,818	28,703	36,170	53,857	70,915	86,917
State of:						
New York	30,948	40,898	49,520	67,405	87,270	105,060

Note: 2020-2024 American Community Survey estimates are not available as of the date of this Official Statement.

Source: 5-Year American Community Survey estimates.

## Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest areas for which such statistics are available (which include the District) are the Counties. The information set forth below with respect to the Counties and the State of New York is included for informational purposes only. It should not be implied from the inclusion of such data in this Official Statement that the Counties or the State are necessarily representative of the District, or vice versa.

	<u>Annual Average</u>						
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Wayne County	4.1%	3.8%	7.1%	4.5%	3.2%	3.2%	3.5%
Seneca County	3.9%	3.8%	8.1%	5.0%	3.4%	3.4%	3.7%
New York State	4.1%	3.9%	9.8%	7.1%	4.3%	4.1%	4.3%

	<u>2025 Monthly Figures</u>											
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
Wayne County	4.2%	4.6%	4.0%	3.0%	2.7%	2.9%	3.3%	3.6%	3.5%	N/A	N/A	N/A
Seneca County	4.7%	5.1%	4.3%	3.1%	2.9%	3.0%	3.4%	3.6%	3.6%	N/A	N/A	N/A
New York State	4.6%	4.3%	4.1%	3.7%	3.5%	3.8%	4.6%	4.7%	4.7%	N/A	N/A	N/A

Source: Department of Labor, State of New York. (Note: Figures not seasonally adjusted).

## Form of School Government

The Board of Education, which is the policy-making body of the District, consists of nine members with overlapping three-year terms so that, as nearly as possible, an equal number is elected to the Board each year. Each Board member must be a qualified voter of the District. The President and the Vice Presidents are selected by the Board members.

Pursuant to the Local Finance Law, the President of the Board of Education is the chief fiscal officer of the School District. However, certain of the financial management functions of the District are the responsibility of the Superintendent.

## **Budgetary Procedures**

Pursuant to the Education Law, the Board of Education annually prepares or causes to be prepared, a budget for the ensuing fiscal year. A public hearing on such budget is held not less than seven days and not more than fourteen days prior to the vote. The Board of Education causes notice of such public hearing to be published four times beginning seven weeks prior to the vote. After the public hearing, but not less than six days prior to the budget vote, the District must mail a school budget notice to all qualified voters which contains the total budget amount, the dollar and percentage increase or decrease in the proposed budget (or contingency budget) as compared to the current budget, the percentage increase or decrease in the consumer price index, the estimated property tax levy, the basic STAR exemption impact and the date, time and place of the vote.

After the budget hearing and subsequent notice, a referendum upon the question of the adoption of the budget is held on the third Tuesday in May each year. All qualified District residents are eligible to participate.

Pursuant to Chapter 97 of the Laws of 2011 (“Chapter 97”), beginning with the 2012 – 2013 fiscal year, if the proposed budget requires a tax levy increase that does not exceed the lesser of 2% or the rate of inflation (the “School District Tax Cap”), then a majority vote is required for approval. If the proposed budget requires a tax levy that exceeds the School District Tax Cap, the budget proposition must include special language and a 60% vote is required for approval. Any separate proposition that would cause the District to exceed the School District Tax Cap must receive at least 60% voter approval.

If the proposed budget is not approved by the required margin, the Board of Education may resubmit the original budget or a revised budget to the voters on the third Tuesday in June, or adopt a contingency budget (which would provide for ordinary contingent expenses, including debt service) that levies a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy).

If the resubmitted and/or revised budget is not approved by the required margin, the Board of Education must adopt a budget that requires a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy). For a complete discussion of Chapter 97, see “TAX LEVY LIMITATION LAW” herein.

### *Recent Budget Vote Results*

The adopted budget for the 2024-25 fiscal year was approved by qualified voters on May 21, 2024 by a vote of 401 to 145. The District’s budget for the 2024-25 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget for the 2024-25 fiscal year called for no (0.00%) tax levy increase, which was below the District’s maximum allowable tax levy increase of 4.21%.

The adopted budget for the 2025-26 fiscal year was approved by qualified voters on May 20, 2025 by a vote of 115 to 37. The District’s budget for the 2025-26 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget for the 2025-26 fiscal year called for a 0.9% tax levy increase, which was below the District’s maximum allowable tax levy increase of 4.84%.

## **Investment Policy**

Pursuant to the statutes of the State of New York, the District is permitted to invest only in the following investments: (1) special time deposits or certificates of deposits in a bank or trust company located and authorized to do business in the State of New York; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State of New York; (5) with the approval of the New York State Comptroller, tax anticipation notes and revenue anticipation notes issued by any New York municipality or district corporation, other than the District; (6) obligations of a New York public corporation which are made lawful investments by the District pursuant to another provision of law; (7) certain certificates of participation issued on behalf of political subdivisions of the State of New York; and, (8) in the case of District moneys held in certain reserve funds established pursuant to law, obligations issued by the District. These statutes further require that all bank deposits, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law.

Consistent with the above statutory limitations, it is the District's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State of New York; (5) obligations issued pursuant to Local Finance Law Section 24.00 or 25.00 (with approval of the State Comptroller) by any municipality, school district or district corporation other than the District; and (6) obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments. In the case of obligations of the United States government, the District may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third-party custodian.

The Treasurer is authorized to contract for the purchase of investments: (1) directly, including through a repurchase agreement, from an authorized trading partner; (2) by participation in a cooperative investment program with another authorized governmental entity pursuant to Article 5-G of the General Municipal Law where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88-46, and the specific program has been authorized by the governing board; and (3) utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board.

The District is not authorized to invest in reverse repurchase agreements or similar derivative-type investments.

### **State Aid**

The District receives financial assistance from the State. In its adopted budget for the 2025-2026 fiscal year, approximately 77.4% of the revenues of the District are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner in any year municipalities and school districts in the State, including the District, may be affected by a delay in the payment of State aid.

The State is not constitutionally obligated to maintain or continue State aid to the District. No assurance can be given that present State aid levels will be maintained in the future. State budgetary restrictions which could eliminate or substantially reduce State aid could have a material adverse effect upon the District, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures (See also "MARKET AND RISK FACTORS").

There can be no assurance that the State appropriation for building aid and other State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid, including building aid appropriated and apportioned to the School District, can be paid only if the State has such monies available therefor. The availability of such monies and the timeliness of such payment could be affected by a delay in the adoption of the State budget or their elimination therefrom.

There can be no assurance that the State's financial position will not change materially and adversely from current projections. If this were to occur, the State would be required to take additional gap-closing actions. Such actions may include, but are not limited to: reductions in State agency operations; delays or reductions in payments to local governments or other recipients of State aid including school districts in the State. Reductions in the payment of State aid could adversely affect the financial condition of school districts in the State.

The amount of State aid to school districts can vary from year to year and is dependent in part upon the financial condition of the State. During the 2011 to 2019 fiscal years of the State, State aid to school districts was paid in a timely manner; however, during the State's 2010 and 2020 fiscal years, State budgetary restrictions resulted in delayed payments of State aid to school districts in the State. In addition, the availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in the adoption of the State budget, which is due at the start of the State's fiscal year of April 1. With the exception of the State's fiscal year 2025-26 Enacted Budget (which adopted on May 9, 2025, thirty-eight (38) days after the April 1 deadline), the State's fiscal year 2024-25 Enacted Budget (which was adopted on April 22, 2024, twenty-one (21) days after the April 1 deadline) and the State's fiscal year 2023-24 Enacted Budget (which was adopted on May 2, 2023, thirty-one (31) days after the April 1 deadline), the State's budget has been adopted by April 1 or shortly thereafter for over ten (10) years. No assurance can be given that the State will not experience delays in the adoption of the budget in future fiscal years. Significant delays in the adoption of the State budget could result in delayed payment of State aid to school districts in the State which could adversely affect the financial condition of school districts in the State.

Should the District fail to receive State aid expected from the State in the amounts and at the times expected, occasioned by a delay in the payment of such monies or by a mid-year reduction in State aid, the District is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

### *Federal aid received by the State*

The State receives a substantial amount of federal aid for health care, education, transportation and other governmental purposes, as well as federal funding to respond to, and recover from, severe weather events and other disasters. Many of the policies that drive this federal aid may be subject to change under the federal administration and Congress. Current federal aid projections, and the assumptions on which they rely, are subject to revision in the future as a result of changes in federal policy, the general condition of the global and national economies and other circumstances.

Reductions in Federal funding levels could have a materially adverse impact on the State budget. In addition to the potential fiscal impact of policies that may be proposed and adopted by the new administration and Congress, the State budget may be adversely affected by other actions taken by the Federal government, including audits, disallowances, and changes to Federal participation rates or other Medicaid rules.

President Trump signed an executive order that directs the Secretary of Education to take all necessary steps to facilitate the closure of the U.S. Department of Education. The executive order aims to minimize the federal role in education but stops short of completely closing the Department as this would require 60 votes in the U.S. Senate. President Trump also indicated his preference that critical functions, like distributing Individuals with Disabilities Education Act funding, would be the responsibility of other federal agencies. The impact that the executive order will have on the State and school districts in the State is unknown at this time.

### *Building Aid*

A portion of the District's State aid consists of building aid which is related to outstanding indebtedness for capital project purposes. In order to receive building aid, the District must have building plans and specifications approved by the Facilities Planning Unit of the State Education Department. A maximum construction and incidental cost allowance is computed for each building project that takes into account a pupil construction cost allowance and assigned pupil capacity. For each project financed with debt obligations, a bond percentage is computed. The bond percentage is derived from the ratio of total approved cost allowances to the total principal borrowed. Approved cost allowances are estimated until a project final cost report is completed.

Building Aid is paid over fifteen years for reconstruction work, twenty years for building additions, or thirty years for new building construction. Building Aid for a specific building project is eligible to begin eighteen months after State Commissioner of Education approval date, for that project, and is paid over the previously described timeframe, assuming all necessary building aid forms are filed with the State in a timely manner. The building aid received is equal to the assumed debt service for that project, which factors in the bond percent, times the building aid ratio that is assigned to the District, and amortized over the predefined timeframe. The building aid ratio is calculated based on a formula that involves the full valuation per pupil in the District compared to a State-wide average.

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2026-2027 preliminary building aid ratios, the District expects to receive State building aid of approximately 94.8% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

The State building aid ratio is calculated each year based upon a formula which reflects Resident Weighted Average Daily Attendance (RWADA) and the full value per pupil compared with the State average. Consequently, the estimated aid will vary over the life of each issue. State building aid is further dependent upon the continued apportionment of funds by the State Legislature.

### *State aid history*

*School district fiscal year (2021-2022):* The State's 2021-22 Budget included \$29.5 billion in state aid to school districts, and significantly increased funding for schools and local governments, including a \$1.4 billion increase in Foundation Aid and a three-year phase-in of the full restoration to school districts of Foundation Aid that was initially promised in 2007. Additionally, the budget included the use of \$13 billion of federal funds for emergency relief, along with the Governor's Emergency Education Relief, which included, in part, the allocation of \$629 million to school districts as targeted grants in an effort to address learning loss as a result of the loss of enrichment and after-school activities. In addition, \$105 million of federal funds were allocated to expand full-day kindergarten programs. Under the budget, school districts were reimbursed for the cost of delivering school meals and instructional materials in connection with COVID-19-related school closures in spring 2020, along with the costs of keeping transportation employees and contractors on stand-by during the short-term school closures prior to the announcement of the closure of schools for the remainder of the 2019-20 year. Under the budget, local governments also received full restoration of proposed cuts to Aid and Incentives for Municipalities (AIM) funding, and full restoration of \$10.3 million in proposed Video Lottery Terminal (VLT) aid cuts, where applicable.

*School district fiscal year (2022-2023):* The State's 2022-23 Budget provided \$31.5 billion in State funding to school districts for the 2022-23 school year. This represented an increase of \$2.1 billion or 7.2 percent compared to the 2021-22 school year, and included a \$1.5 billion or 7.7 percent Foundation Aid increase. The State's 2022-23 Budget also programed \$14 billion of federal Elementary and Secondary School Emergency Relief and Governor's Emergency Education Relief funds to public schools. This funding, available for use over multiple years, is designed to assist schools to reopen for in-person instruction, address learning loss, and respond to students' academic, social, and emotional needs due to the disruptions of the COVID-19 pandemic. The State's 2022-23 Budget allocated \$100 million over two years for a new State matching fund for school districts with the highest needs to support efforts to address student well-being and learning loss. In addition, the State's 2022-23 Budget increased federal funds by \$125 million to expand access to full-day prekindergarten programs for four-year-old children in school districts statewide in the 2022-23 school year.

*School district fiscal year (2023-2024):* The State's 2023-24 Budget included \$34.5 billion for school aid, an increase of \$3.1 billion or 10%. The State's 2023-24 Budget also provided a \$2.6 billion increase in Foundation Aid, fully funding the program for the first time in history. The State's 2023-24 Budget provided \$134 million to increase access to free school meals. An additional \$20 million in grant funding established new Early College High School and Pathways in Technology Early College High School Programs. An investment of \$10 million over two years in competitive funding for school districts, boards of cooperative educational services, and community colleges was made to promote job readiness. An additional \$150 million was used to expand high-quality full-day prekindergarten, resulting in universal prekindergarten to be phased into 95% of the State.

*School district fiscal year (2024-2025):* The State's 2024-25 Budget provided \$35.9 billion in State funding to school districts for the 2024-25 school year, the highest level of State aid ever. This represented an increase of \$1.3 billion compared to the 2023-24 school year and included a \$934 million or 3.89 percent Foundation Aid increase. The State's 2024-25 Budget maintained the "save harmless" provision, which currently ensures a school district receives at least the same amount of Foundation Aid as it received in the prior year. The State's 2024-25 Budget also authorized a comprehensive study by the Rockefeller Institute and the State Department of Education to develop a modernized school funding formula.

*School district fiscal year (2025-2026):* The State's 2025-26 Budget includes approximately \$37 billion in State funding to school districts for the 2025-2026 school year, an estimated year-to-year funding increase of \$1.7 billion. The State's 2025-26 Budget provides an estimated \$26.3 billion in Foundation Aid, a year over year increase of \$1.42 billion and includes a 2% minimum increase in Foundation Aid to all school districts. The State's 2025-26 Budget also makes a number of alterations to the Foundation Aid formula to more accurately reflect low-income student populations and provide additional aid to low-wealth school districts.

Provisions in the State's 2025-26 Enacted Budget grant the State Budget Director the authority to withhold all or some of the amounts appropriated therein, including amounts that are to be paid on specific dates prescribed in law or regulation (such as State Aid) if, on a cash basis of accounting, a "general fund imbalance" has or is expected to occur in fiscal year 2025-26. Specifically, the State's 2025-26 Enacted Budget provides that a "general fund imbalance" has occurred, and the State Budget Director's powers are activated, if any State fiscal year 2025-26 quarterly financial plan update required by Subdivision 4 of Section 23 of the New York State Finance Law reflects, or if at any point during the final quarter of State fiscal year 2025-26 the State Budget Director projects, that estimated general fund receipts and/or estimated general fund disbursements have or will vary from the estimates included in the State's 2025-26 Enacted Budget financial plan required by sections 22 and 23 of the New York State Finance Law results in a cumulative budget imbalance of \$2 billion or more. Any significant reductions or delays in the payment of State aid could adversely affect the financial condition of school districts in the State.

#### *State Aid Litigation*

In January 2001, the State Supreme Court issued a decision in *Campaign for Fiscal Equity v. New York* mandating that the system of apportionment of State aid to school districts within the State be restructured by the Governor and the State Legislature. On June 25, 2002, the Appellate Division of the State Supreme Court reversed that decision. On June 26, 2003, the State Court of Appeals, the highest court in the State, reversed the Appellate Division, holding that the State must, by July 30, 2004, ascertain the actual cost of providing a sound basic education, enact reforms to the system of school funding and ensure a system of accountability for such reforms. The Court of Appeals further modified the decision of the Appellate Division by deciding against a Statewide remedy and instead limited its ruling solely to the New York City school system.

After further litigation, on appeal in 2006, the Court of Appeals held that \$1.93 billion of additional funds for the New York City schools – as initially proposed by the Governor and presented to the Legislature as an amount sufficient to provide a sound basic education – was reasonably determined. State legislative reforms in the wake of The Campaign for Fiscal Equity decision included increased accountability for expenditure of State funds and collapsing over 30 categories of school aid for school districts in the State into one classroom operating formula referred to as foundation aid. The stated purpose of foundation aid is to prioritize funding distribution based upon student need. As a result of the Court of Appeals ruling schools were to receive \$5.5 billion increase in foundation aid over a four fiscal year phase-in covering 2007 to 2011.

A case related to the *Campaign for Fiscal Equity, Inc. v. State of New York* was heard on appeal on May 30, 2017 in *New Yorkers for Students' Educational Rights v. State of New York* ("NYSER") and a consolidated case on the right to a sound basic education. The NYSER lawsuit asserts that the State has failed to comply with the original decision in the Court of Appeals in the CFE case, and asks the Court of Appeals to require the State to develop new methodologies, formulas and mechanisms for determining State aid, to fully fund the foundation aid formula, to eliminate the supermajority requirement for voter approval of budgets which increase school district property tax levies above the property tax cap limitation, and related matters. On June 27, 2017, the Court of Appeals held that the plaintiffs causes of action were properly dismissed by the earlier Appellate Division decision except insofar as two causes of action regarding accountability mechanisms and sufficient State funding for a "sound basic education" as applicable solely to the school districts in New York City and Syracuse. The Court emphasized its previous ruling in the CFE case that absent "gross education inadequacies", claims regarding state funding for a "sound basic education" must be made on a district-by-district basis based on the specific facts therein. On October 14, 2021 Governor Hochul announced that New York State reached an agreement to settle and discontinue the NYSER case, following through on the State's commitment to fully fund the current Foundation Aid formula to New York's school districts over three years and ending the State's prior opposition to providing such funding. The litigation, which has been ongoing since 2014, sought to require New York State to fully fund the Foundation Aid formula that was put into place following the CFE cases, and had been previously opposed by the State. Foundation Aid was created in 2007 and takes school district wealth and student need into account to create an equitable distribution of state funding to schools, however, New York State has never fully funded Foundation Aid. The new settlement requires New York State to phase-in full funding of Foundation Aid by the FY 2024 budget. In the FY 2022 Enacted State Budget approved in April 2022, the Executive and Legislature agreed to fully fund Foundation Aid by the FY 2024 and FY 2025 budget and enacted this commitment into law.

A breakdown of currently anticipated Foundation Aid funding is available below:

- FY 2022: \$19.8 billion, covering 30% of the existing shortfall.
- FY 2023: Approximately \$21.3 billion, covering 50% of the anticipated shortfall.
- FY 2024: Approximately \$23.2 billion, eliminating the anticipated shortfall, and funding the full amount of Foundation Aid for all school districts.
- FY 2025: Funding the full amount of Foundation Aid for all school districts.
- FY 2026: \$26.3 billion in Foundation Aid, a year over year increase of \$1.42 billion and a 2% minimum increase in Foundation Aid to all school districts.

The State's 2025-26 Budget makes a number of alterations to the Foundation Aid formula to more accurately reflect low-income student populations and provide additional aid to low-wealth school districts.

## State Aid Revenues

The following table illustrates the percentage of total revenues of the District for each of the below fiscal years comprised of State aid.

<u>Fiscal Year</u>	<u>Total Revenues</u> <sup>(1)</sup>	<u>Total State Aid</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2020-2021	\$ 21,866,607	\$ 15,614,084	71.41%
2021-2022	23,122,660	17,028,094	73.64
2022-2023	24,743,523	18,306,357	73.98
2023-2024	28,280,220	21,386,874	75.62
2024-2025	28,875,064	21,941,264	75.99
2025-2026 (Budgeted)	28,354,686	21,950,243	77.41

<sup>(1)</sup> Does not include appropriated reserves, interfund transfers or appropriated fund balance.

Source: Audited financial statements for the 2020-2021 fiscal year through and including the 2024-2025 fiscal year and the adopted budget for the 2025-2026 fiscal year of the District. This table is not audited.

## District Facilities

<u>Name</u>	<u>Grades</u>	<u>Capacity</u>	<u>Year(s) Built</u>
Clyde Elementary	K-5	609	1972, 2003, 2019
Junior/Senior High School	6-12	678	1939, 2003

Source: District officials.

## Enrollment Trends

<u>School Year</u>	<u>Actual Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2021-2022	775	2026-2027	720
2022-2023	778	2027-2028	710
2023-2024	777	2028-2029	700
2024-2025	757	2029-2030	690
2025-2026	738	2030-2031	680

Source: District officials.

## Employees

The District currently employs approximately 162 full-time and 45 part-time persons. Certain employees are represented by the following bargaining agents:

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
80	Clyde-Savannah Faculty Association (NYSUT)	June 30, 2026 <sup>(1)</sup>
22	Clyde-Savannah Central School Civil Service Organization (CSEA)	June 30, 2028
17	Clyde-Savannah School District Transportation Employees' Organization	June 30, 2027
4	Clyde-Savannah Administrators Association	June 30, 2028

<sup>(1)</sup> Currently under negotiations.

Source: District officials.

## Status and Financing of Employee Pension Benefits

Substantially all employees of the District are members of either the New York State and Local Employees' Retirement System ("ERS") (for non-teaching and non-certified administrative employees) or the New York State Teachers' Retirement System ("TRS") (for teachers and certified administrators). (Both Systems are referred to together hereinafter as the "Retirement Systems" where appropriate.) These Retirement Systems are cost-sharing multiple public employer retirement systems. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement and Social Security Law (the "Retirement System Law"). The Retirement Systems offer a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally had vested after ten years of credited service; however, this was changed to five years as of April 9, 2022. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems. The Retirement Systems are non-contributory with respect to members hired prior to July 27, 1976. All members working less than ten years must contribute 3% (ERS) or 3.5% (TRS) of gross annual salary towards the cost of retirement programs.

On December 12, 2009, a new Tier V was signed into law. The legislation created a new Tier V pension level, the most significant reform of the State's pension system in more than a quarter-century. Key components of Tier V include:

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62.
- Requiring ERS employees to continue contributing 3% of their salaries and TRS employees to continue contributing 3.5% toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw a pension from 5 years to 10 years, which has since been changed to 5 years as of April 9, 2022.
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at \$15,000 per year, and for police and firefighters at 15% of non-overtime wages.

On March 16, 2012, the Governor signed into law the new Tier VI pension program, effective for new ERS and TRS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6% and contributions at such rates continue so long as such employee continues to accumulate pension credits, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for the final average salary calculation from 3 years to 5 years. Effective April 20, 2024, this final average salary calculation for ERS Tier VI members has been changed from five years to the three highest consecutive years of earnings. Tier VI employees would vest in the system after ten years of employment; and employees will continue to make employee contribution throughout employment. As of April 9, 2022, vesting requirements were modified, resulting in employees becoming vested after five years.

The District is required to contribute at an actuarially determined rate. The actual contributions for the past five completed fiscal years and the budgeted figures for the current fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2020-2021	\$ 236,855	\$ 589,321
2021-2022	222,557	486,959
2022-2023	235,772	572,967
2023-2024	280,444	695,234
2024-2025	350,479	585,968
2025-2026 (Budgeted)	360,000	725,000

Source: District records.

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. The District currently does not have any early retirement incentive programs for its employees.

*Historical Trends and Contribution Rates.* Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the Retirement System in the 1990s, the locally required annual contribution declined to zero. However, with the subsequent decline in the equity markets, the pension system became underfunded. As a result, required contributions increased substantially to 15% to 20% of payroll for the employees' and the police and fire retirement systems, respectively. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments.

A chart of average ERS and TRS rates as a percent of payroll (2021-22 to 2025-26) is shown below:

<u>State Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2021-22	16.2%	9.80%
2022-23	11.6	10.29
2023-24	13.1	9.76
2024-25	15.2	10.11
2025-26	16.5	9.59



In 2003, Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and the Local Finance Law. The amendments empowered the State Comptroller to implement a comprehensive structural reform program for ERS. The reform program established a minimum contribution for any local governmental employer equal to 4.5% of pensionable salaries for bills which were due December 15, 2003 and for all fiscal years thereafter, as a minimum annual contribution where the actual rate would otherwise be 4.5% or less due to the investment performance of the fund. In addition, the reform program instituted a billing system to match the budget cycle of municipalities and school districts that will advise such employers over one year in advance concerning actual pension contribution rates for the next annual billing cycle. Under the previous method, the requisite ERS contributions for a fiscal year could not be determined until after the local budget adoption process was complete. Under the new system, a contribution for a given fiscal year is based on the valuation of the pension fund on the prior April 1 of the calendar year preceding the contribution due date instead of the following April 1 in the year of contribution so that the exact amount may now be included in a budget.

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating employers, if they so elect, to amortize an eligible portion of their annual required contributions to ERS when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a “graded” rate by the State Comptroller in accordance with formulas provided in Chapter 57. Amortized contributions are to be paid in equal annual installments over a ten-year period, but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by the State Comptroller, which approximates a market rate of return on taxable fixed rate securities of a comparable duration issued by comparable issuers. The interest rate is established annually for that year’s amortized amount and then applies to the entire ten years of the amortization cycle of that amount. When in any fiscal year, the participating employer’s graded payment eliminates all balances owed on prior amortized amounts, any remaining graded payments are to be paid into an employer contribution reserve fund established by the State Comptroller for the employer, to the extent that amortizing employer has no currently unpaid prior amortized amounts, for future such use.

The District is not amortizing any pension payments, nor does it intend to do so in the foreseeable future.

Stable Rate Pension Contribution Option: The 2013-14 State Budget included a provision that provides local governments and school districts, including the District, with the option to “lock-in” long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS and TRS. The stable rates would be 12% for ERS and 14% for TRS. The pension contribution rates under this program would reduce near-term payments for employers, but will require higher than normal contributions in later years.

The District did not participate in the Stable Rate Pension Contribution Option nor does it intend to do so in the foreseeable future.

The investment of monies, and assumptions underlying same, of the Retirement Systems covering the District’s employees is not subject to the direction of the District. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of the Retirement Systems (“UAALs”). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the District which could affect other budgetary matters. Concerned investors should contact the Retirement Systems administrative staff for further information on the latest actuarial valuations of the Retirement Systems.

The State’s 2019-2020 Enacted Budget, which was signed into law as Chapter 59 of the Laws of 2019, includes a provision that allows school districts in the State to establish a reserve fund for the purpose of funding the cost of TRS contributions, as a sub-fund of retirement contribution reserve funds presently authorized for amounts payable to the ERS by a school district. School districts will be permitted to pay into such reserve fund during any particular fiscal year, an amount not to exceed two percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year; provided that the balance of such fund may not exceed ten percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year. The District approved a resolution to establish a TRS reserve fund on April 10, 2019.

## Other Post-Employment Benefits

Healthcare Benefits. It should also be noted that the District provides employment healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. There is now an accounting rule that requires governmental entities, such as the District, to account for employment healthcare benefits as it accounts for vested pension benefits.

School districts and Boards of Cooperative Educational Services, unlike other municipal units of government in the State, have been prohibited from reducing health benefits received by or increasing health care contributions paid by retirees below the level of benefits or contributions afforded to or required from active employees since the implementation of Chapter 729 of the Laws of 1994. Legislative attempts to provide similar protection to retirees of other local units of government in the State have not succeeded as of this date. Nevertheless, many such retirees of all varieties of municipal units in the State do presently receive such benefits.

OPEB. OPEB refers to "other post-employment benefits," meaning other than pension benefits, disability benefits and OPEB consist primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Until now, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements.

GASB 75. In 2015, the Governmental Accounting Standards Board ("GASB") released new accounting standards for public Other Post-Employment Benefits ("OPEB") plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. The implementation of this statement requires school districts to report OPEB liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required the District to calculate and report a net OPEB obligation. However, under GASB 45 districts could amortize the OPEB liability over a period of years, whereas GASB 75 requires districts to report the entire OPEB liability on the statement of net position.

The District contracted with Questar III & Milliman to calculate its actuarial valuation under GASB 75. The following outlines the changes to the Total OPEB Liability during the past two fiscal years, by source.

	Balance beginning at June 30 <sup>th</sup> :	2023	2024
		\$ 17,259,538	\$ 17,120,613
<u>Changes for the year:</u>			
Service cost		564,096	416,960
Interest		637,821	677,437
Effect of demographic gain or loss		-	-
Differences between expected and actual experience		-	(3,440,912)
Changes in assumptions or other inputs		(636,337)	(2,175,567)
Benefit payments		(704,505)	(605,849)
Net Changes		\$ (138,925)	\$ (5,127,931)
		2024	2025
	Balance ending at June 30 <sup>th</sup> :	\$ 17,120,613	\$ 11,992,682

Note: The above table is not audited. For additional information see "APPENDIX – E" attached hereto.

There is no authority in current State law to establish a trust account or reserve fund for this liability. The District has reserved \$0 towards its OPEB liability. The District funds this liability on a pay-as-you-go basis.

The District's unfunded actuarial accrued OPEB liability could have a material adverse impact upon the District's finances and could force the District to reduce services, raise taxes or both.

Under GASB 75, an actuarial valuation is required every 2 years for all plans, however, the Alternative Measurement Method continues to be available for plans with less than 100 members.

**Financial Statements**

The District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2025 and is attached hereto as “APPENDIX – E”. Certain summary financial information of the District can be found attached as Appendices to this Official Statement.

The District complies with the Uniform System of Accounts as prescribed for school districts in New York State by the State. This system differs from generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units", and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board (GASB).

**The State Comptroller’s Fiscal Stress Monitoring System**

The New York State Comptroller has reported that New York State’s school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller has developed a Fiscal Stress Monitoring System (“FSMS”) to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State’s school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district’s ST-3 report filed with the State Education Department annually, and each municipality’s annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in “Significant Fiscal Stress”, in “Moderate Fiscal Stress,” as “Susceptible Fiscal Stress” or “No Designation”. Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of “No Designation.” This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity’s financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The reports of the State Comptroller for the past three fiscal years of the District are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2024	No Designation	20.0
2023	No Designation	20.0
2022	No Designation	20.0

Source: Website of the Office of the New York State Comptroller.

Note: Reference to website implies no warranty of accuracy of information therein, and is not incorporated herein by reference.

**New York State Comptroller Report of Examination**

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the District has complied with the requirements of various State and Federal statutes. These audits can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website.

There have been no audits of the District by the State Comptroller’s office in the last five years and no audits currently pending.

**Other Information**

The statutory authority for the power to spend money for the object or purpose, or to accomplish the object or purpose, for which the Notes are to be issued is the Education Law and the Local Finance Law.

The District has complied with the procedure of publication of the estoppel notice with regard to the Notes as provided in Title 6 of Article 2 of the Local Finance Law.

No principal or interest upon any obligation of the District is past due.

The fiscal year of the District is July 1 to June 30.

Except for as shown under “STATUS OF INDEBTEDNESS – Estimated Overlapping Indebtedness” this Official Statement does not include the financial data of any political subdivision having power to levy taxes within the District.

## TAX INFORMATION

### Taxable Valuations

<u>Fiscal Year Ending June 30:</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Towns of:					
Butler	\$ 4,899,836	\$ 5,297,301	\$ 5,303,336	\$ 5,291,385	\$ 6,284,473 <sup>(1)</sup>
Galen	184,770,027	187,604,009	188,938,085	190,429,636	194,925,497
Junius	452,869	443,366	440,399	432,963	423,029
Lyons	11,721	11,720	11,721	11,720	11,300 <sup>(1)</sup>
Rose	1,390,437	1,393,857	1,675,427	1,678,068	1,680,752
Savannah	75,932,381	78,410,250	79,667,659	79,321,545	79,454,843
Tyre	8,627,341	8,676,477	8,148,006	7,871,385	7,757,485
Total Assessed Values	<u>\$ 276,084,612</u>	<u>\$ 281,836,980</u>	<u>\$ 281,836,980</u>	<u>\$ 281,836,980</u>	<u>\$ 281,836,980</u>
State Equalization Rates					
Towns of:					
Butler	98.00%	100.00%	94.00%	85.00%	100.00% <sup>(1)</sup>
Galen	100.00%	95.00%	84.00%	79.00%	65.00%
Junius	100.00%	97.00%	87.00%	79.00%	62.00%
Lyons	78.00%	72.00%	64.00%	60.00%	100.00% <sup>(1)</sup>
Rose	100.00%	90.00%	100.00%	100.00%	89.00%
Savannah	100.00%	97.00%	84.00%	79.00%	72.00%
Tyre	100.00%	95.00%	83.00%	72.00%	66.00%
Total Taxable Full Valuation	<u>\$ 276,187,915</u>	<u>\$ 294,765,734</u>	<u>\$ 337,427,411</u>	<u>\$ 360,860,485</u>	<u>\$ 430,859,657</u>

<sup>(1)</sup> Significant changes due to revaluation.

Source: District officials.

### Tax Rate Per \$1,000 (Assessed)

<u>Fiscal Year Ending June 30:</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Towns of:					
Butler	\$ 19.05	\$ 17.84	\$ 16.58	\$ 17.14	\$ 12.32 <sup>(1)</sup>
Galen	18.67	18.78	18.56	18.44	18.95
Junius	19.86	19.55	19.04	19.61	21.10
Lyons	23.93	24.78	24.35	24.29	12.32 <sup>(1)</sup>
Rose	18.67	19.82	15.59	14.57	13.84
Savannah	18.67	18.39	18.56	18.45	17.11
Tyre	19.86	19.96	19.96	21.51	19.82

<sup>(1)</sup> Significant changes due to revaluation.

Source: District officials.

### Tax Collection Record

<u>Fiscal Year Ending June 30:</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Total Tax Levy	\$ 5,165,959	\$ 5,269,278	\$ 5,269,278	\$ 5,269,278	\$ 5,316,702
Amount Uncollected <sup>(1)</sup>	866,182	1,218,684	733,142	689,404	719,192
% Uncollected	16.77%	23.13%	13.91%	13.08%	13.53%

<sup>(1)</sup> See "Tax Collection Procedure" herein.

Source: District officials.

## Tax Collection Procedure

School taxes are payable during September without penalty. A 2% penalty is added for the month of October. Taxes paid November 1<sup>st</sup> and after bear a 2% penalty payable to the District and an additional 7% penalty payable to the Counties.

On November 1st, all unpaid taxes are turned over to Wayne and Seneca Counties for re-levy on County/Town tax rolls. The responsibility for collection of unpaid taxes rests with the Counties, which reimburses the School District for unpaid taxes on April 1<sup>st</sup> each year. The District is thereby assured of 100% tax collection.

Source: District officials.

## Real Property Tax Revenues

The following table illustrates the percentage of total revenues of the District for each of the below fiscal years comprised of Real Property Taxes.

<u>Fiscal Year</u>	<u>Total Revenues <sup>(1)</sup></u>	<u>Total Real Property Taxes</u>	<u>Percentage of Total Revenues Consisting of Real Property Taxes</u>
2020-2021	\$ 21,866,607	\$ 5,133,734	23.48%
2021-2022	23,122,660	5,246,500	22.69
2022-2023	24,743,523	5,258,413	21.25
2023-2024	28,280,665	5,275,653	18.65
2024-2025	28,875,064	5,343,801	18.51
2025-2026 (Budgeted)	28,354,686	5,316,701	18.75

<sup>(1)</sup> Does not include appropriated reserves, interfund transfers or appropriated fund balance.

Source: Audited financial statements for the 2020-2021 fiscal year through and including the 2024-2025 fiscal year and the adopted budget for the 2025-2026 fiscal year of the District. This table is not audited.

## Larger Taxpayers 2025 Tax Roll for 2025-2026

<u>Name</u>	<u>Type</u>	<u>Estimated Full Valuation</u>
Maderia Associates/Savannah Dhu	Private Hunt	\$17,530,200
RGE	Utility	10,867,001
NYSEG	Utility	10,248,073
CSX Transportation	Railroad	9,063,827
Martin, Glenn	Farmland	5,509,200
Empire Pipeline	Utility	5,509,200
A & L Properties Group	Real Estate	3,836,000
Still Water Dairy	Farmland	3,832,300
Niagara Mohawk Power Corp	Utility	3,356,400
Thomas Electronics	Manufacturer	3,295,100

The ten larger taxpayers listed above have a total estimated full valuation of \$73,047,301, which represents 16.95% of the tax base of the District for the 2025-2026 fiscal year.

As of the date of this Official Statement, the District does not currently have any pending or outstanding tax certioraris that are known or believed could have a material impact on the finances of the District.

## STAR – School Tax Exemption

The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. School districts are reimbursed by the State for real property taxes exempted pursuant to the STAR Program. Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities (“STAR Adjusted Gross Income”) of \$107,300 or less in the 2025-2026 school year, increased annually according to a cost of living adjustment, are eligible for a “full value” exemption of the first \$86,100 of the full value of a home for the 2025-2026 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of \$250,000 (\$500,000 in the case of a STAR credit, as discussed below) are eligible for a \$30,000 “full value” exemption on their primary residence

The 2019-2020 State Budget made several changes to the STAR program, which went into effect immediately. The changes are intended to encourage homeowners to switch from the STAR exemption to the STAR credit. The income limit for the exemption was lowered to \$250,000, compared with a \$500,000 limit for the credit. The amount received for the STAR exemption will remain the same each year, while the amount of the STAR credit can increase up to two percent annually. Homeowners with STAR Adjusted Gross Income of \$250,000 or less have the option to select the credit or the exemption.

The 2020-2021 State Budget further modified the STAR program. Under such legislation, property owners with property tax delinquencies greater than one year are not eligible for the Basic STAR exemption or the Basic STAR credit. Recipients of the Enhanced STAR exemptions and credits are not impacted by this program; they may continue to receive STAR benefits even if their property taxes are delinquent.

The below table lists the basic and enhanced exemption amounts for the municipalities applicable to the District:

<u>Towns of:</u>	<u>Enhanced Exemption</u>	<u>Basic Exemption</u>	<u>Date Certified</u>
Butler	\$ 86,100	\$ 30,000	4/10/2025
Galen	68,020	23,700	4/10/2025
Lyons	86,100	30,000	4/10/2025
Rose	86,100	30,000	4/10/2025
Savannah	68,020	23,700	4/10/2025
Junius	68,020	23,700	4/10/2025
Tyre	62,050	22,580	4/10/2025

\$788,132 of the District’s \$5,269,278 school tax levy for the 2024-2025 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2025.

Approximately \$736,970 of the District’s \$5,318,927 school tax levy for the 2025-2026 fiscal year is expected to be exempt by the STAR Program. The District anticipates receiving full reimbursement of such exempt taxes from the State in January 2026.

## Additional Tax Information

Real property located in the District is assessed by the towns.

Senior citizens' exemptions are offered to those who qualify.

The estimated total annual property tax bill of a \$100,000 market value residential property located in the District is approximately \$3,912 including State, County, City or Town, Village, Library, and School District taxes.

## TAX LEVY LIMITATION LAW

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (“Chapter 97” or the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to all local governments, including school districts (with the exception of New York City, and the counties comprising New York City and school districts in New York City, Buffalo, Rochester, Syracuse, and Yonkers, the latter four of which are indirectly affected by applicability to their respective City.)

Prior to the enactment of the Tax Levy Limitation Law, there was no statutory limitation on the amount of real property taxes that a school district could levy as part of its budget if its budget had been approved by a simple majority of its voters. In the event the budget had been defeated by the voters, the school district was required to adopt a contingency budget. Under a contingency budget, school budget increases were limited to the lesser of four percent (4%) of the prior year’s budget or one hundred twenty percent (120%) of the consumer price index (“CPI”).

Chapter 97 requires that a school district submit its proposed tax levy to the voters each year beginning with the 2012-2013 fiscal year.

Chapter 97 restricts, among other things, the amount of real property taxes that may be levied by or on behalf of a school district in a particular year. It was set to expire on June 15, 2020; however, recent legislation has made it permanent. Pursuant to the Tax Levy Limitation Law, the tax levy of a school district cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the CPI, over the amount of the prior year’s tax levy. Certain adjustments are permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A school district can exceed the tax levy limitation for the coming fiscal year only if the voters of such school district first approve a tax levy by at least 60% affirmative vote of those voting to override such limitation for such coming fiscal year only. Tax levies that do not exceed the limitation will only require approval by at least 50% of those voting. In the event that the voters reject a tax levy and the district does not go out for a second vote, or if a second vote is likewise defeated, Chapter 97 provides that the tax levy for the new fiscal year may not exceed the tax levy for the prior fiscal year.

A school district’s calculation of each fiscal year’s tax levy limit is subject to review by the Commissioner of Education and the Commissioner of Taxation and Finance prior to adoption of each fiscal year budget.

There are exceptions for school districts to the tax levy limitation provided in Chapter 97, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees’ Retirement System and the Teachers’ Retirement System. School districts are also permitted to carry forward a certain portion of their unused levy limitation from a prior year.

There is also an exception for school districts for “Capital Local Expenditures” subject to voter approval where required by law. This term is defined in a manner that does not include certain items for which a school district may issue debt, including the payment of judgments or settled claims, including tax certiorari payments, and cashflow borrowings, including tax anticipation notes, revenue anticipation notes, budget notes and deficiency notes. “Capital Local Expenditures”, are defined as “the taxes associated with budgeted expenditures resulting from the financing, refinancing, acquisition, design, construction, reconstruction, rehabilitation, improvement, furnishing and equipping of or otherwise providing for school district capital facilities or school district capital equipment, including debt service and lease expenditures, and transportation capital debt service, subject to the approval of the qualified voters where required by law”. The portion of the tax levy necessary to support “Capital Local Expenditures” is defined as the “Capital Tax Levy”, and is an exclusion from the tax levy limitation. The Notes are being issued for “Capital Local Expenditures.”

See “State Aid” for a discussion of the *New Yorkers for Students’ Educational Rights v. State of New York* case which includes a challenge to the supermajority requirements regarding school district property tax increases.

## STATUS OF INDEBTEDNESS

### Constitutional Requirements

The New York State Constitution limits the power of the District (and other municipalities and certain school districts of the State) to issue obligations and to contract indebtedness. Such constitutional limitations in summary form and as generally applicable to the District include the following:

Purpose and Pledge. The District shall not give or loan any money or property to or in aid of any individual or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation.

The District may contract indebtedness only for a District purpose and shall pledge its faith and credit for the payment of principal of and interest thereon.

*Payment and Maturity.* Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three fiscal year periods, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute; unless substantially level or declining annual debt service is utilized, no installment may be more than fifty percent in excess of the smallest prior installment. The District is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

## **Statutory Procedure**

In general, the State Legislature has, by the enactment of the Local Finance Law, authorized the powers and procedure for the District to borrow and incur indebtedness subject, of course, to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including the Education Law.

*Debt Limit.* The School District has the power to contract indebtedness for any School District purpose authorized by the Legislature of the State provided the aggregate principal amount thereof shall not exceed ten per centum of the full valuation of the taxable real estate of the School District and subject to certain enumerated deductions such as State aid for building purposes. The statutory method for determining full valuation is by taking assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the ratio (equalization rate) which such assessed valuation bears to the full valuation; such ratio is determined by the State Office of Real Property Services. The Legislature prescribes the manner by which such ratio shall be determined.

The District is generally required by such laws to submit propositions for the expenditure of money for capital purposes to the qualified electors of the District. Upon approval thereby, the Board of Education may adopt a bond resolution authorizing the issuance of bonds, and notes in anticipation of the bonds. No down payment is required in connection with the issuance of District obligations.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto.

The Local Finance Law also provides that where a bond resolution is published with a statutory form of notice, the validity of the bonds authorized thereby, including bond anticipation notes issued in anticipation of the sale thereof, may be contested only if:

- (1) Such obligations are authorized for a purpose for which the District is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied within the authorization of such obligations and an action contesting such validity, is commenced within twenty days after the date of such publication or,
- (3) Such obligations are authorized in violation of the provisions of the Constitution.

The District complied with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

The Board of Education, as the finance board of the District, has the power to enact bond resolutions. In addition, such finance board has the power to authorize the sale and issuance of obligations. However, such finance board may delegate the power to sell the obligations to the President of the Board of Education, the chief fiscal officer of the District, pursuant to the Local Finance Law.

Statutory Law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such notes outstanding, commencing no later than two years from the date of the first of such notes and provided that such renewals do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein, and "Details of Outstanding Indebtedness" herein).



The District is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation and contracting indebtedness; however, the State Legislature is prohibited by a specific constitutional provision from restricting the power of the District to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. See “NATURE OF OBLIGATION” and “TAX LEVY LIMITATION LAW” herein.

In general, the Local Finance Law contains provisions providing the District with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes and budget notes (see “Details of Outstanding Indebtedness” herein).

#### Debt Outstanding End of Fiscal Year

<u>Fiscal Years Ending June 30<sup>th</sup>:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Bonds	\$ 24,510,000	\$ 22,840,000	\$ 20,860,000	\$ 18,795,000	\$ 16,640,000
Bond Anticipation Notes	0	0	0	0	0
Lease Purchase Obligations <sup>(1)</sup>	<u>55,595</u>	<u>37,682</u>	<u>23,835</u>	<u>10,387</u>	<u>643,004</u>
Total Debt Outstanding	<u>\$ 24,565,595</u>	<u>\$ 22,877,682</u>	<u>\$ 20,883,835</u>	<u>\$ 18,805,387</u>	<u>\$ 17,283,004</u>

(1) In 2022, the District implemented GASB Statement No. 87 for accounting and reporting leases. See “Lease Purchase Obligations” herein.

Note: Apart from as noted above, the figures above do not include any energy performance contract, capital lease, or installment purchase indebtedness, to the extent that any such indebtedness may be applicable to the District.

#### Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District as of January 27, 2026:

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2026-2036	\$ 16,640,000
<u>Bond Anticipation Notes</u>		
Capital Project	July 24, 2026	<u>5,000,000</u>
	Total Indebtedness	<u>\$ 21,640,000</u>

Notes: The table above does not include any energy performance contract, capital lease or installment purchase indebtedness, to the extent any such indebtedness may be applicable to the District. See “Lease Purchase Obligations” herein.

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**Debt Statement Summary**

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of January 27, 2026:

Full Valuation of Taxable Real Property .....	\$	430,859,657
Debt Limit 10% thereof.....		43,085,966
<u>Inclusions:</u>		
Bonds.....	\$	16,640,000
Bond Anticipation Notes:.....		<u>5,000,000</u>
Total Inclusions prior to issuance of the Notes .....		<u>21,640,000</u>
Add: New money proceeds of the Notes .....		<u>3,000,000</u>
Total Net Inclusions after issuance of the Notes .....	\$	<u>24,640,000</u>
<u>Exclusions:</u>		
State Building Aid <sup>(1)</sup> .....	\$	<u>0</u>
Total Exclusions.....	\$	<u>0</u>
Total Net Indebtedness <sup>(2)</sup> .....	\$	<u>24,640,000</u>
Net Debt-Contracting Margin.....	\$	<u>18,445,966</u>
The percent of debt contracting power exhausted is <sup>(2)</sup> .....		57.18%

<sup>(1)</sup> Pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963, the School District receives aid on existing bonded debt. Since the gross indebtedness of the School District is within the debt limit, the School District is not required to apply for a Building Aid Estimate. Over the years the building aid ratio has been adjusted based on State legislative changes with an effective date tied to voter authorization dates. Based on preliminary 2026-2027 Building Aid Ratios, the School District anticipates State building aid of 94.8% for debt service on SED approved expenditures from July 1, 2004 to the present. The School District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the School District will receive in relation to its capital project indebtedness.

<sup>(2)</sup> Does not include indebtedness related to the District’s lease purchase obligations. See “Lease Purchase Obligations” herein. With this debt included, the District remains within its debt limit.

Note: The State Constitution does not provide for the inclusion of tax anticipation or revenue anticipation notes in the computation of the net indebtedness of the District.

**Bonded Debt Service**

A schedule of bonded debt service may be found in “APPENDIX – B” to this Official Statement.

**Cash Flow Borrowings**

The District has not issued revenue anticipation notes since the 2005-2006 fiscal year, and does not reasonably expect to issue either revenue anticipation notes or tax anticipation notes in the foreseeable future.

**Capital Project Plans**

Historically, the District issued debt for buses annually, however, the District has transportation vehicle reserve funds for the purchase of buses. In May 2019, voters authorized a transportation vehicle reserve in the amount of \$2,000,000 for the future purchase of buses. The balance of the 2019 reserve is \$1,100,091. In May 2025, voters authorized the Transportation Vehicles Reserve Fund III in an ultimate amount of \$5,000,000.

On May 20, 2025, District voters approved to withdraw funds from the transportation vehicle reserve for the purchase of buses in the amount not to exceed \$850,000. The bus purchase will not be financed as payment will be made from the transportation reserve funds or at the option of the Board of Education, budgetary fund balance.

On December 12, 2023, District voters approved a \$25,600,000 referendum for a District-wide capital improvement project with no tax increase to District residents. The District will finance the project with the expenditure of \$5,000,000 from the capital reserve fund and the issuance of \$20,600,000 of bond anticipation notes and serial bonds. On August 8, 2025, the District issued \$5,000,000 bond anticipation notes as the initial borrowing against this authorization which are outstanding and mature July 24, 2026. The proceeds of the Notes will provide \$3,000,000 in new monies for the aforementioned purpose.

Other than as stated above, the District has no other projects authorized or contemplated at this time.

### Lease Purchase Obligations

The following is a summary of the District's debt service requirements for its lease purchase obligations as of June 30, 2025:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 125,800	\$ 23,605	\$ 149,405
2027	130,758	18,447	149,205
2028	135,843	13,081	148,924
2029	141,038	7,514	148,552
2030	109,565	1,849	111,414
<b>TOTAL</b>	<b>\$ 643,004</b>	<b>\$ 64,496</b>	<b>\$ 707,500</b>

Note: The above table is not audited. For additional information see "APPENDIX – E" attached herein.

Source: 2025 Audited Financial Statements.

### Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue obligations and to levy taxes or cause taxes to be levied on taxable real property in the District. Estimated bonds and bond anticipation notes are listed of the respective municipalities.

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> <sup>(1)</sup>	<u>Exclusions</u> <sup>(2)</sup>	<u>Net Indebtedness</u>	<u>District Share</u>	<u>Net Overlapping Indebtedness</u>
County of:						
Wayne	6/29/2025	\$ 7,472,000 <sup>(3)</sup>	\$ 637,000	\$ 6,835,000	4.80%	\$ 328,080
Seneca	6/25/2025	8,320,000 <sup>(3)</sup>	2,417,100	5,902,900	0.36%	21,250
Town of:						
Butler	12/31/2024	- <sup>(4)</sup>	- <sup>(5)</sup>	-	3.92%	-
Galen	12/31/2024	- <sup>(4)</sup>	- <sup>(5)</sup>	-	91.11%	-
Junius	12/31/2024	924,245 <sup>(4)</sup>	- <sup>(5)</sup>	924,245	0.37%	3,420
Lyons	12/31/2024	- <sup>(4)</sup>	- <sup>(5)</sup>	-	0.01%	-
Rose	12/31/2024	- <sup>(4)</sup>	- <sup>(5)</sup>	-	1.02%	-
Savannah	12/31/2024	840,207 <sup>(4)</sup>	- <sup>(5)</sup>	840,207	83.09%	698,128
Tyre	12/31/2024	157,600 <sup>(4)</sup>	- <sup>(5)</sup>	157,600	9.64%	15,193
Village of:						
Clyde	5/31/2024	5,963,434 <sup>(4)</sup>	- <sup>(5)</sup>	5,963,434	100.00%	5,963,434
Total:						<u>\$ 7,029,505</u>

(1) Outstanding bonds and bond anticipation notes of the respective municipality. Not adjusted to include subsequent issuances, if any, from the date of the status of indebtedness stated in the table above for each respective municipality.

(2) Water debt, sewer debt and budgeted appropriations as applicable to the respective municipality. Water Indebtedness excluded pursuant to Article VIII, Section 5B of the New York State Constitution. Sewer Indebtedness excluded pursuant to Article VIII, Section 5E of the New York State Constitution, as further prescribed under section 124.10 of the Local Finance Law. Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.

(3) Gross indebtedness, exclusions, and net-indebtedness sourced from available annual financial information & operating data filings and/or official statements of the respective municipality.

(4) Gross indebtedness sourced from local government data provided by the State Comptroller's office for the most recent fiscal year such data is available for the respective municipality.

(5) Information regarding excludable debt not available.

## Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of January 27, 2026:

	<u>Amount</u>	<u>Per Capita</u> <sup>(a)</sup>	<u>Percentage of Full Value</u> <sup>(b)</sup>
Net Indebtedness <sup>(c)</sup> .....	\$ 24,640,000	\$ 4,646.43	5.71%
Net Indebtedness Plus Net Overlapping Indebtedness <sup>(d)</sup> .....	31,669,505	5,971.99	7.35

(a) The 2023 estimated population of the District is 5,303. (See "THE SCHOOL DISTRICT – Population" herein.)

(b) The District's full value of taxable real estate for 2025-2026 is \$430,859,657. (See "TAX INFORMATION – Taxable Valuations" herein.)

(c) See "Debt Statement Summary" herein.

(d) Estimated net overlapping indebtedness is \$7,029,505. (See "Estimated Overlapping Indebtedness" herein.)

Note: The above ratios do not take into account State building aid the District will receive for past and current construction building projects, nor installment purchase or lease purchase obligations.

## SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

**State Aid Intercept for School Districts.** In the event of a default in the payment of the principal of and/or interest on the Notes, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99-b of the State Finance Law, state aid and assistance to the School District and to apply the amount thereof so withheld to the payment of such defaulted principal and/or interest, which requirement constitutes a covenant by the State with the holders from time to time of the Notes. The covenant between the State of New York and the purchasers and the holders and owners from time to time of the notes and bonds issued by the school districts in the State for school purposes provides that it will not repeal, revoke or rescind the provisions of Section 99-b, or amend or modify the same so as to limit, impair or impede the rights and remedies granted thereby.

Said section provides that in the event a holder or owner of any bond issued by a school district for school purposes shall file with the State Comptroller a verified statement describing such bond and alleging default in the payment thereof or the interest thereon or both, it shall be the duty of the State Comptroller to immediately investigate the circumstances of the alleged default and prepare and file in his office a certificate setting forth his determinations with respect thereto and to serve a copy thereof by registered mail upon the chief fiscal officer of the school district which issued the bond. Such investigation by the State Comptroller shall cover the current status with respect to the payment of principal of and interest on all outstanding bonds of such school district issued for school purposes and the statement prepared and filed by the State Comptroller shall set forth a description of all such bonds of the school district found to be in default and the amount of principal and interest thereon past due.

Upon the filing of such a certificate in the office of the State Comptroller, he shall thereafter deduct and withhold from the next succeeding allotment, apportionment or payment of such State aid or assistance due to such school district such amount thereof as may be required to pay (a) the school district's contribution to the State teachers retirement system, and (b) the principal of and interest on such bonds of such school district then in default. In the event such State aid or assistance initially so withheld shall be insufficient to pay said amounts in full, the State Comptroller shall similarly deduct and withhold from each succeeding allotment, apportionment or payment of such State aid or assistance due such school district such amount or amounts thereof as may be required to cure such default. Allotments, apportionments and payments of such State aid so deducted or withheld by the State Comptroller for the payment of principal and interest on bonds shall be forwarded promptly to the paying agent or agents for the bonds in default of such school district for the sole purpose of the payment of defaulted principal of and interest on such bonds. If any of such successive allotments, apportionments or payments of such State Aid so deducted or withheld shall be less than the amount of all principal and interest on the bonds in default with respect to which the same was so deducted or withheld, then the State Comptroller shall promptly forward to each paying agent an amount in the proportion that the amount of such bonds in default payable to such paying agent bears to the total amount of the principal and interest then in default on such bonds of such school district. The State Comptroller shall promptly notify the chief fiscal officer of such school district of any payment or payments made to any paying agent or agents of defaulted bonds pursuant to said Section 99-b.

**General Municipal Law Contract Creditors' Provision.** Each Note when duly issued and paid for will constitute a contract between the School District and the holder thereof. Under current law, provision is made for contract creditors of the School District to enforce payments upon such contracts, if necessary, through court action. Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the School District upon any judgment or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centum per annum from the date due to the date of payment. This provision might be construed to have application to the holders of the Notes in the event of a default in the payment of the principal of and interest on the Notes.

**Execution/Attachment of Municipal Property.** As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain funds or the proceeds of a tax levy. In accordance with the general rule with respect to municipalities, judgments against the School District may not be enforced by levy and execution against property owned by the School District.

**Authority to File For Municipal Bankruptcy.** The Federal Bankruptcy Code allows public bodies, such as municipalities, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness. While this Local Finance Law provision does not apply to school districts, there can be no assurance that it will not be made so applicable in the future.

**Constitutional Non-Appropriation Provision.** There is in the Constitution of the State, Article VIII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, city, town, village and school district in the State: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness." This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. See "General Municipal Law Contract Creditors' Provision" herein.

The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

**Default Litigation.** In prior years, certain events and legislation affecting a holder's remedies upon default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of bondholders, such courts might hold that future events including financial crises as they may occur in the State and in political subdivisions of the State require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service.

**No Past Due Debt.** No principal of or interest on School District indebtedness is past due. The School District has never defaulted in the payment of the principal of and interest on any indebtedness.

## **MARKET AND RISK FACTORS**

There are various forms of risk associated with investing in the Notes. The following is a discussion of certain events that could affect the risk of investing in the Notes. In addition to the events cited herein, there are other potential risk factors that an investor must consider. In order to make an informed investment decision, an investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential risk.

The financial condition of the School District as well as the market for the Notes could be affected by a variety of factors, some of which are beyond the School District's control. There can be no assurance that adverse events in the State or in other jurisdictions in the country, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Notes. If a significant default or other financial crisis should occur in the affairs of the State or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the School District to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Notes, could be adversely affected.

The School District is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the School District, in any year, the School District may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the School District. In several recent years, the School District has received delayed payments of State aid which resulted from the State's delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. (See also "THE SCHOOL DISTRICT - State Aid").

The enactment of the Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the School District could have an impact upon the market price of the Notes. See “TAX LEVY LIMITATION LAW” herein.

Future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent the beneficial owners of the Notes from realizing the full current benefit of the tax status of such interest. No assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of the Notes, or the tax status of interest on the Notes. See “TAX MATTERS” herein.

Cybersecurity. The District, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the District will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attacks could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant.

## **TAX MATTERS**

In the opinion of Orrick, Herrington & Sutcliffe LLP (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel is of the further opinion that interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in “APPENDIX – D”.

To the extent the issue price of any maturity of the Notes is less than the amount to be paid at maturity of such Notes (excluding amounts stated to be interest and payable at least annually over the term of such Notes), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Notes which is excluded from gross income for federal income tax purposes and exempt from State of New York personal income taxes. For this purpose, the issue price of a particular maturity of the Notes is the first price at which a substantial amount of such maturity of the Notes is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Notes accrues daily over the term to maturity of such Notes on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Notes to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Notes. Owners of the Notes should consult their own tax advisors with respect to the tax consequences of ownership of Notes with original issue discount, including the treatment of owners who do not purchase such Notes in the original offering to the public at the first price at which a substantial amount of such Notes is sold to the public.

Notes purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Notes”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Notes, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and an owner’s basis in a Premium Note, will be reduced by the amount of amortizable bond premium properly allocable to such owner. Owners of Premium Notes should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

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Bond Counsel is of the further opinion that the amount treated as interest on the Notes and excluded from gross income will depend upon the taxpayer's election under Internal Revenue Notice 94-84. Notice 94-84, 1994-2 C.B. 559, states that the Internal Revenue Service (the "IRS") is studying whether the amount of the stated interest payable at maturity on short-term debt obligations (i.e., debt obligations with a stated fixed rate of interest which mature not more than one year from the date of issue) that is excluded from gross income for federal income tax purposes should be treated (i) as qualified stated interest or (ii) as part of the stated redemption price at maturity of the short-term debt obligation, resulting in treatment as accrued original issue discount (the "original issue discount"). The Notes will be issued as short-term debt obligations. Until the IRS provides further guidance with respect to tax-exempt short-term debt obligations, taxpayers may treat the stated interest payable at maturity either as qualified stated interest or as includable in the stated redemption price at maturity, resulting in original issue discount as interest that is excluded from gross income for federal income tax purposes. However, taxpayers must treat the amount to be paid at maturity on all tax-exempt short-term debt obligations in a consistent manner. Taxpayers should consult their own tax advisors with respect to the tax consequences of ownership of Notes if the taxpayer elects original issue discount treatment.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Notes. The District has covenanted to comply with certain restrictions designed to ensure that interest on the Notes will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Notes being included in gross income for federal income tax purposes possibly from the date of original issuance of the Notes. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Notes may adversely affect the value of, or the tax status of interest on, the Notes. Further, no assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Notes.

Certain requirements and procedures contained or referred to in the Arbitrage Certificate, and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Notes) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Notes or the interest thereon if any such change occurs or action is taken or omitted.

Although Bond Counsel is of the opinion that interest on the Notes is excluded from gross income for federal income tax purposes and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York), the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes may otherwise affect an owner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the owner or the owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Notes for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Notes ends with the issuance of the Notes, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the owners regarding the tax-exempt status of the Notes in the event of an audit examination by the IRS. Under current procedures, owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Notes for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Notes, and may cause the District or the owners to incur significant expense.

Payments on the Notes generally will be subject to U.S. information reporting and possibly to “backup withholding.” Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate owner of Notes may be subject to backup withholding with respect to “reportable payments,” which include interest paid on the Notes and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Notes. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number (“TIN”) to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a “notified payee underreporting” described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against an owner’s federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

## **LEGAL MATTERS**

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel’s opinion will be in substantially the form attached hereto as “APPENDIX – D”.

## **LITIGATION**

The School District is subject to a number of lawsuits in the ordinary conduct of its affairs. The School District does not believe, however, that such suits, individually or in the aggregate, are likely to have a material adverse effect on the financial condition of the School District.

There is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the School District, threatened against or affecting the School District to restrain or enjoin the issuance, sale or delivery of the Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Notes or any proceedings or authority of the School District taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the School District.

## **CONTINUING DISCLOSURE**

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), the District will enter into an Undertaking to Provide Notice of Material Events Certificate, the description of which is attached hereto as “APPENDIX – C”.

## **Historical Compliance**

The District has in the previous five years complied, in all material respects, with any previous undertakings pursuant to the Rule.

## **MUNICIPAL ADVISOR**

Fiscal Advisors & Marketing, Inc. (the “Municipal Advisor”) is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent financial advisor to the District on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Notes. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the District and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the District or the information set forth in this Official Statement or any other information available to the District with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the District to Fiscal Advisors are partially contingent on the successful closing of the Notes.



## CUSIP IDENTIFICATION NUMBERS

If the Notes are issued in registered book-entry form, it is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Notes. All expenses in relation to the printing of CUSIP numbers on the Notes will be paid for by the District provided, however; the District assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

## RATINGS

The Notes are not rated. The purchaser(s) of the Notes may choose to request that a rating be assigned after the sale at the expense of the purchaser(s) pending the approval of the District and applicable rating agency, including any fees to be incurred by the District, as such rating action may result in a material event notification to be posted to EMMA and/or the provision of a Supplement to the final Official Statement. (See “APPENDIX – C” herein).

The District does not currently have an underlying rating of its general obligation debt.

Generally, rating agencies base their ratings on the information and materials furnished to it and on investigations, studies and assumptions by the respective rating agency. There is no assurance that a particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant. Any downward revision or withdrawal of the rating of the outstanding bonds may have an adverse effect on the market price of the outstanding bonds and the Notes.

## MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of the Notes.

Statements in this official statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the District management’s beliefs as well as assumptions made by, and information currently available to, the District’s management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the District’s files with the repositories. When used in District documents or oral presentation, the words “anticipate”, “estimate”, “expect”, “objective”, “projection”, “forecast”, “goal”, or similar words are intended to identify forward-looking statements.

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Notes.

Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel to the District, expresses no opinions as to the accuracy or completeness of information in any documents prepared by or on behalf of the District for use in connection with the offer and sale of the Notes, including but not limited to, the financial or statistical information in this Official Statement.

References herein to the Constitution of the State and various State and federal laws are only brief outlines of certain provisions thereof and do not purport to summarize or describe all of such provisions.

Concurrently with the delivery of the Notes, the District will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to a limitation as to information in the Official Statement obtained from sources other than the District.

The Official Statement is submitted only in connection with the sale of the Notes by the District and may not be reproduced or used in whole or in part for any other purpose.

The District hereby disclaims any obligation to update developments of the various risk factors or to announce publicly any revision to any of the forward-looking statements contained herein or to make corrections to reflect future events or developments except to the extent required by Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Fiscal Advisors & Marketing, Inc. may place a copy of this Official Statement on its website at [www.fiscaladvisors.com](http://www.fiscaladvisors.com). Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Fiscal Advisors & Marketing, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the District nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the District disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Fiscal Advisors & Marketing, Inc. and the District also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

The District's contact information is as follows: Susan L. Gray, Assistant Superintendent for Business and Operations, Clyde-Savannah Central School District, District Office, 215 Glasgow Street, Clyde, New York 14433-1299, Phone: (315) 902-3000 x 1003, Fax: (315) 923-2560, Email: [susan.gray@clydesavannah.org](mailto:susan.gray@clydesavannah.org).

Additional copies of the Notice of Sale and the Official Statement may be obtained upon request from the offices of Fiscal Advisors & Marketing, Inc., telephone number (315) 752-0051, or at [www.fiscaladvisors.com](http://www.fiscaladvisors.com).

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**

**Dated: January 27, 2026**

**JENNIFER SULLIVAN**  
**PRESIDENT OF THE BOARD OF EDUCATION AND**  
**CHIEF FISCAL OFFICER**

**GENERAL FUND**

**Balance Sheets**

Fiscal Year Ending June 30:	<u><b>2021</b></u>	<u><b>2022</b></u>	<u><b>2023</b></u>	<u><b>2024</b></u>	<u><b>2025</b></u>
<u><b>ASSETS</b></u>					
Unrestricted Cash	\$ 5,914,759	\$ 7,325,399	\$ 10,410,211	\$ 8,065,867	\$ 13,199,164
Restricted Cash	-	-	-	-	-
Due from Other Funds	1,147,521	1,512,340	1,425,551	1,784,584	1,418,880
Due from Fiduciary Funds	-	-	-	-	-
Due from Other Governments	871,365	909,130	1,096,519	1,629,501	1,148,692
Due from State and Federal	1,440,014	1,391,846	345,232	379,919	389,650
Other Receivables	5,679	8,088	6,323	-	-
Prepaid Expenditures	331,147	325,973	268,579	268,085	274,418
<b>TOTAL ASSETS</b>	<u><b>\$ 9,710,485</b></u>	<u><b>\$ 11,472,776</b></u>	<u><b>\$ 13,552,415</b></u>	<u><b>\$ 12,127,956</b></u>	<u><b>\$ 16,430,804</b></u>
<u><b>LIABILITIES AND FUND EQUITY</b></u>					
Accounts Payable	\$ 501,263	\$ 178,333	\$ 579,454	\$ 284,119	\$ 2,168,759
Accrued Liabilities	51,300	72,558	78,294	50,439	33,692
Due to Other Funds	7,628	758	50,814	108,926	117,663
Due to Fiduciary Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Due to Teachers' Retirement System	708,024	710,343	762,197	749,316	731,279
Due to Employees' Retirement System	73,686	68,237	84,861	104,149	128,853
Bond Interest and Matured Bonds	-	-	-	-	-
Bond Anticipation Notes Payable	-	-	-	-	-
Compensated Absences	105,640	116,912	89,878	119,530	-
Other Liabilities	67,190	114,013	53,742	57,001	105,023
<b>TOTAL LIABILITIES</b>	<u><b>1,514,731</b></u>	<u><b>1,261,154</b></u>	<u><b>1,699,240</b></u>	<u><b>1,473,480</b></u>	<u><b>3,285,269</b></u>
<u><b>FUND EQUITY</b></u>					
Non-spendable	\$ 331,147	\$ 325,973	\$ 268,579	\$ 268,085	\$ 274,418
Restricted	6,058,378	7,988,925	9,903,626	8,284,197	11,039,510
Assigned	775,914	812,393	523,939	930,736	609,220
Unassigned	1,030,315	1,084,331	1,157,031	1,171,458	1,222,387
<b>TOTAL FUND EQUITY</b>	<u><b>8,195,754</b></u>	<u><b>10,211,622</b></u>	<u><b>11,853,175</b></u>	<u><b>10,654,476</b></u>	<u><b>13,145,535</b></u>
<b>TOTAL LIABILITIES and FUND EQUITY</b>	<u><b>\$ 9,710,485</b></u>	<u><b>\$ 11,472,776</b></u>	<u><b>\$ 13,552,415</b></u>	<u><b>\$ 12,127,956</b></u>	<u><b>\$ 16,430,804</b></u>

Source: Audited financial reports of the School District. This Appendix is not itself audited.

**GENERAL FUND**

**Revenues, Expenditures and Changes in Fund Balance**

Fiscal Years Ending June 30:	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b><u>REVENUES</u></b>					
Real Property Taxes & Items	\$ 5,027,032	\$ 5,133,734	\$ 5,246,500	\$ 5,258,413	\$ 5,275,653
Other Tax Items	344,002	355,731	339,620	448,382	427,468
Charges for Services	99,074	46,664	53,059	152,901	37,751
Use of Money & Property	41,293	20,281	6,956	224,740	508,771
Sale of Property and					
Compensation for Loss	11,135	1,075	39,680	10,009	3,845
Miscellaneous	309,087	295,072	335,256	239,858	534,313
Revenues from State Sources	14,391,918	15,614,084	17,028,094	18,306,357	21,386,874
Revenue from Federal Sources	123,988	399,966	73,495	102,863	105,545
Total Revenues	<u>\$ 20,347,529</u>	<u>\$ 21,866,607</u>	<u>\$ 23,122,660</u>	<u>\$ 24,743,523</u>	<u>\$ 28,280,220</u>
Other Sources:					
Interfund Transfers	<u>45,150</u>	<u>50,000</u>	<u>45,150</u>	<u>70,842</u>	<u>444</u>
Total Revenues and Other Sources	<u>20,392,679</u>	<u>21,916,607</u>	<u>23,167,810</u>	<u>24,814,365</u>	<u>28,280,664</u>
<b><u>EXPENDITURES</u></b>					
General Support	\$ 2,623,482	\$ 2,872,203	\$ 3,104,071	\$ 3,398,076	\$ 3,439,911
Instruction	10,585,903	9,403,473	9,337,025	10,481,914	10,975,216
Pupil Transportation	864,957	892,735	1,053,844	1,388,511	1,403,025
Community Services	72,069	-	-	-	101,384
Employee Benefits	4,137,453	4,230,160	4,137,603	4,318,064	4,316,918
Debt Service	1,357,005	2,449,160	3,036,261	3,041,970	3,036,331
Total Expenditures	<u>\$ 19,640,869</u>	<u>\$ 19,847,731</u>	<u>\$ 20,668,804</u>	<u>\$ 22,628,535</u>	<u>\$ 23,272,785</u>
Other Uses:					
Interfund Transfers	<u>1,062,987</u>	<u>376,780</u>	<u>483,138</u>	<u>544,277</u>	<u>6,206,578</u>
Total Expenditures and Other Uses	<u>20,703,856</u>	<u>20,224,511</u>	<u>21,151,942</u>	<u>23,172,812</u>	<u>29,479,363</u>
Excess (Deficit) Revenues Over Expenditures	<u>(311,177)</u>	<u>1,692,096</u>	<u>2,015,868</u>	<u>1,641,553</u>	<u>(1,198,699)</u>
<b><u>FUND BALANCE</u></b>					
Fund Balance - Beginning of Year	6,814,835	6,503,658	8,195,754	10,211,622	11,853,175
Prior Period Adjustments (net)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 6,503,658</u>	<u>\$ 8,195,754</u>	<u>\$ 10,211,622</u>	<u>\$ 11,853,175</u>	<u>\$ 10,654,476</u>

Source: Audited financial reports of the School District. This Appendix is not itself audited.

**GENERAL FUND**

**Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Fiscal Years Ending June 30:	<b>2025</b>			<b>2026</b>
	<u>Adopted</u>	<u>Modified</u>		<u>Adopted</u>
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
<b><u>REVENUES</u></b>				
Real Property Taxes	\$ 5,269,278	\$ 5,337,663	\$ 5,343,801	\$ 5,316,701
Other Tax Items	388,385	320,000	361,404	346,742
Charges for Services	51,500	51,500	31,864	40,500
Use of Money & Property	100,000	100,000	373,885	200,000
Sale of Property and				
Compensation for Loss	500	500	980	500
Miscellaneous	305,000	305,000	686,530	400,000
Revenues from State Sources	21,365,402	21,365,402	21,941,264	21,950,243
Revenues from Federal Sources	100,000	100,000	135,336	100,000
Total Revenues	<u>\$ 27,580,065</u>	<u>\$ 27,580,065</u>	<u>\$ 28,875,064</u>	<u>\$ 28,354,686</u>
Other Sources:				
Appropriated Reserves	300,000	1,292,433	671,689	736,724
Interfund Transfers	<u>50,000</u>	<u>50,000</u>	<u>13,783</u>	<u>50,000</u>
Total Revenues and Other Sources	<u>27,930,065</u>	<u>28,922,498</u>	<u>29,560,536</u>	<u>29,141,410</u>
<b><u>EXPENDITURES</u></b>				
General Support	\$ 4,929,608	\$ 4,429,787	\$ 3,686,282	\$ 5,107,616
Instruction	11,581,439	14,028,149	13,550,441	12,396,518
Pupil Transportation	1,752,074	1,919,808	1,672,818	1,956,325
Community Services	278,220	231,970	197,937	355,570
Employee Benefits	6,146,519	4,684,679	4,482,333	6,180,226
Debt Service	<u>3,042,205</u>	<u>3,068,105</u>	<u>3,067,550</u>	<u>3,045,155</u>
Total Expenditures	<u>\$ 27,730,065</u>	<u>\$ 28,362,498</u>	<u>\$ 26,657,361</u>	<u>\$ 29,041,410</u>
Other Uses:				
Interfund Transfers	<u>200,000</u>	<u>560,000</u>	<u>531,646</u>	<u>100,000</u>
Total Expenditures and Other Uses	<u>27,930,065</u>	<u>28,922,498</u>	<u>27,189,007</u>	<u>29,141,410</u>
Excess (Deficit) Revenues Over				
Expenditures	<u>-</u>	<u>-</u>	<u>2,371,529</u>	<u>-</u>
<b><u>FUND BALANCE</u></b>				
Fund Balance - Beginning of Year	-	-	10,654,476	-
Prior Period Adjustments (net)	<u>-</u>	<u>-</u>	<u>119,530</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,145,535</u>	<u>\$ -</u>

Source: Audited financial report and budgets of the School District. This Appendix is not itself audited.

**APPENDIX - B**  
**Clyde-Savannah CSD**

**BONDED DEBT SERVICE**

Fiscal Year Ending June 30th	Principal	Interest	Total
2026	\$ 2,250,000	\$ 774,755.00	\$ 3,024,755.00
2027	2,355,000	667,745.00	3,022,745.00
2028	1,455,000	555,350.00	2,010,350.00
2029	1,365,000	487,800.00	1,852,800.00
2030	1,245,000	422,250.00	1,667,250.00
2031	1,305,000	360,000.00	1,665,000.00
2032	1,375,000	294,750.00	1,669,750.00
2033	1,440,000	226,000.00	1,666,000.00
2034	1,510,000	154,000.00	1,664,000.00
2035	1,575,000	93,600.00	1,668,600.00
2036	765,000	30,600.00	795,600.00
TOTALS	\$ 16,640,000	\$ 4,066,850.00	\$ 20,706,850.00

**CURRENT BONDS OUTSTANDING**

Fiscal Year Ending June 30th	2013 DASNY			2014 DASNY		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 920,000	\$ 94,250.00	\$ 1,014,250.00	\$ 305,000	\$ 37,505.00	\$ 342,505.00
2027	965,000	48,250.00	1,013,250.00	315,000	27,745.00	342,745.00
2028	-	-	-	325,000	17,350.00	342,350.00
2029	-	-	-	180,000	6,300.00	186,300.00
TOTALS	\$ 1,885,000	\$ 142,500.00	\$ 2,027,500.00	\$ 1,125,000	\$ 88,900.00	\$ 1,213,900.00

Fiscal Year Ending June 30th	2021 DASNY		
	Principal	Interest	Total
2026	\$ 1,025,000	\$ 643,000.00	\$ 1,668,000.00
2027	1,075,000	591,750.00	1,666,750.00
2028	1,130,000	538,000.00	1,668,000.00
2029	1,185,000	481,500.00	1,666,500.00
2030	1,245,000	422,250.00	1,667,250.00
2031	1,305,000	360,000.00	1,665,000.00
2032	1,375,000	294,750.00	1,669,750.00
2033	1,440,000	226,000.00	1,666,000.00
2034	1,510,000	154,000.00	1,664,000.00
2035	1,575,000	93,600.00	1,668,600.00
2036	765,000	30,600.00	795,600.00
TOTALS	\$ 13,630,000	\$ 3,835,450.00	\$ 17,465,450.00

## MATERIAL EVENT NOTICES

In accordance with the provisions of Rule 15c2-12, as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, the School District has agreed to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, during the period in which the Notes are outstanding, to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule, notice of the occurrence of any of the following events with respect to the Notes:

- (a) principal and interest payment delinquencies
- (b) non-payment related defaults, if material
- (c) unscheduled draws on debt service reserves reflecting financial difficulties
- (d) in the case of credit enhancement, if any, provided in connection with the issuance of the securities, unscheduled draws on credit enhancements reflecting financial difficulties
- (e) substitution of credit or liquidity providers, or their failure to perform
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the securities, or other material events affecting the tax status of the Note
- (g) modifications to rights of Note holders, if material
- (h) note calls, if material and tender offers
- (i) defeasances
- (j) release, substitution, or sale of property securing repayment of the Notes
- (k) rating changes
- (l) bankruptcy, insolvency, receivership or similar event of the School District
- (m) the consummation of a merger, consolidation, or acquisition involving the School District or the sale of all or substantially all of the assets of the School District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
- (o) incurrence of a "financial obligation" (as defined by the Rule) of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect noteholders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

Event (c) is included pursuant to a letter from the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (c) is not applicable, since no "debt service reserves" will be established for the Note.

With respect to event (d) the School District does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes.

With respect to event (l) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the School District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the School District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the School District.



With respect to events (o) and (p), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

The School District may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if the School District determines that any such other event is material with respect to the Note; but the School District does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

The School District has agreed to provide, or cause to be provided, during the period in which the Notes are outstanding in a timely manner, to EMMA or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule, notice of its failure to provide the aforescribed material event notices, if any, on or before the date specified.

The School District reserves the right to terminate its obligation to provide the aforescribed notices of material events, as set forth above, if and when the School District no longer remains an obligated person with respect to the Note within the meaning of the Rule. The School District acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Note (including holders of beneficial interests in the Note). The right of holders of the Note to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the School District’s obligations under its material event notices undertaking and any failure by the School District to comply with the provisions of the undertaking will neither be a default with respect to the Note nor entitle any holder of the Note to recover monetary damages.

The School District reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the School District; provided that the School District agrees that any such modification will be done in a manner consistent with the Rule.

An "Undertaking to Provide Notice of Material Events" to this effect shall be provided to the purchaser(s) at closing.

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FORM OF BOND COUNSEL'S OPINION

February 24, 2026

Clyde-Savannah Central School District  
Wayne and Seneca Counties  
State of New York

Re: Clyde-Savannah Central School District, Wayne and Seneca Counties, New York  
\$3,000,000 Bond Anticipation Notes, 2026

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of a \$3,000,000 Bond Anticipation Notes, 2026 (the "Obligation"), of the Clyde-Savannah Central School District, Wayne and Seneca Counties, New York (the "Obligor"), dated February 24, 2026, numbered 1, in denomination of \$3,000,000, bearing interest at the rate of \_\_\_% per annum, payable at maturity, and maturing July 24, 2026.

We have examined:

- (1) the Constitution and statutes of the State of New York;
- (2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");
- (3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligation that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligation not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligation and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligation to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligation and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and
- (4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

We also have examined a certified copy of proceedings of the finance board of the Obligor and other proofs authorizing and relating to the issuance of the Obligation, including the form of the Obligation. In rendering the opinions expressed herein we have assumed (i) the accuracy and truthfulness of all public records, documents and proceedings, including factual information, expectations and statements contained therein, examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof, and (ii) compliance by the Obligor with the covenants contained in the Arbitrage Certificate. We also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and the certifications thereof.

In our opinion:

- (a) The Obligation has been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitutes a valid and legally binding general obligation of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligation and interest thereon, without limitation as to rate or amount; provided, however, that the enforceability (but not the validity) of the Obligation: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.
- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligation; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligation is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligation is not a specific preference item for purposes of the federal individual alternative minimum tax on individuals. We observe that interest on the Obligation included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligation.

Certain agreements, requirements and procedures contained or referred to in the Arbitrage Certificate and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Obligation) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. Accordingly, this opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters. Our engagement with respect to the Obligation has concluded with their issuance, and we disclaim any obligation to update this opinion. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents. Furthermore, we have assumed compliance with all covenants and agreements contained in the Arbitrage Certificate, including without limitation covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Obligation to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Obligation and the Arbitrage Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against municipal corporations such as the Obligor in the State of New York. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, or waiver provisions contained in the foregoing documents.

The scope of our engagement in relation to the issuance of the Obligations has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Obligor, together with other legally available sources of revenue, if any, will be sufficient to enable the Obligor to pay the principal of or interest on the Obligation as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligation for factual information which, in the judgment of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligation, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

/s/ ORRICK, HERRINGTON & SUTCLIFFE LLP

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
WAYNE AND SENECA COUNTIES, NEW YORK**

**AUDITED FINANCIAL STATEMENTS  
AND OTHER FINANCIAL INFORMATION**

**FOR THE FISCAL YEAR ENDED**

**JUNE 30, 2025**

**Such Audited Financial Statements and opinion were prepared as of date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.**

**CLYDE-SAVANNAH  
CENTRAL SCHOOL DISTRICT  
ANNUAL FINANCIAL REPORT  
JUNE 30, 2025**

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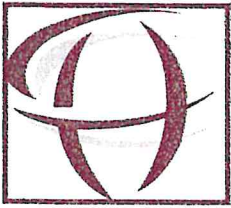
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Government Audit Quality Center  
Employee Benefit Plan Audit Quality Center

\* Licensed in NY & PA

### **Independent Auditors' Report**

To the Board of Education  
Clyde-Savannah Central School District

#### **Report on the Audit of the Financial Statements**

##### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clyde-Savannah Central School District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Clyde-Savannah Central School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Clyde-Savannah Central School District, as of June 30, 2025, and the respective changes in financial position, 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 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 Clyde-Savannah 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.

##### ***Change in Accounting Principle***

As described in Note 17 to the financial statements, the District adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

##### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clyde-Savannah 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.





### **Independent Auditors' Report (continued)**

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, the schedule of changes in the District's total OPEB liability and related ratios, the schedule of the local government's proportionate share of the net pension liability, and the schedule of the local government's share of contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.



**Independent Auditors' Report (continued)**

***Required Supplementary Information (continued)***

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clyde-Savannah Central School District's basic financial statements. Other supplementary information listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America and/or New York State Education Department. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2025, on our consideration of the Clyde-Savannah 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 that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Clyde-Savannah Central School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Clyde-Savannah Central School District's internal control over financial reporting and compliance.

*Crowley & Halloran, CPAs, P.C.*

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September 30, 2025  
Watertown, New York

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The following discussion and analysis of Clyde-Savannah Central School District's (District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2025. 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. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and other financial statements to enhance their understanding of the School District's financial performance. 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**

The assets and deferred outflows of resources of the District exceed its liabilities and deferred inflows of resources June 30, 2025 by \$18,779,151, which constitutes the net position of the District. As a whole, the school district's net position increased \$8,539,408 over the previous year's net position of \$10,239,743. The net position of the District includes all of the governmental funds and the fixed asset value of the District's land, buildings and equipment (net of estimated depreciation). At June 30, 2025, unrestricted net position (deficit) was \$(25,213,727) a positive swing of \$3,835,882. Other components of net position were net investment in capital assets of \$30,662,632 and restricted net position totaling \$13,330,246.

General revenues which include Federal and State Aid and Real Property Taxes accounted for \$28,998,278 or 89.9% of all revenues. Program specific revenues in the form of Charges for Services, Operating Grants and Operating Contributions accounted for \$3,254,055 or 10.09% of total revenues.

In accordance with New York State Public Education Law, the District maintains a fund balance in the General Fund of the District. By law, the District cannot retain more than 4% of the ensuing year's General Fund budget in its unassigned fund balance at June 30, 2025, which the District is in compliance with. Additionally, New York State Law allows the District to establish and maintain various reserves. In an effort to establish financial position and reduce dramatic fluctuations in the District's tax rates, the District has established and maintains the following reserves: Reserve for Employee Benefit Accrued Liabilities, Insurance, Reserve for Unemployment Insurance, Reserve for Workers' Compensation, Reserve for Tax Certiorari, Reserve for Liability, Reserve for Retirement, Reserve for State and Local Retirement, Reserve for Retirement System, Reserve for Scholarships, Reserve for Debt Service, Reserve for School Bus Purchases, and Reserve for Capital Building.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The School District's annual report consists of three parts: management's discussion & analysis, the basic financial statements, and required supplementary information.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

This section presents Management's Discussion and Analysis (MD&A). It precedes the financial statements and its purpose is to put current financial performance in perspective relative to past performance and future expectations.

**Reclassifications**

Certain accounts in prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

**BASIC FINANCIAL STATEMENTS**

The basic financial statements include two kinds of statements that present different views of the School District, district-wide and fund financial statements.

**District-wide Financial Statements**

The first two financial statements that follow are district-wide financial statements that provide both short-term and long-term information about the School District's overall financial status.

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 it has changed. Net Position - the balance of the School District's assets plus deferred outflows of resource less liabilities and deferred inflows of resources - is 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 non-financial factors such as changes in the School District's property tax base and the condition of school buildings and other facilities.

In the district-wide financial statements, the School District's activities are shown as governmental activities. Most of the School 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.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**Fund Financial Statements**

The remaining statements are fund financial statements that focus on individual parts of the School District. 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.

- 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.
- 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 end 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 student activities funds.

- The *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 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.

**Notes to the Financial Statements**

The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

**REQUIRED SUPPLEMENTARY INFORMATION**

The basic financial statements and notes 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.



**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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.

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

		Fund Financial Statements	
	District-Wide	Governmental Funds	Fiduciary Funds
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 activity monies
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities and changes in net position</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/deferred outflows of resources/liability /deferred inflows of resources information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both financial and capital, short-term and long-term	Generally, assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due or available during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE**

The largest component of the District's net position reflects its investment in capital assets and amounts restricted for future debt service, which is directly related to the debt used to acquire the District's capital assets. The District uses these capital assets to provide services to the students, and consequently these assets are not available for future spending. As previously discussed, the District's budget process and means of financing is done annually and is supported mostly by real property taxes and New York State Aid. Not only is the net position of the District predominantly without discretion as to their financial flexibility and liquidity, so too is the District's ability to exercise significant discretion over its budget. The District's budget is very much fixed by provisions of employment contracts, transportation obligations and fixed debt service obligations, leaving only a small portion of the annual budget to discretion.

The financial uncertainty of the State of New York caused the District to take a conservative approach with regards to the spending and finances during the year ended June 30, 2025. For the General Fund, management was diligent in their efforts to maximize State Aid and other revenue due to the District. As a result, the District received \$638,038 of additional revenue than the budgeted amount. Expenditures were monitored closely throughout the year. These efforts resulted in expenditures being lower than budgeted by \$1,424,271 after a provision for encumbrances outstanding at June 30, 2025. Current year operations resulted in a surplus of revenues and other sources over expenditures and other uses of \$2,371,529 after transfers to other funds totaling \$531,646, primarily to the capital fund for the on-going capital projects.

**Condensed Statement of Net Position**

	Governmental Activities and Total School District		Percentage
	2025	2024	Change
Current and Other Assets	\$ 21,884,439	\$ 18,391,511	19.0%
Capital & Pension Assets	51,092,625	49,266,543	3.7%
Total Assets	<u>72,977,064</u>	<u>67,658,054</u>	7.9%
Deferred Outflows of Resources	<u>5,790,317</u>	<u>8,438,743</u>	(31.4%)
Long-Term Liabilities	31,229,885	37,945,505	(17.7%)
Other Liabilities	5,542,766	4,269,143	29.8%
Total Liabilities	<u>36,772,651</u>	<u>42,214,648</u>	(12.9%)
Deferred Inflows of Resources	<u>23,215,579</u>	<u>23,642,406</u>	(1.8%)
Net position			
Net Investment in Capital Assets	30,662,632	27,952,019	9.7%
Restricted	13,330,246	11,337,333	17.6%
Unrestricted	<u>(25,213,727)</u>	<u>(29,049,609)</u>	13.2%
Total Net Position	<u>\$ 18,779,151</u>	<u>\$ 10,239,743</u>	83.4%

Total net position increased by \$8,539,408, after a restatement decreasing beginning net position for the effects of implementation of GASB No. 101, *Compensated Absences*:

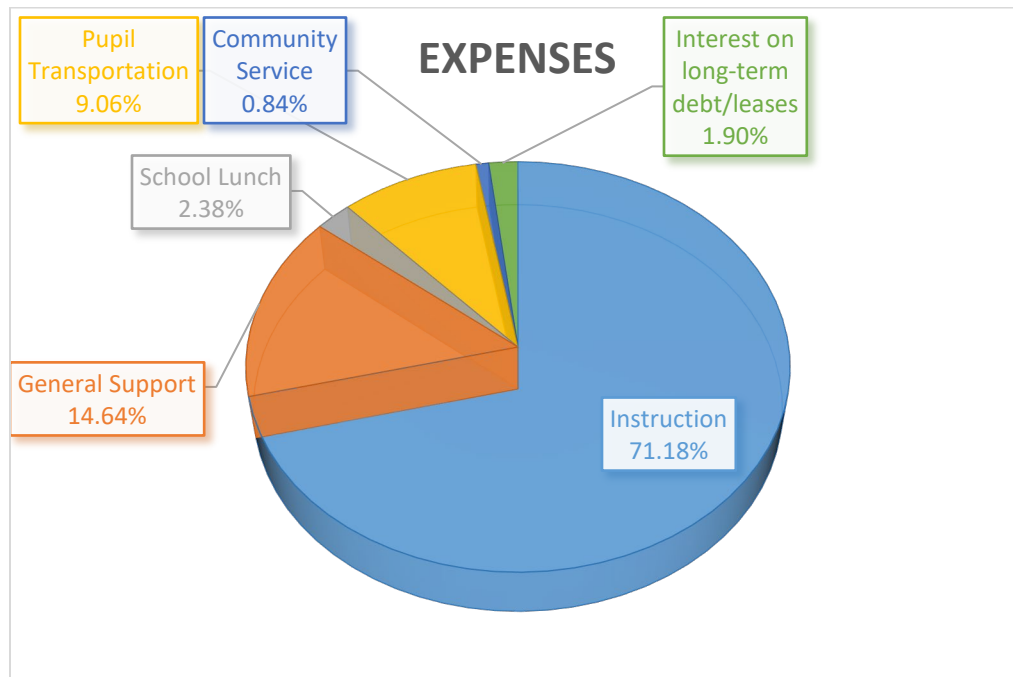
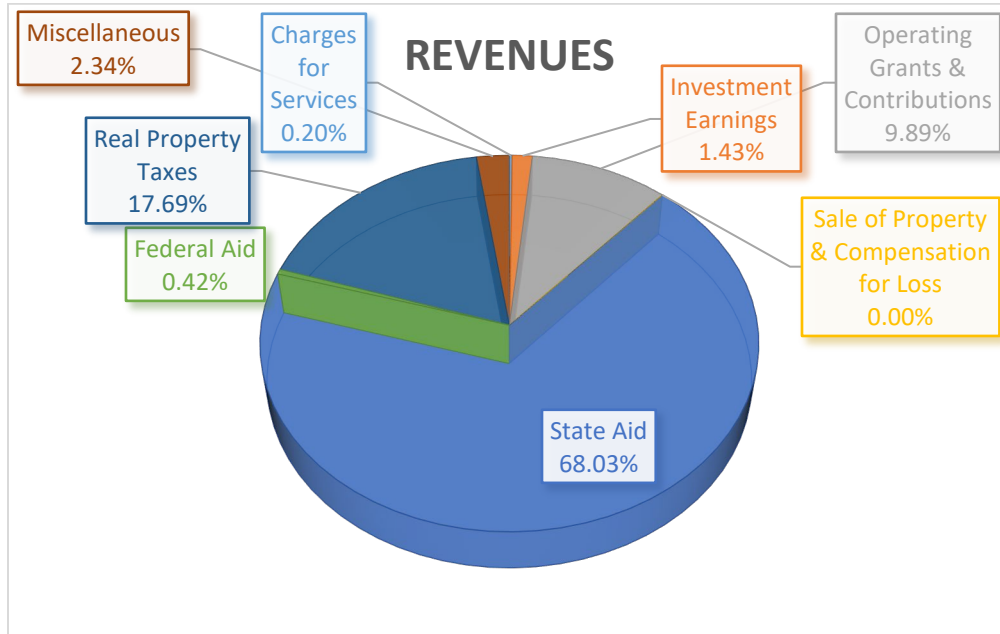
**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

- Total assets increased overall \$5,319,010. Current and other assets increased \$3,492,928 primarily as a result of the increase in the District's cash balances of \$4,481,785, offset by decreases due from other governments of \$480,809, due from state and federal of \$279,161, and accounts receivable of \$238,316. Prepaid expenditures and inventories remained relatively the same from the prior year.
- Capital assets increased overall by \$766,330 due to the net increases in construction in progress due for the on-going capital projects, bus and equipment purchases and the annual depreciation expense on the District's capital assets as well as a right-to-use asset and accumulated amortization.
- Pension assets in the current year were \$1,059,752, in the previous year, the pension related to TRS was a liability.
- The District recorded its proportionate share of the deferred outflows of resources related to the Other Post-Employment Benefits (OPEB) in accordance with the GASB 75 standard in the amount of \$2,579,287 which decreased \$1,925,834 from the prior year. The deferred outflow of resources related to the pension also decreased \$722,592 to \$3,211,030.
- Total liabilities decreased \$5,441,997 primarily due to the decrease in the OPEB liability of \$5,127,931, the pension liabilities decrease of \$307,753, the accrued liability decrease of \$12,201 and the overall decrease in debt of 2,155,000. Other liabilities decreased \$378,879, largely due to the unamortized premium on the bond issuance in 2021. Accounts payable increased \$1,652,736. Compensated absences increased by \$242,447.
- Pension related deferred inflows of resources of \$1,406,269 increased by \$502,309 and the District recognized OPEB related deferred inflows of \$21,809,310 in the current year which was a decrease of \$929,136 from the prior year.

Net Position from Operating Results	Governmental Activities and Total School District		Percentage Change
	2025	2024	
<b>Revenues</b>			
Program Revenues			
Charges for Services	\$ 64,300	\$ 70,104	(8.3%)
Operating Grants and Contributions	3,189,755	4,044,916	(21.1%)
General Revenues			
Property Taxes and Other Tax Items	5,705,205	5,703,121	0.0%
State Formula Aid	21,941,264	21,386,874	2.6%
Federal Aid	135,336	105,545	28.2%
Interest Earnings	462,061	600,432	(23.0%)
Sale of Property and Compensation for Loss	989	34,599	(97.1%)
Other Use of Money and Property	-	-	-
Miscellaneous	753,423	651,113	15.7%
<b>Total Revenues</b>	<u>32,252,333</u>	<u>32,596,704</u>	(1.1%)
<b>Expenses</b>			
General Support	3,437,367	3,654,928	(6.0%)
Instruction	16,709,568	16,700,945	0.1%
Transportation	2,126,247	1,959,622	8.5%
Community Service	197,937	101,384	95.2%
Debt Service – Interest on Bonds and Leases	445,230	496,298	(10.3%)
School Food	558,468	604,006	(7.5%)
<b>Total Expenses</b>	<u>23,474,817</u>	<u>23,517,183</u>	(0.2%)
<b>Increase in Net Position</b>	<u>\$ 8,777,516</u>	<u>\$ 9,079,521</u>	(0.7%)



**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**



**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**Changes in Net Position**

- The District's total revenue decreased 1.1% to \$32,252,333. Approximately 68% of the revenue was from State and Federal Aid sources, while 18% came from property taxes. The remaining 14% of revenue comes from operating grants, capital grants, charges for services, investment earnings, compensation for loss, and miscellaneous revenues. Total general revenues increased \$516,594, primarily due to an overall increases in state sources of \$554,390, miscellaneous income of \$102,310, federal sources of \$29,791 and real property tax and other tax items of \$2,084. Interest income decreased \$138,371 and other use of money and property decreased by \$33,610.
- The total costs of all programs and services decreased 0.2% to \$23,474,817. The District's expenses were predominately related to the education and support for the students. In total approximately 71% of all expenses were on educational services. Pupil transportation accounts for 9% of total expenses, while school lunch program expenses are 2%. General support which included expenses associated with the operation, maintenance and administration of the District accounted for 15% of the total costs. Other costs include debt service expense and community service and account for the remaining 3% of total costs.

**Governmental Activities**

This section presents the cost of six major District activities: general support, instruction, transportation, community service, debt service and school food. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

**Net Cost of Governmental Activities**

	Total Cost of Services		%	Net Cost of Services		%
	2025	2024		2025	2024	
General Support	\$ 3,437,367	\$ 3,654,928	(6.0 %)	\$ 3,437,367	\$ 3,654,928	(6.0%)
Instruction	16,709,568	16,700,945	0.1%	14,275,952	13,415,036	6.4%
Pupil Transportation	2,126,247	1,959,622	8.5%	2,094,438	1,922,051	9.0%
Community Service	197,937	101,384	95.2%	197,937	101,384	95.2%
Debt Service	445,230	496,298	(10.3%)	445,230	496,298	(10.3%)
School Food	558,468	604,006	(7.5%)	(230,162)	(187,534)	(22.7%)
Total	<u>\$ 23,474,817</u>	<u>\$23,517,183</u>	(0.2%)	<u>\$ 20,220,762</u>	<u>\$19,402,163</u>	4.2%

District operations are supported predominantly by property taxes and State and Federal aid, of which a majority is not specifically allocated to individual programs. The State aid that the District receives cannot be completely allocated to individual categories. Comparisons from year to year will fluctuate with the formulas that the State uses to distribute aid.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

**Governmental Funds**

The focus of the District's governmental funds is to provide information on near term inflows, outflows and balances of expendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year and amounts to be applied against next year's fund balance.

At the end of the current fiscal year, the District's Governmental funds reported a combined fund balance of \$18,475,645. Of this amount, \$1,165,656 constitutes undesignated and unassigned fund balance in the general fund. Unassigned reserved for tax reduction totals \$56,731 in the general fund. Assigned fund balance totals \$3,751,053, which represents amounts that the District has identified for specific purposes, but these funds have not been committed or reserved. Non-spendable fund balance of \$290,732 includes food service inventory of \$16,314 and prepaid expenditures of \$274,418. The remainder of the combined fund balance, \$13,330,246 is reserved to indicate that it is not available for new spending because it has already been committed. The following have been established in accordance with New York State educational law or are restricted for the intended purpose.

The District's restricted fund balance include:

Reserve for unemployment insurance	\$ 106,428
Reserve for tax certiorari	20,000
Reserve for employee benefit accrued liabilities	634,389
Reserve for teacher retirement system	777,287
Insurance reserve	433,930
Encumbrances (Other than General Fund)	1,152,902
Workers compensation reserve	454,863
Reserve for liability	962,029
Reserve for state and local retirement	960,361
Restricted for scholarships	251,960
Reserve for capital building	4,016,241
Reserve for school vehicles	2,673,982
Reserve for debt service	<u>885,874</u>
	<u>\$13,330,246</u>

**General Fund**

At June 30, 2025 the District's fund balance in the General Fund amounted to \$13,145,535. The amount of the fund balance that is unassigned and undesignated amounted to \$1,165,656, which is 4.0% of the General Fund budget appropriations for the year ending June 30, 2026. \$56,731 has been set aside for tax reduction.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**School Lunch Fund**

At June 30, 2025, the District's fund balance in the School Lunch Fund amounted to \$168,811. The District's lunch program has been managed very diligently. The District qualifies for the CEP to provide free breakfast and lunch to its students, no operating transfers from the general fund were necessary in 2024-2025. The District will continue to maintain prices and quality while continuing to be creative and innovative. Recently, the reimbursement amounts were increased which will help for the future.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2025, the District had capital assets of \$50,032,873, net of accumulated depreciation, invested in a broad range of capital assets including land, buildings and improvements, and machinery and equipment. Capital asset additions include the purchase of two school buses and equipment and entered into new leases for copiers. The following table compares fiscal 2025 balances to 2024:

	Governmental Activities and Total School District		Total Percentage Change
	2025	2024	
Land	\$ 264,341	\$ 264,341	-%
Construction in Progress	29,799,885	29,126,184	2.3%
Buildings and Improvements (net of depreciation)	15,046,945	16,334,401	(7.9%)
Vehicles (net of depreciation)	1,531,345	1,442,048	6.2%
Equipment and Furniture (net of depreciation)	1,440,267	1,078,492	33.5%
Right-to-Use Lease Assets (net of amortization)	<u>1,950,090</u>	<u>1,021,077</u>	91.0%
Total	<u>\$ 50,032,873</u>	<u>\$ 49,266,543</u>	1.6%

The District has \$1,893,523 of depreciation and \$390,493 of amortization expense during the year. The District has established a capital reserve for \$4,016,241 and bus reserve for \$2,673,982 to plan for future bus purchases and maintain the quality of its facilities. During the year, \$455,192 was transferred from the General Fund to the Capital Fund.

**Long-Term Debt and Liabilities**

The District's long-term debt consists of serial bonds maturing in 2036. The serial bonds outstanding were issued in connection with the District's building improvements project.

	Governmental Activities and Total School District		Total Percentage Change
	2025	2024	
General Obligation Bonds	\$ 16,640,000	\$ 18,795,000	(11.5%)
Compensated Absences	632,189	389,742	62.2%
Leases Payable	643,004	10,387	6090.5%
Other Postemployment Benefits	11,992,682	17,120,613	(30.0%)
Net Pension Liability – Proportionate Share	<u>1,322,010</u>	<u>1,629,763</u>	(18.9%)
Total	<u>\$ 31,229,885</u>	<u>\$ 37,945,505</u>	(18.2%)

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

The District continued to make numerous operational adjustments over the course of the 2024-25 school year in response to the effects of COVID-19. Because of shortages in the transportation department and varying levels of staff due to illness, coupled with staff shortages, at times, remote learning continues to be an option at the discretion of administration. Due to unforeseen circumstances, this option will continue permanently into the future.

Uncertainty in the 2024-25 fiscal year was heightened by ongoing staff shortages and hiring challenges, as well as continued supply chain disruptions. Additionally, potential changes to the Foundation Aid Formula remain uncertain. In response to these challenges, the District implemented measures to closely monitor expenditures, maximize reserves, pre-purchase supplies when possible, and leave certain positions unfilled.

During 2024-25, the District utilized the remaining balance of \$4,176,457 in additional Federal Stimulus funding under the American Rescue Plan (ARP). This funding supported several initiatives, including HVAC upgrades, the purchase of educational materials, and professional development programs, all in compliance with the accompanying federal guidelines. The District has developed a sustainability plan to address ongoing needs now that these federal funds have been fully expended.

Although the Federal Stimulus funding was significant, it is important to note that these funds are no longer available. The District continues to face challenges from a shrinking tax base amid rising operational costs. Maintaining stable and manageable tax increases will be increasingly difficult moving forward.

Rising employee benefit costs, including teachers' and employees' retirement contributions and health insurance, along with higher costs for utilities, supplies, and materials, will inevitably increase program expenses. The District remains committed to ongoing evaluation of programs and related expenditures to ensure fiscal responsibility.

While there was an increase in state aid payments for the 2024-25 school year, the Foundation Aid Formula was fully funded at the close of the 2024 fiscal year. The District must prepare for the possibility of flat or reduced state aid in the future. In addition, changes at the Federal level may affect State finances, which may filter down to school funding. These concerns, combined with additional state mandates such as the electric school bus initiative, necessitates careful monitoring of funding sources.

Increased costs associated with employee benefits and rising inflation, along with supply chain and hiring challenges, continue to exert pressure on the District's financial resources. The District's five-year financial plan will guide the use of reserves and fund balances to maintain fiscal health. Changes in state-mandated educational standards and the broader economic climate are additional factors that may further strain available resources.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

This financial report is intended to provide the District's citizens, taxpayers, customers, investors, and creditors with a general overview of the School District's finances and to demonstrate the District's accountability for the funds it receives. For questions about this report or to request additional financial information, please contact the Business Office at Clyde-Savannah Central School District, Clyde, New York.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2025**

	Total Governmental Funds
<b>ASSETS</b>	
Unrestricted Cash	\$ 18,732,848
Restricted Cash	252,967
Due from Other Governments	1,148,692
Due from State and Federal	1,380,156
Accounts Receivable	79,044
Prepaid Expenditures	274,418
Inventories	16,314
Capital Assets, Net	50,032,873
Net Pension Asset-Proportionate Share	1,059,752
<b>Total Assets</b>	<b>72,977,064</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension Related	3,211,030
Other Post Employment Benefits Related	2,579,287
<b>Total Deferred Outflows of Resources</b>	<b>5,790,317</b>
<b>LIABILITIES</b>	
Accounts Payable	2,342,077
Accrued Liabilities	96,627
Due to Other Governments	-
Due to Teachers' Retirement System	731,279
Due to Employees' Retirement System	128,853
Retainage Payable	5,300
Bond Anticipation Notes Payable	-
Other Liabilities	2,238,630
Long-term Liabilities	
Due and Payable Within One Year	
Compensated Absences Payable	135,280
Leases Payable	125,800
Bond Payable	2,250,000
Due and Payable After One Year	
Compensated Absences Payable	496,909
Leases Payable	517,204
Bond Payable	14,390,000
Other Postemployment Benefits	11,992,682
Net Pension Liability - Proportionate Share	1,322,010
<b>Total Liabilities</b>	<b>36,772,651</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension Related	1,406,269
Other Post Employment Benefits Related	21,809,310
<b>Total Deferred Inflows of Resources</b>	<b>23,215,579</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	30,662,632
Restricted	13,330,246
Unrestricted	(25,213,727)
<b>Total Net Position</b>	<b>\$ 18,779,151</b>

The accompanying notes are an integral part of these financial statements.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Expenses	Program Revenues Charges For Services	Operating Grants	Net (Expense) Revenue and Changes In Net Position
<b>FUNCTIONS/PROGRAMS</b>				
General Support	\$ 3,437,367	\$ -	\$ -	\$ (3,437,367)
Instruction	16,709,568	55	2,433,561	(14,275,952)
Pupil Transportation	2,126,247	31,809	-	(2,094,438)
Community Service	197,937	-	-	(197,937)
Debt Service Expense	445,230	-	-	(445,230)
School Lunch Program	558,468	32,436	756,194	230,162
	<u>558,468</u>	<u>32,436</u>	<u>756,194</u>	<u>230,162</u>
<b>Total Functions And Programs</b>	<u><u>\$ 23,474,817</u></u>	<u><u>\$ 64,300</u></u>	<u><u>\$ 3,189,755</u></u>	<u><u>(20,220,762)</u></u>
<b>GENERAL REVENUES</b>				
Real Property Taxes				5,343,801
Other Tax Items				361,404
Interest Income				462,061
Other Use of Money And Property				-
Sale of Property and Compensation for Loss				989
Miscellaneous				753,423
State Sources				21,941,264
Federal Sources				135,336
				<u>28,998,278</u>
<b>Total General Revenues</b>				<u>28,998,278</u>
<b>Changes in Net Position</b>				8,777,516
<b>Net Position - Beginning of Year</b>				<u>10,239,743</u>
<b>Restatement - Change in Accounting</b>				<u>(238,108)</u>
<b>Net Position - End of year</b>				<u><u>\$ 18,779,151</u></u>

The accompanying notes are an integral part of these financial statements.



**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2025**

	Governmental Fund Types						Total
	General	Special Aid	School Food Service	Debt Service	Capital	Miscellaneous Special Revenue	Governmental Funds
<b>ASSETS</b>							
Unrestricted Cash	\$ 13,199,164	\$ 175,478	\$ 276,347	\$ 885,325	\$ 4,196,534	\$ -	\$ 18,732,848
Restricted Cash	-	-	-	-	-	252,967	252,967
Due from Other Funds	1,418,880	117,471	-	549	192	-	1,537,092
Due from Other Governments	1,148,692	-	-	-	-	-	1,148,692
Due from State and Federal	389,650	944,556	45,950	-	-	-	1,380,156
Other Receivables	-	79,044	-	-	-	-	79,044
Prepaid Expenditures	274,418	-	-	-	-	-	274,418
Inventories	-	-	16,314	-	-	-	16,314
<b>Total Assets</b>	<u>16,430,804</u>	<u>1,316,549</u>	<u>338,611</u>	<u>885,874</u>	<u>4,196,726</u>	<u>252,967</u>	<u>23,421,531</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Deferred Outflows of Resources	-	-	-	-	-	-	-
<b>Total Deferred Outflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES AND FUND BALANCE</b>							
Accounts Payable	2,168,759	-	599	-	172,712	7	2,342,077
Accrued Liabilities	33,692	20,184	1,316	-	-	-	55,192
Due to Other Funds	117,663	1,267,049	150,831	-	549	1,000	1,537,092
Due to Other Governments	-	-	-	-	-	-	-
Due to Teachers' Retirement System	731,279	-	-	-	-	-	731,279
Due to Employees' Retirement System	128,853	-	-	-	-	-	128,853
Retainage Payable	-	-	-	-	-	-	-
Bond Interest and Matured Bonds	-	-	-	-	-	-	-
Bond Anticipation Notes Payable	-	-	-	-	-	-	-
Compensated Absences	-	-	-	-	-	-	-
Other Liabilities	105,023	29,316	17,054	-	-	-	151,393
<b>Total Liabilities</b>	<u>3,285,269</u>	<u>1,316,549</u>	<u>169,800</u>	<u>-</u>	<u>173,261</u>	<u>1,007</u>	<u>4,945,886</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred Inflows of Resources	-	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:							
Non-spendable	274,418	-	16,314	-	-	-	290,732
Restricted	11,039,510	-	-	885,874	1,152,902	251,960	13,330,246
Committed	-	-	-	-	-	-	-
Assigned	609,220	118,773	152,497	-	2,870,563	-	3,751,053
Unassigned	1,222,387	(118,773)	-	-	-	-	1,103,614
<b>Total Fund Balance</b>	<u>13,145,535</u>	<u>-</u>	<u>168,811</u>	<u>885,874</u>	<u>4,023,465</u>	<u>251,960</u>	<u>18,475,645</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<u>\$ 16,430,804</u>	<u>\$ 1,316,549</u>	<u>\$ 338,611</u>	<u>\$ 885,874</u>	<u>\$ 4,196,726</u>	<u>\$ 252,967</u>	<u>\$ 23,421,531</u>

The accompanying notes are an integral part of these financial statements.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2025**

	Total Governmental Funds	Long-term Assets, Liabilities	Reclassifications and Eliminations	Statement of Net Position Totals
<b>ASSETS</b>				
Unrestricted Cash	\$ 18,732,848	\$ -	\$ -	\$ 18,732,848
Restricted Cash	252,967	-	-	252,967
Due from Other Funds	1,537,092	-	(1,537,092)	-
Due from Other Governments	1,148,692	-	-	1,148,692
Due from State and Federal	1,380,156	-	-	1,380,156
Accounts Receivable	79,044	-	-	79,044
Prepaid Expenditures	274,418	-	-	274,418
Inventories	16,314	-	-	16,314
Capital Assets, (Net)	-	50,032,873	-	50,032,873
Net Pension Asset-Proportionate Share	-	1,059,752	-	1,059,752
<b>Total Assets</b>	<b>23,421,531</b>	<b>51,092,625</b>	<b>(1,537,092)</b>	<b>72,977,064</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension Related	-	3,211,030	-	3,211,030
Other Post Employment Benefits Related	-	2,579,287	-	2,579,287
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>5,790,317</b>	<b>-</b>	<b>5,790,317</b>
<b>LIABILITIES</b>				
Accounts Payable	2,342,077	-	-	2,342,077
Accrued Liabilities	55,192	-	41,435	96,627
Due to Other Funds	1,537,092	-	(1,537,092)	-
Due to Other Governments	-	-	-	-
Due to Teachers' Retirement System	731,279	-	-	731,279
Due to Employees' Retirement System	128,853	-	-	128,853
Retainage Payable	-	5,300	-	5,300
Other Liabilities	151,393	2,087,237	-	2,238,630
Interest Payable	-	41,435	(41,435)	-
Bond Anticipation Notes Payable	-	-	-	-
Compensated Absences Payable Within One Year	-	135,280	-	135,280
Leases Payable Due Within One Year	-	125,800	-	125,800
Bond Payable Due Within One Year	-	2,250,000	-	2,250,000
Compensated Absences Payable Due After One Year	-	496,909	-	496,909
Leases Payable Due After One Year	-	517,204	-	517,204
Bonds Payable Due After One Year	-	14,390,000	-	14,390,000
Other Postemployment Benefits	-	11,992,682	-	11,992,682
Net Pension Liability - Proportionate Share	-	1,322,010	-	1,322,010
<b>Total Liabilities</b>	<b>4,945,886</b>	<b>33,363,857</b>	<b>(1,537,092)</b>	<b>36,772,651</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension Related	-	1,406,269	-	1,406,269
Other Post Employment Benefits Related	-	21,809,310	-	21,809,310
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>23,215,579</b>	<b>-</b>	<b>23,215,579</b>
<b>FUND BALANCE/NET POSITION</b>				
Total Fund Balance/Net Position	18,475,645	303,506	-	18,779,151
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance/Net Position</b>	<b>\$ 23,421,531</b>	<b>\$ 56,882,942</b>	<b>\$ (1,537,092)</b>	<b>\$ 78,767,381</b>

The accompanying notes are an integral part of these financial statements.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Governmental Fund Types						Total Governmental Funds
	General	Special Aid	School Food Service	Debt Service	Capital	Miscellaneous Special Revenue	
<b>REVENUES</b>							
Real Property Taxes	\$ 5,343,801	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,343,801
Other Tax Items	361,404	-	-	-	-	-	361,404
Charges For Services	31,864	-	-	-	-	-	31,864
Use of Money And Property	373,885	-	-	88,176	-	-	462,061
Sale of Property And Compensation For Loss	980	-	-	-	-	-	980
Miscellaneous	686,530	31,121	33,572	-	-	2,200	753,423
State Sources	21,941,264	928,505	116,623	-	-	-	22,986,392
Federal Sources	135,336	1,505,056	597,267	-	-	-	2,237,659
Surplus Food - Federal Source	-	-	42,304	-	-	-	42,304
Sales	-	-	32,436	-	-	-	32,436
<b>Total Revenues</b>	<u>28,875,064</u>	<u>2,464,682</u>	<u>822,202</u>	<u>88,176</u>	<u>-</u>	<u>2,200</u>	<u>32,252,324</u>
<b>EXPENDITURES</b>							
General Support	3,686,282	-	-	-	-	-	3,686,282
Instruction	13,550,441	2,166,538	187,633	-	-	11,025	15,915,637
Pupil Transportation	1,672,818	90,652	-	-	-	-	1,763,470
Community Services	197,937	-	-	-	-	-	197,937
Employee Benefits	4,482,333	270,163	70,493	-	-	-	4,822,989
Debt Service	3,067,550	-	-	-	-	-	3,067,550
Cost of Sales	-	-	550,256	-	-	-	550,256
Capital Outlay	-	-	-	-	1,123,534	-	1,123,534
<b>Total Expenditures</b>	<u>26,657,361</u>	<u>2,527,353</u>	<u>808,382</u>	<u>-</u>	<u>1,123,534</u>	<u>11,025</u>	<u>31,127,655</u>
<b>Excess (Deficit) Revenues Over Expenditures</b>	<u>2,217,703</u>	<u>(62,671)</u>	<u>13,820</u>	<u>88,176</u>	<u>(1,123,534)</u>	<u>(8,825)</u>	<u>1,124,669</u>
<b>OTHER FINANCING SOURCES AND (USES)</b>							
Bonds and BANS (Redeemed)/Received	-	-	-	-	-	-	-
Lease Financing	671,689	-	-	-	-	-	671,689
Operating Transfers In	13,783	76,454	-	-	455,192	-	545,429
Operating Transfers (Out)	(531,646)	(13,783)	-	-	-	-	(545,429)
<b>Total Other Sources (Uses)</b>	<u>153,826</u>	<u>62,671</u>	<u>-</u>	<u>-</u>	<u>455,192</u>	<u>-</u>	<u>671,689</u>
<b>Excess (Deficit) Revenues and Other Sources Over Expenditures and Other (Uses)</b>	<u>2,371,529</u>	<u>-</u>	<u>13,820</u>	<u>88,176</u>	<u>(668,342)</u>	<u>(8,825)</u>	<u>1,796,358</u>
<b>Fund Balance (Deficit) - Beginning of Year</b>	<u>10,654,476</u>	<u>-</u>	<u>154,991</u>	<u>797,698</u>	<u>4,691,807</u>	<u>260,785</u>	<u>16,559,757</u>
<b>Restatement - Change in Accounting</b>	<u>119,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>119,530</u>
<b>Fund Balance (Deficit), End of Year</b>	<u>\$ 13,145,535</u>	<u>\$ -</u>	<u>\$ 168,811</u>	<u>\$ 885,874</u>	<u>\$ 4,023,465</u>	<u>\$ 251,960</u>	<u>\$ 18,475,645</u>

The accompanying notes are an integral part of these financial statements.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**TO THE STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Total Governmental Funds	Capital Related Items	Long-term Revenue, Expenses	Long-term Debt Transactions	Reclassifications and Eliminations	Statement of Activities Totals
<b>REVENUES</b>						
Real Property Taxes	\$ 5,343,801	\$ -	\$ -	\$ -	\$ -	\$ 5,343,801
Other Tax Items	361,404	-	-	-	-	361,404
Charges for Services	31,864	-	-	-	-	31,864
Other Use of Money and Property	462,061	-	-	-	-	462,061
Sale of Property and Compensation for Loss	980	9	-	-	-	989
Miscellaneous	753,423	-	-	-	-	753,423
State Sources	22,986,392	-	-	-	-	22,986,392
Federal Sources	2,237,659	-	-	-	-	2,237,659
Surplus Food	42,304	-	-	-	-	42,304
Sales	32,436	-	-	-	-	32,436
<b>Total Revenues</b>	<b>32,252,324</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,252,333</b>
<b>EXPENDITURES</b>						
General Support	3,686,282	(285,354)	-	-	36,439	3,437,367
Instruction	15,915,637	301,183	-	-	492,748	16,709,568
Pupil Transportation	1,763,470	326,054	-	-	36,723	2,126,247
Community Services	197,937	-	-	-	-	197,937
Employee Benefits	4,822,989	-	(4,269,497)	-	(553,492)	-
Debt Service	3,067,550	-	-	(2,622,320)	-	445,230
Cost of Sales	550,256	20,630	-	-	(12,418)	558,468
Capital Outlay	1,123,534	(1,123,534)	-	-	-	-
<b>Total Expenditures</b>	<b>31,127,655</b>	<b>(761,021)</b>	<b>(4,269,497)</b>	<b>(2,622,320)</b>	<b>-</b>	<b>23,474,817</b>
<b>Excess (Deficit) Revenues Over Expenditures</b>	<b>1,124,669</b>	<b>761,030</b>	<b>4,269,497</b>	<b>2,622,320</b>	<b>-</b>	<b>8,777,516</b>
<b>OTHER FINANCING SOURCES AND (USES)</b>						
Lease Financing	671,689	-	-	(671,689)	-	-
Operating Transfers In (Out)	-	-	-	-	-	-
<b>Total Other Sources (Uses)</b>	<b>671,689</b>	<b>-</b>	<b>-</b>	<b>(671,689)</b>	<b>-</b>	<b>-</b>
<b>Net Change for the Year</b>	<b>\$ 1,796,358</b>	<b>\$ 761,030</b>	<b>\$ 4,269,497</b>	<b>\$ 1,950,631</b>	<b>\$ -</b>	<b>\$ 8,777,516</b>

The accompanying notes are an integral part of these financial statements.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCES TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**(CONTINUED)**

Amounts reported for governmental activities in the statement of net position are different because:

Net Change in Fund Balances - Total Governmental Funds \$ 1,796,358

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities assets with an initial, individual cost of more than \$5,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceed depreciation in the current period, net of related losses on disposal of capital assets:

Capital Outlays - Net	768,402
Depreciation Expense	(1,893,533)
Additions to Leases	1,319,496
Amortization Expense	(390,483)
Additions to Assets	957,139

In the Statement of Activities, the gain/loss on the disposal of assets is reported as an increase/decrease in the financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the assets disposed.

9

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount of debt repayments made in the current period.

2,155,000

Proceeds of long-term debt is recorded as an other financing source for governmental funds, but it is not recorded in the Statement of Activities. This is the amount of proceeds from long-term debt received in the current year.

(671,689)

Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount of debt repayments made in the current period.

39,072

Proceeds from bond premiums are reported in governmental funds as revenues, however in the Statement of Activities, the unearned revenue is allocated over the life of the bonds as a reduction of interest expense. This is the net amount that the amortization exceeds the current year premiums received in the period.

421,901

(Increases) decreases in accrued interest on bonds payable recognized 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.

6,347

(Increases) decreases in accrued compensated absences 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.

(4,340)

On the Statement of Activities, the actual and projected long term expenditures for post employment benefits are reported, whereas, on the governmental funds only the actual expenditures are recorded for post employment benefits.

4,131,233

(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 expenditures in the governmental funds

Teachers' Retirement System	27,344
Employees' Retirement System	115,260

Change in net position of governmental activities \$ 8,777,516

The accompanying notes are an integral part of these financial statements.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS**  
**JUNE 30, 2025**

	<u>Custodial Fund</u>
<b>ASSETS</b>	
Cash	<u>\$ 63,835</u>
Total Assets	<u><u>\$ 63,835</u></u>
 <b>NET POSITION</b>	
Unrestricted	<u>\$ 63,835</u>
Total Net Position	<u><u>\$ 63,835</u></u>

The accompanying notes are an integral part of these financial statements.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Custodial Fund</u>
<b>ADDITIONS</b>	
Extraclassroom Receipts	<u>\$ 109,188</u>
<b>Total Additions</b>	<u>109,188</u>
<b>DEDUCTIONS</b>	
Extraclassroom Disbursements	<u>105,895</u>
<b>Total Deductions</b>	<u>105,895</u>
<b>Change in Net Position</b>	3,293
<b>Net Position - Beginning of Year</b>	<u>60,542</u>
<b>Net Position - End of Year</b>	<u><u>\$ 63,835</u></u>

The accompanying notes are an integral part of these financial statements.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Clyde-Savannah Central School District (the “District”) have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. Those principles are 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 used by the District are described below:

**REPORTING ENTITY**

Clyde-Savannah 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 nine 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 and other organizational entities determined to be includable in the District’s financial reporting entity. The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District’s reporting entity is based on several criteria including legal standing, fiscal dependency and financial accountability. Based on application of these criteria, a brief description of Extraclassroom Activity Funds included in the District’s reporting entity follows.

**Extraclassroom Activity Funds**

The Extraclassroom Activity Funds of the District represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the District with respect to its financial transactions and the designation of student management. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be found at the District’s business office.

**JOINT VENTURE**

The District is a component district in the Wayne-Finger Lakes BOCES. A BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs that provide educational and support activities. There is no authority or process by which a school district can terminate its status as a BOCES component.



**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**  
**JOINT VENTURE (continued)**

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

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

During the year, the District was billed \$6,717,815 for BOCES administrative and program costs and had capital outlay holdbacks of \$38,328. The District utilizes Central Business Office services during the year, which is included in the total amount billed. The District's share of BOCES aid amounted to \$1,562,963. General purpose financial statements for the BOCES are available from the BOCES administrative office.

**BASIS OF PRESENTATION**

**District-wide statements**

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

The Statement of Activities presents a comparison between direct 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.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**  
**BASIS OF PRESENTATION (continued)**

**Fund financial statements**

The fund statements provide information about the District's funds, including each type of fiduciary fund. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

The District reports the following major governmental funds:

- **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.
- **Special Revenue Funds** - 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, child nutrition operations, 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. The Special Revenue Funds classified as major are:
  - **Special Aid Funds**: Used to account for special operating projects or programs supported in whole, or in part, with Federal funds or State or Local grants.
  - **School Food Service Fund**: Used to account for transactions of the lunch and breakfast programs.
  - **Miscellaneous Special Revenue**: Used to account for student scholarships whose funds are restricted as to use.
- **Capital Projects Funds** - these funds are used to account for the financial resources used for acquisition, construction, or major repair of capital facilities. For these funds, each capital project is assessed to determine whether it is a major or non-major fund. Those capital projects that are determined to be major are reported in separate columns in the financial statements.
- **Debt Service Fund** - this fund accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of governmental activities. When a capital asset is sold and all or a portion of the bonds used to finance the capital asset are outstanding, this fund must be used to account for the proceeds from the sale of capital assets up to the balance of related bonds outstanding.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**  
**BASIS OF PRESENTATION (continued)**

The District reports the following fiduciary funds:

- **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 District-wide financial statements, because their resources do not belong to the District, and are not available to be used. The School District reports the following Fiduciary Funds:
  - **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.

**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 District-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, State Aid, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from State Aid is recognized in the fiscal year it is appropriated by the State. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental 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 one year after the end of the fiscal year except for real property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year. Fees and other similar revenue are not susceptible to accrual because generally they are not measurable until available. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences, pensions, and other post-employment benefits which are 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 leases are reported as other financing sources.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**

**PROPERTY TAXES**

Real property taxes are levied annually by the Board of Education no later than September 1, and become a lien on November 1. Taxes are collected during the period September 1 to October 31.

Uncollected real property taxes are subsequently enforced by the County of Wayne, in which the District is located. The Counties pay an amount representing uncollected real property taxes transmitted to the Counties for enforcement to the District no later than the following April 1.

**UNEARNED REVENUES**

Unearned revenues are reported when potential revenues do not meet both the measurable and available criteria for recognition in the current period. Unearned revenues also arise when resources are received by the District before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recognized.

**RESTRICTED RESOURCES**

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

**INTERFUND TRANSACTIONS**

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

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

The governmental funds report all inter-fund transactions as originally recorded. Inter-fund 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 9 for a detailed disclosure by individual fund for inter-fund receivables, payables, expenditures and revenues activity.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**

**ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses/expenditures 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.

**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. Investments are stated at fair value.

**ACCOUNTS RECEIVABLE**

Accounts receivable are shown net of uncollectible accounts, when applicable. An allowance for uncollectible accounts represents the portion of accounts receivable that is not expected to be collected within 365 days. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

**INVENTORIES AND PREPAID ITEMS**

Inventories of food in the School Food Service 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 inventory items in other funds are recorded as expenditures at the time of purchase and are considered immaterial in amount.

Prepaid items are 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. A current asset for the prepaid amounts is recorded at the time of receipt and/or purchase and an expense/expenditure is reported in the year the goods or services are consumed.

**OTHER ASSETS/LIABILITIES**

In the district-wide financial statements, bond discount (asset) and bond premium (liability), and any 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.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**

**CAPITAL ASSETS**

Capital assets are reported at estimated historical costs, based on appraisals conducted by independent third-party professionals. Donated assets are reported at estimated fair market value at the time received.

Land and construction in process are not depreciated. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation/amortization methods, and estimated useful lives of capital assets reported in the District-wide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation/ Amortization Method</u>	<u>Estimated Useful Life</u>
Buildings and Improvements	\$ 50,000	straight-line	15-50 years
Machinery and Equipment	\$ 5,000	straight-line	5-25 years
Vehicles	\$ 5,000	straight-line	5-10 years
Intangibles:			
Right-use lease assets: Equipment	\$ 5,000	straight-line	5-10 years

**DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. If applicable, the District has four items that qualify for reporting in this category. First is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and 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 third item is the District contributions to the pension systems (TRS and ERS Systems) and OPEB subsequent to the measurement date. The fourth item relates to OPEB reporting in the district wide Statement of Net Position. This represents the effect of the net change in the actual and expected experience.

In addition to liabilities, the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance 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 four items that qualify for reporting in this category. First arises only under a modified accrual basis of accounting and is reported as unavailable revenue – property taxes. The second item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability (TRS and ERS System) 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. The third item is revenues from grants

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**  
**DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES (continued)**

received that have met all other eligibility requirements except those related to time restrictions. The fourth item is related to OPEB reported in the district-wide Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs.

**VESTED EMPLOYEE BENEFITS**

**Compensated Absences**

In accordance with GASB Statement 101, Compensated Absences, the District recognizes a liability for leave time that has (1) been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee) during or upon separation from employment. The liability for compensated absences is recorded in the governmental-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements and may be included in accounts payable. The compensated liability includes salary related benefits, where applicable.

The liability for compensated absences is calculated at rates in effect as of the balance sheet date and is recorded in the governmental funds because it will be funded from current financial resources and the statement of net position for amounts to be paid from future financial resources.

The adoption of GASB 101 during the year resulting in a restatement of the prior year net position and fund balance, see note 17.

**Other Benefits**

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

In addition to providing pension benefits, the District provides health insurance coverage and survivor benefits for 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.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**  
**VESTED EMPLOYEE BENEFITS (continued)**

District employees may choose to participate in the District's elective deferred compensation plans established under Internal Revenue Code Section 403(b) – Tax Sheltered Annuities (TSA). The plan is available to all school employees and permits them to defer taxation on a portion of their salary until future years. The deferred portion is withheld by the District and disbursed to the employees' TSA plan administrator. The TSA plans are owned by the individuals and held in trust by the plan administrator.

The District has established a reserve for employee benefit accrued liabilities which have been calculated at rates in effect as of the balance sheet date. The amount recognized at June 30, 2025 for the value of long-term employee benefits was \$634,389 which is included in the District's net position at June 30, 2025.

**LEASES**

As lessee, the District recognizes lease liabilities with an initial, individual value of \$5,000 or more. The District uses its estimated incremental borrowing rate to measure lease liabilities unless it can readily determine the interest rate implicit in the lease. The District's estimated incremental borrowing rate is based on the risk free rate for tax exempt bonds that were issued by the District in the past adjusted for the terms of the various leases.

**SHORT TERM DEBT**

The District may issue Revenue Anticipation Notes (RAN) and Tax Anticipation Notes (TAN), in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent 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 District may issue Bond Anticipation Notes (BAN), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. Such notes may be classified as part of the General Long-Term Debt Account Group when (1) the intention is to refinance the debt on a long-term basis and (2) the intention can be substantiated through a post balance-sheet issuance of long-term debt or an acceptable financing agreement. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date.



**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**

**ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS**

Payables, accrued liabilities and long-term obligations are reported in the district-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in full, in a timely manner from current financial resources. Claims and judgments, other post-employment benefits payable and compensated absences that will be paid from governmental funds, are reported as a liability in the funds 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 funds 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.

**EQUITY CLASSIFICATIONS**

**District-wide Statements**

In the district-wide statements there are three classes of net position:

- **Net investment in capital assets** – consists of net capital assets (cost less accumulated depreciation/amortization) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.
- **Restricted net position** – reports net position when constraints placed on the assets or transferred outflows of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted net position** – reports the balance of net position that does not meet the definition of the above two classifications and is deemed to be available for general use by the District.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**  
**EQUITY CLASSIFICATIONS (continued)**

**Funds Statements**

Below is the breakdown of fund balances for the fund basis statements:

	General Fund	Special Aid Fund	School Food Service Fund	Debt Service Fund	Capital Fund	Miscellaneous Special Revenue	Total
Non-spendable:							
Inventory	\$ -	\$ -	\$ 16,314	\$ -	\$ -	\$ -	\$ 16,314
Prepaid Expense	274,418	-	-	-	-	-	274,418
Restricted:							
Debt Service Reserve	-	-	-	885,874	-	-	885,874
Employee Benefits Accrued Liability	634,389	-	-	-	-	-	634,389
Reserve for Retirement System	777,287	-	-	-	-	-	777,287
Insurance	433,930	-	-	-	-	-	433,930
Capital Building Reserve	4,016,241	-	-	-	-	-	4,016,241
Liability Claims	962,029	-	-	-	-	-	962,029
Retirement Contribution	960,361	-	-	-	-	-	960,361
Tax Certiorari	20,000	-	-	-	-	-	20,000
Unemployment Insurance	106,428	-	-	-	-	-	106,428
Workers' Compensation	454,863	-	-	-	-	-	454,863
Transportation Vehicle Reserve	2,673,982	-	-	-	-	-	2,673,982
Scholarships	-	-	-	-	-	251,960	251,960
Encumbrances (Other than General Fund)	-	-	-	-	1,152,902	-	1,152,902
Assigned:							
General Services	170,619	-	-	-	-	-	170,619
Instruction, Administration & Improvement	350	-	-	-	-	-	350
Teaching-Regular School	45,853	-	-	-	-	-	45,853
Programs for Students with Disabilities	2,250	-	-	-	-	-	2,250
Instructional Media	30,515	118,773	-	-	-	-	149,288
Pupil Services	2,260	-	-	-	-	-	2,260
Pupil Transportation	57,373	-	-	-	-	-	57,373
Appropriated Fund Balance	300,000	-	152,497	-	2,870,563	-	3,323,060
Unassigned:							
Tax Reduction	56,731	-	-	-	-	-	56,731
Unassigned Undesignated:	1,165,656	(118,773)	-	-	-	-	1,046,883
	<u>\$ 13,145,535</u>	<u>\$ -</u>	<u>\$ 168,811</u>	<u>\$ 885,874</u>	<u>\$ 4,023,465</u>	<u>\$ 251,960</u>	<u>\$ 18,475,645</u>

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

**Non-spendable** fund balance – Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. See detail of balances in chart on above.

**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:

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**  
**EQUITY CLASSIFICATIONS (continued)**

**Funds Statements (continued)**

**Debt Service Reserve Fund**

According to General Municipal Law §6-1, the Mandatory Reserve for Debt Service must be established for the purpose of retiring the outstanding obligations upon the sale of District property or capital improvement that was financed by obligations that remain outstanding at the time of sale. The funding of the reserve is from the proceeds of the sale of District property or capital improvement. This reserve is accounted for in the Debt Service Fund.

**Employee Benefit Accrued Liability Reserve Fund**

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

**Retirement Contributions Reserve Fund**

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

**Tax Certiorari Reserve Fund**

According to Education Law §3651.1-a, funds must be used to establish a reserve fund for tax certiorari and to expend from the fund without voter approval. The monies held in the reserve shall not exceed the amount which might reasonably be deemed necessary to meet anticipated judgments and claims arising out of tax certiorari proceedings. Any resources deposited to the reserve which are not expended for tax certiorari proceedings in the year such monies are deposited must be returned to the General Fund on or before the first day of the fourth fiscal year after deposit of these monies. This reserve is accounted for in the General Fund.

**Unemployment Insurance Payment Reserve Fund**

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

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**  
**EQUITY CLASSIFICATIONS (continued)**

**Funds Statements (continued)**

**Unemployment Insurance Payment Reserve Fund (continued)**

fiscal year's budget. If the District elects to convert to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the General Fund.

**Workers' Compensation Reserve Fund**

According to General Municipal Law §6-j, all expenditures made from the worker's compensation reserve fund must be 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. This reserve is accounted for in the General Fund.

**Capital Reserve Fund**

According to Education Law §3651, expenditures made from the capital reserve fund must be used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of the reserve, the ultimate amount, its probable term and the source of the funds. Expenditure 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.

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other 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.

**Liability Claims and Property Loss Reserve Funds**

According to Education Law §1709(8)(c), must be used to pay for liability claims and property loss incurred. Separate funds for liability claims and property loss are required, and these reserves may not in total exceed 3% of the annual budget or \$15,000, whichever is greater. This type of reserve fund may be utilized only by school districts, except city school districts with a population greater than 125,000. This reserve is accounted for in the General Fund.

**Insurance Reserve Fund**

According to General Municipal Law §6-n, all expenditures made from the insurance reserve fund must be 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

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**  
**EQUITY CLASSIFICATIONS (continued)**

**Funds Statements (continued)**

**Insurance Reserve Fund (continued)**

may not be used for any purpose for which a special reserve may be established pursuant to law (for example, for unemployment compensation insurance). The 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.

**Repair Reserve Fund**

According to General Municipal Law §6-d, expenditures made from the repair reserve fund must be 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 (Opinion of the New York State Comptroller 81-401). Expenditures from this reserve may be made only after a public hearing has been held, except in emergency situations. If no hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years. This reserve is accounted for in the General Fund.

**Reserve for Insurance Recoveries**

Reserve for Insurance Recoveries (Education Law §1718(2)) is used at the end of the fiscal year to account for unexpended proceeds of insurance recoveries. They will be held there pending action by the Board on their disposition. This reserve will not be used if the insurance recovery is expended in the same fiscal year in which it was received. The reserve is accounted for in the general fund.

**Committed** – Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority, i.e., the Board of Education. The District has no committed fund balances as of June 30, 2025.

**Assigned** – Includes amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. The purpose of the constraint must be narrower than the purpose of the General Fund, and in funds other than the General Fund. Assigned fund balance represents the residual amount of fund balance. Assigned fund balance also includes an amount appropriated to partially fund the subsequent year's budget, as well as encumbrances not classified as restricted at the end of the fiscal year. All encumbrances of the General Fund are classified as Assigned Fund Balance in the General Fund. The School Food Service Fund also reports Assigned Fund Balance. See Fund Balance breakdown above for details. The General Fund encumbrances \$309,220 were classified as General Support \$170,619, Instruction \$81,228 and Pupil Transportation \$57,373.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**  
**EQUITY CLASSIFICATIONS (continued)**

**Funds Statements (continued)**

**Unassigned** – Includes all other General Fund amounts that do not meet definition of the above four classifications and are deemed to be available for general use by the District. 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 amount had been restricted or assigned. In accordance with state guidelines, unassigned fund balance in the general fund includes the following reserve:

**Reserve for Tax Reduction**

Reserve for Tax Reduction ((Education Law §1604(36) and §1709(37)) is used for the gradual use of the proceeds of the sale of District real property where such proceeds are not required to be placed in the mandatory reserve for debt service. Specifically, the District is permitted to retain the proceeds of the sale for a period not to exceed ten years, and to use them during that period for tax reduction. The reserve is accounted for in the general fund.

**Unassigned Fund Balance**

NYS Real Property Tax Law §1318 limits the amount of unexpended surplus funds excluding the reserve for tax reduction, a school district can retain to no more than 4% of the District's budget for the General Fund for the ensuing fiscal year. Non-spendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year, encumbrances and amounts reserved for insurance recoveries are also excluded from the 4% limitation.

**Net Position/Fund Balance:**

**Net Position Flow Assumptions:** Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the District-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

**Fund Balance Flow Assumption:** Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed assigned and unassigned fund balance in the Governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**  
**EQUITY CLASSIFICATIONS (continued)**

**Funds Statements (continued)**

**Order of Use of Fund Balance:**

When more than one classification of fund balance of the District are eligible to be utilized for an expenditure of the District, the order in which the fund balance classifications will be utilized will be as follows:

- Restricted fund balance for which action has been taken by the Board of Education, a designated school official, or by the voters of the District, specifically designating funds to the expenditure;
- Committed fund balance for which action has been taken by the Board of Education, a designated school official, or by the voters of the District, specifically designating funds to the expenditure;
- Assigned fund balance created specifically for the expenditure (encumbered fund balance);
- Assigned fund balance within funds other than the General Fund of the District to which the expenditure relates;
- Unassigned fund balance.

**NEW ACCOUNTING STANDARDS**

The District has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At June 30, 2025, the District implemented the following new standards issued by GASB.

GASB Statement No. 101, *Compensated Absences*, effective for the year ending June 30, 2025. This statement requires that liabilities for compensated absences be recognized for leave that has not been used, but not yet paid in cash or settled through noncash means. This liability would include leave that has not been used if the leave is attributable to services already rendered, the leave accumulated, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

GASB Statement No. 102, *Certain Risk Disclosures*, effective for the year ending June 30, 2025. This Statement's objective is to provide users of governmental financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (continued)**

**FUTURE ACCOUNTING STANDARDS**

GASB Statement No. 103, *Financial Reporting Model Improvements*, effective for the year ending June 30, 2026. This Statement's objective is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assisting a government's accountability. Additionally, the statement also addresses certain application issues.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, effective for the year ending June 30, 2026. This statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosure such as leased assets, intangible right-to-use assets, and assets held for sale.

The District will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

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

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the District-wide 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 District-wide statements compared with the current financial resources focus of the governmental funds.

**TOTAL OF GOVERNMENTAL FUND BALANCES VERSUS 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 Sheet, as applied to the reporting of capital assets and long-term liabilities, including pensions and other post-employment benefits.



**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 2 - EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS (continued)**

**TOTAL OF GOVERNMENTAL FUND BALANCES VERSUS NET POSITION OF GOVERNMENTAL ACTIVITIES (continued)**

**Long-term Assets**

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

Original cost of capital assets	\$ 84,761,776
Accumulated depreciation/amortization	<u>(34,728,903)</u>
Net Capital Assets	<u>\$ 50,032,873</u>

**Other & Accrued Liabilities**

Other liabilities such as retainage held in the capital construction project are reported in the Statement of Net Position but not in the governmental fund statements because they are included in carryover encumbrance. Bond interest payable and unamortized bond premium are reported in the Statement of Net Position but not in the governmental fund statements because they are due in a future period. Balances at year end were:

Unamortized Bond Premium	\$ (2,087,237)
Interest Payable	(41,435)
Retainage	<u>(5,300)</u>
	<u>\$ (2,133,972)</u>

**Long-term Liabilities**

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

Bonds Payable	\$ (16,640,000)
Leases Payable	(643,004)
Compensated Absences	(632,189)
Postemployment Benefits	<u>(11,992,682)</u>
	<u>\$ (29,907,875)</u>

**Pension**

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 system:

Pension Asset	\$ 1,059,752
Pension Liability	<u>(1,322,010)</u>
	<u>\$ (262,258)</u>

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 2 - EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS (continued)**

**Deferred Outflows and Inflows of Resources**

In addition to assets and liabilities, the statement of Net Position will sometimes report a separate section for deferred outflows and inflows of resources. The separate financial statement element, deferred outflows of resources, represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The separate financial statement element, deferred inflows of resources, represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Outflows and Inflows of resources were:

Deferred Outflow of Resources	\$ 5,790,317
Deferred Inflows of Resources	<u>(23,215,579)</u>
	<u>\$ (17,425,262)</u>

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE VERSUS STATEMENT OF ACTIVITIES**

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of five broad categories. The amounts shown on the following page represent:

**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.

**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/amortization expense on those items as recorded in the Statement of Activities.

**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.

**Pension differences**

Pension differences occur as 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.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 2 - EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS (continued)**

**OPEB Differences**

OPEB differences occur as a result of changes in the District's total OPEB liability and differences between the District's contributions and OPEB expense.

**Explanation of Differences between Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Equity and the Statement of Activities**

**Total revenues and other funding sources:**

Total revenues and other funding sources of governmental funds	\$ 32,924,013
Reconciling items:	
Less lease financing	(671,689)
Add net gain from disposal/trade in of assets	<u>9</u>
Total revenues from governmental activities - Statement of Activities	<u><u>\$ 32,252,333</u></u>

**Total expenditures/expenses:**

Total expenditures reported in governmental funds	\$ 31,127,655
Reconciling items:	
Add depreciation/amortization expense	2,284,016
Add change in long-term compensated absences	4,340
Add changes in retirement benefits	(142,604)
Add retainage	5,300
Less other postemployment benefits	(4,131,233)
Less change in interest accrual & bond premium amortization	(428,248)
Less capital expenditures (capitalized in government-wide statement)	(3,050,337)
Less payment on leases	(39,072)
Less payment on long-term debt	<u>(2,155,000)</u>
Total expenses of governmental activities - Statement of Activities	<u><u>\$ 23,474,817</u></u>

**NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**BUDGETS**

The District administration prepares a proposed budget for approval by the Board of Education for the following governmental funds for which legal (appropriated) budgets are adopted:

- General Fund

The voters of the District approved the proposed appropriation budget for the General Fund. The proposed appropriation budget is then approved by the voters within the District.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)**

**Budgets (continued)**

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 end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and 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. No supplemental appropriations occurred during the year.

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

The General Fund is the only fund with a legally approved budget for the fiscal year ended June 30, 2025.

Budgets are established and used for individual capital project fund 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.

**ENCUMBRANCES**

Encumbrance accounting is used for budget control and monitoring purposes and is reported as 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 the year-end are presented as restrictions or assignments of fund balance and do not represent expenditures or liabilities. These commitments will be honored in the subsequent period. Related expenditures are recognized at the time, as the liability is incurred, or commitment is paid.

**NOTE 4 - CASH – CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE RISKS, AND FOREIGN CURRENCY RISKS**

**Cash and Investments**

The District's aggregate bank balances (disclosed in the financial statements), included balances not covered by depository insurance at year-end, collateralized as follows:

Deposits are valued at cost, or cost plus interest, and are categorized as either:

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

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 4 - CASH – CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE RISKS, AND FOREIGN CURRENCY RISKS (continued)**

**Cash and Investments (continued)**

Total financial institution bank balances at year-end, per the bank, are categorized as follows:

A.	\$	8,793,841
B.	\$	10,436,015
C.	\$	-

Restricted cash represents cash where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes \$252,967 restricted for use in the miscellaneous revenue fund within the governmental funds and \$63,835 in the Fiduciary Funds.

**Investment and Deposit Policy**

The District follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with Federal, State and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Business Administrator of the District.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk**

The District's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The District's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts.
- Certificates of deposit.
- Obligations of the United States Treasury and United States agencies.
- Obligations of New York State and its localities.

**Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the District's investment and deposit policy, all deposits of the District including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits. The District restricts the securities to the following eligible items:

- Obligations issued, fully insured or guaranteed as to payment of principal and interest, by the United States Treasury and United States agencies.
- Obligations issued or fully insured or guaranteed by New York State and its localities.
- Obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organizations.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 4 - CASH – CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE RISKS, AND FOREIGN CURRENCY RISKS (continued)**

Investments

US GAAP establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means;
- If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

All the District's investments are valued based on Level 1 of the hierarchy.

The following is a description of the valuation methodologies used for investments measured at fair value:

Cash and cash equivalents: Valued a cost plus accrued interest, which approximates fair market value.

The District does not typically purchase investments for long enough duration to cause it to believe that it is exposed to any material interest rate risk.

The District does not typically purchase investments denominated in a foreign currency and is not exposed to foreign currency risk.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 4 - CASH – CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE RISKS, AND FOREIGN CURRENCY RISKS (continued)**

**Investments (continued)**

The District participates in the New York Cooperative Liquid Asset Fund (NYCLASS), a multi-municipal cooperative investment pool agreement pursuant to New York State General Municipal Law Article 5-G, §119-O, whereby it holds a portion of the investment in cooperation with other participants. At June 30, 2025, The District held \$8,365,914 in these investments consisting of various investments in securities issued by the United States and its agencies. The following valuation inputs are included as investments:

The District total investments of the cooperative as of June 30, 2025 are \$12,154,459, which consisted of \$3,290,212 in bank repurchase agreements (collateral by U.S. Treasuries), \$8,365,914 in U.S. Government Guaranteed Securities, \$110,606 in FDIC Insured Bank Deposits and \$387,727 in collateralized bank deposits.

	<u>Valuation Inputs</u>			
<u>Investments in Securities at Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
General Fund	\$11,108,303	\$ -	\$ -	\$ 11,108,303
School Food Service Fund	-	-	-	-
Capital Projects Fund	160,831	-	-	160,831
Debt Service Fund	<u>885,325</u>	<u>-</u>	<u>-</u>	<u>885,325</u>
Total	<u>\$12,154,459</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,154,459</u>

The above amounts represent the fair value of the investment pool shares the District invested in. For the year ended June 30, 2025, the portfolio did not have unobservable inputs (Level 3) used in determining fair value. Thus, a reconciliation of assets in which significant unobservable inputs (Level 3) which were used in determining fair value is not applicable. There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the period. The portfolio recognizes transfers between the levels as of the beginning of the fiscal year.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 5 - CAPITAL ASSETS**

Capital asset balances and activity for the year ended June 30, 2025 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements Reclassifications</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets that are not depreciated/amortized:				
Land	\$ 264,341	\$ -	\$ -	\$ 264,341
Construction in Progress	<u>29,126,184</u>	<u>773,701</u>	<u>(100,000)</u>	<u>29,799,885</u>
Total cost non-depreciable assets	<u>29,390,525</u>	<u>773,701</u>	<u>(100,000)</u>	<u>30,064,226</u>
Capital assets that are depreciated/amortized:				
Buildings and Improvements	44,805,196	-	100,000	44,905,196
Equipment	2,109,407	548,007	-	2,657,414
Right-to-Use Lease Assets-				
Equipment	2,050,398	1,319,496	(81,564)	3,288,330
Vehicles	<u>3,437,478</u>	<u>409,132</u>	<u>-</u>	<u>3,846,610</u>
Total cost depreciable assets	<u>52,402,479</u>	<u>2,276,635</u>	<u>18,436</u>	<u>54,697,550</u>
Less accumulated depreciation/amortization:				
Buildings and Improvements	(28,470,795)	(1,387,456)	-	(29,858,251)
Equipment	(1,030,915)	(186,232)	-	(1,217,147)
Right-to-Use Lease Assets-				
Equipment	(1,029,321)	(390,493)	81,574	(1,338,240)
Vehicles	<u>(1,995,430)</u>	<u>(319,835)</u>	<u>-</u>	<u>(2,315,265)</u>
Total accumulated depreciation/ amortization	<u>(32,526,461)</u>	<u>(2,284,016)</u>	<u>81,574</u>	<u>(34,728,903)</u>
Net capital assets	<u>\$ 49,266,543</u>	<u>\$ 766,320</u>	<u>\$ 10</u>	<u>\$ 50,032,873</u>
Depreciation/Amortization expense was charged to Governmental functions as follows:				
General Support	\$ 316,653			
Instruction	1,620,679			
Pupil Transportation	326,054			
School Lunch	<u>20,630</u>			
	<u>\$ 2,284,016</u>			

**NOTE 6 - SHORT-TERM DEBT**

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



**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 6 - SHORT-TERM DEBT (continued)**

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

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed/ Refunded</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Bond Anticipation note:					
None	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Interest paid	\$ -
Less interest accrued in the prior year	-
Plus interest accrued in the current year	-
Less ban premium recognized	-
Total Expense	<u>\$ -</u>

**NOTE 7 - LONG-TERM OBLIGATIONS**

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

The School District borrows money in order to acquire land or equipment, construct buildings, or make improvements. This enables the cost of these assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the School District. The provisions will be in the General Fund's future budgets for capital indebtedness.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 7 - LONG-TERM OBLIGATIONS (continued)**

The following is a summary of the School District's long-term debt for the year ended June 30, 2025.

	Beginning Balance	Issued	Redeemed/ Refunded	Amounts Ending Balance	Due Within One Year
Government activities:					
2013 Serial Bonds, final maturity 6/15/27, interest ranging from 2.0% through 5.0% through final maturity	\$ 2,760,000	\$ -	\$ (875,000)	\$ 1,885,000	\$ 920,000
2014 Serial Bonds, final maturity 2/1/29, interest ranging from 2.0% through 4.0% through final maturity	1,425,000	-	(300,000)	1,125,000	305,000
2021 Serial Bonds, final maturity 6/15/36, interest ranging from 4.0% through 5.0% through final maturity	<u>14,610,000</u>	<u>-</u>	<u>(980,000)</u>	<u>13,630,000</u>	<u>1,025,000</u>
Total bonds payable	<u>18,795,000</u>	<u>-</u>	<u>(2,155,000)</u>	<u>16,640,000</u>	<u>2,250,000</u>
Other Liabilities:					
Leases Payable	10,387	671,689	(39,072)	643,004	125,800
Compensated Absence benefits	627,849	4,340	-	632,189	135,280
Other Postemployment benefits	17,120,613	1,094,397	(6,222,328)	11,992,682	-
Net Pension Liabilities:					
TRS	408,146	-	(408,146)	-	-
ERS	<u>1,221,617</u>	<u>100,393</u>	<u>-</u>	<u>1,322,010</u>	<u>-</u>
Total long-term liabilities	<u>\$ 38,183,612</u>	<u>\$ 1,870,819</u>	<u>\$ (8,824,546)</u>	<u>\$31,229,885</u>	<u>\$ 2,511,080</u>

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

Interest paid on bonds	\$ 866,705
Interest paid on leases	6,773
Less interest accrued in the prior year	(47,782)
Plus interest accrued in the current year	41,435
Less bond premium recognized	<u>(421,901)</u>
Total Expense	<u>\$ 445,230</u>

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 7 - LONG-TERM OBLIGATIONS (continued)**

The following is a summary of the maturity of long-term Bond indebtedness:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal year ended June 30,			
2026	\$ 2,250,000	\$ 774,755	\$ 3,024,755
2027	2,355,000	667,745	3,022,745
2028	1,455,000	555,350	2,010,350
2029	1,365,000	487,800	1,852,800
2030	1,245,000	422,250	1,667,250
2031-2035	7,205,000	1,128,350	8,333,350
2036-2040	<u>765,000</u>	<u>30,600</u>	<u>795,600</u>
	<u>\$ 16,640,000</u>	<u>\$ 4,066,850</u>	<u>\$ 20,706,850</u>

**NOTE 8 - LEASES**

The District has acquired equipment under the provisions of various lease agreements. The District has various office equipment leases with Wayne-Finger Lakes BOCES expiring at various times through 2030, the leases do not contain renewal options. The leases have various inception dates and remaining terms of 11-57 months. Lease agreements are summarized as follows:

<u>Description</u>	<u>Interest Rate/ Discount Rate</u>	<u>Total Lease Liability</u>
BOCES Equipment	1.37 % to 4.03%	\$ <u>643,004</u>

Activity of lease liabilities for the year ended June 30, 2025, is summarized as follows:

<u>Beginning Balance</u>	<u>Additions</u>	<u>Subtractions</u>	<u>Ending Balance</u>	<u>Due in One Year</u>
\$ 10,387	\$ 671,689	\$ (39,072)	\$ 643,004	\$ 125,800

The following is a summary of the maturity of long-term Lease indebtedness:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal year ended June 30,			
2026	\$ 125,800	\$ 23,605	\$ 149,405
2027	130,758	18,447	149,205
2028	135,843	13,081	148,924
2029	141,038	7,514	148,552
2030	<u>109,565</u>	<u>1,849</u>	<u>111,414</u>
	<u>\$ 643,004</u>	<u>\$ 64,496</u>	<u>\$ 707,500</u>

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 9 - INTERFUND BALANCES AND ACTIVITY**

	Interfund		Interfund	
	Receivable	Payable	Revenues	Expenditures
General Fund	\$ 1,418,880	\$ 117,663	\$ 13,783	\$ 531,646
Special Aid Fund	117,471	1,267,049	76,454	13,783
School Food Service Fund	-	150,831	-	-
Debt Service Fund	549	-	-	-
Special Revenue Fund	-	1,000	-	-
Capital Fund	<u>192</u>	<u>549</u>	<u>455,192</u>	<u>-</u>
Total governmental activities	1,537,092	1,537,092	545,429	545,429
Fiduciary Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 1,537,092</u>	<u>\$ 1,537,092</u>	<u>\$ 545,429</u>	<u>\$ 545,429</u>

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

The General Fund typically subsidizes the special aid funds for short falls in operating revenues and the local share for of the special education summer programs District students attended.

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

The General Fund transferred funds from the capital reserve to the capital fund to be expended on authorized capital projects.

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

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 10 - PENSION PLANS**

**PLAN DESCRIPTIONS AND BENEFITS PROVIDED**

**Teachers' Retirement Systems (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 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 NYSSTRS Comprehensive Annual Financial report which can be found on the System's website at [www.nystrs.org](http://www.nystrs.org).

**Employees' Retirement Systems (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.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 10 - PENSION PLANS**

**PLAN DESCRIPTIONS AND BENEFITS PROVIDED (continued)**

**Contributions**

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 VI 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.

The District contributions made to the Systems were equal to 100% of the contributions required for each year. The required contributions for the current year and two preceding years were:

	<u>NYSTRS</u>	<u>NYSERS</u>
2024-2025	\$ 662,000	\$ 360,000
2023-2024	\$ 678,000	\$ 287,000
2022-2023	\$ 636,000	\$ 240,000

ERS has provided additional disclosures through entities that elected to participate in Chapter 260, 57, and 105.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 10 - PENSION PLANS (continued)**

**PENSION ASSETS/(LIABILITIES), PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

At June 30, 2025, 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, 2025 for ERS and June 30, 2024 for TRS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The District's proportion of the net pension asset/(liability) was based on a projection of the District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS Systems in reports provided to the District.

	<u>ERS</u>	<u>TRS</u>
Measurement date	31-Mar-25	30-Jun-24
Net pension asset/(liability)	\$(1,322,010)	\$ 1,059,752
District's portion of the Plan's total net pension asset/(liability)	0.0077104%	0.035319%
Change in proportion since the prior Measurement date	(0.0005863)%	(0.000171)%

For the year ended June 30, 2025, the District recognized pension expense of \$269,481 for ERS and the actuarial value of \$622,076 for TRS. At June 30, 2025, the District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience	\$ 328,132	\$ 1,141,158	\$ 15,478	\$ -
Changes of assumptions	\$ 55,442	\$ 633,946	\$ -	\$ 106,636
Net difference between projected and actual earnings on pension plan investments	\$ 103,721	\$ -	\$ -	\$ 1,177,474
Changes in proportion and differences between the District's contributions and proportionate share of contributions	\$ 53,201	\$ 104,668	\$ 100,629	\$ 6,052
District's contributions subsequent to the measurement date	<u>\$ 128,853</u>	<u>\$ 661,909</u>	<u>\$ -</u>	<u>\$ -</u>
Total	\$ 669,349	\$ 2,541,681	\$ 116,107	\$ 1,290,162

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 10 - PENSION PLANS (continued)**

**PENSION ASSETS/(LIABILITIES), PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

District contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/(liability) in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expense as follows:

	<u>ERS</u>	<u>TRS</u>
Fiscal year ended June 30,		
2026	\$ 217,311	\$ (513,330)
2027	336,770	1,324,815
2028	(127,439)	(188,507)
2029	(2,253)	(230,716)
2030	-	143,332
Thereafter	-	54,016

**Actuarial Assumptions**

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

Significant actuarial assumptions used in the valuations were as follows:

	<u>ERS</u>	<u>TRS</u>
Measurement Date	March 31, 2025	June 30, 2024
Actuarial Valuation Date	April 1, 2024	June 30, 2023
Investment Rate of Return	5.9%	6.95%
Salary Scale	4.3%, indexed by Service	1.95% - 5.18%
Projected COLAs	1.5%	1.3%
Decrement Tables	April 1, 2015-March 31, 2020 System's Experience	July 1, 2015-June 30, 2020 System's Experience
Inflation Rate	2.9%	2.4%

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-2021. 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, 2024 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, 2023 valuation are based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2020.



**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 10 - PENSION PLANS (continued)**

**Actuarial Assumptions (continued)**

The long term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance.

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 weighting 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	ERS	
	March 31, 2025	
<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
Domestic Equity	25%	3.54%
International Equity	14	6.57
Private Equity	15	7.25
Real Estate	12	4.95
Opportunistic/ARS portfolio	3	5.25
Credit	4	5.40
Real Asset	4	5.55
Fixed Assets	22	2.00
Cash	<u>1</u>	0.25
	<u>100%</u>	

\*Real rates of return are net of a long-term inflation assumption of 2.9%.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 10 - PENSION PLANS (continued)**

**Actuarial Assumptions (continued)**

Measurement Date	TRS June 30, 2024	Long-Term Expected Real Rate of Return*
<u>Asset Type</u>	<u>Target Allocation</u>	<u>of Return*</u>
Domestic Equity	33%	6.6%
International Equity	15	7.4
Global Equity	4	6.9
Real Estate Equity	11	6.3
Private Equity	9	10.0
Domestic Fixed Income	16	2.6
Global Bonds	2	2.5
Private Debt	2	5.9
Real Estate Debt	6	3.9
High-Yield Bonds	1	4.8
Cash Equivalents	1	0.5
Total	<u>100%</u>	

\*Real rates of return are net of a long-term inflation assumption of 2.4% for 2024.

**DISCOUNT RATE**

The discount rate used to calculate the total pension asset/(liability) was 5.90% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. 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 asset/(liability).

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 10 - PENSION PLANS (continued)**

**SENSITIVITY OF THE PROPORTIONATE SHARE OF THE NET PENSION ASSET/(LIABILITY) TO THE DISCOUNT RATE ASSUMPTION**

The following presents the District's proportionate share of the net pension asset/(liability) as of June 30, 2025 calculated using the discount rate of 5.90% for ERS and 6.95% for TRS, as well as what the District's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1-percentage-point lower (4.90% for ERS and 5.95% for TRS) or 1-percentage-point higher (6.90% for ERS and 7.95% for TRS) than the current rate :

	1% Decrease <u>(4.90%)</u>	Current Assumption <u>(5.90%)</u>	1% Increase <u>(6.90%)</u>
<b>ERS</b>			
Employer's proportionate share of the net pension asset (liability)	\$(3,826,063)	\$(1,322,010)	\$ 768,876
	1% Decrease <u>(5.95%)</u>	Current Assumption <u>(6.95%)</u>	1% Increase <u>(7.95%)</u>
<b>TRS</b>			
Employer's proportionate share of the net pension asset (liability)	\$(4,895,054)	\$ 1,059,752	\$ 6,067,903

**PENSION PLAN FIDUCIARY NET POSITION**

The components of the collective net pension asset/(liability) of ERS as of March 31, 2025, measurement date were as follows:

Total pension liability	\$ 247,600,239,000
ERS fiduciary net position	<u>(230,454,512,000)</u>
Employers' net pension (asset)/liability	<u>\$ 17,145,727,000</u>
ERS fiduciary net position as a Percentage of total pension liability/(asset)	<u>93.08%</u>

The components of the collective net pension liability of TRS as of June 30, 2024, measurement date were as follows:

Total pension liability	\$ 142,837,826,465
TRS fiduciary net position	<u>(145,821,434,780)</u>
Employers' net pension liability/(asset)	<u>\$ (2,983,608,315)</u>
TRS fiduciary net position as a Percentage of total pension liability/(asset)	<u>102.09%</u>

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 10 - PENSION PLANS (continued)**

**PENSION PLAN FIDUCIARY NET POSITION (continued)**

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

	<u>ERS</u>	<u>TRS</u>	<u>Total</u>
Measurement Date	March 31, 2025	June 30, 2024	
Employers' total pension liability	\$ 19,090,969	\$ 50,734,568	\$ 69,825,537
Plan Net Position	<u>(17,768,959)</u>	<u>(51,794,320)</u>	<u>(69,563,279)</u>
Employers' net pension (asset) liability	\$ 1,322,010	\$ (1,059,752)	\$ 262,258
Ratio of plan net position to the			
Employers' total net pension asset/(liability)	93.08%	102.09%	99.62%

Changes of assumptions about future economic or demographic factors or other inputs are amortized over a closed period equal to the average of the expected service lives of all employees that are provided with pension benefits.

Collective pension expense includes certain current period changes in the collective net pension asset/(liability), projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The collective pension expense for the year ended June 30, 2025, is \$269,481 for ERS and \$622,076 for TRS.

**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, 2025 represent the projected employer contributions for the period of April 1, 2025 through June 30, 2025 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2025, amounted to \$128,853 plus \$-0- of employee contributions for a total of \$128,853.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2025, are paid to the System in September, October, and November 2025 through a state aid intercept. Accrued retirement contributions as of June 30, 2025, represent employee and employer contributions for the fiscal year ended June 30, 2025, 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, 2025, amounted to \$731,279.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 11 - POST-EMPLOYMENT BENEFITS**

**GENERAL INFORMATION ABOUT THE OPEB PLAN**

**Plan Description**

The District administers a defined benefit OPEB plan that provides OPEB for all permanent full-time general employees of the District. The plan is a single-employer defined benefit OPEB plan (the Plan) administered by Article 11 of the State Compiled Statutes which grants the authority to establish and amend the benefit terms and financing requirements to the District's Board, subject to applicable collective bargaining and employment agreements, and Board of Education policy. The Plan does not issue a separate financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

The obligations of the Plan members and employers are established by action of the District pursuant to applicable collective bargaining and other employment agreements. Employees contribute varying percentages of the premiums, depending on when retired and their applicable agreements. Employees are required to reach age 55 and have 3 to 15 years of service to qualify for other post-employment benefits. The District currently funds the Plan to satisfy current obligations on a pay-as-you-go basis. During the year ended June 30, 2025, approximately \$525,871 net of reimbursement was paid on behalf of retirees.

**Benefits Provided**

The District provides continuation of medical and/Medicare Part B benefits for certain retirees and their spouses. The benefit terms are dependent on which contract each employee falls under, retirees and their spouses receive benefits for the lifetime of the retired employee. The specifics of each contract are on file at the District offices and are available upon request.

**Employees Covered by Benefit Terms** – At June 30, 2025, the following employees were covered by the benefit terms.

Inactive employees or beneficiaries	
currently receiving benefit payments	150
Active Plan Members	<u>108</u>
Total Plan Members	<u><u>258</u></u>

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 11 - POST-EMPLOYMENT BENEFITS (continued)**

**GENERAL INFORMATION ABOUT THE OPEB PLAN (continued)**

**Total OPEB Liability**

The District's total OPEB liability of \$11,992,682 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2024.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the June 30, 2025, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Long-Term Bond Rate	5.20%
Single Discount Rate	5.20%
Salary Scale	2.40%
Rate of Inflation	2.40%
Marital Assumption	80.00%
Participation Rate	100.00%
Healthcare Cost Trend Rates	6.4% scaling down to 3.8% in 51 years

The long-term bond rate is based on the Bond Buyer Weekly 20-Year Bond GO Index as of the measurement date (or the nearest business day thereto).

Mortality rates were based on the sex-distinct Pub-2010 Mortality Tables for employees and healthy annuitants, generationally projected using Scale MP-2021.

Rates of turnover and retirement rates are based on the experience under the New York State Employees' Retirement System (ERS) and the New York state Teachers' Retirement System (TRS). The ERS rates are based on the April 1, 2015-March 31, 2020 System's experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2021. For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021, applied on a generational basis.

Election percentage: It was assumed that 100% of current active members will elect coverage at retirement. 0% of active members currently taking a buyout or waiving coverage are assumed to elect coverage at retirement.

Spousal Coverage: It was assumed that 80% of future retirees will elect spousal coverage upon retirement.

Future Post-65 Coverage: It was assumed that 100% of future retirees and spouses will continue coverage past age 65.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 11 - POST-EMPLOYMENT BENEFITS (continued)**  
**GENERAL INFORMATION ABOUT THE OPEB PLAN (continued)**

**Total OPEB Liability (continued)**

The annual rate of increase in healthcare costs developed based on a review of published National trend survey data in relation to the retiree health plan offerings and updated long-term rates based on the Society of Actuaries Long Term Healthcare Cost Trend Models v2022 (the Getzen model).

The actuarial assumptions used in the July 1, 2024, valuation were consistent with the requirements of GASB Statement No. 75 and the Actuarial Standards of Practice (ASOPs)

**CHANGES IN THE TOTAL OPEB LIABILITY FOR THE PERIOD ENDING JUNE 30, 2025**

	<u>Total OPEB Liability</u>
Balance at June 30, 2024	\$ 17,120,613
<b>Changes for the year:</b>	
Service cost	416,960
Interest cost	677,437
Effect of demographic gains or losses	-
Differences between expected and actual experience	(3,440,912)
Changes in assumptions or other inputs	(2,175,567)
Benefit payments	<u>(605,849)</u>
Net change in Total OPEB Liability	<u>(5,127,931)</u>
Balance at June 30, 2025	<u>\$ 11,992,682</u>

Changes of benefit terms reflect changes in assumptions and other inputs including a change in the discount rate from 3.93% in 2024 to 5.20% in 2025.

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 (4.2%) or 1-percentage point higher (6.2%) than the current discount rate:

	1% Decrease <u>(4.2%)</u>	Discount Rate <u>(5.2%)</u>	1% Increase <u>(6.2%)</u>
Total OPEB liability	\$13,513,005	\$11,992,682	\$10,717,128

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate – The following presents the total OPEB liability of the School District, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rate:

	1% Decrease <u></u>	Current Trend Rates <u></u>	1% Increase <u></u>
Total OPEB liability	\$10,496,168	\$11,992,682	\$13,838,908

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 11 - POST-EMPLOYMENT BENEFITS (continued)**

**OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB**

For the year ended June 30, 2025, the District recognized OPEB expense of \$3,525,384.

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 148,563	\$16,335,739
Changes in assumptions or other inputs	2,430,724	5,473,571
Contributions subsequent to measurement date	<u>-</u>	<u>-</u>
Total	<u>\$ 2,579,287</u>	<u>\$21,809,310</u>
	<u>Amount</u>	
Fiscal year ended June 30,		
2026	\$ (4,683,063)	
2027	(5,898,954)	
2028	(4,131,591)	
2029	(3,238,862)	
2030	(926,524)	
Thereafter	(351,029)	

**NOTE 12 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, theft, damage, injuries, errors and omissions, natural disasters, and other risks. 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.



**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 12 - RISK MANAGEMENT(continued)**

The District acquires health insurance through a consortium known as the Finger Lakes Area School Health Plan. Benefits provided by the consortium are administered by Excellus BlueCross BlueShield.

The District participates in a risk sharing pool, Risk Retention, to insure Workers' Compensation claims. This is a public entity risk pool created under Article 5, Workers' Compensation Law, to finance liability and risks related to Workers' Compensation claims.

District employees are entitled to coverage under the New York State Unemployment Insurance Law. The District has elected to discharge its liability to the New York State Unemployment Insurance Fund (the Fund) by the benefit reimbursement method, a dollar-for-dollar reimbursement to the fund for benefits paid from the fund to former employees. The District has established a self-insurance fund to pay these claims. The balance of the fund at June 30, 2025, was \$106,428 and is recorded in the General Fund as an Unemployment Insurance Reserve. In addition, as of June 30, 2025, no loss contingencies existed or were considered probable or estimated for incurred but not reported claims payable.

**NOTE 13 - TAX ABATEMENTS**

The County of Wayne, enters into various property tax abatement programs for the purpose of economic development. The Wayne County Industrial Development Agency & Economic Development (the Agency), created by Chapter 565 of the Laws of 1970 of the State of New York pursuant to Title I of Article 18-A of General Municipal Law of the State of New York (collectively "the Act"), has three real property tax abatement agreements with various businesses in the District under Section 412-a of the New York State Real Property Tax Law and Section 874 of the Act for the purpose of economic development in the District. Generally, these agreements provide for an abatement of real property taxes in exchange for a payment in lieu of taxes (PILOT) based on the requirements noted in said individual agreements, the PILOT will discontinue as outlined in each agreement. Additionally, the Towns of Galen and Savannah have entered into residential PILOTS with three entities. As a result of these tax abatement agreements, for the year ended June 30, 2025, the District's property tax revenues were reduced by \$60,865. The District received payment in Lieu of Tax (PILOT) payments totaling \$56,797.

**NOTE 14 - FUND BALANCES**

Portions of fund balances are reserved and not available for current expenses or expenditures, as reported in the Governmental Funds Balance Sheet.

**NOTE 15 - DONOR-RESTRICTED ENDOWMENTS**

The District administers an endowment fund, reported in the miscellaneous special revenue fund, which is restricted by the donor. Donor-restricted endowments are reported at fair value. The District authorizes expenditures from donor-restricted endowments in compliance with the wishes expressed by the donor, which varies among the unique endowments administered by the District.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 16 - COMMITMENTS AND CONTINGENCIES**

**Grants**

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

**Construction Contracts**

The District has remaining commitments in the amount of \$16,527,758 to five contractors for the current capital project, outstanding contracts totaled \$17,803,560 at June 30, 2025.

**NOTE 17 - RESTATEMENT OF PRIOR YEAR**

During the year ended June 30, 2025, the District implemented GASB Statement No. 101, Compensated Absences. This Statement requires that governments recognize a liability for certain types of compensated absences when the leave is earned rather than when it is used, and update measurement and disclosure requirements accordingly.

The implementation of GASB 101 resulted in the recognition of additional compensated absences liabilities that were not previously recorded under the prior accounting guidance. As a result, beginning net position was restated as follows:

	<u>Governmental Activities Net Position</u>
Balance at June 30, 2024, as previously reported	\$ 10,239,743
Restatement of beginning balance – Adoption of GASB No. 101	
Adjustment: Compensated Absences	<u>(238,108)</u>
Balance at June 30, 2024, as restated	<u>\$ 10,001,635</u>

The implementation of GASB 101 resulted in the elimination of compensated absences liabilities that were previously recorded under the prior accounting guidance. As a result, beginning fund balance was restated as follows:

	<u>Governmental Fund Balance General Fund</u>
Balance at June 30, 2024, as previously reported	\$ 10,654,476
Restatement of beginning balance – Adoption of GASB No. 101	
Adjustment: Compensated Absences removed	<u>119,530</u>
Balance at June 30, 2024, as restated	<u>\$ 10,774,006</u>

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 18 - SUBSEQUENT EVENTS**

The District has evaluated events and transactions that occurred between June 30, 2025 and September 28, 2025, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
SCHEDULES OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET  
AND THE REAL PROPERTY TAX LIMIT - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

**CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET**

Adopted Budget	\$ 27,930,065
Add: Prior Year's Encumbrances	630,736
Original Budget	<u>28,560,801</u>
Budget Additions and Adjustments	361,697
Final Budget	<u><u>\$ 28,922,498</u></u>

Next year's budget is a voter-approved budget of: \$ 29,141,410

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

2025-2026 Voter-approved Expenditure Budget  
Maximum Allowed 4% of 2025-2026 Budget \$ 29,141,410

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

Unrestricted Fund Balance:	
Committed Fund Balance	-
Assigned Fund Balance	609,220
Unassigned Fund Balance	<u>1,222,387</u>
Total Unrestricted Fund Balance	<u><u>\$ 1,831,607</u></u>

Less:	
Appropriated Fund Balance	300,000
Tax Reduction Reserve	56,731
Encumbrances Included in Committed and Assigned Fund Balance	<u>309,220</u>
Total Adjustments	<u><u>\$ 665,951</u></u>

General Fund Balance Subject to Section 1318	
Real Property Tax Law	<u><u>\$ 1,165,656</u></u>

Actual Percentage	4.00%
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See paragraph on supplementary schedules included in auditors' report.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL -**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
<b>REVENUES</b>				
Local Sources:				
Real Property Taxes	\$ 5,269,278	\$ 4,481,146	\$ 4,478,535	\$ (2,611)
Other Tax Items	68,385	856,517	865,266	8,749
Nonproperty taxes	320,000	320,000	361,404	41,404
Charge for Services	51,500	51,500	31,864	(19,636)
Use of Money and Property	100,000	100,000	373,885	273,885
Sale of Property and Compensation for Loss	500	500	980	480
Miscellaneous	305,000	305,000	686,530	381,530
Total Local Sources	6,114,663	6,114,663	6,798,464	683,801
State Sources	21,365,402	21,365,402	21,941,264	575,862
Federal Sources	100,000	100,000	135,336	35,336
Total Revenues	27,580,065	27,580,065	28,875,064	1,294,999
<b>OTHER FINANCING SOURCES</b>				
Lease Financing	-	-	671,689	671,689
Appropriated Fund Balance	300,000	1,292,433	-	(1,292,433)
Transfers from Other Funds	50,000	50,000	13,783	(36,217)
Total Revenues and Other Financing Sources	\$ 27,930,065	\$ 28,922,498	\$ 29,560,536	\$ 638,038

See paragraph on supplementary schedules included in auditors' report.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**(CONTINUED)**

<b>EXPENDITURES</b>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Year-End Encumbrances</u>	<u>Final Budget Variance with Budgetary Actual and Encumbrances</u>
General Support:					
Board of Education	\$ 45,000	\$ 53,100	\$ 47,313	\$ 308	\$ 5,479
Central Administration	258,500	256,070	245,689	1,477	8,904
Finance	610,639	607,804	560,988	607	46,209
Staff	251,840	231,340	140,487	-	90,853
Central Services	2,436,501	2,888,385	2,339,188	168,227	380,970
Special Items	267,503	393,088	352,616	-	40,472
Total General Support	<u>3,869,983</u>	<u>4,429,787</u>	<u>3,686,281</u>	<u>170,619</u>	<u>572,887</u>
Instruction					
Instruction, Administration and Improvement	1,058,625	1,113,008	1,028,521	350	84,137
Teaching - Regular School	4,827,920	4,856,549	4,552,060	45,853	258,636
Programs for Students with Disabilities	3,932,240	3,741,745	3,360,432	2,250	379,063
Occupational Education	562,775	538,795	505,197	-	33,598
Teaching - Special Schools	75,400	99,900	94,396	-	5,504
Instructional Media	1,043,442	2,539,173	3,097,048	30,515	(588,390)
Pupil Services	1,140,662	1,138,979	912,788	2,260	223,931
Total Instruction	<u>12,641,064</u>	<u>14,028,149</u>	<u>13,550,442</u>	<u>81,228</u>	<u>396,479</u>
Pupil Transportation	1,752,074	1,919,808	1,672,818	57,373	189,617
Community Services	337,770	231,970	197,937	-	34,033
Employee Benefits	6,086,969	4,684,679	4,482,333	-	202,346
Debt Service	<u>3,042,205</u>	<u>3,068,105</u>	<u>3,067,550</u>	<u>-</u>	<u>555</u>
Total Expenditures	27,730,065	28,362,498	26,657,361	309,220	1,395,917
<b>OTHER FINANCING USES</b>					
Transfers to Other Funds	<u>200,000</u>	<u>560,000</u>	<u>531,646</u>	<u>-</u>	<u>28,354</u>
Total Expenditures and Other Uses	<u>\$ 27,930,065</u>	<u>\$ 28,922,498</u>	<u>27,189,007</u>	<u>\$ 309,220</u>	<u>\$ 1,424,271</u>
Revenue and Other Sources over Expenditures and Other Uses			2,371,529		
Fund Balance - Beginning of the Year			10,654,476		
Restatement - Change in Accounting			<u>119,530</u>		
Fund Balance - Beginning of the Year, Restated			10,774,006		
Fund Balance - End of the Year			<u>\$ 13,145,535</u>		

See paragraph on supplementary schedules included in auditors' report.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**SCHEDULE OF CAPITAL PROJECTS FUND - PROJECT EXPENDITURES AND FINANCING RESOURCES**  
**FOR THE YEAR ENDED JUNE 30, 2025**

Project Title	Original Appropriation	Revised Appropriation	Expenditures to Date			Unexpended Balance	Proceeds of Obligations	Excel	Local Sources	Total	Fund Balance June 30, 2025
			Prior Year	Current Year	Total						
<b>Project Title</b>											
Capital Outlay	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 100,000
Capital Outlay	100,000	100,000	86,974	-	86,974	13,026	-	-	100,000	100,000	13,026
Capital Outlay	100,000	100,000	98,206	-	98,206	1,794	-	-	100,000	100,000	1,794
Capital Outlay	100,000	100,000	91,434	-	91,434	8,566	-	-	100,000	100,000	8,566
Auditorium Project	25,600,000	25,600,000	730,846	635,797	1,366,643	24,233,357	-	-	5,000,000	5,000,000	3,633,357
Capital Improvement Project	25,918,944	25,918,944	26,942,275	-	26,942,275	(1,023,331)	17,115,000	339,429	9,645,630	27,100,059	157,784
Smart School Bond Act	1,181,056	1,181,056	1,181,056	-	1,181,056	-	-	1,181,056	-	1,181,056	-
Transformer Mitigation Project	727,000	727,000	365,922	79,025	444,947	282,053	-	-	400,000	400,000	(44,947)
Transformer Mitigation Project -2	300,000	300,000	92,535	53,580	146,115	153,885	-	-	300,000	300,000	153,885
Bus Purchases	355,000	355,000	-	355,132	355,132	(132)	-	-	355,132	355,132	-
	<u>\$ 54,482,000</u>	<u>\$ 54,482,000</u>	<u>\$ 29,589,248</u>	<u>\$ 1,123,534</u>	<u>\$ 30,712,782</u>	<u>\$ 23,769,218</u>	<u>\$ 17,115,000</u>	<u>\$ 1,520,485</u>	<u>\$ 16,100,762</u>	<u>\$ 34,736,247</u>	<u>\$ 4,023,465</u>

See paragraph on supplementary schedules included in auditors' report.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
SCHEDULE OF NET INVESTMENT IN CAPITAL ASSETS  
FOR THE YEAR ENDED JUNE 30, 2025**

Capital Assets, Net	<u>\$ 50,032,873</u>
Deduct:	
Unamortized Bond premium	2,087,237
Short-term portion of Bonds Payable	2,250,000
Short-term Portion of Lease Payable	125,800
Long-Term portion of Bonds Payable	14,390,000
Long-Term Portion of Leases Payable	<u>517,204</u>
	<u>19,370,241</u>
Net Investment in Capital Assets	<u><u>\$ 30,662,632</u></u>

See paragraph on supplementary schedules included in auditors' report.



**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY  
AND RELATED RATIOS FOR THE LAST 10 FISCAL YEARS**

Measurement Date	2025 June 30, 2025	2024 June 30, 2024	2023 June 30, 2023	2022 June 30, 2022	2021 June 30, 2021	2020 June 30, 2020	2019 June 30, 2019	2018 June 30, 2018
<b>Total OPEB Liability</b>								
Service cost	\$ 416,960	\$ 564,096	\$ 496,577	\$ 1,202,783	\$ 1,062,133	\$ 1,539,928	\$ 1,593,526	\$ 1,207,255
Interest	677,437	637,821	1,144,861	865,530	1,103,864	1,407,920	1,122,501	1,073,351
Changes in benefit terms	-	-	-	-	-	-	(361,775)	-
Differences between expected and actual experience in the measurement of the total OPEB liability	(3,440,912)	-	(15,907,253)	-	(14,682,162)	-	1,587,313	42,153
Changes of assumptions or other inputs	(2,175,567)	(636,337)	63,536	(8,116,463)	3,686,631	8,402,189	24,836	-
Benefit payments	(605,849)	(704,505)	(758,008)	(1,193,758)	(1,183,877)	(1,112,986)	(1,094,873)	(1,046,908)
Net change in total OPEB liability	<u>(5,127,931)</u>	<u>(138,925)</u>	<u>(14,960,287)</u>	<u>(7,241,908)</u>	<u>(10,013,411)</u>	<u>10,237,051</u>	<u>2,871,528</u>	<u>1,275,851</u>
Total OPEB liability - beginning	<u>17,120,613</u>	<u>17,259,538</u>	<u>32,219,825</u>	<u>39,461,733</u>	<u>49,475,144</u>	<u>39,238,093</u>	<u>36,366,565</u>	<u>35,090,714</u>
Total OPEB liability - ending	<u>\$ 11,992,682</u>	<u>\$ 17,120,613</u>	<u>\$ 17,259,538</u>	<u>\$ 32,219,825</u>	<u>\$ 39,461,733</u>	<u>\$ 49,475,144</u>	<u>\$ 39,238,093</u>	<u>\$ 36,366,565</u>
Covered payroll	<u>\$ 6,286,781</u>	<u>\$ 6,135,768</u>	<u>\$ 6,135,768</u>	<u>\$ 5,469,375</u>	<u>\$ 5,469,375</u>	<u>\$ 6,501,741</u>	<u>\$ 6,501,741</u>	<u>\$ 8,511,844</u>
Total OPEB liability as a percentage of covered payroll	190.76%	279.03%	281.29%	589.10%	721.50%	760.95%	603.50%	427.25%

Changes of Assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The discount rate in effect at the current measurement date is 5.2%.

10 years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical data is available

(1) Data not available prior to fiscal year 2018 implementation of Government Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*

See paragraph on supplementary schedules included in auditors' report.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**SCHEDULE OF THE LOCAL GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**LAST 10 FISCAL YEARS**

**New York State Teachers Retirement System (TRS)**

	<u>2025</u>	<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>
District's proportion of the net pension liability (asset)	0.035519%	0.035690%	0.036643%	0.036613%	0.040395%	0.040102%	0.040578%	0.041662%	0.041134%	0.040824%
District's proportionate share of the net pension liability (asset)	\$ (1,059,752)	\$ 408,146	\$ 703,142	\$ (6,344,612)	\$ 1,116,230	\$ (1,041,857)	\$ (733,753)	\$ (316,671)	\$ 440,559	\$ (4,240,332)
District's covered-employee payroll	\$ 6,781,854	\$ 6,591,648	\$ 6,531,943	\$ 6,790,344	\$ 6,878,396	\$ 6,780,310	\$ 6,669,753	\$ 6,651,859	\$ 6,388,970	\$ 6,175,779
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-15.63%	6.19%	10.76%	-93.44%	16.23%	-15.37%	-11.00%	-4.76%	6.90%	(66.37%)
Plan fiduciary net position as a percentage of the total pension liability	102.09%	99.17%	98.57%	113.25%	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%

Note - amounts presented for each fiscal year were determined as of the June 30th measurement date as of the prior fiscal year

**New York State Employees Retirement System (ERS)**

	<u>2025</u>	<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>
District's proportion of the net pension liability (asset)	0.0077104%	0.0082967%	0.0080524%	0.0062285%	0.0063527%	0.0065904%	0.0070028%	0.0071932%	0.0064694%	0.0063815%
District's proportionate share of the net pension liability (asset)	\$ 1,322,010	\$ 1,221,617	\$ 1,726,757	\$ (509,156)	\$ 6,326	\$ 1,745,185	\$ 496,172	\$ 232,158	\$ 607,875	\$ 1,024,244
District's covered-employee payroll	\$ 2,506,161	\$ 2,313,095	\$ 2,238,257	\$ 1,710,326	\$ 1,750,876	\$ 1,696,650	\$ 1,784,272	\$ 1,904,453	\$ 1,683,176	\$ 1,583,430
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	52.75%	52.81%	77.15%	-29.77%	0.36%	102.86%	27.81%	12.19%	36.11%	64.69%
Plan fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

Note - amounts presented for each fiscal year were determined as of the March 31st measurement date as of the current fiscal year

See paragraph on supplementary schedules included in auditors' report.

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT**  
**SCHEDULE OF THE LOCAL GOVERNMENT'S SHARE OF CONTRIBUTIONS**  
**LAST 10 FISCAL YEARS**

**New York State Teachers Retirement System (TRS)**

	<u>2025</u>	<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>
Contractually required contribution	\$ 661,909	\$ 678,281	\$ 636,160	\$ 592,226	\$ 607,473	\$ 710,871	\$ 647,733	\$ 774,052	\$ 841,506	\$ 1,075,094
Contributions in relation to the contractually required contribution	<u>661,909</u>	<u>678,281</u>	<u>636,160</u>	<u>592,226</u>	<u>607,473</u>	<u>710,871</u>	<u>647,733</u>	<u>774,052</u>	<u>841,506</u>	<u>1,075,094</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll	\$ 6,781,854	\$ 6,591,648	\$ 6,531,943	\$ 6,790,344	\$ 6,878,396	\$ 6,780,310	\$ 6,669,753	\$ 6,651,859	\$ 6,388,970	\$ 6,175,779
Contributions as a percentage of covered employee payroll	9.76%	10.29%	9.74%	8.72%	8.83%	10.48%	9.71%	11.64%	13.17%	17.41%

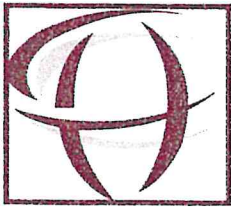
Note - amounts presented for each fiscal year were determined as of the June 30th measurement date as of the prior fiscal year

**New York State Employees Retirement System (ERS)**

	<u>2025</u>	<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>
Contractually required contribution	\$ 359,517	\$ 287,290	\$ 239,661	\$ 258,175	\$ 238,425	\$ 232,418	\$ 249,130	\$ 272,666	\$ 242,210	\$ 248,291
Contributions in relation to the contractually required contribution	<u>359,517</u>	<u>287,290</u>	<u>239,661</u>	<u>258,175</u>	<u>238,425</u>	<u>232,418</u>	<u>249,130</u>	<u>272,666</u>	<u>242,210</u>	<u>248,291</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll	\$ 2,506,161	\$ 2,313,095	\$ 2,238,257	\$ 1,710,326	\$ 1,750,876	\$ 1,696,650	\$ 1,784,272	\$ 1,904,453	\$ 1,683,176	\$ 1,583,430
Contributions as a percentage of covered employee payroll	14.35%	12.42%	10.71%	15.10%	13.62%	13.70%	13.96%	14.32%	14.39%	15.68%

Note - amounts presented for each fiscal year were determined as of the March 31st measurement date as of the current fiscal year

See paragraph on supplementary schedules included in auditors' report.



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Government Audit Quality Center  
Employee Benefit Plan Audit Quality Center

**INDEPENDENT AUDITORS' 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  
Clyde-Savannah Central School District

We have audited, in accordance with the 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Clyde-Savannah Central School District, as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise Clyde-Savannah Central School District's basic financial statements and have issued our report thereon dated September 28, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Clyde-Savannah Central School District's internal control over financial reporting (internal control) as a basis for designing 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 Clyde-Savannah Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Clyde-Savannah 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 or significant deficiencies may exist that were not been identified.



**INDEPENDENT AUDITORS' 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  
(CONTINUED)**

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Clyde-Savannah Central School 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 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.

*Crowley & Halloran, CPAs, P.C.*

Watertown, NY  
September 28, 2025

**CLYDE-SAVANNAH CENTRAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2025**

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

1. The auditors' report expresses an unmodified opinion on the general purpose financial statements of Clyde-Savannah Central School District.
2. There were no significant deficiencies disclosed during the audit of the general purpose financial statements of Clyde-Savannah Central School District.
3. No instances of noncompliance material to the financial statements of Clyde-Savannah Central School District were disclosed during the audit.

**SECTION II - FINANCIAL STATEMENT FINDINGS**

None Noted